

KARNATAKA ELECTRICITY REGULATORY COMMISSION

TARIFF ORDER 2023

OF

MESCOM

ANNUAL PERFORMANCE REVIEW FOR FY22

&

APPROVAL OF REVISED ANNUAL REVENUE REQUIREMENT

FOR FY24

&

REVISION of RETAIL SUPPLY TARIFF FOR FY24

12th May, 2023

**No. 16 C-1, Miller Tank Bed Area,
Vasanthnagar, Bengaluru-560 052**

Phone: 080-22268677/22268678/22268679

Fax: 080-22268667/22370214

Website: <https://karunadu.karnataka.gov.in/kerc>

E-mail: kerc-ka@nic.in

CONTENTS

CHAPTER		Page No.
1	CHAPTER – 1 INTRODUCTION	
1.0	Mangalore Electricity Supply Company Ltd., - (MESCOM)	03
1.1	The MESCOM at a Glance	05
	CHAPTER – 2 SUMMARY OF FILING & TARIFF DETERMINATION PROCESS	
2.0	Background for Current Filing	06
2.1	Preliminary Observations of the Commission	06
2.2	Acceptance of Applications and Publication of Notices	07
2.3	Public Hearing Process	07
2.4	Consultation with the State Advisory Committee of the Commission	08
	CHAPTER – 3 PUBLIC CONSULTATION - SUGGESTIONS / OBJECTIONS & REPLIES	
3.1	Public Consultation – Suggestions / Objections and Replies	09
3.2	List of persons who filed written objections	09
3.3	List of persons who made oral submissions during Public Hearing	12
3.4	List of the Persons who submitted written Objections during the Public Hearing	13
3.6	Summary of the additional points raised during the Public Hearing including written submissions received which are not listed in para 3.2	13
	CHAPTER – 4 ANNUAL PERFORMANCE REVIEW FOR FY22	
4.0	MESCOM's Application for APR for FY22	20
4.1	MESCOM's Submission	20
4.2	MESCOM's Financial Performance as per Audited Accounts for FY22	22
4.2.1	Sales for FY22	23
4.2.2	Power Purchase for FY22	29
4.2.3	RPO Compliance for FY22	42
4.2.4	Distribution Losses for FY22	45
4.2.5	Capital Expenditure – APR for FY22	47
4.2.6	Operation and Maintenance Expenses	50
4.2.7	Depreciation	54
4.2.8	Interest and Finance Charges	57
4.2.9	Other Debits	61
4.2.10	Extraordinary Items	62
4.2.11	Return on Equity	63
4.2.12	Income Tax	65
4.2.13	Other Income	65
4.2.14	Fund towards Consumer Relations/Consumer Education	67
4.2.15	Carrying Cost on the Regulatory Assets	67

4.2.16	Subsidy for FY22	68
4.2.17	Revenue for FY22	68
4.3	Abstract of Approved ARR for FY22	69
4.3.1	Gap in Revenue for FY22	70
	CHAPTER – 5 ANNUAL REVENUE REQUIREMENT FOR FY24	
5.0	Annual Revenue Requirement (ARR) for FY24 MESCOM's Filing	71
5.1	Annual Performance Review for FY22 and FY23	72
5.2	Annual Revenue Requirement for FY24	73
5.2.1	Capital Investments for FY24	73
5.2.2	Sales Forecast for FY24	76
5.2.3	Distribution Losses for FY24	89
5.2.4	Power Purchase for FY24	90
5.2.5	Sources of Power	91
5.2.6	MESCOM's Power Purchase Quantum Cost & Transmission charges for FY24	95
5.2.7	RPO Compliance for FY23 & FY24	98
5.2.8	O & M Expenses for FY24	98
5.2.9	Depreciation	103
5.2.10	Interest on Capital Loans	105
5.2.11	Interest on working capital loan	106
5.2.12	Interest on Consumer Security Deposit	108
5.2.13	Other Power Purchase Liabilities	109
5.2.14	Other Interest and Finance Charges	110
5.2.15	Interest and other expenses capitalized	111
5.2.16	Interest and Finance charges	111
5.2.17	Return on Equity	111
5.2.18	Other Income	114
5.2.19	Fund towards Consumer Relations/Consumer Education	115
5.2.20	Other Debits	115
5.2.21	Revenue	115
5.3	Tariff Subsidy for FY24	116
5.4	Abstract of ARR for FY24	116
5.5	Segregation of ARR into ARR for Distribution Business and ARR for Retail Supply Business	117
5.6	Gap/Surplus in Revenue for FY24	119
	CHAPTER – 6 DETERMINATION OF RETAIL SUPPLY TARIFF FOR FY24	
6.0	Revision of Retail Supply Tariff for FY24- MESCOM's Proposals and Commission's Decisions	120
6.1	Tariff Application	120
6.2	Statutory Provisions guiding determination of Tariff	120
6.3	Factors Considered for Tariff setting	121
6.4	New Tariff Proposals by MESCOM	123
6.5	Revenue at existing tariff and deficit for FY24	142
6.6	Category-wise Existing, Proposed and Approved Tariffs	142

6.7	Wheeling and Banking Charges	172
6.7.1	Wheeling within MESCOM Area	174
6.7.2	Wheeling of Energy using Transmission Network or Network of more than one licensee	175
6.7.3	In case the Wheeling of Energy involves usage of Transmission Network or Network of more than one Licensee	175
6.7.4	Charges for Wheeling of Energy by Renewable Energy (RE) Sources (Non-REC Route) to the Consumers in the State	178
6.7.5	Charges for Wheeling Energy by RE Sources Wheeling Energy from the State to a Consumer/Others Outside the State	178
6.7.6	Banking Charges for RE sources	178
6.7.7	Cross Subsidy Surcharge [CSS]	178
6.8	Additional Surcharge [ASC]	183
6.9	Other Issues	186
6.10	Summary of the Tariff Order	190
	Commission's Order	193
	APPENDIX - REVIEW OF COMPLIANCE OF COMMISSION'S DIRECTIVES	194
	Appendix-1	238

LIST OF ANNEXURES

ANNEXURE NO.	DETAILS OF ANNEXURES	Page No.
1	ESCOMs Total Power Purchase for FY24	289
2	MESCOM Approved Power Purchase for FY24	293
3	Proposed And Approved Revenue And Realisation And Level Of Cross Subsidy For FY24 of MESCOM	297
4	Calculations for surcharge payable by Open Access Customers FY24	298
5	Electricity Tariff 2024	299

LIST OF TABLES

Table No.	Content	Page No.
4.1	APR for FY22 – MESCOM's Submission	20
4.2	Financial Performance of MESCOM for FY22	22
4.3	MESCOM's Accumulated Profit / Loss	22
4.4	Category wise sales approved Vs Actuals for FY22	23
4.5	Category-wise Sales Approved for FY21 as per APR	28
4.6	Power Purchase for FY22 - Approved and Actuals	29
4.7	Non – Solar RPO Compliance	42
4.8	Solar RPO Compliance	43
4.9	Break-up of Capital expenditure for FY22	47
4.10	O & M Expenses - MESCOM's submission	51
4.11	Approved O&M Expenses as per Tariff Order dated 09.06.2021	51
4.12	Allowable inflation for FY22	52
4.13	Normative O & M Expenses	53
4.14	Allowable O & M Expenses for FY22	54
4.15	Depreciation for FY22- MESCOM's Submission	55
4.16	Allowable Depreciation for FY22	56
4.17	Allowable Interest on Loans – FY22	57
4.18	Interest on Working Capital for FY22-MESCOM's Submission	58
4.19	Allowable Interest on Working Capital for FY22	59
4.20	Allowable Interest and Finance Charges	61
4.21	Allowable Other Debits	62
4.22	MESCOM Submission – RoE for FY22	63
4.23	Status of Debt Equity Ratio for FY22	64
4.24	Allowable Return on Equity	64
4.25	Return on equity for the additional equity received during FY22	65
4.26	MESCOM's Approved revised ARR as per APR for FY22	69
5.1	Proposed ARR for FY24	71
5.2	MESCOM's Proposed Capex for FY24	73
5.3	Approved Energy Sales to IP Sets for FY24	84
5.4	Category wise approved number of installations	87
5.5	Category wise approved energy sales	88
5.6	Requirement of Energy as filed by ESCOMs	90
5.7	Energy Requirement as filed by MESCOM	91
5.8	Power Purchase requirement of MESCOM for FY24	92
5.9	Abstract of Power Purchase Requirement of the State for the year FY24	94
5.10	Power Purchase requirement for the MESCOM for the FY24	95
5.11	Transmission & SLDC Charges	97

5.12	Abstract of Power Purchase Approved for MESCOM for FY24	97
5.13	O&M Expenses for FY24 - MESCOM's Proposal	99
5.14	Computation of Inflation Index for FY24	101
5.15	Approved O & M expenses for FY24	103
5.16	Approved Net Depreciation for FY24	104
5.17	Interest on Capital Loans– MESCOM's Submissions for FY24	105
5.18	Approved Interest on capital loan for FY24	106
5.19	Interest on Working Capital Loan for FY24 MESCOM's Submission	107
5.20	Approved Interest on Working Capital Loan for FY24	108
5.21	Interest on Consumer Security Deposits for FY24 - MESCOM's Proposal	108
5.22	Approved Interest on Consumer Security Deposits for FY24	109
5.23	Approved Interest and finance charges for FY24	111
5.24	Return on Equity – MESCOM's Proposal	112
5.25	Status of Debt Equity Ratio for FY24	113
5.26	Approved Return on Equity for FY24	113
5.27	Other Income - MESCOM's Proposal	114
5.28	Approved ARR for FY24	116
5.29	Approved Segregation of ARR – FY24	118
5.30	Approved Revised ARR for Distribution Business – FY24	118
5.31	Approved ARR for Retail Supply Business – FY24 - MESCOM	118
5.32	Revenue Deficit for FY24	119

ABBREVIATIONS	
ABT	Availability Based Tariff
AEH	All Electric Home
A & G	Administrative & General Expenses
ARR	Annual Revenue Requirement
ATE	Appellate Tribunal for Electricity
BST	Bulk Supply Tariff
CAPEX	Capital Expenditure
CERC	Central Electricity Regulatory Commission
CEA	Central Electricity Authority
CPI	Consumer Price Index
CWIP	Capital Work in Progress
DA	Dearness Allowance
DCB	Demand, Collection & Balance
DPR	Detailed Project Report
EA	Electricity Act
EC	Energy Charges
ERC	Expected Revenue From Charges
ESAAR	Electricity Supply Annual Accounting Rules
ESCOMs	Electricity Supply Companies
FA	Financial Adviser
FKCCI	Federation of Karnataka Chamber of Commerce & Industry
For	Forum of Regulators
FY	Financial Year
GFA	Gross Fixed Assets
Gol	Government Of India
GoK	Government Of Karnataka
GRIDCO	Grid Corporation
HP	Horse Power
HRIS	Human Resource Information System
ICAI	Institute of Chartered Accountants of India
IFC	Interest and Finance Charges
IW	Industrial Worker
IP SETS	Irrigation Pump Sets
KASSIA	Karnataka Small Scale Industries Association
KEB	Karnataka Electricity Board
KER Act	Karnataka Electricity Reform Act
KERC	Karnataka Electricity Regulatory Commission
KM/Km	Kilometre
KPCL	Karnataka Power Corporation Limited
KPTCL	Karnataka Power Transmission Corporation Limited
kV	Kilo Volts
kVA	Kilo Volt Ampere
kW	Kilo Watt
kWH	Kilo Watt Hour
LDC	Load Despatch Centre

MAT	Minimum Alternate Tax
MD	Managing Director
MESCOM	Mangalore Electricity Supply Company
MFA	Miscellaneous First Appeal
MIS	Management Information System
MoP	Ministry of Power
MU	Million Units
MVA	Mega Volt Ampere
MW	Mega Watt
MYT	Multi Year Tariff
NFA	Net Fixed Assets
NLC	Neyveli Lignite Corporation
NCP	Non Coincident Peak
NTP	National Tariff Policy
O&M	Operation & Maintenance
P & L	Profit & Loss Account
PLR	Prime Lending Rate
PPA	Power Purchase Agreement
PRDC	Power Research & Development Consultants
R & M	Repairs and Maintenance
ROE	Return on Equity
ROR	Rate of Return
ROW	Right of Way
RPI	Retail Price Index
RPO	Renewable Purchase Obligation
REC	Renewable Energy Certificate
SBI	State Bank of India
SCADA	Supervisory Control and Data Acquisition System
SERCs	State Electricity Regulatory Commissions
SLDC	State Load Despatch Centre
SRLDC	Southern Regional Load Dispatch Centre
STU	State Transmission Utility
TAC	Technical Advisory Committee
TCC	Total Contracted Capacity
T&D	Transmission & Distribution
TCs	Transformer Centres
TR	Transmission Rate
VVNL	Visvesvaraya Vidyuth Nigama Limited
WPI	Wholesale Price Index
WC	Working Capital

KARNATAKA ELECTRICITY REGULATORY COMMISSION**No.16C-1. Miller Tank Bed Area, Vasanthnagar
BENGALURU - 560 052****Dated 12th May, 2023****In the matter of:**

Application of the Mangalore Electricity Supply Company Limited, in respect of the Annual Performance Review for FY22, Approval of Revised Annual Revenue Requirement for FY24 and Revision of Retail Supply Tariff for FY24, under Multi Year Tariff framework.

Present:

Shri P. Ravi Kumar Chairman
Shri H.M. Manjunatha Member
Shri M.D. Ravi Member

O R D E R

The Mangalore Electricity Supply Company Ltd., (hereinafter referred to as 'MESCOM') is a Distribution Licensee, under the provisions of the Electricity Act, 2003. The MESCOM has filed its application on 30.11.2022 and has prayed for considering the following:

- Consider the Annual Performance Review for FY22 as detailed in Chapter-04.
- Consider the Energy Sales projections of MESCOM for FY24 as detailed in Chapter-05.
- Consider the ARR / ERC for FY24 as detailed in Chapter-06.

- d. Average tariff hike required for MESCOM to bridge the revenue gap of Rs.768.97 Cr is Rs.1.38 / unit. Hence, Hon'ble Commission is requested to consider the base for the proposed tariff increase detailed in the Chapter-08 and approve increase in fixed charges / demand charges & energy charges as proposed therein.
- e. Consider the wheeling charges, cross subsidy surcharge and additional surcharge as proposed in the Chapter-08.
- f. Consider the New Proposals as proposed in the Chapter-10.
- g. Condone any of errors, omissions and deletions in the petition and give a chance to provide any other necessary information as deemed fit by the Commission.

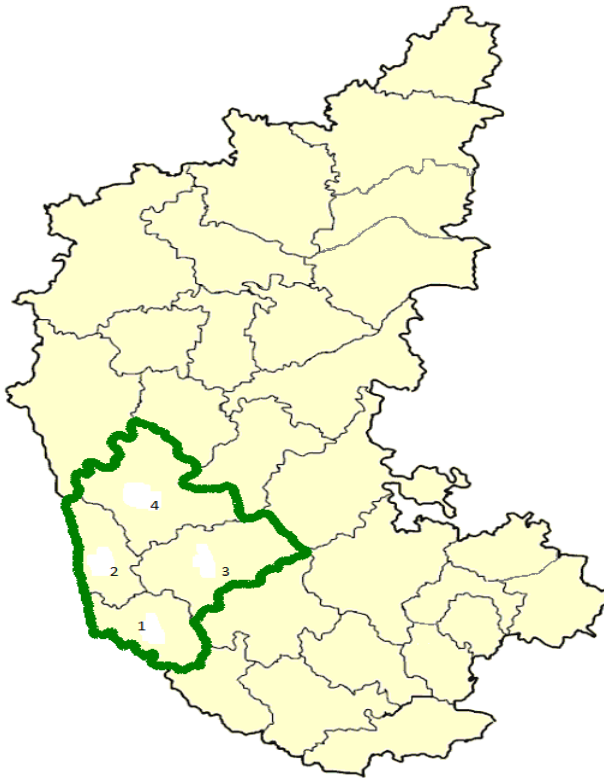
In exercise of the powers conferred under Sections 62 and 64 and other provisions of the Electricity Act, 2003, the KERC (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006, read with the KERC (Tariff) Regulations, 2000 and other enabling Regulations, the Commission has considered the said application and also the views and objections submitted by the consumers and other stakeholders while passing this Order. The Commission's decisions on various aspects, are brought out in the subsequent Chapters of this Order.

CHAPTER – 1

INTRODUCTION

1.0 Mangalore Electricity Supply Company Ltd.- (MESCOM):

The MESCOM is a Distribution Licensee under the provisions of Section 14 of the Electricity Act, 2003 (hereinafter referred to as the 'Act'). The MESCOM is responsible for purchase of power, distribution and retail supply of electricity to its consumers and also providing infrastructure for Open Access and Wheeling of energy in its area of operation, in the four Districts of the State as indicated below:



1. Dakshina Kannada
2. Udupi
3. Chikkamagaluru
4. Shivamogga

The MESCOM is a company registered under the Companies Act, 1956, incorporated on 30th April, 2002. The MESCOM commenced its operations on 1st June, 2002 covering initially a larger area than its present jurisdiction.

Subsequently, the MESCOM was split into two companies namely, the Mangalore Electricity Supply Company Ltd., with headquarters at Mangaluru

covering five districts namely Dakshina Kannada, Udupi, Shivamogga Chikkamagaluru and Kodagu and the Chamundeshwari Electricity Supply Corporation Ltd., (CESC) with headquarters at Mysore covering four districts namely Mysore, Chamarajanagara, Mandya and Hassan. This came into effect from 1st April, 2005.

Later, Kodagu District was transferred from the MESCOM to the CESC with effect from 1st April, 2006.

MESCOM Profile: MESCOM is having 2 O&M zones, 4 O&M circles and 14 O&M divisions. The MESCOM's area of operations is structured as follows:

O&M Zones	O&M Circles	O&M Divisions
Mangaluru	Mangaluru Circle	Mangaluru-1
		Mangaluru-2
		Bantwal
		Puttur
	Udupi Circle	Udupi
		Kundapura
Shivamogga	Shivamogga Circle	Shivamogga
		Bhadravathi
		Sagar
		Shikaripura
	Chikkamagaluru Circle	Kadur
		Chikkamagaluru
		Koppa

The O & M Divisions of the MESCOM are further divided into sixty-two Sub-Divisions with each of the Sub-Divisions having two to three O & M Section Offices. There are 242 O & M accounting / non-accounting Section Offices.

The Section Offices are the base level offices looking into operation and maintenance of the distribution system in order to provide reliable and quality power supply to the MESCOM's consumers.

1.1 The MESCOM at a glance:

The profile of MESCOM is as indicated below:

Sl. No.	Particulars (As on 31-03-2022)		Statistics
1	Area	Sq. Km.	24049
2	Districts	No.s	4
3	Taluks	No.s	32
4	Population	Lakhs	61.64
5	KPTCL Sub-stations (66kV & above)	No.s	99
6	MESCOM Sub-stations (33 kV)	No.s	48
7	Consumers	Lakhs	25.92
8	Distribution Transformer Centers	Nos.	97978
9	Assets (Net Fixed Assets As on (30-09-2022)	Rs. in Cr.	3024
10	HT lines	Ckt. Km	48003
11	LT lines	Ckt. Km	90746
12	Total employee strength:		
A	Sanctioned	Nos.	9258
B	Working	Nos.	5180
13	Rev. Demand in (FY22)	Rs. in Cr.	2293.07
14	Rev. Collection in (FY 22)	Rs. in Cr.	2253.55
15	Energy Sales in FY22	MU	2070.44

Source : Tariff filing

Mangalore Special Economic Zone Ltd, (MSEZL), as a deemed licensee, is purchasing power from MESCOM at the bulk supply tariff determined by the Commission. MSEZL, has filed a separate application for approval of APR for FY22, approval of revised ARR for FY24 and retail supply tariff for its distribution and supply area for FY24.

MESCOM has filed its application for Annual Performance Review for FY22, approval of Revised Annual Revenue Requirement (ARR) for FY24 and Revision of Retail Supply Tariff for FY24.

MESCOM's application, the objections / views of stakeholders thereon and the Commission's decisions are discussed in detail, in the subsequent Chapters of this Order.

CHAPTER – 2

SUMMARY OF FILING & TARIFF DETERMINATION PROCESS

2.0 Background for Current Filing:

The Commission in its Tariff Order dated 9th June, 2021 had approved the revised ARR for FY22 duly considering the deficit / surplus of FY20 consequent to APR of FY20, and the Revised Retail Supply Tariff of MESCOM for FY22 under the MYT principles. The MESCOM, in its present application filed on 30th November, 2022, has prayed for taking up the Annual Performance Review (APR) for FY22 based on the audited accounts, Approval of revised ARR for FY24 and Revision of Retail Supply Tariff for FY24.

2.1 Preliminary Observations of the Commission:

After preliminary scrutiny of the application, the Commission had communicated its observations to the MESCOM on 13th December, 2022. The preliminary observations were mainly on the following points:

- Sales Forecast
- Capital Expenditure
- Assessment of Sales to IP sets
- Distribution Losses
- RPO Compliance
- Power Purchase
- Wheeling Charges
- Cross Subsidy Surcharge & Additional Surcharge
- Issues pertaining to items of Revenue and Expenditure
- Compliance to Directives issued by the Commission

The MESCOM, in response, had furnished its replies on vide letter dated **23.12.2022** which was received in the Commission's office on **28th December 2022**. The replies furnished by the MESCOM are considered in the respective Chapters of this Order.

2.2 Acceptance of Applications and Publication of Notices:

As per the Karnataka Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006, read with the KERC (Tariff) Regulations 2000, and the KERC (General and Conduct of Proceedings) Regulations, 2000, the Commission vide its letter dated 29th December, 2022, the tariff application filed by MESCOM was treated as a petition, subject to further verification and validation and directed it to publish a summary of the application in the leading newspapers in the distribution area of MESCOM.

2.3 Public Hearing Process:

Accordingly, the MESCOM has published the same in the following newspapers:

Name of the News Paper	Language	Date of Publication
The Times of India	English	02.01.2023
Deccan Herald		
Udayavani	Kannada	03.01.2023
Vijayavani		
Vijayakarnataka		

The MESCOM's application for APR for FY22, Approval of ARR for FY24 and Revision of retail supply tariff for FY24, were also hosted on the web sites of the MESCOM and the Commission, for the ready reference and information of the stakeholders / general public.

In response to the application of the MESCOM, the Commission has received 10 written objections, within the time stipulated for filing the objections. The MESCOM has furnished its replies to all the objections. The Commission has held a virtual Public Hearing on **17.02.2023** at Mangaluru. In the public Hearing 23 personas participated and made oral submissions. The details of the written / oral submissions made by the various stakeholders and the responses from the MESCOM thereon have been discussed in Chapter - 3 and Appendix to this Order.

2.4 Consultation with the State Advisory Committee of the Commission:

The Advisory Committee discussed the proposals of the KPTCL and all the ESCOMs in the State Advisory Committee meeting held on **24th March, 2023**. During the meeting, the KPTCL and ESCOMs made brief presentations on the important issues relating to the tariff application filed before the Commission.

The Members of the Committee made valuable suggestions on the proposals of ESCOMs. The Commission has taken note of these suggestions while passing the Order.

CHAPTER - 3

PUBLIC CONSULTATION - SUGGESTIONS / OBJECTIONS & REPLIES

3.1 The process of public consultation was undertaken by the Commission, in pursuance of Section 64 of the Electricity Act, 2003, in order to provide an opportunity to the stakeholders to express their suggestions/views/objections, on the Tariff application filed by MESCOM. In the written submissions as well as during the public hearing some of the stakeholders and the public have raised several objections to the Tariff Applications filed by MESCOM. The names of the persons who have filed written objections and made oral submissions are as follows:

3.2 List of persons who filed written objections:

Sl. No	Application No.	Name & Address of Objectors
Received within due date: MA-01 to MA-06 and MB-01		
MA-01 to MA-06		
1	MA-01	Sri. Suresh Nayak M S/o Late Sri. M Vamana Nayaka, House No. 9-4-236, City Press Road, Mangalore – 575 001
2	MA-02	Sri. Vasudeva Nayak M S/o Late Sri. M Purushothama Nayaka, Mittabail Post - 574 226
3	MA-03	Sri. B. Praveen, Hon'ble General Secretary, KASSIA, 2/106, 17 th Cross, Magadi Chord Road, Vijayanagar, Bengaluru – 560 040
Common Objections: MA-04 to MA-06		
4	MA-04	Sri.K.N.Veerandra Nayaka S/o Narasimha Nayaka, Buklapura Horabailu, Kuruvalli Post, Thirthahalli Taluk, Shivamoga – 577 432
5	MA-05	Sri. D.M. Manudev S/o D. Manappa Gowda, Devangi Village & Post, Thirthahalli Taluk, Shivamoga – 577 415
6	MA-06	Sri. K. Nagaraja Shetty S/o K. Sheenappa Shetty, Kondlu koppa village, Sankada Hole Post, Thirthahalli Taluk, Shivamoga – 577 432
MB-01		
7	MB-01	Sri. Pramod N Shanbagh, Manager (Electrical Maintenance), Bhadra Paper Mills Ltd., No.23/14, 2 nd floor, Jalasambhavi Complex, 1 st Main road, Gandhinagar, Bengaluru-560009

Sl. No	Application No.	Name & Address of Objectors
Received after due date: MA-07 to MA-22, MB-02 to MB-10 and AEB-01 & AEB-02		
MA-07 to MA-21		
Common Objections: MA-07 and MA-08		
8	MA-07	Sri. K.N. Venkatagiri Rao, Member Consumer' Forum, Brasam Building, Nehru Field, Sagar – 577401
9	MA-08	Sri. Subramanya T.G. Talamakki, Kuduregundi Post, Koppa Taluk, Chikkamagaluru Dist-577127
Common Objections: MA-09 to MA-12		
10	MA-09	Sri. M. Lokaraj, Secretary General, Federation of Karnataka Chambers of Commerce Industry, KG Road, Bengaluru – 560 009
11	MA-10	Sri. Sathyanarayana Udupa, District General Secretary, Bharathiya Kisan Sangha Karnataka Pradesha (R), Udupi Jilla Samiti, 1 st Floor, Vasuki Towers, Court Road, Udupi – 576 101
12	MA-11	Sri. M. Ganesh Kamath, Director/President, Kanara Chambers of Commerce and Industry, Chamber Buildings, Chamber Road, Bunder, P.B.No.116, Managloru – 575 011.
13	MA-12	Sri. Anil Savur D. Secretary, The Karnataka Planters' Association, Spencer Road, Post Box No.18, Chikmangalur – 577 101
Common Objections: MA-13 to MA-21		
14	MA-13	Sri. Ramakrishna Sharma S/o K.L. Sharma, President, Udupi Jilla Krishikara Sangha, Bantakallu, Arasikatte Post, Kaapu Taluk, Udupi -574 115
15	MA-14	Sri. Srinivas Bhat s/o Late Sri. Ganesh Bhat, Chief Secretary, Udupi Jilla Krishikara Sangha, Banglemaaru Mane, 82 Kudi Post, Udupi -576 113
16	MA-15	Sri. Ravindra Gujjarabetta S/o Late Sri. Narayana Poojari, Secretary, Udupi Jilla Krishikara Sangha Nesara, Soorubettu (132-c), 52 th Herooru, Brahmavara Taluk, Udupi – 576 213
17	MA-16	Sri. Umesh S/o Guruva Poojari, Majila House, Udyavara, Udupi.
18	MA-17	Sri. Ashok Poojari S/o Late Sri. Nakra Poojari, Kalyani Nivas Near Eshwara Temple, Tenkanidiyuru, Kodavooru Post, Udupi Taluk.
19	MA-18	Sri. Adarsh S/o Shashidhar Shriyan, Ashirvad Nivas, Maddu Koppa, Katapadi Village, Udupi Taluk and District.
20	MA-19	Sri. Praveen. D. Poojari S/o Late Sri.Dheju Poojari, 'Mathanugruha', Near APMC Market, Aadi Udupi Post, Krodashrama, Udupi.
21	MA-20	Sri. Sudhakara Poojari S/o Kariya Poojari, Sriguru, Jogibettu Mane, Nitturu, Udupi
22	MA-21	Sri. Prashanth S/o Sri. Shekara Kotaayan, Mudubettu, Kodavuru, Udupi Taluk & District.

Sl. No	Application No.	Name & Address of Objectors
23	MA-22	Sri.Rajendra Suvarna S/o Sri. H.C. Kunder, President, Karnataka Coastal Ice Plant and cold Storage Owners Association, Udupi.
MB-02 to MB-10 and AEB-01 & AEB-02		
Common Objections: MB-02 to MB-10		
24	MB-02	Sri. Govinda Raj Bhat s/o Keshava Bhat, Moorsalu Mane, Kadthala Grama, Karkala Taluk, Udupi – 574108
25	MB-03	Sri. B. Shekar Shetty S/o Gopal Shetty, Prema Kuteera, Neere Saagu, Bhailooru, Karkala Taluk, Udupi – 574102
26	MB-04	Sri. Sukshith Shetty S/o Sudhakar Shetty, Mittuttu House, Marne Village, Karkala Taluk, Udupi - 574101
27	MB-05	Sri. Naveen Chandra Jain S/o Ananth Raju Madya, Padumane, Nitti Village, Karkala Taluk, Udupi District.
28	MB-06	Sri. Shrinivas Bhat S/o Parameshwar Bhat, Sadhana Post, Iravatturu, Karkala Taluk, Udupi - 574114
29	MB-07	Sri. K.P. Bhandary S/o Chikkaiah Bhandary, Kedinje Village & Post, Karkala Taluk, Udupi District.
30	MB-08	Sri. Gangadhar R S/o Raju Poojari, Sai Meera, 4 th Cross, Kuntlaapdi, Karkala Taluk, Udupi - 574104
31	MB-09	Sri. Chandrasaha Shetty S/o Late Sri. Maindhu Shetty, "Bhandvya" , Kaachooru, Inna Village & Post, Karkala Taluk, Udupi District.
32	MB-10	Sri. Deepak Pai S/o Vishwanath, #1-65, Moodu Palimaaru, Palimaaru Post, Kaapu Taluk, Udupi District– 574112
AEB-01 & AEB-02		
33	AEB-01	Sri. B.S.N. Shetty and Others, House No. 504, 4 th Main, 6 th Cross, Kengeri satellite road, Bengaluru- 560060
34	AEB-02	Sri. Jogendra Behera, CRO & VP (Regulatory & Market Economics), Indian Energy Exchange Ltd., Plot No, C-001/A/1, 9 th floor MAX Towers Sector 16 B, Noida, UP-201301

The objections/suggestions mainly pertain to:

- a. Tariff;
- b. Quality of Power Supply and Service;
- c. Standards of Performance; and
- d. Certain specific requests.

The gist of objections, Replies by MESCOM and the Commission's Views are appended to this order in Appendix-1.

3.3 List of the persons, who were listed for oral submissions during the Public Hearing, held on 17.02.2023:

SL. No.	Names & Addresses of Objectors
1	Sri. Abdul Rahman Musba+1, Kanara Chamber of Commerce and Industry, Chamber Buildings, Chamber Road, Mangaluru – 575 001
2	Sri. Ramakrishna Sharma, Chairman, Udupi District Krushika Sangha, behind Alankar Theater, Udupi.
3	Sri. Ravindhra Poojari Gujjarabettu, Secretary, Udupi District Krushika Sangha. behind Alankar Theater, Udupi.
4	Sri. B. A. Nazeer, Kanara Chamber of Commerce & Industry, Chamber Building, Chamber Road, Mangalore - 575001.
5	Sri. B. Praveen, Secretary, Karnataka Small Scale Industries Association (KASSIA), Bengaluru.
6	Sri. K.N. Venkata Giri Rao, Member, Consumer's Forum, Brasam Building, Nehru Field, Sagara.
7	Sri. Vasudeva Nayak, Miltabail Post-574226
8	Ms. Vidisha Dubey Srivastava, The Peach Tree Complex, Sushant Lok Phase-1, Block C 33 & 34, 1 st Floor, Sector-43, Gurugram, Haryana-122 002.
9	Sri. Sathyanarayana Udupa & Others, Chief Secretary, Bharatiya Kisan Sangha (R), Court Road, Udupi District - 576101.
10	Sri. Arun. N Padiyar, Karnataka Small Scale Industries Association, Vijayanagara, Bengaluru-560040.
11	Sri. Rohit poojary, Near Koltara, Abbakkanagara, Mangaluru.
12	Sri. Devadas Shettigar, Karnataka Coastal "Ice" Plant Owner's Association.
13	Sri. Udaya Kumar, Karnataka Coastal "Ice" Plant Owner's Association.
14	Sri. Shridhar Prabhu, Navayana Law Offices (on behalf of FKCCI, Sri.G. Subramanya Bhatt)
15	Sri. G.K .Bhatt, Mangaluru, Social Worker.
16	Sri. Suresh Naik, Mangaluru
17	Sri. G.N. Krishnappa, M/s Energy Engineering, Class-1, Licensed Electrical Contractors, No.601, 2 nd Cross, Byrappa Layout, Whitefield, Bengaluru-560 066.

3.4 List of the persons, who submitted written objections during the Public Hearing, held on 17.02.2023:

Sl. No.	Name & Address of Objectors
1	Sri. Rajendra Suvarna, President, Karnataka Coastal Ice Plant & Cold Storage Owner's Association, D.No. 8-3-80A (3), Sri. Guru Raghavendra Residency, Kadiyali, Udupi-576102
2	Sri. M. Ganesh Kamath, President, Kanara Chamber of Commerce and Industry, Chamber Buildings, Bunder, P.B. No. 116, Managloru – 575 011
3	M/s Bharti Airtel Limited, Plot No 7C, Behind Kudumbhur Bus Stop, Bykampady Industrial Area, Mangalore-575 011
4	M/s. Nxtra Data Limited, Emerald – 111/112 EPIP Area, Opp SJR Park, Near Sathya Sai Baba Hospital, Hoodi Village, whitefield – 560066
5	M/s. AMR Power Private Limited (Greenko), Khoday Tower, Municipal No 5(old No 3&5), Ground Floor, Cubban Road, Bengaluru-560001
6	Sri. G.N. Krishnappa, M/s Energy Engineering, Class-1, Licensed Electrical Contractors, No.601, 2nd Cross, Byrappa Layout, Whitefield, Bengaluru-560 066
7	Sri.Ashu Gupta, Head Regulatory & Government Relations, M/s CleanMax, 4 th Floor, The International, 16 Maharshi Karve Road, New Marine Lines Cross Road No.1, Churchgate, Mumbai-400020

3.5 The Commission has also received suggestions/comments from M/s Karnataka Power Engineers Academy, Ubiquity, 1st Floor, No.117, Infantry Road, Bengaluru-560001 (in respect of all ESCOMs) and M/s Hero Future Energies, #202, 3rd Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020 (both received after due date and not numbered).

3.6 The summary of the additional points raised during the Public Hearing including written submissions received which are not listed in para-3.2 are as follows:

- 1) Objection against Non-implementation of Commission orders/directions in a timely manner and Objection for issuance of separate orders by each ESCOMs for implementation of Commission Orders/directions.
- 2) The ESCOMs should not be allowed to enter into fresh PPAs until it utilizes the existing PPAs to meet the Peak Demand.
- 3) There is large scope for MESCOM to improve on its performance.

- 4) Low Voltage problems in Rural Areas and same is contributing to increase in distribution losses.
- 5) There is need for reconductoring of old distribution lines and avoidance of jointed wires between the poles.
- 6) There is need for implementation and publicizing Energy Efficient Measures and Demand Side Management for saving energy consumption.
- 7) The public objections have come down w.r.t. Tariff revision and attendance in Public Hearing as increase in tariff will happen irrespective of submission of objections.
- 8) There is need for differential tariff for each ESCOMs based on their performance.
- 9) To encourage industries to install solar power plants for their energy consumption and incentivize them by providing reduction of 50 paise/unit in their grid consumption.
- 10) Performance audit of Karnataka Electricity Regulatory Commission as an institution.
- 11) Third party inspection on MESCOM's implementation of Standards of Performance.
- 12) The tariff for households shall not be increased taking into consideration, the social justice.
- 13) Oppose utilization of Consumer Welfare Fund by MESCOM for advertising and request for its utilization for the purpose it meant for.
- 14) Implementing Corporate Social Responsibility (CSR) Fund by MESCOM.
- 15) Requirement of Regulation in respect of Electrical Accidents.
- 16) The proposals made by each ESCOMs is different and it is observed in the previous Tariff Order of MESCOM that the approval of fixed charges in respect of particular tariff/slab was more than the proposal of MESCOM.
- 17) Use of Renewable Energy will help in reducing the Carbon.
- 18) Improper supporting and insufficient data provided by MESCOM in respect of proposed TOD tariff.
- 19) Utilization of ESCOMs Poles by Cable Network and Mobile Network companies by paying Rs.100/year/pole is making loss to the ESCOMs in

commercial terms and same needs to be relooked in the interest of ESCOMs/its Consumers. Further, it will not be known how many of them are utilizing it with authorization from ESCOMs.

- 20) The MESCOM should not allow inter ESCOM energy exchange at a cost less than average cost of supply.
- 21) Truing up shall be allowed only once as per the prevailing Regulations/orders.
- 22) Bifurcation of load among DTCs and avoid unnecessary new Distribution Transformers.
- 23) Timely installation of KPTCL sub-stations to avoid overloading of existing Sub-Stations.
- 24) There is differential Initial Security Deposit (ISD) among each of the State ESCOMs for arranging power supply to Irrigation Pump Sets.
- 25) Oppose assessing IP set consumption based on Specific Consumption.
- 26) The subsidy is claimed by the State ESCOMs from the State Government at Commission Determined Tariff (CDT) for IP set consumption. However, the Fixed charges are not imposed for IP set consumption. The collection of Fixed charges and Fuel surcharge escalation charges in respect of IP set consumption will avoid increase in Fixed Cost in other Tariff categories.
- 27) Proper accounting of interest on ISD collected in respect of arranging power supply to IP sets.
- 28) Oppose having Director(Finance), BESCOM, as member in the purchase committee of MESCOM.
- 29) For the last Financial Year, MESCOM has claimed CDT at tariff of Rs.5.837/unit as against Commission approved tariff of Rs.5.91/unit in respect of IP set consumption.
- 30) Amend the Tariff Regulations for Retail Sale of Electricity by considering Net Fixed Assets instead of Gross Fixed Assets.
- 31) Reasons for excess achievement of RPO by MESCOM than the minimum target fixed by the Commission, need to be analyzed. MESCOM shall rise funds from international agencies or utilize its CSR Fund/State Govt. fund in

respect of RPO beyond minimum target (if the same is found not necessary) and not to burden the end consumers.

- 32) Until and unless the tariff determined by CERC is adopted by the KERC in respect of UPCL and DVC, same shall not be allowed in the Tariff.
- 33) Oppose MESCOM claim of Rs.1009 Crores as against unapproved amount during the previous Financial Years and investigation needs to be carried out on how MESCOM financed the above amount.
- 34) Oppose increase in Temporary Tariff keeping in mind standby charges being paid by the generators for utilizing the grid power.
- 35) Request Commission to conduct hearing on Consumer grievances.
- 36) Request for effective utilization of Inter Regional Transmission lines in the interest of State.
- 37) Measures to be taken to reduce Administrative Expenses in ESCOMs and KPTCL.
- 38) The vacant posts at the lower cadre like Lineman shall be filled on priority basis and shall be increased if required, instead of increasing the posts at the higher cadre.
- 39) All commercial installations shall be insisted to install SRTPV units.
- 40) The street lighting under smart city has been provided inappropriate distances without optimal utilization.
- 41) The electricity tariff of southern states shall be compared and Karnataka State tariff shall be fixed accordingly.
- 42) Final Tariff Orders of the Commission are not published in News Paper since last year.
- 43) MESCOM is subjecting the transformers to be installed under self-execution to lab test by collecting nominal fees of Rs.1000/- and the transformers which are passed in the lab test are permitted for erection. This has led to improvement in the efficiency of Transformers installed on self-execution with reduction in failure rate. However, it is observed that none of the similar transformers of BESCOM cleared the lab test conducted by MESCOM.

- 44) Request to decide requirement and installation of Transformer capacities based on the Indian Standards(IS) and CEA Regulations as amended from time to time in this aspect which will reduce the cost and loss.
- 45) As per Electricity (Rights of Consumers) Rules, 2020, there is no necessity of Agreement and application itself can be considered in place of Agreement. This has been left out in the KERC (Rights of Consumers Relating to Supply of Electricity, Standards of Performance (SoP) and allied matters) Regulations, 2022. Same should be amended accordingly.
- 46) The MESCOM is not mandating installation of Capacitors while servicing power installations, as per the applicable Regulations, which is leading to power loss.
- 47) Non availability of LT meter cubicle in the MESCOM store for installations for 50kW to 250kW and same needs to be addressed by MESCOM.
- 48) Non availability of matching material in MESCOM store for DCW works. Same needs to be addressed by MESCOM.
- 49) Collection of Development Charges by ESCOMs from Private layout developers considering the Assessed Load instead of Requisitioned Load by having list of such developers.
- 50) The Electrical Inspectorate, Govt. of Karnataka is not conducting periodical inspection of transformer centers belonging to ESCOMs.
- 51) Discontinue the Discounted Energy Rate Scheme (DERS).
- 52) Proposed TOD tariff will cause grave harm to the generation and consumption of renewable energy.
- 53) Categorization of telecom under Tariff Schedule of LT-3 and HT-2(b) is incorrect. As activities are industrial in nature, the telecommunication Industry ought to be considered under the Industrial Tariff Schedule of LT-5 and HT-2(a).
- 54) Services provided by Data Centre, who qualifies as Data Centre as defined under Karnataka Data Centre policy 2022-2017, ought to be categorized under the Industrial Tariff under Tariff Schedule HT-2(a).
- 55) The directives are not properly translated to actions by ESCOMs and after executions the actions are not translated to the essence of the directives.

The Regulator needs to penetrate to grass root level to educate them of the intents and to apprise them of the gravity of the case and to act meaningfully.

- 56) The Pendency of the cases in the Consumer Grievance Redressal Forums for longer durations defeats the purposes.
- 57) The Commission has to conduct Consumer Interaction Meetings at regular intervals in each of the sub visions / divisions and Pendency of the applications in each of the section level / sub division level is to be checked to ensure the consumers to get to their needs as per the SOPs.
- 58) The profit center concept which started two decades ago has not been propagated across the jurisdiction of ESCOMs and to show the results.
- 59) On the issue of frequent switching of Open Access (OA) consumers must schedule power for at least 24 hours whenever seeking OA. Apart from this it is also suggested that OA consumers should schedule minimum eight (8) hours of continuous supply through OA.
- 60) Implementation of both the provisions of Tariff Policy i.e., para 8.3.2 and first proviso to para 8.5.1 of Tariff Policy, 2016 is essential; otherwise ESCOMs will not be able to recover cross subsidy through CSS in case consumer opts for open access.
- 61) It is proposed that ESCOMs to fully recover the losses due to stranded capacity. Additional surcharge may be calculated under two components: (i) Stranded power under long-term PPAs and (ii) Stranded physical asset. With Karnataka State progressing towards an energy surplus scenario, denial of True additional surcharge to ESCOMs may severely impact their financial viability.
- 62) The Commission may revise fixed charges gradually so that the new tariff design progressively reflects the actual break-up between fixed and variable charges as incurred by the ESCOMs.
- 63) There is a need for gradual removal of waivers provided for electricity from RE sources, by periodically assessing the impact of changing tariff of electricity from RE sources.

- 64) Need for re-defining the procedure for verification and certification of captive/ group captive consumers.
- 65) The LT 2(a)(i) tariff category can be split into two categories – one for those with BPL card & using below 200 & 2nd one is those without BPL card.
- 66) AEH consumers with their Solar roof top PV connected to grid should be charged for any excess consumption in the month at the average cost of supply to that category and slab rate benefits should not be given.
- 67) The Commission should mandate ESCOMs to conduct pilot studies fixing Time of Use (TOU) metering in homes in sample areas in Bengaluru & other cities to start with and analyse the present consumptions/usage of gadgets. ESCOMs should educate people on benefits of TOU like reduction of carbon emission etc. & tell them to shift some loads to daytime from evening hours. Based on study results and consumer response, a policy decision for use of TOU can be worked in next 6-9 months for implementation from 2022-23.

MESCOM Response:

The MD MESCOM stated that the replies to most of the issues raised in the public hearing have been furnished in the written replies. The other issues not covered earlier would be looked into and remedial action taken.

Commission's Views:

The Commission directed MESCOM to implement the orders/directions of the Commission with immediate effect without issuing separate orders on it and warned MESCOM on taking disciplinary action if the same is being not implemented. Further, the Commission directs MESCOM to look into the unresolved issues and attend to them on priority.

CHAPTER – 4

ANNUAL PERFORMANCE REVIEW FOR FY22

4.0 MESCOM's Application for APR for FY22:

MESCOM has filed its application on 30th November, 2022, for the Annual Performance Review (APR) for FY22, based on the Audited Accounts and for approval of the revised Annual Revenue Requirement (ARR) and revision of retail supply tariff for FY24.

The Commission had communicated its preliminary observations on the MESCOM's application on 13th December, 2022. MESCOM has furnished its replies to the preliminary observations of the Commission vide its letter dated 23rd December, 2022 received in the Commission's office on 28th December, 2022.

The Commission, in its Order dated 9th June 2021, had approved revised net Annual Revenue Requirement (ARR) of Rs.4507.65 Crores for MESCOM, along with the revision of retail supply tariff for FY22.

The revised Annual Revenue Requirement (ARR) of the MESCOM as per annual performance review for FY22, based on the Audited accounts, and other records / details submitted is discussed in this chapter.

4.1 MESCOM's Submission:

The MESCOM has submitted its proposals for revision of ARR and APR for FY22 based on the Audited Accounts as under:

TABLE – 4.1
APR for FY22 – MESCOM's Submission

Sl. No	Particulars	Amount in Rs. Crores	
		As approved in Tariff Order dated 09.06.2021	As Filed 30.11.2022
1	Energy at the Generation Bus (With MSEZ) (MU)	6494.96	5941.01
2	Transmission Losses - in %	3.04%	4.38%
3	Energy at Interface (MU)	6257.79	5681.01
4	Distribution Losses in %	9.27%	9.02%
	Sales in MU:		

Sl. No	Particulars	As approved in Tariff Order dated 09.06.2021	As Filed 30.11.2022
5	Sales to other than IP & BJ/KJ	3753.48	3641.23
6	Sales to BJ/KJ(consuming<40 units/month)	32.12	35.28
7	Sales to IP	1892.09	1492.01
	Total Sales	5677.69	5168.52
	Revenue at existing tariff in Rs. Crores		
8	Revenue from tariff and Misc. Charges	3363.92	3027.82
9	RE Subsidy to BJ/KJ	25.50	30.12
10	RE Subsidy to IP	1118.23	895.77
	Total Existing Revenue	4507.65	3953.71
	Expenditure in Rs. Crores		
11	Power Purchase Cost	2738.02	2256.67
12	Transmission charges of KPTCL	318.19	320.58
13	SLDC Charges	2.585	2.59
	Power Purchase Cost including cost of transmission	3058.79	2579.84
14	Employee Cost	796.62	518.22
15	Repairs & Maintenance		63.66
16	Administration & General Expenses		106.97
	Total O&M Expenses	796.62	688.85
17	Depreciation	186.77	166.76
	Interest & Finance charges		
18	Interest on Loans	116.10	98.71
19	Interest on Working capital	91.13	55.32
20	Interest on belated payment on PP Cost	0.00	0.00
21	Interest on consumer deposits	32.37	29.11
22	Other Interest & Finance charges	1.08	1.51
23	Less: interest and other expenditure capitalized	-2.10	0.00
	Total Interest & Finance charges	238.57	184.65
24	Other Debits/Extraordinary items	0.00	9.43
25	Extraordinary items	0.00	44.09
26	Net Prior Period Expenses/Income (Debit/Credit)	0.00	0.00
27	Return on Equity	151.67	125.88
28	Taxation/MAT Credit	0.00	0.00
29	Regulatory assets/ carrying cost as per T.O dated 04.11.2020	61.47	12.29
30	Funds towards Consumer Relations/ Consumer Education	0.50	0.06
31	Other Income	-89.88	-80.92
	ARR	4404.50	3730.93
32	Surplus/ Deficit(-) of FY 20 Carried forward	-103.15	0.00
	Net ARR	4507.65	3730.93

Considering the revenue of Rs.3953.71 Crores against a net ARR of Rs.3730.93 Crores, MESCOM has reported a revenue surplus of Rs.222.78 Crores for FY22.

4.2 MESCOM's Financial Performance as per the Audited Accounts for FY22:

An overview of the financial performance of MESCOM for FY22, as per its Audited Accounts is indicated in the following Table:

TABLE – 4.2
Financial Performance of MESCOM for FY22

Amount in Rs. Crores

Sl. No.	Particulars	Amount
	Receipts:	
1	Revenue from Tariff and misc. charges	3895.78
2	Other Income	181.96
	Total Revenue	4077.74
	Expenditure:	
3	Power Purchase Cost:	
4	Transmission charges of KPTCL,PGCIL &TNEB,	
5	SLDC & DSM(UI) charges	
	Power Purchase Cost including cost of transmission	2579.83
6	Operating Expenses	
7	Employee Benefit Expenses	522.76
8	Finance Cost	131.86
9	Depreciation	209.88
10	Other Expenses	208.71
11	Current Tax	0.00
12	MAT Credit Entitlement	0.00
13	Exceptional Items	44.08
14	Net movement of Regulatory deferred amount	347.92
	Total Expenditure/Net ARR	4045.04
	Net Profits after tax	32.70

As per the Audited Accounts, MESCOM has reported a profit of Rs.32.70 Crores for FY22. The accumulated profit / loss reported by MESCOM in its audited accounts in the previous years and as the end of FY22 are as under:

TABLE – 4.3
MESCOM's Accumulated Profit / Loss

Particulars	Amount in Rs. Crores
Retained Earnings as at the end of FY21	178.43
Profit earned during FY22	32.70
Retained Earnings as at the end of FY22	211.13

As seen from the above table, the accumulated profit as at the end of FY22 is Rs.211.13 Crores.

As per the provisions of the MYT Regulations, the Commission has taken up the Annual Performance Review for FY22, duly considering the actual revenue and expenditure booked as per the Audited Accounts against the revenue and expenditure approved by the Commission in its Tariff Order dated 9th June, 2021. The item-wise review of expenditure and the revenue and the decisions of the Commission thereon are as discussed in the following paragraphs:

4.2.1 Sales for FY22:

1. Sales- Other than IP sets:

Annual Performance Review for FY22:

The category-wise sales approved by the Commission and the actuals for FY22 are indicated in the table below:

TABLE – 4.4
Category wise Sales Approved Vs Actuals for FY22

Category Col-1	Approved** Energy in MU Col-2	Actuals** Energy in MU Col-3	Energy In MU
			Difference (MU) Col-4= Col 3 – Col 2
LT-1 more than 40 units/month	24.79	17.99	-6.8
LT-2a	1610.46	1560.99	-49.47
LT-2b	15.42	11.12	-4.30
LT-3	420.28	382.03	-38.25
LT-4b	0.88	0.64	-0.24
LT-4c	9.74	6.75	-2.99
LT-5	138.16	134.60	-3.56
LT-6	147.28	151.62	4.34
LT-6	77.29	69.92	-7.37
LT-7	20.01	21.90	1.89
HT-1	102.89	107.74	4.85
HT-2a	689.55	711.32	21.77
HT-2b	221.01	166.84	-54.17
HT-2c	157.71	106.61	-51.10
HT-3a & b	88.90	90.78	1.88
HT-4	22.55	22.87	0.32
HT-5	3.83	2.75	-1.08
Sub total	3750.75	3566.47	-184.28
BJ/KJ less than/= 40 units/month	32.12	35.28	3.16

IP Sets	1892.09	1492.01	-400.08
Sub total	1924.21	1527.29	-396.92
KPCL	2.74	6.81	4.07
Grand total**	5677.70	5100.57	-577.13

****Excludes sale to SEZ.**

The Commission notes that the major categories contributing to the decrease in sales with respect to the approved sales are LT-2a, LT-3, LT-4a, HT-2b & HT-2c categories. The increase in sales is mainly in HT-2a category.

MESCOM, in its filing has submitted that in respect of HT-2b and HT-2c categories, there is normal increase of 43 MU with respect to FY21 actuals and with respect to approved sales for FY22, it is less by 105 MU.

The preliminary observations of the Commission on sales, replies furnished by MESCOM and the Commission's views thereon are discussed in the following paragraphs:

- a. MESCOM was directed to analyze the reasons for decrease in sales of LT-2a, LT-3, LT-4a, HT-2b & HT-2c categories and the possible reason for increase in sales to HT-2a category. In HT-2a category, MESCOM shall analyze the impact of incentive schemes and furnish the factual position so as to enable the Commission to take a view for continuation of the schemes.

MESCOM's Reply:

MESCOM has submitted that except for LT4a category, the sales in other categories mentioned above have increased with respect to FY21 sales. However, due to Covid-19 pandemic / lockdown, the sales as approved by the Commission could not be achieved in the above categories. Further, due to prolonged monsoon upto November 2021, sales to IP Sets has reduced.

MESCOM has also submitted that the overall revenue impact on account of SIS and DERS is Rs.13.58 Crores and Rs.96.75 Lakhs respectively. Since, in the ERC the proposed tariff is Rs.6.00 / unit, it is proposed to withdraw the incentive scheme.

Commission's Views:

The Commission has noted the replies furnished.

b. Specific consumption of LT-2a category for FY22 works out to 78.22 units/installation/month, whereas the same for BJ/KJ installations consuming more than 40 units/month is 82.94 units/installation/month, which appears to be on a higher side. MESCOM shall furnish the reasons for such high specific consumption in respect of BJ/KJ installations, consuming more than 40 units/month.

MESCOM's Reply:

MESCOM has submitted that the specific consumption for LT2a category includes all installations having consumption from zero and above. If the same analogy is adopted and all the BJ/KJ installations are considered including those consuming less than 40 units per month, then the specific consumption would be 25.37 units per installation per month.

Commission's Views:

The Commission while noting the reply, suggests that MESCOM may carry out month-wise analysis and that the specific consumption of BJ/KJ installations consuming more than 40units/month/installation cannot be much higher than that of LT2a.

2. Sales to IP sets for FY22:

- i. In its Tariff Order dated 9th June, 2021, the Commission had approved specific consumption of IP-sets as 5,156 units / installation / annum for FY22. Whereas, as per the data of IP-set consumption submitted in its Tariff filing for APR of FY22, by the MESCOM, the specific consumption works out to 4,030 units / installation / annum. This shows a decrease in the specific consumption by 1,126 units / installation / annum, as compared with the approved figures. This actually corresponds to a decrease by 21.8%.
- ii. The total IP-set consumption reported by the MESCOM for FY22 in the prescribed formats of the Commission is 1,492.01 MU whereas, the

Commission had approved 1,892.09 MU for FY22 in the Tariff Order dated 09th June, 2021. Thus, there is a decrease of overall sales by 400.08 MU which corresponds to 21.14 per cent decrease in percentage terms.

- iii. Further, the Commission had approved 3,74,482 number of IP-set installations for FY22; whereas the actual number of installations as at the end of FY22, as reported by the MESCOM, in its Tariff filing is 3,78,493. This indicates an increase in number of installations by 4,011 and this corresponds to 1.06 per cent increase in the number of installations as compared with the number of installations, approved for the FY22.

The details of sales to IP sets for FY22, as approved by the Commission in its tariff order 2021 and as furnished by MESCOM, in its current Tariff filing are as indicated below:

Particulars	As approved by the Commission	Actuals as submitted by MESCOM
Number of installations	3,74,482	3,78,493
Mid-year number of installations	3,66,982	3,70,189
Specific consumption in units / installation / annum in units	5,156	4,030
Sales in MU	1,892.09	1,492.01

- iv. The Commission, in the APR for FY21, vide its tariff order 2022 has approved the total sales to IP sets as 1,685.25 MU with a specific consumption of 4,771.59 units per IP set per annum for FY21. MESCOM in its current tariff filing has indicated the sales to IP sets as 1,492.01 MU for FY22 with a specific consumption of 4,030 units per IP set per annum. It is observed that, there is a decrease in sales by 193.24 MU corresponding to 11.46% and a decrease in the specific consumption by 741.59 units per IP set per annum corresponding to 15.54% for FY22 as compared to FY21 actuals.
- v. The Commission notes that in the tariff filing, the total number of pilot DTCs considered for assessing IP consumption is different for different months. The MESCOM in its reply to preliminary observations, has submitted that, the difference in number of pilot DTCs considered for assessing IP consumption

for different months was due to recognition of meter faults for different reasons during the reading date.

- vi. The Commission, in its preliminary observations had directed MESCOM to furnish the GPS Survey as on 31.03.2021 and 31.03.2022 by reconciling survey data with the number of installations as per DCB. As per the data furnished by MESCOM in its replies to preliminary observations, that it has completed 98.47% of survey as on 31.03.2021 and 100% as on 31.03.2022. From the data submitted, it is observed that, out of 3,78,493 numbers of installations as on 31.03.2022 there are 1,300 defunct / dried up / disconnected installations. MESCOM has not reported the details of unauthorized IP installations and the action taken to regularize such IP installations.
- vii. In the preliminary observations, the Commission has directed MESCOM to segregate the agricultural feeders and assess the sales to IP set installations based on the energy meter readings, provided to such agricultural feeders and the action plan for completing the segregation work. MESCOM has submitted that, 365 feeders were having more than 30% IP loads in Shivamogga and Chikkamagaluru out of which segregation works were carried out in 286 feeders under DDUGJY by creating 124 feeders for non-agriculture loads. At present, these 286 feeders are dedicated agriculture feeders/exclusive IP feeders. Load segregation works in balance 79 feeders in Chikkamagaluru and Shivamogga districts is pending, which is proposed under RDSS scheme.
- viii. The Commission notes that, MESCOM, has not reported the precise details of actual number of feeder segregation works carried out and the exact numbers of dedicated agriculture feeders /exclusive IP set feeders. MESCOM, in its earlier tariff filing had submitted that it had commissioned 372 segregated IP feeders in the O&M divisions of Shivamogga, Bhadravathi, Sagar, Shikaripura and Kadur and only 4 number of segregated feeders were yet to be bifurcated. **The Commission directs MESCOM to submit the status of bifurcation of agricultural feeders and the**

action plan for completing the work without any ambiguity in the data, within 3 months from the date of this Order.

- ix. MESCOM is directed to furnish the data of assessment of sales to IP installations on the basis of the readings of energy meters provided to segregated agriculture feeders.
- x. Based on the above discussions and on a detailed verification of the data, the overall sales of 1,492.01 MU, as submitted by MESCOM for FY22 in its Tariff application, is acceptable.

Hence, the Commission hereby decides to allow the consumption of 1,492.01 MU claimed by the MESCOM in its tariff filing for FY22 with the details as follows:

Particulars	Approved sales of IP sets for FY22
Number of installations	3,78,493
Mid-year number of installations	3,70,189
Specific consumption in units / installation / annum	4,030
Sales in MU	1,492.01

In view of the above discussions and based on the audited accounts, the Commission hereby approves energy sales for FY22, excluding MSEZL sales & wheeled energy and including sales to KPCL as follows:

TABLE – 4.5

Category wise Sales Approved for FY22 as per APR

Category	Approved Sales as per APR FY22
LT-1 greater than 40 units/month	17.99
LT-2a	1560.99
LT-2b	11.13
LT-3	382.03
LT-4b	0.64
LT-4c	6.75
LT-5	134.60
LT-6 Water Supply	151.62
LT-6 Street Light	69.92
LT-6 EV Charging	0.01

LT-7	21.88
HT-1	107.74
HT-2a	711.32
HT-2b	166.84
HT-2c	106.61
HT-3a & b	90.78
HT-4	22.87
HT-5	2.75
Sub total	3566.47
BJ/KJ less than/= 40 units/month	35.28
IP	1492.01
Sub total	1527.29
KPCL	6.80
Grand total**	5100.56

**Excludes MSEZL sales, which is discussed in the MSEZL order.

4.2.2 Power Purchase for FY22:

a. MESCOM's Submission:

The Commission, in its Tariff Order 2021, dated 9th June 2021, had approved power purchase quantum of 6,494.96 MU for MESCOM at a cost of Rs.3058.79 Crores, indicating source-wise quantum of power purchase and cost thereon, for FY22. MESCOM, in its application has submitted the details of actual power purchase for FY22 vis-à-vis the approved figures, for the purpose of Annual Performance Review, as under:

TABLE – 4.6
Power Purchase for FY22- Approved and Actuals

Source of Generation	Approved for 2021-22			Actuals as per filing for 2021-22			Difference			% increase (+)/decrease (-) over approved figures	
	Energy (in MU)	Amount (Rs.-Cr)	P.U. Cost (Rs/kWh)	Energy (in MU)	Amount (Rs.-Cr)	P.U. Cost (Rs/kWh)	Energy (in MU)	Amount (Rs.-Cr)	P.U. Cost (Rs/kWh)	Energy (in MU)	Amount (Rs.-Cr)
KPCL Thermal	1287.90	771.20	5.99	1359.36	745.60	5.48	71.46	-25.60	-0.51	5.55%	-3.32%
CGS	1545.84	730.37	4.72	2117.32	968.37	4.57	571.49	238.00	-0.15	36.97%	32.59%
UPCL	224.83	129.92	5.78	83.42	105.15	12.60	-141.41	-24.77	6.82	-62.90%	-19.07%
KPCL Hydro	1811.44	185.18	1.02	2134.22	155.33	0.73	322.79	-29.85	-0.29	17.82%	-16.12%
Other State Hydro	15.89	5.30	3.34	17.41	5.29	3.04	1.52	-0.01	-0.30	9.57%	-0.19%
Renewable Energy	1297.47	557.43	4.30	1524.50	650.86	4.27	227.03	93.43	-0.03	17.50%	16.76%
Total Bundled Power	311.59	141.04	4.53	171.37	88.71	5.18	-140.22	-52.33	0.65	-45.00%	-37.10%
DSM Charges				-17.66	-0.83	0.47	-17.66	-0.83	-0.47		
Transmission Charges (PGCIL+KPTCL)		535.49			504.83			-30.66			-5.73%
SLDC Charges		2.59			2.59			0.00			0.19%

POSO CO Charges		0.26			0.54			0.28			107.69%
Energy balancing				-946.18	-438.49	4.63	-946.18	-438.49	4.63		
IEX Sale				-521.50	-217.00	4.16	-521.50	-217.00	4.16		
IEX Purchase				18.75	8.36	4.46	18.75	8.36	4.46		
Other Charges					0.53			0.53			
TOTAL	6494.96	3058.79	4.71	5941.01	2579.84	4.34	-553.94	-478.95	-0.37	-8.53%	-15.66%

b. Commission's analysis and decisions:

1. Approved and Actual quantum & Cost of energy for FY22:

The actual power purchase quantum for FY22, as per Annual Report submitted by MESCOM is 5,941.01 MU, purchased at a cost of Rs.2,579.83 Crores as against 5,941.01 MU and Rs.2,579.84 Crores indicated respectively in the D1 format and in the above table. MESCOM has submitted that the difference of -0.01Crores in power purchase cost between Annual Accounts and D1 format might have resulted due to the difference in rounding off of the values and has requested to consider the Power Purchase cost as per Annual Accounts for APR. The above net power purchase quantum and corresponding cost are after considering the sale of power in IEX of 521.50 MU and Rs.217.00 Crores being the revenue earned thereon, as against the approved quantum of 6,494.96 MU at a cost of Rs.3058.79 Crores. The total amount incurred towards total power purchase for FY22 is considered as Rs.2579.83 Crores in accordance with Annual Accounts of MESCOM for FY22. This indicates that there is a decrease in the quantum of power purchase to an extent of 553.94 MU and decrease in the power purchase cost by Rs.478.96 Crores.

The decrease in quantum and cost of power purchase is to the tune of 8.53% and 15.66% respectively as compared with the approved figures.

On the decrease in power purchase quantum by 553.94 MU, it is observed that, it is majorly due to reduction in sales under LT4(a) category i.e., sales to Irrigation Pump Sets of less than 10 HP capacity, wherein, LT4(a) category has recorded 1492.01 MU of energy sales in FY22 which is less by 21.14% compared to approved sales and is less by 11.47% compared to FY21 sales.

2. Variation in the Variable Cost of Thermal Power Stations:

The variation in variable charges among ESCOMs in respect of all Thermal Power Stations (KPCL, Central and UPCL) has been continued as it was noted from the Tariff filing of ESCOMs for truing up of FY22 as indicated below:

Variable Cost (Rs/kWh) as noted from Tariff filing of ESCOMs for truing up of FY22 in respect of Thermal Power Stations						
Sl. No.	Source/ESCOM Name	BESCOM	MESCOM	CESC	HESCOM	GESCOM
A	KPCL Thermal Power Stations					
1	RTPS -1 to 7	3.13	3.39	3.39	3.75	3.37
2	RTPS-VIII	3.31	3.58	3.58	3.83	3.58
3	BTPS Unit I	3.05	3.17	3.17	3.22	3.17
4	BTPS Unit II	2.88	3.00	3.00	2.93	3.00
5	BTPS Unit III	2.98	3.10	3.10	2.90	3.10
6	Yearamurus TPS	3.35	3.11	3.07	3.00	2.90
B	Central Thermal Power Stations					
1	NTPC-Ramagundam, St-I & II	2.83	2.81	2.84	-	2.62
2	NTPC-Ramagundam, St-III	3.29	2.76	2.95		3.79
3	NTPC-Talcher, St-II	1.68	1.77	1.77		1.83
4	NTPC-Simhadri	3.15	2.93	3.52		3.29
5	NLC TPS2-Stage 1	2.64	2.66	2.66	2.65	2.65
6	NLC TPS2-Stage 2	2.65	2.66	2.66		2.52
7	NLC TPS-2-Expn 1 &2	2.57	2.56	2.57		2.54
8	NLC TPS1-Expn	2.27	2.42	2.45	1.57	2.41
9	Tuticorin (NTPL)1&2	3.82	3.25	3.76	-	3.55
10	Vallur TPS 1,2 &3	3.36	3.37	3.45	3.40	3.33
11	DVC Unit-1 & 2 Koderma TPS	2.76	2.90	2.65	-	2.75
12	DVC Unit-7 & 8 Mejia TPS	2.90	2.65	2.90		2.79
13	Kudugi TPS Unit-1,2 &3	3.98	4.02	4.21	-	3.99
14	NNTPS	2.19	2.19	2.20	2.18	2.18
C	IPPs Major Thermal Power Station					
1	UPCL	4.54	4.27	6.10	4.93	4.68

In the Tariff Order 2022, dated 4th April 2022, regarding variation in variable charges among ESCOMs in respect of all Thermal Power Stations (KPCL, Central and UPCL), the Commission had directed BESCOM to convene a coordination meeting involving all the ESCOMs within two weeks from the issuance of the above Tariff Order to discuss the reasons for variation of variable charges for FY21 and to arrive at the following:

- a) Actual variable cost to be paid in respect of each of the power plants by the respective ESCOM.
- b) Deviations in payment of variable cost made by respective ESCOM as against actual variable cost in respect of each of the power plants.

Further, BESCO was directed to submit the detailed Minutes of the meeting involving the above details to the Commission within two weeks from the date of conduct of meeting, for further needful action. However, BESCO has not conducted the said coordination meeting nor MESCO or any of the other ESCOMs have followed up with BESCO in conduct of above coordination meeting. The ESCOMs should understand here that the above directions were issued by the Commission in the interest of all ESCOMs and **the Commission does not approve the inaction by the ESCOMs, in the matter.**

Further, individually all the ESCOMs were requested to provide proper reasoning behind the variation in variable cost. The reasons provided by each of the ESCOMs are as below:

BESCO: KPCL had entrusted the verification of bills from **2005-06 to till date to M/s Ramraj & Co**, Chartered Accountants. M/s Ramraj & Co had furnished Part-1 report which was discussed in the meeting conducted by KPCL on 19th July 2022 with ESCOMs, KPCL and M/s Ramraj & Co. The Part-1 report is based on opinion of Chartered Accountants but bills are yet to be verified and the same will be furnished in "Part-2" Report later. As there are no GoK orders / KERC orders to bill GCV as claimed by KPCL, BESCO had continued to bill the GCV on received basis. The other ESCOMs may be considering GCV as per KPCL bills. As such, there is variation in variable cost considered by BESCO and other ESCOMs. In respect of CGS, BESCO has considered the variable cost billed up to March 2022. The revision of variable cost for the period up to March 2022 and billed during April 2022 to July 2022 is also considered. Some of the ESCOMs have considered the accounting year as February 2021 to February 2022. As such, there is variation in variable cost of CGS thermal stations and UPCL among ESCOMs.

MESCOM: KPCL has entrusted reconciliation of billing issues to M/s Ramraj & Co., Chartered Accountants. The Chartered Accountants has issued Part-1 of reconciliation vide letter dated 22nd February 2022. The audit firm is yet to furnish detailed monthly bill calculation. In this regard, a meeting was conducted on 07th July 2022 to discuss the billing procedure. In respect of CGS the supplementary bills related to 2021-22 received in 2022-23 were considered for FY22 itself. Monthly energy charges are based on the parameters and formula as per PPA/CERC norms. MESCOM separates the inadvertent costs and arrives at exclusive variable costs. Other costs like revisions related to previous years are accounted under other charges.

CESC: In respect of KPCL Thermal Power Stations, except Yermarus TPS, the variable charges as claimed by KPCL is being admitted and paid. The issues pertaining to billing of KPCL stations, both hydel & thermal, have been entrusted to M/s Ramraj & Co., Chartered Accountants & the verification of the bills is underway. Once the verification is completed and accepted by ESCOMs, the difference, if any will be accounted by CESC. In respect of Yermarus TPS, revision as per KERC Tariff Order dated 17th January 2022 has been included. In respect of CGS, the variable charge includes Income tax and others and in respect of UPCL TPS, the variable charge includes prior period claims, PLC & others.

HESCOM: It is submitted that, reconciliation of M/s KPCL dues between M/s KPCL and ESCOMs has been entrusted to the third-party for verification i.e., M/s Ramraj & Co., Chartered Accountants, which is under process. With reference to the CGS and UPCL TPS, variable charges admitted includes the components namely Incentives, Compensation, SRLDC Charges and ECR revisions pertaining to previous years admitted during FY22 where the allocation among ESCOMs differ from previous year to FY22. Hence, there may be variation in variable cost per unit among ESCOMs.

GESCOM: The variation in actual & approved variable charges of Thermal Power Stations as shown in D1 format is due to allowing of following pass through components in accordance with PPA/Tariff Orders which are included as variable charges by generators i.e., changes in RLDC/SRLDC charges, RTM trade gain share, incentive claims & variation in coal charges.

On examination of the responses from ESCOMs, it is observed that the responses completely differ from one another. The Commission is of the considered view that the present situation wouldn't have arisen if ESCOMs had reconciled power purchase cost with concerned Generating Stations at least for the financial year, for which APR is submitted to the Commission, along with properly scrutinizing the bills, as and when they are raised. As per the copy of the KPCL letter dated 31st October 2022, addressed to Energy Department, Govt. of Karnataka, it is informed that the services of M/s Ramraj & Co., Chartered Accountants towards Part-2 of reconciliation, is for the billing period from FY 2005-06 to FY 2019-20 and not upto till date (FY22), as submitted by BESCO.

As PCKL has been made the nodal agency to ascertain the correctness of billing and furnish the correct bill amounts, as submitted by BESCO, PCKL is directed to ascertain the following:

- a) The Part-2 report of the M/s Ramraj & Co., Chartered Accountants in respect of KPCL Thermal Power Stations is cross checked for its correctness and accordingly reconciliation as per the above report takes place between ESCOMs and KPCL within reasonable time by submitting a copy of the abstract of reconciliation statement to the Commission for information.
- b) Convene a coordination meeting with ESCOMs for resolving differences in respect of variable cost of CGS and UPCL TPS for the FY21, FY22 and in respect of other previous financial years, wherein such differences exists. The proceedings of the meeting may be submitted to the Commission for information. Also, in the above meeting decision on reconciliation of KPCL bills for the FY21 and FY22 needs to be taken.

3. Energy left unutilized from cheaper sources:

The Commission had observed that, as compared with approved quantum, some quantum of energy was left unutilized from cheaper sources. In this aspect, MESCOM has replied, that, SLDC being the grid operator will maintain and observe the grid security, energy requirement and based on Merit Order Dispatch energy is purchased. The Commission notes the reply provided by MESCOM.

4. Increase in per unit cost of Variable Charges of TPS:

The MESCOM was directed to explain the reasons for increase in per unit cost of variable charges in respect of KPCL, Central and UPCL Thermal Power Stations (TPS) and in respect of Bundled power. For which, MESCOM has submitted that the projected cost of power purchase (approved) for FY22 was based on the previous year's cost data. Cost of coal being the key factor affecting the variable charges, the fuel cost data of the previous year has been compared with the fuel cost of FY22 in respect of KPCL and Central TPS. It is observed that, on an average, cost per MT of coal has increased approximately by 24% to 33%, contributing to variation in the approved cost and increase in respect of UPCL TPS is also on similar lines. MESCOM further, submitted that as per CERC orders, GST charges and revision of coal charges for the period from Jan-18 to March-21 are reimbursed in respect of the bundled power generators. Hence there is increase in per unit cost in respect of bundled power. The Commission notes the reply, provided by MESCOM.

5. Power Procurement under medium term from Cogeneration:

The Commission had not approved any energy for purchase from Cogeneration units under Medium Term. However, MESCOM has shown purchase of 107.88 MU at a cost of Rs. 52.07 Crores. In this regard, MESCOM was directed to provide clarification as to whether term of PPAs entered under Cogeneration medium term still exists and for how long and if it exists what is the quantum of energy?

MESCOM has clarified that the term of the PPA of the cogeneration units expired on 31.3.2021. However, Co-generators had filed Writ Petition No. 6043/2021 before the Hon'ble High Court of Karnataka requesting extension of PPA term for 5 years from the date of PPA. The Hon'ble High Court, in its order dated 20.07.2021 has directed to honour the term of the PPA for 5 years from the date of signing of PPA. The Govt. of Karnataka, vide letter no. Energy 39 PPT 2020 dated 04.06.2021, 06.07.2021 and 28.01.2022 has directed to consider the share allocation of 2020-21 and the existing rate as per KERC order dated 11.04.2017. Accordingly, MESCOM has released the payment. The Commission notes the

reply provided by MESCOM. However, MESCOM has not provided the impact of above orders in terms of term and quantum of power.

6. On payment of total amount of Rs.1.12 Crores towards Solar banked energy of 0.15 MU at Rs.74.67/unit:

The energy bills settled fully between the MESCOM and NMPT for the period 2016-17 to 2021-22 only in 2021-22 due to differences in energy accounting. In this respect, MESCOM has submitted that based on the corrections approved by KERC vide its letter dated 14.8.2020 to the original Wheeling and Banking Agreement (WBA) entered with NMPT, amended WBA was executed on 15.01.2021. Consequent to this Agreement, liability has been met by MESCOM as follows, thereby incurring additional power purchase cost in FY22:

Particulars	Energy (in Units)	Rate @APCC	Rate @ 85 % Generic Tariff	Amount (in Rs)
2016-17 (02-12-16 to 03-02-2017)	663587	3.10		2057120
2016-17 (04-02-2017-31-03-2017)	733735		5.53	4060123
2017-18	781670		3.71	2896869
2018-19	743980		2.59	1928768
2019-20	396029		2.62	1036804
2020-21	566021		2.62	1481843
2021-22	149782		2.64	394676
Total-A	4034804			13856202
Less : Provision Made (2020-21)	645165		2.62	1689042
Less : Provision Made (2019-20)	383700		2.62	1004526
Total-B	1028865			2693568
Net Amount Accounted in 2021-22				1,11,62,634

Since the entire energy for the above period was not accounted in 2021-22 but net balance payment for the entire energy was released in 2021-22 the rate per unit works out to Rs.74.67/unit. The Commission notes the reply provided by MESCOM.

7. Analyzing the reasons for Deviations and Action taken to reduce such Deviations:

MESCOM in the D-1 Format has indicated DSM charges of Rs. -0.83 Crores against -17.66 MU, which works out to Rs.0.47/unit. In this regard, MESCOM was directed to provide its reply on whether MESCOM is analyzing the reasons for such Deviations on regular basis and what is the action being taken/recommended by MESCOM for reducing such Deviations, in consultation with SLDC. In reply, MESCOM has submitted that, SLDC being the grid operator will manage the deviation depending on the projections and frequency. SLDC is managing the DSM of the State as a whole and that the individual ESCOMs prorated energy and its cost is not considered. The MESCOM shall understand here that in order to reduce the deviations ESCOMs needs to analyse the reasons for deviations and steps needs to be taken accordingly.

8. PGCIL Charges:

MESCOM was directed to provide the reasons for reduction of PGCIL charges of Rs.184.25 Crores from approved charges of Rs.217.30 Crores even when there is increase in drawal of energy from Central generating stations from 1545.83 MU to 2117.32 MU excluding bundled power. In reply, MESCOM has submitted that, CERC (sharing of Inter-state transmission charges and losses) Regulations 2020 came into force with effect from 01.11.2020. Due to change in billing procedure, the transmission charges in respect of PGCIL have reduced and the actual transmission charges paid is considered in D-1 Format. The Commission notes the reply provided by MESCOM.

9. Other Charges/Adjustment Charges:

The MESCOM has considered Rs.0.53 Crores of capacity charges under the head 'Other charges'. MESCOM was directed to provide the details and reasons for the payment of this amount. In reply, MESCOM has submitted that, it has included MAT payment, reactive energy charges, SCED money, IEX distribution fees, RRAS refund, Open Access charges of HPSEBL in 'Other charges'.

Further, the MESCOM had considered Rs. -13.20 Crores, Rs.9.17 Crores, Rs.11.14 Crores under the head 'Other Charges/ Adjustments' in respect of KPCL, Central and UPCL TPS respectively, totalling to Rs.7.11Crores. MESCOM was directed to provide details and reasons for the payment of this amount. In reply, MESCOM has submitted that the following amounts are included in 'Other charges/Adjustments':

- Rs. -13.20 Crores under KPCL TPS due to revision in capacity charges of YTPS as per KEREC Truing up order for the previous year.
- Rs.9.17 Crores under CGS TPS due to payment of Incentives, compensation charges for partial loading, FERV, SRLDC charges, Energy Adjustment charges, Deferred tax liability, RRAS adjustment, CERC filing fees, and revision of capacity and energy charges as per truing up order for the tariff period 2014-19 in respect of CGS units.
- Rs.11.14 Crores under UPCL TPS due to payment of partial loading charges, Tax on auxiliary consumption, provision for LPS on infirm energy as per APTEL order.

The Commission notes the reply provided by MESCOM.

10. Difference in Transmission Charges and SLDC charges between Annual Accounts and D-1 Format:

As per Annual Accounts for FY22, the cost towards transmission charges and SLDC charges is Rs.503.82 Crores and Rs.1.525 Crores respectively as against Rs.504.83 Crores and Rs.2.59 Crores in D-1 Format, resulting in a difference of Rs.2.075 Crores. The MESCOM was directed to provide clarification in this regard. In reply, MESCOM has submitted the following:

Particular	Amount in Rs. Crore	As per D-1 Format	As per Accounts
NTPC VVNL Transmission Charges	1.00	PGCIL PoC Charges	Energy Charges since account code is same as VVNL Bundled Power
Southern Region (PGCIL)	183.23		Transmission Charges

TANGEDCO Transmission Charges	0.02		Transmission Charges
KPTCL Transmission Charges	320.58	KPTCL Transmission Charges	Transmission Charges
SLDC Charges	2.59	SLDC Charges	SLDC Charges
Reactive Charges	-1.06	Other Charges	SLDC Charges since account code is same

The Commission notes the reply provided by MESCOM.

11. Inter-ESCOM Energy Accounting below 66kV level:

The Commission notes with concern that this important aspect of metering is not being attended to by the ESCOMs and hence, hereby directs all the ESCOMs to ensure that proper metering arrangements are made at all the required interface points below 66kV level in line with Central Electricity Authority (Installation and Operation of Meters) Regulations 2006 and its amendments thereof, for proper accounting of Inter-ESCOM Energy. The action taken in this regard should be reported to the Commission within two months from the date of issuance of this Tariff Order.

12. Backing Down of Power:

The MESCOM explanation is silent on the power backed down during FY22. It is to be noted here that, the State ESCOMs have backed down power to an extent of 25,956 MU during FY22 as per the information provided by SLDC. This factor needs to be considered by the State ESCOMs including MESCOM before considering any power procurement and should take measures to reduce/utilize power backed down on commercial principles, considering reliability of the State grid into consideration. The PCKL shall guide ESCOMs and should take responsible measures in this aspect.

13. Accuracy of Demand-Supply projections:

The Commission directs all ESCOMs to provide correct data for demand/supply projections including in respect of Electric Power Survey (EPS) Reports, Load Generation Balance Reports (LGBR), etc., as the correct data will ensure

accuracy in demand/supply projections. Further, the Commission directs, all the ESCOMs/PCKL/SLDC to conduct proper demand-supply projections at specific time intervals for ensuring reliability in supply and avoid stranded generation capacities.

14. Source-wise Generation:

On an analysis of the source-wise approved and actual power purchases, it is observed that, there are deviations in the quantum of energy purchased and cost thereon. There is increase in supply of energy from the KPCL Thermal, KPCL Hydel, CGS, Renewable energy sources of power and from other State hydro projects. Whereas there is a decrease in the supply from the UPCL and Bundled Power as indicated below:

Source of Generation	Approved Energy for 2021-22 in MU	Actual Energy for 2021-22 in MU	Excess(+)/ Shortfall (-) Energy in %
KPCL-Thermal Stations	1287.90	1359.36	5.55%
CGS	1545.84	2117.32	36.97%
UPCL	224.83	83.42	-62.90%
KPCL Hydel Stations	1811.44	2134.22	17.82%
Other State Hydro Projects	15.89	17.41	9.57%
RE Projects	1297.47	1524.50	17.50%
Total Bundled Power	311.59	171.37	-45.00%
Others		-1466.59	
Total	6494.96	5941.01	-8.53%

Source of Generation	Approved Amount for 2021-22 in Rs. Crores	Actual Amount for 2021-22 in Rs. Crores	Excess (+)/ Shortfall (-) Amount in %
KPCL-Thermal Stations	771.20	745.60	-3.32%
CGS	730.37	968.37	32.59%
UPCL	129.92	105.15	-19.07%
KPCL Hydel Stations	185.18	155.33	-16.12%
Other State Hydro Projects	5.30	5.29	-0.19%
RE Projects	557.43	650.86	16.76%
Total bundled Power	141.04	88.71	-37.10%
Transmission Charges (PGCIL+KPTCL)	535.49	504.83	-5.73%
Others	2.85	-644.30	-22746.75%
Total	3058.79	2579.84	-15.66%

However, the cost has not increased in proportion to energy, instead there is slight reduction in increase in cost compared to increase in proportion to energy. Further, decrease in the PGCIL charges to an extent of Rs.33.05 Crores have majorly resulted in decrease in per unit cost from Rs.4.71 per unit (Approved) to Rs.4.34 per unit, as per actuals. However, the Commission directs MESCOM to ensure that the amount paid towards PGCIL charges is thoroughly verified as per the CERC approved methodology in terms of CERC (sharing of Inter State Transmission Charges and related matters) Regulations 2020 and its amendments from time to time and make sure such amount arrived is prudent. Further, energy to an extent of 521.50 MU has been sold in the power market, much importance should be given towards it considering commercial principles and reliability of the State Grid.

- 15. MESCOM shall ensure that in future, all the costs related to power purchase for a financial year, for which APR is being submitted before the Commission, are reconciled between the ESCOMs and concerned Generation Stations/Transmission Utilities/State Load Despatch Centres etc. and checked for its correctness before its submission. PCKL is directed to ensure co-ordination meetings at regular intervals is held in this aspect and copy of the proceedings of such meeting shall be submitted to the Commission for information. Further, in the above meeting attention shall be given to all the aspects discussed in the above paras including energy reconciliation, variation in DSM charges between ESCOMs and other relevant subjects.**

- 16. In the circumstances explained above, considering the consolidated replies provided by ESCOMs in respect of Energy Reconciliation Statement, Power procurement under medium term from cogeneration power plants and in view of fact that the power purchase is un-controllable cost as per MYT Regulations, the Commission hereby decides to approve the actual power purchase cost of Rs.2579.83 Crores towards purchase of 5941.01 MU for FY22, subject to the following:**

- a) Revision of Energy Reconciliation Statement among ESCOMs for FY22, if any.
- b) Subject to outcome of the orders on the petitions/review petitions filed in respect of power procurement under medium term from cogeneration power plants.
- c) The decision, if any, of the Commission (KERC) in respect of tariff regarding power procurement under medium term from cogeneration power plants.

4.2.3 RPO Compliance:

MESCOM in its filing has submitted the following compliance:

a. Non-solar RPO (Actuals for FY22):

TABLE – 4.7
Non-Solar RPO Compliance

Sl. No.	Particulars	Quantum In MU	Cost Rs. In Cr.
1	Total power purchase quantum from all sources excluding Hydro-energy	4133.29	1378.24
2	Non-solar RE purchased under PPA route at Generic Tariff including Non-solar RE purchased from KPCL.	779.89(*)	295.77(*)
3	Non-Solar RE purchased from Exchanges	8.26	3.68
4	Non-Solar RE sold in Exchanges	(-)85.18	(-)35.44
5	Non-Solar RE (Green Energy) sold to consumers	(-)0.12	-
6	Non-Solar RE purchased from other ESCOMs	-	-
7	Non-Solar sold to other ESCOMs	-	-
8	Banked non-solar RE purchased @ 85% of Generic Tariff.	22.34(**)	8.16(**)
9	Total Non-Solar RE Purchased [2+3-4-5+6-7+8]	725.19	272.17
10	Non-Solar RPO Target (%)	13.00%	
11	Non-Solar RPO Complied (%)	17.55%	

(*) Includes Mani and Shimsha

Mani : 1.64 MU (Rs.0.21 Cr.)

Shimsha : 3.51 MU (Rs.0.42 Cr.)

(**) banked non-solar energy of 22.34 MU

Mini Hydel : 22.19 MU (Rs.8.12 Cr.)

Wind Mill : 0.15 MU (Rs.0.04 Cr.)

b. Solar RPO (Actuals for FY22):

TABLE – 4.8
Solar RPO Compliance

Sl. No.	Particulars	Quantum In MU	Cost Rs. In Cr.
1	Total power purchase quantum from all sources excluding Hydro-energy	4133.29	1378.24
2	Solar RE purchased under PPA route at Generic Tariff including Solar RE purchased from KPCL.	832.03(***)	410.76(***)
3	Solar RE purchased from Exchanges	-	-
4	Solar RE sold in Exchanges	(-)75.25	(-)35.44
5	Solar RE (Green Energy) sold to consumers	(-)16.15	-
6	Solar RE purchased from other ESCOMs	-	-
7	Solar sold to other ESCOMs	-	-
8	Banked Solar RE purchased @ 85% of Generic Tariff.	0.15	1.12
9	Total Solar RE Purchased [2+3-4-5+6-7+8]	740.78	376.44
10	Solar RPO Target (%)	10.50%	
11	Solar RPO Complied (%)	17.92%	

(***) includes Solar Rooftop Energy of 8.21 MU (Rs.5.99 Cr.)

Preliminary observations:

For the purpose of ascertaining the compliance of RPO, the power purchase from SRTPV sources, is not indicated separately in D-1 Format. MESCOM shall clarify the same.

MESCOM's Reply:

MESCOM has submitted that the power purchase from SRTPV is included in the D1 statement and has furnished the following breakup:

Particulars	Solar Energy in MU
From PPA Sources	823.96
From SRTPV	8.21
Sub Total	832.17
Less: GTAM Sales	(75.25)
Net Solar Energy as in D1 statement	756.92
Less: Green Energy	16.15
RPO Units	740.77
Energy excluding Hydro & others	4133.29
% of RPO	17.92

Commission's decision:

The replies furnished by MESCOM is noted and the RPO compliance based on audited accounts/D-1 format, is discussed in the following paragraphs:

i) Input energy net of hydro:

The input energy net of hydro is computed as indicated below:

1	Input energy-MU	5941.01
2	KPCL hydro including Shimsha & Mani-MU	2134.22
3	Shimsha & Mani-MU	5.15
4	KPCL hydro excluding Shimsha & Mani-MU (Sl. No.2-Sl.No.3)-MU	2129.07
5	Other Hydro-MU	17.41
6	Hydro under energy balance	338.76
7	Total hydro-MU (Sl. No.4+Sl.No.5)-MU	2146.48
8	Input energy net of Hydro- MU (Sl. No.1-Sl.No.7+Sl.No.6)	4133.29

ii) **Non-solar RPO compliance**

The Non-solar quantum purchased as per audited accounts / D1 format is as follows:

Source	MU
Co-generation	107.88
Bio-mass	0
Mini hydel	415.67
Wind including KPCL	251.19
Shimsha & Mani	5.15
Banked energy	22.34
Non-solar Energy purchased from market	0.00
Less Non-solar energy sold in market	-85.18
Less green energy sold	-0.12
TOTAL- Non-solar purchased	716.93

Note: PKCL has informed that neither solar nor non-solar energy is purchased from exchanges/market. Hence, solar or non-solar energy purchased from exchanges/market is considered as Zero.

Considering the input energy net of hydro of 4133.29 MU and the non-solar energy of 716.93 MU, the MESCOM has complied with RPO to the extent of 17.35% against the target of 13% for FY22. Thus, MESCOM has purchased 179.602 MU (179602MWh) of excess Non-solar energy beyond the specified target.

iii) Solar RPO compliance

The Solar quantum purchased as per audited accounts / D1 format is as follows:

Source	MU
Solar PPA including SRTPV	727.27
NVVN - Bundled	7.15
NSM - bundled	97.61
Banked energy	0.15
Less Solar energy sold in market	-75.25
Less green energy sale	-16.15
TOTAL solar purchased	740.78

Considering the input energy net of hydro of 4133.29 MU and the solar energy of 740.78 MU, the MESCOM has complied with RPO to the extent of 17.92% against the target of 10.50% for FY22. Thus, MESCOM has purchased 306.785 MU (306785 MWh) of excess solar energy beyond the specified target.

4.2.4 Distribution Loss for FY22:

The MESCOM, in the tariff application as per Format-A1 and as per Annexure to the audited accounts, has reported the distribution losses of 9.02% for FY 22. The computation of distribution losses for FY22 as submitted by MESCOM is as under:

Distribution loss of 11.30%

Particulars	Actuals
Sales in MU	5168.52
Percentage distribution losses in %	9.02
Energy at interface point in MU	5681.01
Percentage transmission losses in%	4.376
Total Energy requirement in MU	5941.01

Commission's Analysis and Decision:

The Commission in its tariff Order 2021 has approved the distribution losses for FY22 as under:

Figures in Percentage

Particulars	FY22
Upper limit	9.52
Average	9.27
Lower limit	9.02

The Commission in its observations had appreciated MESCOM for achieving the target fixed by the Commission and sought MESCOM to furnish the steps taken by MESCOM in reducing the losses below the target fixed by the Commission.

In the reply, MESCOM has furnished the initiatives taken for reducing the distribution losses and to improve quality of power supply such as establishment of new sub-stations, providing additional transformers / capacity enhancements of power transformers in the existing sub-stations, addition of new Distribution Transformers to the system at low voltage pockets, re-conductoring of HT/LT lines, Bifurcation of feeders, Construction of link lines to bifurcate the over loaded/lengthy feeders, replacement of Electro-mechanical meters by static meters, replacement of faulty Meters, replacement of overhead lines by UG cables in City Corporation Areas, reactive Power Compensation, Periodical Maintenance of Distribution Network and DTCs, Technical Audit and Quality Control of materials/works, periodical rating of HT/LT installations, carrying out vigilance activities to curb theft of electricity.

The Commission also notes that as per the division-wise losses furnished by the MESCOM for FY22, the actual distribution losses in some of the divisions, are ranging from 9.03 % to 27.37% for which MESCOM has furnished different reasons. However, there is scope to reduce the losses further in these divisions and therefore, MESCOM shall draw an action plan to reduce the losses in these divisions. The Commission reiterates its direction to MESCOM to put forth continuous efforts to reduce the losses in these divisions.

The Commission notes the performance of MESCOM in achieving the Distribution Losses from FY13 onwards, as detailed below:

Particulars	FY13	FY14	FY 15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Approved Distribution losses in %	12.00	11.75	11.50	11.25	11.15	11.05	10.95	11.00	9.67	9.27
Actual Distribution losses in %	11.88	11.93	11.56	11.50	11.40	11.32	13.29	10.07	9.86	9.02

In the light of the above, based on the achievement made by the MESCOM in reduction of losses during the previous years and the capex incurred so far, the

Commission decides to consider and approve the actual distribution losses at 9.02% for FY22.

The actual distribution losses of 9.02% for FY22, is well within the approved upper and lower range of 9.52% and 9.02% respectively. Hence MESCOM is not entitled to any incentive/penalty for achieving the distribution losses for FY22.

4.2.5 Capital Expenditure – APR for FY22:

1. MESCOM Submission:

MESCOM, in its filing has indicated a capital expenditure of Rs.425.46 Crores for FY22, as against the Commission approved capex of Rs.695.85 Crores for FY22. The Commission, in the preliminary observations, had observed difference in totalling of the Capex incurred for FY22 and directed MESCOM to furnish correct capex as per audited accounts.

The MESCOM, in its reply to the Commission's preliminary observations, has submitted the capex of Rs.428.83 Crores incurred for FY22, duly agreeing with audited accounts. MESCOM, in its reply has furnished the revised breakup of category-wise expenditure of Rs.428.83 Crores for FY22, is as under:

TABLE – 4.9
Break-up of Capital expenditure for FY22

(Amount in Rs. Crores)

Sl. No	Particulars of the works under Major/ Minor heads	Commission approved Capex in Rs. Crores	Expenditure incurred for FY22 in Rs. Crores
A	<u>Regular Works</u>		
1	Extension & Improvement (E&I) works (Additional Transformers, Link lines, HT/LT Reconductoring, HVDS, UG/AB Cable etc.)	290.00	107.74
2	DTC Metering	2.70	0.02
3	Replacement of Electromechanical meters by Static meters/ DLMS meter	27.00	3.27
4	Replacement of faulty Distribution Transformers	5.00	1.90
5	Service Connection	50.25	44.48
6	<u>Rural Electrification(General)</u>		
a.	Electrification of Hamlets /Villages	2.00	0.36
b.	Energisation of IP sets under general, Ganga Kalyana schemes etc.	65.00	81.98
c.	Electrification of BPL Households	0.00	0.00

7	<u>Tribal Sub-plan</u>		
a.	Electrification of Tribal Colonies	0.50	0.42
b.	Energisation of IP sets	0.90	0.97
c.	Other improvement works	0.60	0.89
8	<u>Special component Plan</u>		
a.	Electrification of SC Colonies	1.00	0.13
b.	Energisation of IP sets	1.15	2.88
c.	Other improvement works	0.55	2.47
9	Tools & Plants & Computers	13.00	2.91
10	Civil Engineering works	40.00	30.38
11	33 KV Station and line works	37.20	22.86
12	Solar Roof Tops on Company Buildings	1.00	0.00
B	<u>GoI/GoK Scheme Works</u>		
1	Deen Dayal Upadaya Grama Jyoti Yojana(DDUGJY)	30.00	8.83
2	IPDS: System improvement & Strengthening works in R-APDRP/ statutory Towns	35.00	3.15
3	IPDS: Gas insulated substations	5.00	28.00
4	IPDS:(Integrated Power Development Scheme) Phase II-IT)	0.00	0.00
5	Providing infrastructure to regularised UIP and general IP sets-Phase-III	65.00	41.38
6	Improvement Works for Model Electricity Village	18.00	8.61
7	Improvement Works for Model Sub-division	5.00	35.20
8	Saubhagya	0.00	0.00
TOTAL:		695.85	428.83

2. Commission's Analysis and Decision:

a. The Commission, in its preliminary observations had directed MESCOM to furnish the abstract of physical and financial progress in respect of additional transformers, link lines, HT/LT reconductoring, HVDS and UG/AB cable etc., for having incurred capex of Rs.110.26 Crores towards E&I works.

In reply, MESCOM has furnished only physical progress of E&I works carried out during the FY22, for having incurred capex of Rs.110.26 Crores. The Commission takes note of the break- up of capex now furnished by MESCOM.

The summary of details furnished is as below:

No of DTCs added	HT line including 11KV Express Link lines in RKMs	HT lines reconductoring in RKms	LT lines in RKMs	LT line reconductoring in RKms	LT line single phase to 3 phase conversion in RKms
908	553.52	495.32	91.27	2077.70	8.20

- b. The Commission noted the reply submitted by MESCOM in respect of replacement of faulty transformers by new transformers, wherein, MESCOM has furnished the capacity-wise transformer details for having incurred capex of Rs.1.89 Crores, which also includes the value of transformers used for enhancement works.
- c. The Commission, in its preliminary observations had directed MESCOM to furnish abstract of number of works sanctioned, completed, balance number of works to be taken up, benefits to the consumers, details of source of funding for capex incurred for an amount of Rs.35.20 Crores towards Model Sub-Division works for FY22.

In reply, MESCOM has submitted that the details of Model Sub-Division works involving conversion of Overhead system by UG cables with conversion of LT Overhead lines by LT UG cables, providing RMUs, providing Spun poles to the existing DTCs. Further, MESCOM has stated that the works are physically completed and are in commissioning stage. In view of this, the Commission directs MESCOM to commission the project at an earliest so as to get benefits envisaged in the DPR and submit the report to the Commission thereon.

The Commission has also taken note of the reply of sources of funding, wherein it has stated that they are following the 70:30 norms for funding of Capital Works.

The details are as under:

Sl. No.	Name of the Sub-Division	Estimated cost (In Rs.)	Conversion of LT lines In Kms	Conversion of LT lines in Kms	Total no. of consumers benefited in No.
1	Attavara	90,91,14,700	84.48	87.945	17,832
2	CSD-1 Sub-Division of Shivamogga Division	63,86,79,887	91.41	110.29	18,411

- d. The Commission, in its preliminary observations had directed MESCOM to furnish Division-wise abstract of number of IP sets energized and cost thereon, under

GK and general schemes against capex of Rs.106.27 Crores incurred as per sl.no 6(b) and Rs.17.10 Crores in sl.no B(5) of the table indicated in para 4.5.

MESCOM, in its replies has furnished the summary of IP sets energised under GK scheme and General scheme is as under:

(Amount in Rs.Crores)

Ganga Kalyana		General		Total	
No of IP sets	Amount	No of IP sets	Amount	No of IP sets	Amount
1400	17.13	11310	106.22	12710	123.36

Thus, the Commission, by Considering the replies submitted by MESCOM, and in view of the fact that the actual capex incurred is within the approved Capex, decides to approve the actual capex of Rs.428.83 Crores, for the purpose of approval of APR for FY22.

3. Prudence Check of Capital Expenditure for FY21 and FY22:

The Commission, in its Tariff Orders dated 4th November 2020 and 9th June 2021, had allowed Capital expenditure incurred by the MESCOM for FY21 and FY22 respectively, subject to carrying out the prudence check of the various works undertaken by MESCOM. Accordingly, the Commission had entrusted conducting prudence check of capital expenditure to Consultants.

The Consultants have submitted the report in the matter. The Commission had forwarded a copy of the report of the Consultant to MESCOM for information and to submit its comments on the findings of the report along with previous years' imprudent works. Further, MESCOM was directed to submit the reply in the matter within 15 days. Hence, the Commission will take a view on the report submitted by Consultants after analyzing the replies from MESCOM, in the ensuing Tariff Order.

4.2.6 Operation and Maintenance Expenses:

MESCOM's Submission:

The MESCOM, in its application, has claimed Rs.688.85 Crores towards O&M expenditure as per the audited accounts as against Rs.796.62 Crores approved

by The Commission, in its Tariff Order dated 9th June, 2021 for FY22. The break-up of O&M expenses are as follows:

TABLE – 4.10
O&M Expenses - MESCOM's submission

Amount in Rs. Crores	
Particulars	FY22
Repairs and Maintenance	63.66
Employee cost	518.22
Administrative & General Expenses	106.97
Total O & M Expenses	688.85

Commission's Analysis and Decisions:

The Commission in its Tariff Order dated 9th June, 2021, had approved O&M expenses for FY22 as follows:

TABLE – 4.11
Approved O&M Expenses as per Tariff Order dated 09.06.2021

Amount in Rs. Crores	
Particulars	FY22
No. of installations as per actuals as per Audited Accts	2578821
Weighted Inflation Index (%)	7.9586%
CGI based on 3 Year CAGR	2.87%
Base year O&M expenses (Actuals for FY19 including the P&G contribution and the additional contribution to P&G trust) Rs. Crores.	558.75
Allowable O&M expense= O&M Index= O&M (t-1) *(1+WII+CGI-X) in (Rs. Crores)	796.62

The Commission notes that MESCOM has claimed O&M expenses of Rs.688.85 Crores as per the audited accounts for computation of revised ARR as per APR for FY22.

The Commission, in accordance with the provisions of the MYT Regulations and the methodology adopted while approving the ARR for FY22 and earlier APRs, proceeds with the determination of normative O&M expenses, based on the 12 year data of WPI and CPI, besides considering the three year compounded annual growth rate (CAGR) of consumers. Considering the Wholesale Price Index (WPI) as per the data available from the Ministry of Commerce & Industry, Government of India and Consumer Price Index (CPI) as per the data available from the Labour Bureau, Government of India and adopting the methodology

followed by the CERC with CPI and WPI in a ratio of 80: 20, the allowable rate of inflation for FY22 is computed as follows:

TABLE-4.12
Allowable inflation for FY22

Year	WPI	CPI	Composite Series	Yt/Y1 =Rt	Ln Rt	Year (t-1)	Product [(t-1)* (LnRt)]
2010	89.7	61.1	66.82				
2011	98.2	66.5	72.84	1.09	0.09	1	0.09
2012	105.7	72.7	79.30	1.19	0.17	2	0.34
2013	111.1	80.6	86.70	1.30	0.26	3	0.78
2014	114.8	85.7	91.52	1.37	0.31	4	1.26
2015	110.3	90.8	94.70	1.42	0.35	5	1.74
2016	110.3	95.3	98.30	1.47	0.39	6	2.32
2017	114.1	97.6	100.90	1.51	0.41	7	2.88
2018	118.9	102.4	105.70	1.58	0.46	8	3.67
2019	121.2	110.2	112.40	1.68	0.52	9	4.68
2020	121.8	116.3	117.40	1.76	0.56	10	5.64
2021	135	122	124.60	1.86	0.62	11	6.85
A= Sum of the product column							30.25
B= 6 Times of A							181.51
C= (n-1)*n*(2n-1) where n= No of years of data=12							3036.00
D=B/C							0.06
g(Exponential factor)= Exponential (D)-1							0.0616
e=Annual Escalation Rate (%)=g*100							6.1611
As per CERC Notification No.Eco T I / 2020-CERC dated 27.03.2020 with weightage of 80% on CPI and 20% on WPI							

Thus, the Commission, while determining the normative O & M expenses for FY22, has considered the following:

- The approved normative O & M expenses for FY21, excluding contribution to Pension and Gratuity Trust.
- The three year compounded annual growth rate (CAGR) of 2.67% of the number of installations considering the actual number of installations as per the audited accounts up to FY22.
- The weighted inflation index (WII) at 6.1611% as computed above.
- Efficiency factor at 1% as considered during computing earlier APRs.

Thus, the normative O & M expenses for FY22 will be as follows:

TABLE-4.13

Normative O & M Expenses

Particulars	Amount (in Crores)	
	FY22	
No. of Installations	2564242	
CGI based on 3 year CAGR	2.67%	
Inflation index	6.1611%	
The approved normative O&M expenses for FY21, without contribution to P&G trust) (Rs. Crores)	582.98	
The allowable normative O&M expenses without contribution to P&G Trust for FY22 (Rs. Crores)	628.64	

The Commission has computed the above normative O&M expenses without considering the contribution to Pension and Gratuity Trust for FY22. MESCOM in its audited accounts has accounted an amount of Rs.133.88 Crores towards contribution P&G Trust for FY22. The Commission as per the provisions of MYT Regulations has treated the employee cost on account and contribution to P&G Trust as uncontrollable O&M expenses. Thus, the Commission has allowed the actual amount of contribution to P&G Trust as per audited accounts in addition to the normative O&M expense to enable MESCOM to meet its actual employee cost.

The Commission notes that MESCOM in its application has claimed the O&M expenses of Rs.688.85 Crores and requested the Commission to allow the same for FY22. The Commission notes that, as per the audited account has incurred Rs.522.76 Crores, Rs.64.10 Crores and Rs.107.99 Crores towards employee cost, R&M expenses and A&G expenses for FY22.

The Commission in its earlier orders has been consistently stressing the need to control the controllable O&M expenses and opines that allowing O&M expenses beyond the actual amount of O&M expenses incurred and accounted in the audited accounts will be a burden to the consumers if it passed on in the retail supply tariff to be approved for FY24.

Based on the above the Commission notes that MESCOM has incurred the actual O&M expenses of Rs.694.85 Crores which is inclusive of contribution of

terminal benefits to P&G Trust for FY22. The allowable O&M expenses along with the uncontrollable employee cost of contribution to P&G Trust as computed above of Rs.762.51 Crores is more than the actual total O&M expenses incurred by MESCOM by Rs.67.66 Crores for FY22.

The Commission by stressing the need to control the O&M expenses and opines that allowing controllable O&M expenses beyond the actual amount incurred as per the audited accounts will be a burden to the consumers in the tariff to be approved for FY22 decides to allow the actual O&M expenses of Rs.694.85 Crores as under:

Based on the above, the allowable O&M expenses for FY22 are as follows:

TABLE – 4.14
Allowable O & M Expenses for FY22

Amount in Rs. Crores		
Sl. No.	Particulars	FY22
1	Normative allowable O & M expenses	628.64
2	Allowable uncontrollable additional O&M cost (P&G Contribution)	133.88
3	Allowable total O & M expenses for FY22	762.51
4	Actual expenses (As per audited accounts along with P&G Contribution)	694.85
5	Approved O&M expenses for FY22	694.85

Thus, the Commission decides to allow actual O&M Expenses as per Audited Accounts of Rs.694.85 Crores, as requested by MESCOM for FY22.

4.2.7 Depreciation:

MESCOM's Submission:

MESCOM, in its application, has claimed an amount of Rs.166.76 Crores as per the audited accounts as against Rs.186.77 Crores approved by the Commission towards depreciation for FY22.

MESCOM has submitted that the assets created out of Govt. Grants and Consumer Contribution till 31.03.2016 amounting to Rs.515.17 Crore have been deducted from fixed Assets and depreciation on these assets amounting to

Rs.24.22 Crores has been reduced from the total depreciation. MESCOM also informed that the depreciation chargeable on assets created out of Govt. Grants and Consumer Contributions received after 01.04.2016 of Rs.42.47 Crores has been deducted from the total depreciation. Hence, depreciation computed by MESCOM for FY22 is as detailed below:

TABLE – 4.15
Depreciation for FY22- MESCOM's Submission

Particulars	Amount in Rs. Crores		
	FY21	FY22	
	Closing Balance of Asset as on 31.03.2021	Closing Balance of Asset as on 31.03.2022	Depreciation
Land and rights	10.50	12.55	0.09
Buildings	157.84	209.38	6.32
Hydraulic Works	3.69	4.08	0.18
Other Civil	1.28	1.47	0.04
Plant & Machinery	3730.16	4117.33	196.91
Vehicles	13.44	13.44	1.09
Furniture Fixtures	9.07	9.84	0.52
Office Equipment	18.05	18.14	0.94
Depreciation on intangible assets	21.79	22.34	3.14
Total	3,965.83	4408.57	209.23
Less: Dep on assets created out of consumer contribution and govt. grants			42.47
Total Depreciation claimed by MESCOM			166.76

Commission's Analysis and Decisions:

The Commission, in its preliminary observations had observed that in the Format D-15, the amount of GFA created out of Consumers' contribution & Grants were not indicated. As such, MESCOM was directed to furnish the revised D-15 Format duly indicating the opening & closing balances, additions, retirement of assets created out of Consumer Contribution & Grants, for the FY22, FY23 and FY24, in order to verify the compliance of the directive of the Hon'ble ATE Order in OP 46/2014 and for allowing the net depreciation on the GFA. Accordingly, MESCOM in its reply to the preliminary observations, has furnished necessary details to the Commission.

The Commission, in accordance with the provisions of the KERC (Terms and Conditions for Determination of Tariff) Regulations, 2006, and its subsequent amendments, has determined the depreciation for FY22 based on the opening and closing balances of gross blocks of fixed assets for FY22 and the depreciation for each assets as per audited accounts. The weighted average rate of depreciation works out to 5.01%.

Further, as per the Accounting Standards (AS) – 12, an amount of Rs.42.47 Crores is the depreciation on the assets created out of consumers' contribution / grants reckoned in the audited accounts, has been considered to arrive at the net depreciation of Rs.167.41 Crores.

Accordingly, the approved asset-wise depreciation for FY22 is worked out as follows:

TABLE – 4.16
Allowable Depreciation for FY22

Particulars	Amount in Rs. Crores		
	FY21	FY22	
	Closing Balance of Asset as on 31.03.2021	Closing Balance of Asset as on 31.03.2022	Depreciation
Buildings	157.84	210.20	6.3232
Civil	3.69	4.08	0.1826
Other Civil	1.29	1.47	0.0427
Plant & M/c	3728.88	4118.70	197.045
Vehicles	13.44	13.44	1.0918
Furniture	9.07	9.84	0.5216
Office Equipment	18.05	18.15	0.9327
Lease hold land	2.72	2.72	0.00
Released assets re-used to works	1.28	0.73	0.00
Land	7.78	10.06	0.00
Intangible Assets	21.79	22.35	3.74
Total GFA	3965.83	4411.73	209.8813
Less: Depreciation on assets created consumer contribution/ Grant	740.12	868.82	42.4735
Net GFA	3225.71	3542.91	167.41

Thus, the Commission decides to allow the net depreciation of Rs.167.41 Crores for FY22.

4.2.8 Interest and Finance Charges:

a) Interest on Capital loan:

MESCOM's Submission:

MESCOM, in its application has claimed an amount of Rs.98.71 Crores, as against Rs.116.10 Crores, approved by the Commission in Tariff Order 2021 dated 9th June, 2021 towards interest on capital loans drawn from Banks/Financial Institutions for FY22 and has requested the Commission to allow the same for FY22.

Commission's Analysis and Decisions:

The Commission has considered the status of opening and closing balances of capital loans as per the audited accounts for FY22, figures as per Format D-9 of the filings, new loans borrowed and repayment of loans as per audited accounts. The Computation of Interest on capital loan is indicated in the following Table:

TABLE – 4.17
Allowable Interest on Loans – FY22

Amount in Rs. Crores	
Particulars	FY22
Long term secured & unsecured loans	1209.54
Add New Loans	290.00
Less; Repayments	187.53
Total loan at the end of the year	1312.01
Average Loan	1260.78
Interest paid on long term loans as per filing	98.69
Weighted average rate of interest based on the interest projected on average loans.	7.83%
Interest allowed	98.69

Considering the average loan of Rs.1260.78 Crores and an amount of Rs.98.69 Crores incurred towards interest on capital loans, the weighted average of interest rate works out to 7.83%. The actual weighted average rate of interest of 7.83% is comparable and less than the prevailing rate for long term loan.

Thus, the Commission decides to allow an amount of Rs.98.69 Crores towards interest on capital loans for FY22.

b) Interest on Working Capital:**MESCOM's Submission:**

MESCOM in its Petition, has claimed an amount of Rs.55.32 Crores as against Rs.91.13 Crores, approved by the Commission in its Tariff Order dated 9th June, 2021, towards interest on working capital during FY22 as shown in the following Table:

TABLE – 4.18
Interest on Working Capital for FY22-MESCOM's Submission

Particulars	As Filed (Rs.in Crores)
1/12th of O&M Expenses	57.40
Opening GFA	3944.04
1% of opening GFA	39.44
1/6th of Revenue	658.95
Total Working Capital	755.79
Normative Interest on Working Capital @ 10.45%	78.98
Actual interest on working capital incurred in FY22	31.65
Interest on working capital claimed	55.32

Commission's Analysis and Decisions:

The Commission notes that, MESCOM as per the audited account has incurred Rs.31.66 Crores towards interest on short term loan and overdraft (working capital) for FY22. The Commission further notes the interest on working capital claimed by MESCOM at 10.45% per annum as per MYT Regulations for FY22.

The Commission has been computing the interest on working capital considering the Marginal Cost of Fund Based Lending Rates of SBI (MCLR) for one year as on 1st April of the financial year plus 250 basis points or the weighted average interest rate whichever is lower.

The Commission notes that the one year SBI MCLR rate as on the 1st April 2021 was 7%. Thus, adding 250 basis points on the MCLR lending rate of 7% amounts to 9.50% per annum. Hence, the Commission while computing the normative interest on working capital has considered the interest rate at 9.5% p.a. for FY22.

As per the audited accounts, the MESCOM has incurred an amount of Rs. 31.66 Crores towards interest on short term loans/over drafts (working capital) for FY22.

As per the KERC (Terms and Conditions for Determination of Tariff) Regulations, 2006 and amendments thereon, the Commission has computed the allowable interest on working capital for FY18 as in the following Table:

TABLE – 4.19
Allowable Interest on Working Capital for FY22

Amount in Rs. Crore	
Particulars	FY22
One-twelfth of the amount of O&M Expenses	57.90
Opening GFA	3944.04
Stores, materials and supplies 1% of Opening balance of GFA	39.44
One-sixth of the Revenue	658.95
Total Working Capital	756.30
Rate of Interest (% p.a.)	9.50%
Normative working capital Interest	71.85
Actual Interest on Working Capital incurred by MESCOM as per audited accounts for FY22	31.66
50% of the difference between normative and actual Working Capital	20.09
Allowable Interest on Working Capital	51.75

Since the actual interest on working capital is less than the normative interest on working capital, the Commission, as per the provisions of the MYT Regulations, decides to allow the actual interest on working capital of Rs.31.66 Crores plus 50% of the difference between normative interest on working capital and the actual interest on working capital of Rs.20.09 Crores.

The Commission, therefore decides to allow Rs.51.75 Crores, towards interest on working capital for FY22.

c) Interest on Consumers' Security Deposits:

MESCOM's Submission:

MESCOM as per the audited accounts, has claimed an amount of Rs.29.11 Crores as against Rs.32.37 Crores, approved by the Commission in Tariff Order 2021 dated 09.06.2021 towards payment of interest on consumers' security deposits for FY22.

Commission's Analysis and Decisions:

The Commission notes that, as per the audited accounts, the opening and closing balance of Consumer Deposits amounts to Rs.712.61 Crores and Rs.749.66 Crores respectively for FY22. MESCOM, as per audited accounts has claimed Rs. 29.11 Crores towards interest on consumer security deposits for FY22.

For arriving at the interest rate to be approved on consumer deposits, the Commission, as per the KERC (Interest on Security Deposit) Regulations, 2005, considers the Bank rate prevailing on the 1st of April of the relevant year. The Bank rate as on 1st April, 2021 was 4.25%. The weighted average rate of interest works out to 3.98% which is within the applicable Bank rate. The Commission, therefore decides to consider the actual interest on consumer security deposit amount held by MESCOM and payment of interest thereon for FY22.

Thus, the Commission decides to allow an amount of Rs. 29.11 Crores towards interest on consumer security deposits for FY22.

d) Other Interest and Finance charges:

MESCOM has claimed an amount of Rs.1.51 Crores as against Rs.1.08 Crores approved by the Commission towards other interest and finance charges for raising loans for FY22.

The Commission notes that as per audited accounts, MESCOM has incurred Rs.1.51 Crores towards raising finance during FY22. **Accordingly, the Commission decides to allow an amount of Rs. 1.51 Crores towards other Interest and Finance charges for FY22.**

e) Capitalization of Interest and other expenses:

MESCOM, has not claimed any amount towards capitalization of interest and finance charges for FY22. Accordingly, the Commission has not considered any amount towards capitalization of Interest and other expenses for computation of APR for FY22.

As per the above discussions, the total allowable interest and finance charges for FY22 are as follows:

TABLE – 4.20
Allowable Interest and Finance Charges

Amount in Rs. Crore		
Sl. No.	Particulars	FY22
1.	Interest on Loan capital	98.69
2.	Interest on working capital	51.75
3.	Interest on consumer deposits	29.11
4.	Other interest and finance charges	1.51
5.	Less: Interest and other expenses capitalized	0.00
	Total interest and finance charges	181.06

4.2.9 Other Debits:

MESCOM's Submission:

MESCOM, in its application has claimed Rs.9.43 Crores towards other debits for FY22.

Commission's Analysis and Decisions:

The Commission, in its preliminary observations, had directed MESCOM to furnish the details for Rs.9.43 Crores claimed under "Miscellaneous Losses and Write-offs" under D-11 Format. MESCOM in its reply, has submitted the details for 'Other' expenses' of Rs.9.43 claimed as per Format D-11. MESCOM has stated that the amount is revised consequent to AG audit to Rs.8.04 Crores for which details were furnished against each items, as follows:

Amount Rs. In Crores			
Sl. No.	Particulars	Before AG Audit	After AG Audit
1	Asset Decommissioning Costs	1.6115	1.6115
2	Losses relating to Fixed Assets/sale of scraped assets	4.0493	4.0493
3	Provision for bad and doubtful debts	2.8553	1.4640
4	Compensation for injuries, death and damages-staff & outsiders	0.9136	0.9136
	Total	9.4297	8.0384

As per the replies submitted by MESCOM, the Commission notes that it has made a provision of Rs.1.46 Crores towards bad and doubtful debts. Thus, except for the provisions made towards bad and doubtful debts, the allowable 'Other Debits' incurred are as detailed in the following Table:

TABLE – 4.21
Allowable Other Debits

Sl. No	Particulars	Amount Rs. Crores
		FY22
1	Losses relating to fixed assets	4.05
2	Assets decommissioning cost	1.61
3	Compensation for injuries, death and damages- staff & outsiders	0.91
	Total	6.57

Thus, the Commission decides to consider Rs.6.57 Crores as other debits for FY22.

4.2.10 Extraordinary Items:

MESCOM's Submissions:

MESCOM in its application has claimed an amount of Rs.44.09 Crores towards extraordinary expenses for FY22.

Commission's Analysis and Decision:

The Commission in its preliminary observations, had directed MESCOM to furnish the details towards accounting of Rs.44.09 Crores towards extraordinary expenses for FY22.

In reply to the preliminary observations, MESCOM has submitted that it has providing provision for payment of Minimum Alternate Tax (MAT) under section 115 JB of the Income Tax Act 1961 and also MAT Credit entitlement has been recognized in the books of the Company to the extent available for future setoff. Accordingly, Company has not claimed any tax expenses in its books. From current year 2021-22, Company has opted the Income Tax new regime as per section 115BAA of Income Tax Act and provision for income tax for FY22 is not provided since Company has suffered loss as per the provision of Income Tax Act. Similarly, MAT credit entitlement held in the books of the Company at the end of 31.03.2021 amounting to Rs. 44.09 Crs is withdrawn from the books of the Company and shown under exceptional items of the accounts.

The Commission notes that as per the audited annual accounts of MESCOM, an amount of Rs. 44.09 Crores has been booked under Exceptional items towards reversal of MAT credit entitlement. Consequent to the adoption of Income Tax new regime as per Section 115 BAA of Income Tax Act. As the MAT credit

entitlement amount has been considered in allowing the Income Tax for the earlier respective financial years Tariff Orders, the Commission decides to consider the reversal of MAT credit entitlement amount of Rs.44.09 Crores as accounted as per audited account for FY22.

Accordingly, the Commission decides to allow an amount Rs.44.09 Crores towards Exceptional items for FY22.

4.2.11 Return on Equity:

MESCOM's Submission:

MESCOM in its application, has claimed Return on Equity of Rs.125.88 Crores as against Rs.151.67 Crores approved by the Commission in Tariff Order 2021 for FY22 as follows:

TABLE – 4.22
MESCOM Submission - RoE for FY22

Amount in Rs. Crore	
Particulars	FY22
Opening balance of the Share capital	619.44
Share Deposit	34.96
Reserve and Surplus	178.43
Less: Re-Capitalized Security Deposits	-26.00
Total	806.83
Rate of RoE	15.50%
RoE for FY22	125.88
RoE for equity infused during FY22	0.82
Total RoE claimed by MESCOM for FY22	125.88

Commission's Analysis and Decisions:

i) Debt Equity Ratio Vis-à-vis Gross Fixed Asset:

The Commission notes that the actual opening and closing balances of gross fixed assets without GFA created out of consumer contribution / grant along with break-up of equity and loan component per actual data as per the audited accounts are indicated as follows:

TABLE –4.23
Status of Debt Equity Ratio for FY22

Amount in Rs. Crores							
	GFA (Actuals)	Debt (Actuals)	Equity (Net- worth) (Actuals)	Normative Debt @ 70% of GFA	Normative Equity @ 30% of GFA	%age of actual debt on GFA	%age of actual equity on GFA
Opening Balance	3203.92	1209.54	806.83	2242.744	961.18	37.75%	25.18%
Closing Balance	3520.56	1312.01	848.30	2464.39	1056.17	37.27%	24.10%

From the above table it is evident that the debt and equity amount lie within the amounts as per the normative debt equity ratio of 70: 30 on the opening and closing balances of GFA for FY22.

ii) Return on Equity (RoE):

As per the KERC (Terms and Conditions for Determination of Tariff) Regulations, 2006 and amendments thereon, the Commission has computed the allowable Return on Equity at 15.5% on the opening balance of net-worth of MESCOM at 15.5% and also allowed the additional RoE on the equity amount infused by the GoK during the year as per Clause 3.9.2 of the Regulations for FY22.

Accordingly, as per the provisions of MYT Regulations and in line with the decision of the Commission in the previous Tariff Orders, the Commission has considered the opening balance of share capital and share deposit plus the accumulated balance of profit/loss as per audited accounts and also after factoring in the recapitalization of security deposit of Rs.26.00 Crores in compliance with the Orders of the Hon'ble ATE in appeal No.46/2014, for determining RoE, as under:

TABLE – 4.24
Allowable Return on Equity

Amount in Rs. Crores	
Particulars	FY 22
OB: Paid Up Share Capital	619.44
OB: Share Deposit	34.96
OB; Reserves & Surplus	178.43
Less Recapitalized Security Deposit	-26.00
Total Opening Balance of Equity	806.83
RoE at 15.50 %	125.06

The Commission notes that MESCOM has received an additional equity of Rs.8.77 Crores during the year from Government of Karnataka. Considering the actual date of receipt of this additional equity, the Commission as per provisions of the MYT Regulations, has determined the allowable return on additional equity as shown in the following Table:

TABLE – 4.25
Return on equity for the additional equity received during FY22

Additional Equity received during FY22	Amount in Rs. Crores	Received on	No. of Months	RoE allowed Rs. Crores
Energy 246 PSR 2021 dtd 19.07.2021	7.27	29.07.2021	8	0.75
Energy 282 PSR 2021 dtd 03.08.2021	0.52	17.08.2021	7	0.05
Energy 283 PSR 2021 dtd 04.08.2021	0.16	18.08.2021	7	0.01
Energy 283 PSR 2021 dtd 04.08.2021	0.07	18.08.2021	7	0.01
Energy 283 PSR 2021 dtd 18.03.2022	0.07	28.03.2022	0	0.00
Energy 283 PSR 2021 dtd 18.03.2022	0.16	25.03.2022	0	0.00
Energy 282 PSR 2021 dtd 18.03.2022	0.52	25.03.2022	0	0.00
TOTAL	8.77			0.819
Return on Equity allowed on Additional Equity Infusion in FY22				0.82

Thus, the allowable return on equity on the additional equity infused during FY22 is Rs.0.82 Crores.

Thus, the Commission decides to allow total Return on Equity of Rs.125.88 Crores for FY22.

4.2.12 Income tax:

MESCOM in its filing has not claimed any amount towards income tax for FY22.

The Commission notes that, as per the audited accounts MESCOM has not factored any amount towards Income tax for FY22.

Thus, the Commission decides not to allow any amount on account of expenditure towards Income Tax for FY22.

4.2.13 Other Income:

MESCOM's Submission:

MESCOM in its Petition, has claimed an amount of Rs.80.92 Crores as against Rs.89.88 Crores as approved by the Commission in Tariff Order 2021 towards Other Income for FY22.

Commission's Analysis and Decisions:

The Commission notes that, MESCOM as per the audited accounts has accounted Rs.181.96 Crores under other income for FY22. This includes income from sale of scrap, income from rent, commission for collection of electricity duty, incentive received for early payment of Power purchase bills and other income relating to purchase of power and miscellaneous recoveries.

The Commission also notes that, the other income of Rs.181.96 Crores also includes Rs.57.93 Crores towards interest on delayed payment of bills by consumers, and Rs.42.47 Crores towards depreciation on assets created out of consumer contribution / grants for FY22.

The Commission while determining the other income has excluded the following amount as the interest on delayed payment by consumers and depreciation on assets created out of consumer contribution / grants has been factored under revenue from sale of power and depreciation account for FY22.

Delayed payment charges of	Rs.57.93 Crores,
Depreciation on assets from consumer Contribution	Rs.42.47 Crores

The Commission in line with earlier Tariff Order in order to encourage and bring in financial discipline in timely payment of monthly power purchase bills, decides to continue to allow Rs.4.02 Crores being 10% of the total incentive amounting to Rs.40.20 Crores earned on account of timely payment of power purchase bills, to be retained by MESCOM for FY22.

Further, an amount of Rs.4.576 Crores being the difference of power purchase cost payable by MSEZ for FY22 is considered as other income to MESCOM. By excluding the above amounts and by addition of power purchase cost of MSEZ, the allowable other income for FY22 is Rs.82.12 Crores.

Thus, the Commission decides to consider Rs.82.12 Crores as Other Income for FY22.

4.2.14 Fund towards Consumer Relations / Consumer Education:

The Commission in its Tariff Order 2021 has allowed an amount of Rs.0.50 Crore per year towards consumer relations / consumer education for FY22. MESCOM in its filing has reported that an amount of Rs.0.06 Crores has been incurred towards Consumer Relations / Consumer Education and CSR for FY22. The Commission notes that, as per the audited accounts, the MESCOM has incurred an amount of Rs.0.06 Crores towards consumer relation/consumer education for FY22.

Accordingly, the Commission decides to allow an amount of Rs.0.06 Crores as expenditure towards Consumer Relations / Consumer Education for FY22.

4.2.15 Carrying Cost on the Regulatory Assets:

The Commission due to unprecedented reasons had issued the Tariff Order, 2020 on 4th November 2020, which was made effective from 1st November, 2020. Due to total lockdown declared by the GoI/GoK on account of Covid-19 pandemic, pendency of Appeal No. 97 of 2020 filed by KPTCL before the Hon'ble Tribunal against the Commission's Order dated 16.01.2020 and the disposal of the Appeal on 05.10.2020 and the applicability of the Code of Conduct on account of announcement of bye-election to the Assembly Constituencies, the Tariff Order for FY20 (for revised tariff for FY21) could not be issued in time. While issuing the Tariff Order, to reduce the burden on the end consumers particularly during the adverse financial situation due to the setback of economic activities during the lockdown period, the Commission had decided to give effect of the revision in Retail Supply Tariff with effect from 1st November, 2020 (instead of 1st April, 2020) which has resulted in recovery of additional revenue only for a period of 5 months during FY21. The remaining unmet gap of 7 months of Rs.122.93 Crores had been kept as Regulatory Asset, which was allowed to be recovered during FY22 and FY23. The Commission had decided to allow 10% carrying cost on the said Regulatory Asset. **Hence, now the Commission has allowed carrying cost of Rs.12.29 Crores to MESCOM for FY22 and included in the revised ARR for FY22.**

MESCOM in its filing has claimed Rs.12.29 Crores towards carrying cost on the Regulatory Assets of Rs.122.93 Crores kept by the Commission in Tariff Order dated 04.11.2020 to be allowed to recover during FY22 and FY23.

4.2.16 Subsidy for FY22:

The Commission in its Tariff Order dated 9th June, 2021, has approved tariff subsidy of Rs.25.50 Crores and Rs.1118.23 Crores towards the sale of power to BJ/KJ installations and IP sets for FY22 respectively, in accordance with the prevailing Policy of the Government of Karnataka, in the matter of free power supply to BJ/KJ installations and IP sets installations of 10HP & below. MESCOM in its Petition, has claimed an amount of Rs.30.12 Crores and Rs.895.77 Crores towards Tariff subsidy for BJ/KJ installations and IP sets respectively, keeping in view the provisions made for unbilled revenue for FY22.

The Commission notes that, as per the audited accounts and in accordance with the subsidy statement enclosed thereon an amount of Rs.30.12 Crores and Rs.870.90 Crores` has been factored as tariff subsidy for BJ/KJ and IP Set installations respectively for FY22. Thus, the Commission, while computing the revised ARR as per APR for FY22, has considered tariff subsidy of Rs.901.02 Crores, towards sale of power to BJ/KJ installations and IP sets for FY22, to be received from the Government. The Commission notes that the total subsidy claimed by MESCOM of Rs.901.02 Crores is less than the total subsidy of Rs.1143.73 Crores approved by the Commission for FY22.

Accordingly, the Commission decides to allow the subsidy of Rs.901.02 Crores towards power supply to BJ/KJ and IP Set installations for FY22.

4.2.17 Revenue for FY22:

MESCOM, in its Petition, has claimed Rs.3953.71 Crores as against Rs.4507.65 Crores as approved by the Commission as total revenue from sale of power from consumers and miscellaneous charges for FY22.

The Commission notes that as per the audited accounts, the revenue including subsidy is Rs.3895.78 Crores for FY22. Further, MESCOM in its Audited accounts,

has booked Rs.57.93 Crores as 'delayed payment surcharge for FY22. Thus, the total revenue from consumers works out to Rs.3953.71 Crores for FY22. **Accordingly, the Commission decides to consider Rs.3953.71 Crores as total revenue from sale of power to the consumers for FY22.**

4.3 Abstract of Approved ARR for FY22:

As per the above item-wise decisions of the Commission, the consolidated Statement of revised ARR for FY22 is as follows:

TABLE – 4.26

MESCOM's Approved revised ARR as per APR for FY22

Amount in Rs. Crores

Sl. No	Particulars	APR FY22		
		As Approved 09.06.2021	As Filed on 30.11.2022	As per APR
1	Energy at Gen Bus (With MSEZ) - MU	6494.96	5941.01	5941.01
2	Transmission Losses in %	3.04%	4.38%	4.3764%
3	Energy at Interface in MU	6257.79	5681.01	5681.01
4	Distribution Losses in %	9.27%	9.02%	9.021%
	Sales in MU			
5	Sales to other than IP & BJ/KJ	3753.48	3641.23	3641.23
6	Sales to BJ/KJ	32.12	35.28	35.28
7	Sales to IP	1892.09	1492.01	1492.01
	Total Sales	5677.69	5168.52	5168.52
	Revenue at existing tariff in Rs. Crores			
8	Revenue from tariff and Misc. Charges	3363.92	3027.82	3052.69
9	RE Subsidy to BJ/KJ	25.50	30.12	30.12
10	RE Subsidy to IP	1118.23	895.77	870.90
	Total Existing Revenue	4507.65	3953.71	3953.71
	Expenditure in Rs. Crores			
11	Power Purchase Cost	2738.02	2256.67	2257.73
12	Transmission charges of KPTCL	318.19	320.58	320.58
13	SLDC Charges	2.585	2.59	1.53
	Power Purchase Cost including cost of transmission	3058.79	2579.84	2579.83
14	Employee Cost		518.22	
15	Repairs & Maintenance	796.62	63.66	694.85
16	Admin, & General Expenses		106.97	
	Total O&M Expenses	796.62	688.85	694.85
17	Depreciation	186.77	166.76	167.41
	Interest & Finance charges			
18	Interest on Loans	116.10	98.71	98.69
19	Interest on Working capital	91.13	55.32	51.75
20	Interest on belated payment on PP Cost	0.00	0.00	0.00
21	Interest on consumer deposits	32.37	29.11	29.11
22	Other Interest & Finance charges	1.08	1.51	1.51
23	Less interest and other expenditure capitalized	-2.10	0.00	0.00
	Total Interest & Finance charges	238.57	184.65	181.06

Sl. No	Particulars	APR FY22		
		As Approved 09.06.2021	As Filed on 30.11.2022	As per APR
24	Other Debits	0.00	9.43	6.57
26	Extraordinary items	0.00	44.09	44.09
27	Net Prior Period Expenses/Income (Debit/Credit)	0.00	0.00	0.00
28	Return on Equity	151.67	125.88	125.88
29	Taxation/MAT Credit	0.00	0.00	0.00
30	Regulatory assets/ carrying cost as per T.O dated 04.11.2020	61.47	12.29	12.29
31	Funds towards Consumer Relations/Consumer Education	0.50	0.06	0.06
32	Other Income	-89.88	-80.92	-82.12
33	Net ARR	4404.50	3730.93	3729.92
34	Surplus/ Deficit(-) of FY20 carried forward	-103.15	0.00	0.00
35	Add: Incentive for savings in losses beyond Lower target losses	0.00	0.00	0.00
36	Disallowance due to prudence check of capex for FY21	0.00	0.00	0.00
37	ARR	4507.65	3730.93	3729.92
38	Surplus in Revenue for FY22	0.00	222.78	223.79
39	Average cost of supply	7.94	7.22	7.22

4.3.1 Gap in Revenue for FY22:

Thus, considering revenue expenditure incurred of Rs.3729.92 Crores as per the approved ARR by indicating the carrying cost of Rs.12.29 Crores on the Regulatory Assets the Commission decides to allow a net ARR as per APR of Rs.3729.92 Crores as against the earlier approved ARR of Rs.4507.65 Crores, for FY22.

Considering the actual revenue of Rs.3953.71 Crores and the approved ARR as per APR of Rs.3729.92 Crores, there is revenue surplus of Rs. Rs.223.79 Crores of FY22 to be carried forwards to the ARR of FY24, as discussed in the subsequent Chapter of this Order.

CHAPTER – 5

ANNUAL REVENUE REQUIREMENT FOR FY24

5.0 Annual Revenue Requirement (ARR) for FY24 - MESCOM's Filing:

MESCOM in its application dated 30th November, 2022, has sought approval of the Commission for its revised ARR and the revision of retail supply tariff for FY24. The summary of the ARR as proposed by MESCOM for FY24 is as follows:

TABLE – 5.1
Proposed ARR for FY24

Amount in Rs. Crores

Sl. No.	Particulars	As approved in TO 04.04.2022	As Filed by MESCOM
1	Energy at Generating Bus (With MSEZ) (MU)	6360.518	6313.75
2	Transmission Losses in %	2.764%	2.764%
3	Energy @ Interface in MU	6138.13	6139.24
4	Distribution Losses in %	8.85%	8.85%
5	Sales in MU		
	Sales to other than IP & BJ/KJ	3772.35	3898.60
	Sales to BJ/KJ	32.97	35.28
	Sales to IP	1789.59	1662.04
	Total Sales	5594.91	5595.92
6	Revenue at existing tariff in Rs. Crores.		
	Revenue from tariff and Misc. Charges	4350.75	3392.93
	Tariff Subsidy to BJ/KJ	0.00	28.68
	Tariff Subsidy to IP	0.00	1023.82
	Total Existing Revenue including Miscellaneous Revenue	4350.75	4445.43
	Expenditure in Rs. Crores.		
7	Power Purchase Cost including cost of transmission		
	Power Purchase Cost	2406.202	3171.08
	Transmission charges of KPTCL	401.47	401.47
	SLDC Charges	2.37	2.36
	Other power purchase liability	0.00	212.50
	Total Power Purchase Cost including cost of transmission	2810.04	3787.41
8	O&M Expenses		
	Employee Cost		848.45
	Repairs & Maintenance	830.19	74.64
	Admin & General Expenses		125.52

	Total O&M Expenses	830.19	1048.61
9	Depreciation	223.46	203.81
10	Interest & Finance charges		
	Interest on Capital Loans	138.24	130.60
	Interest on Working capital loans	80.27	90.83
	Interest on consumer security deposits	36.45	49.52
	Other Interest & Finance charges	1.58	1.51
	Less: Interest & other expenses capitalized	-2.10	0.00
	Total Interest & Finance charges	254.44	272.46
11	Other Debits	0.00	9.43
12	Net Prior Period Debit/Credit	0.00	0.00
13	Return on Equity	151.53	182.97
14	Funds towards Consumer Relations/Consumer Education	0.50	0.50
	Regulatory Assets as per T.O dated 04.11.2020	0.00	0.00
15	Other Income (Including income from MSEZ)	-105.08	-68.01
16	Total ARR	4165.08	5437.18
17	Deficit of FY22 carried forward (APR)	0.00	222.78
18	Net ARR	4165.08	5214.40
19	Revenue Surplus / (-) Deficit for FY24 (6-23)	185.67	-768.97

MESCOM has requested the Commission to approve the revised Annual Revenue Requirement of Rs.5214.40 Crores for FY24, including the deficit of Rs.222.78 Crores for FY22. Considering the estimated revenue of Rs.4445.43 Crores from sale of power to the consumers at the existing retail supply tariff, MESCOM has projected the net revenue deficit of Rs.768.97 Crores for FY24. The MESCOM has proposed average increase in retail supply tariff by Rs.1.37 per unit in respect of all categories of consumers, including BJ/KJ and IP set consumers for FY24.

5.1 Annual Performance Review for FY22 & FY23:

As discussed in the preceding Chapter of this Order, the Commission has carried out Annual Performance Review for FY22 based on the audited accounts and other relevant records furnished by MESCOM. Accordingly, the revenue surplus of Rs.223.79 Crores of FY22 is required to be carried forward to the ARR of FY24.

As regards APR for FY23, it is noted that the audited accounts for FY23 are yet to be finalized, the Commission decides to take up the APR of FY23, while taking up the revision of ARR / Retail Tariff, if any, for FY25.

5.2 Annual Revenue Requirement for FY24:

5.2.1 Capital Investments for FY24:

1. MESCOM's Proposal:

MESCOM, in its filing has stated that MESCOM has considered the Capex of Rs.661.92 Crores and Rs.506.43 Crores for FY23 and FY24, as approved by the Commission in its MYT Order 2022.

2. Commission Analysis and Decision:

The Commission has taken note of submissions made by MESCOM, in its tariff filing of ARR for FY24, for considering the capex of Rs.661.92 Crores and Rs.506.43 Crores for FY23 and FY24, respectively, as approved in the MYT Order 2022. As the current tariff proceedings are for APR of FY22 and ARR of FY24, the capex incurred for FY23 would be reviewed during the APR of FY23.

Further, the Commission would like to reiterate the breakup of capital works proposed for FY24, as per the MYT Order 2022. The details are as under:

TABLE – 5.2
MESCOM's Proposed Capex for FY24
(Amount in Rs. Crores)

SI No	Particulars	FY24
1	E&I Works (Addl. Transformers, Link-Lines, HT/LT Re-conductoring HVDS, UG/AB cable)	250.00
2	DTC metering.	0.00
3	Replacement of MNR/DC Electromagnetic meters by Static meters and SMART metering	32.67
4	Replacement of faulty Distribution Transformers	5.00
5	Service Connection including promoter vanished layout Works	60.00
6	Rural Electrification (General)	
a	Electrification of Hamlets	2.00
b	Energisation of general IP sets including Ganga Kalyana	65.00
c	Electrification of BPL Households	0.25
7	Tribe Sub-Plan	
a	Electrification of Tribal Colonies	0.50
b	Energisation of IP sets	1.00
c	Improvement works in Tribal Colonies	1.00

8	Special Component Plan	
a	Electrification of S.C Colonies	1.00
b	Energisation of IP sets	1.50
c	Improvement works in SC Colonies	1.50
9	Tools & Plants & Computers	10.00
10	Civil Engineering Works	40.00
11	IT Infrastructure and Software, DSM	5.00
12	33 KV Station and Line Works (UG/AB Cable)	30.00
13	Solar Roof Top on Company Buildings	0.00
Schemes under progress		
1	Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)	0.00
2	IPDS: System improvement & Strengthening works in RADRP/statutory towns	0.00
3	IPDS: Gas insulated substations	0.00
4	IPDS (Integrated Power Development Scheme) Phase II-IT	0.00
5	Providing Infrastructure to regularized UIP and general IP	0.00
6	Improvement works for Model Electricity Village	0.00
7	Improvement works for Model Sub-division	0.00
Total		506.42

The Commission directs MESCOM to strictly adhere to the directions issued in the MYT Order 2022, in respect of incurring the Capex for FY24, without any violations. The Commission will be constrained to take appropriate action as may be deemed necessary against MESCOM in case of violation of said directions.

On the basis of the replies submitted by MESCOM, in respect of Capital Investment Plan for FY24, the Commission has decided to reckon and retain the capex of Rs.506.42 Crores for FY24 (as indicated in the above Table – 5.2) as approved in the MYT Order 2022. However, to avoid front loading of interest on capital loan and depreciation thereon in the revised ARR / retail supply tariff the Commission decides to reckon Rs.400 Crores as capex in approval of revised ARR for FY24. The capital expenditure allowed is subject to prudence check to be taken up by the Commission. Considering the projected availability of capital grants from GoI / GoK and the internal resources and the amount of works to be carried out under self-execution / deposit contribution works by MESCOM, the Commission considers Rs.280 Crores as capital borrowings for the purpose of determination of revised ARR for FY24.

The approved capex for FY24 is subject to the following directions:

- i) MESCOM shall not incur any capex on the unapproved heads indicated in the above Table No.5.2, without prior approval of the Commission.**
- ii) If there is any excess expenditure in any head of expenditure, the same shall be met from the savings in any other approved heads of expenditure within the capex approved by the Commission, excluding the Central / State scheme works.**
- iii) The capex approved by the Commission to carry-out the Central / State scheme works shall not be re-appropriated to any other category of capital expenditure head.**
- iv) In case, the approved capex is likely to be exceeded prior approval of the Commission may be obtained duly furnishing all the details with due justification.**
- v) Comply with the capital expenditure guidelines and monitor the physical progress as well as financial progress in respect of the works carried out under Capex ensuring adherence to set timelines of completion, cost to benefit ratio, etc.
- vi) MESCOM is directed to ensure that the investments made under any of the schemes, i.e. whether the funding is either met through grants, internal resources or through capital borrowings, should not become waste/futile expenditure resulting in creation of stranded assets.
- vii) take concrete measures to complete and capitalize the works, which are pending since many years so that, the benefits envisaged are realized and passed on to the consumers effectively;
- viii) identify the high loss Sub-Divisions/Divisions and prioritize its capex specifically to reduce the distribution loss, improve the reliability of the distribution system and improve the voltage regulations.
- ix) prepare a detailed perspective plan by conducting 11 kV feeder-wise and DTC-wise load flow studies to ascertain the present and projected loads on the feeders and to arrive at least cost, techno-economically feasible improvement plan for:

- a. Reducing distribution losses.
- b. Reducing the HT:LT Ratio.
- c. Reduce Transformer failures.
- d. Segregation the loads in the feeders.
- e. Reduction in Power theft.
- f. Bringing programs for the awareness among the people on usage and conservation of energy.
- g. Improving the sales to metered category and Power factor of the IP set loads by installing switched capacitors of suitable capacity to the secondary of the transformers.

5.2.2 Sales Forecast for FY24:

1. Category-wise sales (Other than IP sets) for FY24:

MESCOM has estimated the number of installations as 2693317 numbers and total sales of 5527.97 MU excluding MSEZ sales. MESCOM has adopted the following methodology for projecting the Number of installations and Energy Sales for FY24:

- a. Number of installations has been projected based on trend analysis, considering the growth trend during the period FY20 to FY22. Where ever the trend is negative or there is no growth rate, the number of installations as on 31.03.2022 is retained for FY24.
- b. Energy sale is estimated based on 3-year CAGR for the period from FY19 to FY22. Wherever the growth is negative or abnormal, the FY22 energy sales is retained for FY23 and FY24.
 - i. The Commission's observations on the sales forecast for FY24, for categories other than IP Sets are as follows:

Methodology:

- a. It is observed that for estimating number of installations trend method is adopted. It would be advisable to estimate the number of installations based on CAGR.

MESCOM's Reply:

MESCOM has submitted that by adopting trend method there is reasonable growth in the number of installations and therefore has requested to consider the same.

Commission's Views:

The Commission notes that MESCOM has not furnished satisfactory reply for adopting trend method.

- b. Working sheets for computation of installations indicating category-wise growth rates shall be furnished.

MESCOM has submitted that details are furnished in the Annexure.

Commission's Views:

Perusal of the Annexure-3 indicates that MESCOM has furnished the estimated number of installations category-wise from FY23 to FY27 and no working details with growth-rate is furnished. The Commission directs MESCOM that in future it shall furnish the working details with growth-rates category-wise.

- ii) In case of LT-2b, LT-4c, HT-2b, HT-2c and HT-3 categories, even though there is increase in number of installations, the FY23 sales are retained for FY24 also. Considering the addition of new installations, there should be some increase in sales. MESCOM shall clarify.

MESCOM's Reply:

The estimated growth-rate based on CAGR is abnormal for these categories.

Commission's Views:

The reply furnished is noted and the approach of estimation adopted by the Commission is discussed in the subsequent paragraphs of this chapter.

- iii) The Commission had observed that the growth rate for installations considered by MESCOM is lower for all the categories except LT-2b category, as compared with the CAGR. MESCOM may consider revising the same.

MESCOM's Reply:

The number of installations based on CAGR indicated abnormal increase in installation and compared to FY23 and therefore it is requested to consider the estimates made by MESCOM.

Commission's Views:

The reply furnished is noted and the approach of estimation adopted by the Commission is discussed in the subsequent paragraphs of this chapter.

- iv) The Commission had observed that the FY22 growth rate over FY21 for energy sales in most of the categories is higher than CAGR, due to reduction in sales during FY21 on account of Covid-19. Thus, FY22 growth rate should not be considered. Further, considering the CAGR, the growth rate for the energy sales considered by MESCOM is lower in respect of LT-3, LT-5, LT-6 SL, and for all HT-categories. Similarly, in case of other categories the sales estimate is higher than CAGR. MESCOM may consider revising the same.

MESCOM's Reply:

The sales estimate is made considering 3-years CAGR and wherever there is abnormal / sub-normal growth, previous year sales is retained, as consumption depends upon the behavior of consumers.

Commission's Views:

The reply furnished is noted and the approach of estimation adopted by the Commission is discussed in the subsequent paragraphs of this chapter.

v) Validation of Sales:

In order to validate the sales, MESCOM was directed to furnish category wise information in the specified format.

The details have been furnished by MESCOM in the replies.

vi) Sales to MSEZ:

Sales to MSEZ as considered by MESCOM and MSEZ are as follows:

Million Units		
Year	MESCOM	MSEZL
FY22	67.95	43.749
FY23	67.95	To be furnished by MSEZL
FY24	67.95	46.58

MESCOM shall reconcile the above data.

MESCOM's Reply:

Furnishing month-wise details, MESCOM has submitted that the data is reconciled and that MESCOM has considered the energy actually sold during the month instead of billed.

Commission's Views:

The reply is noted by the Commission and the MSEZ's sales is discussed in the order of MSEZ.

2. While noting the replies furnished by MESCOM, the Commission's approach for estimating the number of installations and sales for FY24 is as follows:

1) No. of Installations:

i) While estimating the number of installations for FY24 (excluding BJ/KJ and IP), the following approach is adopted generally:

- a. The Commission has validated both the number of installations and energy sales to various categories considering the actuals as on 30th November, 2022 and has estimated the number of installations and sales for the remaining period reasonably. Accordingly, the base year estimation has been revised which has an impact on the estimates on the number of installations and sales for the FY24.
- b. Wherever the number of installations estimated by the MESCOM for the FY24 is within the range of the estimates based on the CAGR for the period FY17 – FY22 and for the period FY19 – FY22, the estimates of the MESCOM are retained.
- c. Wherever the number of installations estimated by the MESCOM for the FY24 is lower than the estimates based on the CAGRs for the period FY17 – FY22 and for the period FY19 – FY22, the estimates based on the lower of the CAGRs for the period FY17 – FY22 and for the period FY19 – FY22 are considered.
- d. Wherever the number of installations estimated by MESCOM for the FY24 is higher than the estimates based on the CAGRs for the period FY17 – FY22 and for the period FY19 – FY22, the estimates based on the higher of the CAGRs for the period FY17 – FY22 and for the period FY19 – FY22 are considered.
 - ii) For LT2a category, average of CAGR method and MESCOM's estimates is considered
 - iii) For LT-4b category, the number of installations is retained at FY23 estimates of KERC, as there is negative growth.
 - iv) For LT-7 category, the estimates of MESCOM are retained for FY24.

Based on the above approach, the total number of installations (excluding BJ/KJ consuming ≤ 40 units/month and IP installations) estimated by the Commission for the FY24 is indicated in the table below:

Approved Number of installations

FY24	
Filed	Approved
2124044	2134400

4) Energy Sales:

- (i) While estimating the energy sales for FY24 (excluding BJ/KJ and IP), the following approach is adopted generally:
- The base year sale for FY23 as estimated by the MESCOM has been validated, duly considering the actual sale upto November, 2022 and modified suitably as stated earlier.
 - Wherever the sale estimated by the MESCOM, for FY24, is within the range of the estimates based on the CAGR for the period FY17 – FY22 and for the period FY19 – FY22, the estimates of the MESCOM, are considered.
 - Wherever the sales estimated by the MESCOM for FY24 is lower than the estimates based on the CAGRs for the period FY17 – FY22 and for the period FY19 – FY22, the estimates based on the lower of the CAGRs for the period FY17 – FY22 and for the period FY19 – FY22, are considered.
 - Wherever sale estimated by MESCOM for FY24 is higher than the estimates based on the CAGRs for the period FY17 – FY22 and for the period FY19 – FY22, the estimates based on the higher CAGRs for the period FY17 – FY22 and for the period FY19 – FY22, are considered.
- (ii) For LT2b, LT4b, LT4c and LT5 categories specific consumption of FY23 as per KERC's estimates is considered.
- (iii) For LT7, estimates of MESCOM is retained.
- (iv) For HT3 category average of CAGR method and MESCOM's estimates is considered.

Based on the above approach, the sales (excluding BJ/KJ consuming ≤ 40 units/month and IP sales) estimated by the Commission, for the FY24, is indicated in the following table:

Approved Energy Sales

in Million Units

FY24	
Filed	Approved
3823.84	3866.32

*Excludes KPCL sales and excludes MSEZ sales

5) Sales to BJ/KJ:

The break-up of sales to BJ/KJ installations considered for FY22 is as indicated below:

Particulars	No. of Installations	Consumption in MU	Specific consumption per installation per month (kWh)
Installations consuming less than or equal to 40 units	1,56,857	35.28	18.74
Installations consuming more than 40 units and billed under LT2(a)	18,084	17.99	82.90

The Commission notes that, the specific consumption works out to 18.74 units /installation/month for BJ/KJ installations consuming less than or equal to 40 units per month and 82.90 units /installation/month for BJ/KJ installations consuming more than 40 units per month.

Since, there is no GoK policy to extend the benefit of free power to any new BJ/KJ installations, the number of BJ/KJ installations consuming less than or equal to 40 units per month and more than 40 units per month is retained as existing on 30.11.2022. Further, the specific consumption for installations consuming more than 40 units / Month is 82.90 units which is higher than the specific consumption of LT 2a category at 78.22 units. The Commission notes that the number of installations and consumption of BJ/KJ installations consuming more than 40 units/month varies from month to month. Therefore, considering the overall consumption and year end installations, the specific consumption would be higher. Thus, the Commission has considered the specific consumption of 78.22 units / installation / month for estimating the sales for FY24, for the installations consuming more than 40 units / month.

Further, for installations consuming less than or equal to 40 units / month, specific consumption of 18.74 units / month is considered.

Accordingly, the sales approved for FY24 is as indicated in the following Table:

Particulars	FY24	
	No. of Installations	Sales-MU
Installations consuming less than or equal to 40 units	149171	33.55
Installations consuming more than 40 units and billed under LT2(a)	21939	20.59

B. Sales to IP sets – projections for ARR FY24;

MESCOM Proposal:

MESCOM, in its tariff application, has projected IP sets consumption of 1,662.04 MU against 4,12,416 number of IP Set installation for FY24. For FY22, as per D-2 Format, MESCOM has reported actual consumption of 1,492.01 MU against 3,78,493 number of IP set installations. The actual number of installations added to the system during FY22 is 16,608. MESCOM, in its current tariff filing, has considered addition of 17,138 installations for FY23 and 16,783 installations for FY24 by adopting the methodology of Trend method. Also, MESCOM has informed that, it has considered the actual specific consumption of FY22 while estimating the energy sales to IP installations for FY23 and FY24. Accordingly, the sales projected for FY23 and FY24 is 1,594.39 MU and 1,662.04 MU respectively.

Commission's Analysis and Decision:

a) while verifying the computations of IP sets, it is found that, the actual sales to IP set installations for FY22 is 1,492.01 MU. Based on the actual sales to IP sets, the specific consumption works out to 4,030 units per IP set per annum for the FY22, by considering the mid-year installations of 3,70,189 numbers.

b) While estimating the energy sales to IP installations for FY24, MESCOM has informed that, it has considered the addition of the actual number of IP installations by adopting the trend method, which were added during the FY22. Considering the data of FY19, FY20 and FY21, the Commission notes that an average of 18,611 number of IP installations have been added, whereas the number of additional installations considered by MESCOM for FY23 is 17,138 which is acceptable. Based on the number of installations projected by MESCOM for FY23, the Commission has considered number of installations as 4,15,739 for FY24.

c) MESCOM has reported that the actual specific consumption of 4,030 units / IP / annum, achieved for FY22 and the same is considered for projecting energy sales for FY23 and FY24. The Commission has decided to consider the specific consumption of FY22 for projecting energy sales for FY24.

d) Based on the estimated number of installations for FY23, the details of energy sales projection to IP set installations for FY24, is as indicated below;

TABLE – 5.3

Approved Energy Sales to IP Sets for FY24

Particulars	FY24		
	As approved by the Commission in TO 2022	As submitted by MESCOM in its Tariff Application	As approved by the Commission (Revised)
No. of Installations	4,14,385	4,12,416	4,15,739
Mid-year number of Installations	4,05,635	--	4,05,685
Specific consumption in units/installation/annum	4,411.83	4,030	4,030
Sales in MU	1,789.59	1,662.04	1,634.91

Accordingly, the Commission approves 1,634.91MU as energy sales to IP-sets as against the MESCOM's projections of 1,662.04 MU, for the FY24. The number of installations approved for FY24 is 4,15,739. The approval of the IP set consumption for FY24 is with the assumption that the Government of Karnataka would release full subsidy to meet the revenue requirement on the approved quantum of IP sets sales. However, if there is any variation/ shortfall in the subsidy allocation by the GoK, the quantum of sales to IP sets of 10 HP and below shall be proportionately

regulated. The MESCOM shall therefore, regulate the number of hours of power supply to exclusive agricultural feeders with reference to the subsidy allocation by the Government.

Government of Karnataka vide letter dated 29.03.2023 has informed the Commission that for FY24, Government have allocated an amount of Rs.13,143.00 Crores for providing free electricity supply to BJ/KJ consumers (consuming up to 40 Units) and IP sets consumers with a sanctioned load of 10 HP & below and requested the Commission to determine the tariff for these categories considering the same.

In this regard, it is explicitly made clear that the Commission is determining the tariff for various category of consumers duly considering the cross subsidy from other category of consumers. As such, while determining the tariff for BJ/KJ consumers (consuming up to 40 Units) and IP sets consumers with a sanctioned load of 10 HP and below, the Commission has to consider the level of cross subsidization from other consumer categories and also the increase in the various cost components. Resultantly, it is not possible for the Commission to determine the tariff for the above categories restricting to the amount of subsidy allocated by the Government. Further, as per Section 62 of the EA, 2003, the Commission is required to determine the tariff. Therefore, the request of the Government to limit the tariff of these categories to match the amount of allocated subsidy would be against the decision of the Government in the matter of providing free electricity supply to these categories vide its order 04.09.2008.

In the light of this, the Government shall fully meet the cost of such subsidized supply at the rate of Commission Determined Tariff in respect of for BJ/KJ consumers (consuming up to 40 Units) and IP sets consumers with a sanctioned load of 10 HP & below. In case, the Government is not able to provide the subsidy to the extent of CDT approved by the Commission, then GoK shall direct the ESCOMs to regulate the power supply to the extent the subsidy provided.

- e) **The Commission notes that MESCOM has taken up GPS survey of IP-sets to identify the defunct / not in use / dried up installations in the field and to arrive at the correct number of IP-sets by deducting such defunct / not in use / dried up IP-set installations from its account, on the basis of GPS survey results. As per the data furnished by MESCOM in its replies to preliminary observations, that it has completed 98.47% of survey as on 31.03.2021 and 100% as on 31.03.2022. From the data submitted, it is observed that, out of 3,78,493 numbers of installations as on 31.03.2022, 1,300 are defunct / dried up /disconnected. MESCOM has not reported the details of un-authorized IP installations in its area and the action taken to regularize such IP installations. Thus, the Commission notes that the data of GPS survey furnished by MESCOM is incomplete and hence, the Commission is unable to accept the same.**
- f) **In view of fact that the data of GPS survey of IP-sets is incomplete, the number of installations reckoned for FY22 and estimates for FY24 are subject to change based on the results of the GPS survey. Accordingly, after completion of the survey and finalization of the report, MESCOM shall furnish the correct number of IP set installations duly deducting the number of dried up / defunct IP sets from the total number. Thereafter, any variation in the sales due to change in the number of installations would be trued up during the Annual Performance Review for the FY24.**
- g) The Commission notes that, MESCOM, has not reported the precise details of actual number of feeder segregation works carried out and the exact numbers of dedicated agriculture feeders /exclusively IP feeder. MESCOM shall make arrangements for completing the work of segregation of agricultural feeders in its area early and start assessing the sales to IP set installations on the basis of the energy meters provided to the bifurcated feeders. Hence, MESCOM is directed to submit the total IP-set consumption to the Commission, month-on month regularly, as per the format prescribed in the previous tariff orders of the Commission.

Based on the above discussions, the category-wise approved number of installations for the FY24 vis-à-vis the estimates made by the MESCOM is indicated below:

TABLE – 5.4
Category wise approved number of installations

Tariff category	Consumer Category	Nos.	
		Proposed by MESCOM for FY24	Approved by KERC for FY24
LT-1 (a)	Bhagya Jyoti < =40 units	156857	149171
LT-1 (a)	Bhagya Jyoti>40	18084	21939
LT-2a	Domestic AEH	1733787	1739516
LT-2b	Pvt. Institutions	3794	3794
LT-3	Commercial - Applicable to areas coming under VPs	251417	252378
LT-4 (a)	IP sets - Less than 10 HP - General	412416	415739
LT-4 (b)	Irrigation Pump sets - More than 10 HP	141	143
LT-4 (c)	Private Horticulture Nurseries, Coffee & Tea Plantations	5755	5803
LT-5	Lt Industries	38306	38156
LT-6	Water Supply	19084	18927
LT-6	Street Lights	31608	31655
LT-7	Temporary Power Supply	19453	19453
	LT Total	2690702	2696674
HT-1	HT Water Supply	142	142
HT-2 (a)	HT Industries	1092	1098
HT-2 (b)	HT Commercial	878	889
HT-2(c)		369	365
HT-3(a) & (b)	HT Irrigation & LI Societies	43	51
HT-4	Res. Apartments - Applicable to Mangalore Municipal Corporation Area	77	77
HT-5	Temporary	14	14
	HT Total	2615	2636
	Grand Total	2693317	2699310
	Categories other than IP sets and BJ/KJ consuming less than or equal to 40 units/month./installation	2124044	2134400
	IP sets and BJ/KJ consuming less than or equal to 40 units/month./installation	569273	564910

Accordingly, the category-wise approved energy sales for the FY24 vis-à-vis the estimates made by MESCOM is indicated in the following Table:

TABLE – 5.5
Category wise approved energy sales

Tariff Category	Consumer Category	Million Units	
		Proposed by MESCOM for FY24	Approved by Commission for FY24
LT-1 (a)	Bhagya Jyoti <=40 units	35.28	33.55
LT-1 (a)	Bhagya Jyoti>40	17.99	20.59
LT-2a	Domestic AEH	1709.60	1698.67
LT-2b	Pvt. Institutions	11.12	11.50
LT-3	Commercial - Applicable to areas coming under VPs	390.43	398.74
LT-4 (a)	IP sets - Less than 10 HP - General	1662.04	1634.91
LT-4 (b)	Irrigation Pump sets - More than 10 HP	0.64	0.66
LT-4 (c)	Private Horticulture Nurseries, Coffee & Tea Plantations	6.75	7.50
LT-5	Lt Industries	139.00	152.54
LT-6	Water Supply	174.29	168.47
LT-6	Street Lights	69.98	66.18
LT-7	Temporary Power Supply	21.90	21.90
	LT Total	4239.02	4215.20
HT-1	HT Water Supply	114.91	114.91
HT-2 (a)	HT Industries	775.59	775.59
HT-2 (b)	HT Commercial	166.84	172.48
HT-2(c)		106.61	124.40
HT-3(a) & (b)	HT Irrigation & LI Societies	90.78	104.46
HT-4	Res. Apartments - Applicable to Mangalore Municipal Corporation Area	24.66	24.99
HT-5	Temporary	2.75	2.75
	HT Total	1282.14	1319.58
	LT + HT Total	5521.16	5534.78
	KPCL / Aux..	6.81	6.81
	Grand Total[excluding MSEZ]	5527.97	5541.59
	*Categories other than IP sets and BJ/KJ consuming less than or equal to 40 units/month./installation	3823.84	3866.32
	IP sets and BJ/KJ consuming less than or equal to 40 units/ month./installation	1697.32	1668.46

* Excludes sales to KPCL & MSEZ

5.2.3 Distribution Losses for FY24

MESCOM, in its ARR filing has proposed to achieve the distribution losses of 8.85% for FY24, as approved by the Commission, in its Tariff Order dated 04.04.2022, as detailed below:

Particulars	FY24
Upper limit	9.10
Average	8.85
Lower limit	8.60

Commission Analysis and Decision:

The performance of MESCOM in achieving the loss target set by the Commission in the past 5 years is as follows:

Particulars	FY 18	FY 19	FY 20	FY 21	FY 22	FY23	FY24
Approved Distribution losses in %	11.05	10.95	11.00	9.67	9.27	9.10	8.85
Actual Distribution losses in %	11.32	13.29	10.07	9.86	9.02	9.10 (proposed)	-

The Commission, in its preliminary observation had stated that, MESCOM has achieved higher loss reduction target in FY22 and with proposed capital investment plan for the FY24, MESCOM should be in a position to further reduce losses by 0.25% considering the loss reduction in FY23 and directed to reassess the loss targets and submit a revised distribution losses target for FY24 along with the action plan for reducing the loss for FY24.

MESCOM, in its reply has stated that the distribution loss for FY22 is 9.02% which is comparatively lower, given the situation that, due to servicing of the LT installations LT network is being expanded which is contributing to increased distribution loss. Majority of the CAPEX utilized for system improvement works are to maintain the distribution loss to the existing loss level rather than reducing the same, the increase in LT network is in fact nullifying the loss reduced due to improvement works. In spite of that, efforts are being made to expand the HT network and reduce the LT network wherever possible so that the distribution

losses are reduced further. MESCOM has therefore, requested the Commission to consider the targeted loss of 8.85 percentage point as proposed in the petition.

The Commission notes that, in FY22, the distribution loss has come down by 0.839 percentage point. Overall, in the past years, (with base year as FY18), MESCOM has been able to achieve distribution loss reduction of 2.30 percentage point. The Commission notes that for FY24 MESCOM has proposed distribution loss of 8.85%. The Commission by considering the reply submitted by MESCOM to the preliminary observations, reiterates its directions and decides to retain the distribution loss target as approved in the Tariff Order 2022, as detailed below:

Particulars	FY24
Upper limit	9.10
Average	8.85
Lower limit	8.60

The Commission directs MESCOM to ensure that the loss reduction targets as fixed above are achieved by proper planning and monitoring of the working of distribution system in MESCOM.

5.2.4 Power Purchase for FY24

The ESCOMs, in their tariff applications have submitted the D-1 Format indicating their power purchase requirement for the FY24. The consolidated statement showing the energy requirement of the ESCOMs in the State for FY24 is shown hereunder:

TABLE – 5.6

Requirement of Energy as filed by ESCOMs

ESCOMs	Energy requirement of the State for FY24 (in MU)
BESCOM	34766.29
MESCOM	6313.75
CESC	8245.68
HESCOM	15575.23
GESCOM	9732.79
Total	74633.74

MESCOM's submission:

The MESCOM has submitted its power purchase requirement for the FY24 based on the projected sales, as follows:

TABLE – 5.7**Energy Requirement as filed by MESCOM**

Particulars	FY24
Sales (MU)	5595.92
Distribution losses %	8.85
Energy at IF point (MU)	6139.24
Transmission Losses %	2.764
Energy Required at generation Bus, to meet the sales of MESCOM (MU)	6313.75

5.2.5 Sources of Power:**MESCOM's submission;**

The MESCOM, in its tariff application, has submitted the source-wise power purchase requirement for FY24. Also MESCOM has submitted the basis for considering the availability of power from different sources, as follows:

- (i) The availability/ power procurement from KPCL Thermal and Hydel stations is on the basis of Power Purchase Agreement dated 22.05.2010, based on norms approved by the State Commission, vide its order dated 03.08.2009 and 25.02.2015 and also by considering the data submitted by KPCL through e-mail dated 15.11.2022.
- (ii) Availability of power from Central Generating Stations (CGS) is as per LGBR and the quantum of energy to be drawn by Karnataka is based on the percentage of allocation to the State.
- (iii) In respect of Major IPPS, RE and other sources such as RE generators and others sources such as Jurala Power & TB Dam Power and UPCL, etc., the availability is considered based on State's share and the contracted capacity of the Power Purchase Agreement respectively.

- (iv) The energy available for FY24, from different generating sources in the State of Karnataka is as detailed below:

Generating Station	Energy in MUs	Source
KPCL Hydro	12203.73	KPCL
RTPS- 1 to 7	8827.85	KPCL
RTPS 8	1554.37	KPCL
BTPS Unit-I	3051.84	KPCL
BTPS Unit-II	2899.06	KPCL
BTPS Unit-III	4873.50	KPCL
Yeramarus TPS- 1&2	10905.24	KPCL
CGS	18279.16	LGBR of SRPC for 2023-24
Kudigi	9363.68	LGBR of SRPC for 2023-24
DVC	3048.25	DVC
UPCL	7482.78	90% of 85% installed capacity
NCE Projects	19929.29	Actuals of ESCOMs for the FY 2021-22
TBHE & Jurla Projects	207.28	Actuals of 21-22
Total	102626.04	

- (v) The generation capacity of the existing generation sources and the envisaged additional sources vis-à-vis the energy requirement for the entire State, fixed charges and variable charges are indicated in the tariff application of MESCOM. The summary of the MESCOM requirement is shown in the following Table:

TABLE – 5.8

Power purchase requirement of MESCOM for FY24

SOURCES	FINANCIAL YEAR 23-24		
	Energy in MU	Cost in Rs Crs.	Avg. cost Per unit Rs./unit
KPCL Hydel Energy	1474.77	152.60	1.03
KPCL Thermal Energy	1325.67	955.46	7.21
CGS Energy	1809.84	997.24	5.51
UPCL	108.56	213.41	19.66
Renewable Energy/Bundled power	1552.6	683.41	4.40
Other State Hydel	39.22	1.37	0.35

CTUIL & POSOCO Charges		166.04	
KPTCL Transmission & SLDC		403.83	
Allocation to other ESCOMs	3.09	1.55	5.02
Other Power purchase Liabilities		212.50	
TOTAL	6313.75	3787.41	5.998

Commission's Analysis and Decisions

The energy requirement of the ESCOMs, including MESCOM, is being met from the following sources, through long-term Power Purchase Agreement (PPAs) with:

- i) Karnataka Power Corporation Limited (KPCL) Generating stations;
- ii) Central Generating Stations (CGS);
- iii) Major Independent Power producers (IPPs) and
- iv) Renewable Energy (RE) sources.
- v) Other Hydro projects.

a) Quantum of energy available from Karnataka Power Corporation Limited (KPCL) Generating stations:

To arrive at the available quantum of energy and power for the year FY24, the Commission has considered the availability as furnished by KPCL for KPCL Generating Stations.

b) Quantum of energy available from Central Generating Stations (CGS):

To arrive at the availability quantum of energy and power for the year FY24, the Commission has considered the availability furnished by the SRPC/PCKL for Central Generating Stations. The availability of CGS stations is based on the share of Karnataka, as notified from time to time.

c) Major Independent Power producers (IPPs):

The Major IPPs in Karnataka is UPCL with a generation capacity of 1200MW having unit-1 and unit 2. Out of this station 85% of 90% of installed capacity is considered and correspondingly the energy is considered for FY24.

d) Renewable Energy (RE) sources

In the case of availability from the Renewable Energy sources, the actual generation capacity contracted by the ESCOMs, as indicated in D-1 Format and as per the contracted PPAs, has been considered.

e) Other Hydro projects

The availability from the other sources such as Jurala Hydel Station and TB dam Power Stations of Telangana State has been considered based on Karnataka's share in the installed capacity and as per the contracts executed with these generators.

Based on the above availability criteria, the energy requirement for the State, with reference to the sales target approved for FY24, is given in the following Table.

TABLE – 5.9**ABSTRACT OF POWER PURCHASE REQUIREMENT OF THE STATE FOR FY24**

SOURCES	FINANCIAL YEAR 23-24		
	Energy in MU	Total Cost in Rs Crs.	Avg. cost per unit Rs./unit
KPCL Hydel Energy	12203.73	1264.87	1.04
KPCL Thermal Energy	16847.62	12378.98	7.35
CGS Energy	22758.59	11739.93	5.16
UPCL	1500.00	2711.48	18.08
Renewable Energy:	18222.29	7277.35	3.99
Other State Hydel	207.28	63.50	3.06
Bundled Power	2007.16	1269.43	6.32
CTUIL & POSOCO Charges		2122.751	
KPTCL Transmission & SLDC		5603.5905	
TOTAL	73746.6760	44431.880	6.02493

5.2.6 MESCOM's Power Purchase Quantum, Cost & Transmission charges for FY24:

MESCOM's Submission

MESCOM has submitted the Power Purchase requirement along with the cost including the transmission charges and SLDC charges, in D-1 Format. MESCOM has sought approval of the Commission for purchase of power to an extent of **6313.75** MU at a cost of Rs.3171.08 Crores, towards power purchase and the total power purchase cost including the transmission and SLDC charges, for the year FY24 claimed by MESCOM is Rs.3787.41 Crores.

As regards the cost of power, the MESCOM has submitted that, same is considered as per the norms defined in contracts (PPAs)/ Regulations and based on the tariff indicated by KPCL for its Stations and the tariff determined by the CERC in respect of Central Generating Stations, DVC Stations and UPCL stations.

Commission's analysis and decisions:

After a detailed analysis of the power purchase costs claimed by the MESCOM, the Commission has arrived at the power purchase quantum and cost, to be allowed in the ARR for FY24. The basis for computation of power purchase quantum and cost for the year FY24 is as indicated below:

1. Quantum of Power: Based on the approved sales and the allowable transmission and distribution losses, the requirement of Power for the MESCOM, inclusive of power supplied to MSEZL for the year FY24, is worked out as detailed below:

TABLE – 5.10
Power Purchase requirement for the
MESCOM for the FY24

Particulars	FY24
Sales (MU)	5541.59
Distribution losses (%)	8.85
Energy at IF point (MU) (6079.64 MU MESCOM +62.49 MU MSEZL)	6142.13
Transmission Losses (%)	2.764
Energy at Generation Bus required to meet the sales target of MESCOM (MU) including MSEZ	6316.722

2. While approving the cost of power purchase, the Commission has determined the quantum of power from various sources in accordance with the principles of Merit Order Dispatch (MOD), based on the ranking according to the variable cost of the approved sources of supply.
3. The rates considered in respect of the KPCL stations are based on the Commission's order dated 03.08.2009 for hydel stations, except for Shivasamudram, Shimsha, Munirabad & MGHE for which separate rates, as per Order dated 25th February 2015, are applicable.
4. The variable costs of State thermal stations and UPCL, are considered based on the recent power purchase bills passed by the MESCOM and also based on the recent landed cost of fuel and other variable components.
5. The fixed charges and the variable charges in respect of the Central Generating Stations, UPCL Stations and the DVC Stations have been considered based on the Tariff determined by the CERC as per the CERC norms. However, the energy has been considered from these units by limiting the quantum of energy as per the requirement of ESCOMs, to meet the sales target on the basis of Merit Order Dispatch. It is expected that any surplus energy available from tied up sources of energy would be traded by the ESCOMs through PCKL on commercial principles. Similarly, any requirement over and above the quantum approved in this Tariff Order, shall be procured from the contracted/ tied up sources only.
6. The variations, if any, in the power purchase costs allowed now and the power purchase costs actually incurred, shall be claimed by MESCOM by notifying the PPCA charges as per the amended Regulations on Fuel and Power Purchase Adjustment (FPPCA Regulations). **While computing the variations in the FPPCA, MESCOM shall not include the interest towards Late Payment Surcharge being incurred in the normal course, in view of the fact that the Commission is allowing interest on working capital as per MYT norms. However, the interest paid as per Hon'ble Tribunal / the Court/ Commission's Order may be included in the FPPCA Claims.**

7. The Commission has allowed the KPTCL transmission charges and SLDC charges to be paid by the ESCOMs, in the Power Purchase Cost and is as detailed below:

TABLE – 5.11
Transmission & SLDC Charges

Name of ESCOM	KPTCL Transmission Charges in Rs. Crores	SLDC Charges in Rs. Crores
BESCOM	2864.9084	14.381
MESCOM	424.5323	2.015
CESC	615.6697	2.841
HESCOM	1066.2217	5.364
GESCOM	604.5184	3.139
Total	5575.8505	27.740

8. The PoC charges payable by ESCOMs has been computed by considering the amounts claimed by CTUIL (Central Transmission Utility of India Limited) based on to GNA quantum of 4376 MW allocated to Karnataka in Annexure-I of Central Electricity Regulatory Commission (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022 notified on 07.06.2022, the State Transmission Utility on behalf of intra-state entities including distribution licensees.
9. Based on the requirement of energy allowed and the power allocation given by the Government of Karnataka, the source wise Power Purchase quantum and costs are approved in the ARR of MESCOM for the year FY24.
10. The consolidated power purchase quantum and cost for the FY24, as approved by the Commission, is shown in the following Table:

TABLE – 5.12
ABSTRACT OF POWER PURCHASE APPROVED
FOR MESCOM FOR FY24

SOURCES	FINANCIAL YEAR 23-24		
	Energy in MU	Cost in Rs. Crores	Cost Per unit In Rs.
KPCL Hydel Energy	1225.44	119.093	0.97
KPCL Thermal Energy	1443.07	1060.313	7.35
CGS Energy	1949.37	1005.58	5.16
UPCL	128.48	232.25	18.08

Renewable Energy	1394.12	522.57	3.75
Other State Hydel	17.75	5.44	3.06
Total Bundled Power	158.48	100.23	6.32
CTUIL & POSOCO Charges		157.617	
KPTCL Transmission & SLDC Charges		426.5473	
TOTAL	6316.72	3629.639	5.74

Thus, the Commission hereby approves power purchase quantum of 6316.7220 MU at a cost of Rs.3629.6390 Crores, for FY24. The breakup of source-wise Power and the cost thereon, is shown in Annexure- 1 and 2 of this Order.

MESCOM shall regulate the quantum and cost of power, as approved by the Commission in the above Table, to avoid any further burden on the consumer

5.2.7 RPO Compliance for FY23 & FY24:

The ESCOMs are required to comply with the Renewable Purchase obligations as per KERC (Procurement of Energy from Renewable Sources) Regulations, 2011 as amended from time to time. In case the ESCOMs are unable to fulfil the RPO as per Regulations, by purchase of energy they shall purchase the required number of RE Certificates and furnish the same while submitting the compliance of RPO.

5.2.8 O & M Expenses for FY24:

MESCOM's Proposal:

The MESCOM in its Petition, has requested the Commission to consider the projected O&M expenses of Rs.1048.61 Crores as against Rs.830.19 Crores approved by the Commission, in its Tariff Order dated 04.04.2022 for FY24. MESCOM has considered the norms as prescribed in MYT regulations for projecting the various costs under the head 'O&M Expenses' and accordingly, the parameters considered for projections for FY24.

- Actual O&M Expenses in the FY22 as the base.
- Consumer growth index of 3.13% (3 year CAGR, FY18 to FY21).

- Weighted average inflation index of 6.16%
- Efficiency factor of 1%.

The MESCOM has computed weighted average inflation index of 6.16% based on the WPI and CPI figures from 2010 to 2021 as per the formula adopted by CERC.

For projecting the employee cost for FY23 and FY24, MESCOM has considered the actual O&M expenses of Rs.518.22 Crores incurred during FY22 as the base year O&M cost and applied the consumer growth index, inflation factor and the efficiency factor. MESCOM has informed that in FY23, 528 nos. of Junior Powermen have been recruited with monthly consolidated remuneration @ Rs.10,000, Rs.11000 and Rs.12000 for three years of probation period. The related cost on the same has been factored for FY23(RE) and FY24 (projections) for Rs.3.17 Crores and Rs.6.65 Crores respectively.

Further, MESCOM has included Rs.234.12 Crores on account of revision of pay scales of its employees / officers due from 1st April 2022 at the rate 22% on basic pay plus dearness pay with cascaded increase in allowances for FY24. (inclusive of arrears of FY23).

MESCOM has projected Rs.74.64 Crores and Rs.125.52 Crores towards R&M Expenses and A&G expenses for FY24 based on the actual R&M expenses and A&G expenses of Rs.63.66 Crores and Rs.107.03 Crores, respectively, incurred during FY22 by considering a Consumer Growth Index of 3.13% and Weighted Inflation Index of 6.16%.

Based on the above assumptions, the MESCOM has sought the O & M expenses for FY24 as detailed below:

TABLE - 5.13
O&M Expenses for FY24: MESCOM's Proposal

Particulars	Amount in Rs. Crores
	FY24
Employee Costs	848.45
R&M Expenses	74.64
A&G Expenses	125.52
Total O&M Expenses	1048.61

Commission's Analysis & Decision:

The Commission, in its preliminary observations, had noted that MESCOM has claimed the additional employee cost of Rs.234.12 Crores towards impact of revision of pay scales w.e.f. 01.04.2022. In this regard, MESCOM was directed to submit the orders of the Competent Authority in support of its claims besides submitting the Actuarial Valuation report applicable for FY22 and FY24.

MESCOM in its reply has submitted that since the pay revision is due, MESCOM claimed an additional employee cost of Rs.234.12 Crores stating to be the impact of revision of pay scales w.e.f. 01.04.2022.

The Commission notes that the actual O&M expenses of Rs.694.85 Crores for FY22 also includes the contribution towards P&G Trust A&G expenses. Hence, the Commission decides to consider the actual O&M expenses of Rs.694.85 Crores, as per the audited accounts (all inclusive) for FY22 as the base year data to project the O&M expenses for FY23 and FY24.

The Commission, as per the norms specified under the provisions of MYT Regulations, for computation of O&M expenses, has considered the consumer growth rate (CPI) 3-year CAGR and inflation rate index based on the methodology followed by the CERC. The Commission has computed the O & M expenses for FY24, duly considering the base year actual O&M expenses of Rs.694.85 Crores for FY22 which is inclusive of contribution to P&G Trust as per the audited accounts of FY22. Thus, in order to compute the normative O&M expenses, MESCOM has considered the Wholesale Price Index (WPI) as per the data available from the Ministry of Commerce & Industry, Government of India and Consumer Price Index (CPI) as per the data available from the Labour Bureau, Government of India and adopting the methodology followed by the CERC, with CPI and WPI in a ratio of 80:20, in line with the methodology followed by the Commission, in its earlier Tariff Orders, the allowable annual escalation rate for FY24 is computed as follows:

TABLE - 5.14

Computation of Inflation Index for FY24

Year	WPI	CPI	Composite Series	Yt/Y1=Rt	Ln Rt	Year (t-1)	Product [(t-1)* (LnRt)]
2010	89.7	61.1	66.82				
2011	98.2	66.5	72.84	1.09	0.09	1	0.09
2012	105.7	72.7	79.3	1.19	0.17	2	0.34
2013	111.1	80.6	86.7	1.30	0.26	3	0.78
2014	114.8	85.7	91.52	1.37	0.31	4	1.26
2015	110.3	90.8	94.7	1.42	0.35	5	1.74
2016	110.3	95.3	98.3	1.47	0.39	6	2.32
2017	114.1	97.6	100.9	1.51	0.41	7	2.88
2018	118.9	102.4	105.7	1.58	0.46	8	3.67
2019	121.2	110.2	112.4	1.68	0.52	9	4.68
2020	121.8	116.3	117.4	1.76	0.56	10	5.64
2021	135	122	124.6	1.86	0.62	11	6.85
A= Sum of the product column							30.25
B= 6 Times of A							181.51
C= (n-1) *n*(2n-1) where n= No of years of data=12							3036.00
D=B/C							0.06
G (Exponential factor) = Exponential (D)-1							0.0616
e=Annual Escalation Rate (%) = g*100							6.1611

(As per CERC Notification No.ECOT1/2022 – CERC dated 30.03.2022 with weighted of 80% on CPI and 20% on WPI)

For the purpose of determining the normative O & M expenses for FY24, the Commission has considered the following:

- The actual O & M expenses incurred as per the audited accounts for FY22 inclusive of contribution to the Pension and Gratuity Trust as the base year O & M expenses to determine the O&M expenses for FY24.
- The three year Compounded Annual Growth Rate (CAGR) of the number of installations considering the actual number of installations as per the audited accounts upto FY22 and as projected by the Commission for FY24 at 2.52%.
- The weighted inflation index (WII) at 6.1611% as computed above.
- Efficiency factor at 1% as considered in the earlier Tariff Orders.

The Commission has computed the above parameters in line with the methodology as followed in the earlier Tariff Orders of the Commission and the relevant Orders of the Commission in various Review Petitions. Thus, the normative O&M expenses works out to Rs.805.47 Crores as against Rs.1048.61

Crores as claimed by MESCOM. As per the norms specified under the MYT Regulations, the O & M expenses are controllable expenses and the distribution licensee is required to regulate these expenses within the approved values.

Further, KPTCL has brought to the notice of the Commission vide their letter No.KPTCL/B36/33996/2022-23/2058 dated 23.03.2023 that the KPTCL in its order dated 20.03.2023 has approved the revision of pay scales by 20% in respect of Workmen and Officers with effect from 01.04.2022 and it has been submitted that the additional revenue requirement consequent to revision of pay scales for KPTCL and ESCOMs would be as follows:

Rs.in Crores		
	FY23	FY24
KPTCL	184.00	195.00
BESCOM	248.00	259.00
MESCOM	82.00	86.00
CESC	99.00	107.00
HESCOM	142.00	156.00
GESCOM	111.00	116.00
Total	866.00	919.00

The Commission notes that the estimations made as above by KPTCL is duly considering the savings on account of the retirement of employees / officers during the relevant period. As the claims are inevitable and the MYT regulations provides for factoring such additional expenses on account of revisions of pay scales, the Commission has decided to factor the estimated additional employee cost relating to the financial year FY24 in the ARR of FY24.

As regards additional employee cost towards revision of pay scales effective from 1st of April, 2022, the Commission notes that the manner of payment of arrears for FY23 (01.04.02022 to 31.03.2023) is yet to be decided. The amount payable for FY23 is an outstanding liability, yet to be accounted in the books of accounts of ESCOMs. Hence, the same will be considered in the Annual Performance Review for FY23.

Accordingly, the approved O & M expenses for FY24 are as follows:

TABLE - 5.15
Approved O & M expenses for FY24

Particulars	FY24
No. of Installations	2699310
CGI based on 3-year CAGR in %	2.52%
Inflation index in %	6.1611%
On Base year O&M expenses for FY22 including the P&G Trust contribution	694.85
Allowable O&M expenses by considering the approved O & M expenses for FY24 = O&M Index= O&M (t-1) *(1+WII+CGI-X) in (Rs. Crores)	805.47
Pay revision amount payable for FY24 (Provisional)	86.00
Total allowable O & M Expenses in Rs. Crores	891.47

Thus, the Commission decides to approve total O&M expenses of Rs.891.47 Crores for FY24.

5.2.9 Depreciation:

MESCOM's Proposal:

The MESCOM, in its Petition, has claimed amount of Rs.203.81 Crores towards depreciation as against Rs.223.46 Crores, approved by the Commission in its Tariff Order dated 04.04.2022 for FY24, as per the norms specified under the MYT Regulations.

MESCOM, while estimating the depreciation for FY24, has considered the following:

- i. CAPEX program of Rs.506.43 Crore for FY24 approved by the Commission for arriving at sector wise categorization of assets;
- ii. The actual weighted average rate of the depreciation of 4.94% for FY22 on the average of the opening and closing gross block of assets has been considered for projection of depreciation for FY24.
- iii. The assets created out of Government grants and consumer contribution received after 01.04.2016 is deducted from Gross Block Assets while computing depreciation for FY24.

Commission's Analysis and Decision:

The Commission has determined the depreciation for FY24, in accordance with the provisions of the MYT Regulations and amendments issued thereon, considering the following:

- a) The actual rate of depreciation of category-wise assets is computed considering opening and closing balances of the gross block of the fixed assets and the depreciation, as per the audited accounts for FY22.
- b) The actual rate of depreciation of assets, so arrived at, is considered for allowing the depreciation on projected value of gross block of average of opening and closing balance of fixed assets, made on the basis of Commission approved capex and likely categorization of asset thereon for FY23 and FY24.
- c) The depreciation on account of assets created out of consumers' contribution / grants are considered (deducted) based on the average balance of fixed assets for FY24. Accordingly, at the depreciation rate of 5.28% an amount of Rs.55.27 Crores of depreciation on the assets created out of consumer contributions / grants has been deducted to arrive at the net depreciation for FY24.

Accordingly, the depreciation for FY24 are as follows:

TABLE - 5.16
Approved Net Depreciation for FY24

Amount in Rs. Crores	
Particulars	Depreciation
Buildings	8.24
Civil	0.22
Other Civil	0.05
Plant & Machinery, Line & Cable Network	235.84
Vehicles	0.00
Furniture	1.24
Office Equipment	0.62
Released assets reused	1.07
Land	0.00
Intangible Assets	0.00
Gross Depreciation	247.28
Less: Depreciation on assets created out of Consumers' contribution / grant	55.27
Net Depreciation for FY22	192.01

Thus, the Commission decides to approve an amount of Rs.192.01 Crores towards net depreciation for FY24.

5.2.10 Interest on Capital Loans:

MESCOM's proposal:

MESCOM in its application, has claimed Rs.130.60 Crores towards interest on Capital Loans for FY24, as against Rs.138.24 Crores as approved by the Commission in its Tariff Order dated 4th April, 2022. MESCOM has considered Rs.1498.52 Crores as the opening balance of loans for FY24. Further, MESCOM has submitted that it has considered addition of capital loan amount of Rs.250.00 Crores towards CAPEX and repayment of loan of Rs.243.42 Crores for computation of Interest on Capital loans for FY24 at weighted avg. interest rate of 8.70% for existing capital loan and 10.25% for new loans, respectively. The Computation of interest on loans by MESCOM for FY24 is as under:

TABLE – 5.17
Interest on Capital Loan - MESCOM's submission for FY24

Amount in Crores	
Particulars	FY24
Opening Balance of loans	1498.52
Add: New Loans	250.00
Less: Repayments	243.42
Closing Balance of loans	1505.16
Average Loan	1501.84
Interest Claimed	130.60
Weighted Avg. Interest rate for old loans	8.70%
Interest rate for new loans	10.25%

Commission's Analysis and Decision:

The Commission has noted the actual capital loan portfolio of MESCOM for FY22 and upto September 2022. The Commission, while computing the Interest on Capital loans has considered the opening balance of long-term loans of Rs.1390.48 Crores for FY24 duly considering the actual closing balance for FY22 and the actuals upto September, 2022 and the projection for the remaining period for FY23. Further, the Commission has considered the addition of loans amount of Rs.280 Crores, and repayment of Rs.215.53 Crores for FY24 by considering the reckoned capex and repayment schedule of the loans availed by MESCOM.

The Commission notes that, the weighted average rate of interest of the preceding year of 8.05% for FY23 has been considered on the existing loan balances for FY24. The Commission further notes the Marginal Cost of Fund-based Lending Rates (MCLR) being charged by the commercial banks and financial institutions in lending the loans to the customers. The present SBI MCLR rate for more than three years term is 8.60%. Thus, as per the provisions of MYT norms the allowable interest on capital loan by considering the MCLR of 8.60% along with 200 basis point works out to 10.60%.

The Commission as per the provisions of MYT Regulations decides to consider the weighted average rate of interest of 8.05% on the existing loans and 10.60% on the new capital loan borrowings for FY24. It shall be noted that, the rate of interest now considered by the Commission, on the new capital loans, is subject to review during APR of FY24. Accordingly, the approved interests on capital loan for FY24 are as follows:

TABLE – 5.18
Approved Interest on capital loan for FY24

Amount in Rs. Crores	
Particulars	FY24
Opening Balances of Capital Loans	1390.48
Add: New Loans borrowed	280.00
Less: Repayments of loan	215.53
Total loan at the end of the year	1454.95
Average Loan	1422.72
Interest paid on long term loans	118.14
Weighted average rate of interest on the existing loan balance	8.05%
Interest Rate allowed on new loans in %	10.60%
Allowable Interest on Capital Loan	118.14

Thus, the Commission decides to approve interest on capital loans of Rs.118.14 Crores for FY24.

5.2.11 Interest on Working Capital Loan:

MESCOM's proposal:

MESCOM in its Petition, has claimed Rs.90.83 Crores at the interest rate of 10.45% by considering the MCLR rate of 7.95% with 250 basis points as against Rs.80.27

Crores as approved by the Commission towards interest on working capital based on the norms specified in the MYT Regulations for FY24 as follows:

TABLE – 5.19

**Interest on Working Capital Loan for FY24
MESCOM's Submission**

Amount in Rs. Crores	
Particulars	FY24
1/12th of O&M Expenses	78.02
Opening GFA	5026.42
1% on opening GFA	50.26
1/6th of Revenue	740.91
Total Working Capital	869.19
Rate of Interest (%)	10.45%
Working Capital Interest	90.83

Commission's Analysis and Decision:

The Commission as per the norms specified under the MYT Regulations, has computed the interest on working capital which consists of one month's O&M expenses, 1% of Opening GFA and two month's revenue as receivable.

The Commission notes, that MESCOM in the present filing has submitted that SBI MCLR rate for tenor of one year as on 15.10.2022 is 7.95%. Thus, considering SBI MCLR along with 250 basis points on MCLR, the interest on working capital considered by MESCOM is 10.45% per annum.

For arriving at the interest on working capital, the Commission as per the provisions of MYT Regulations has considered the latest SBI MCLR of 8.40% plus 250 basis points which works out to 10.90%. The Commission notes the working capital of the loan portfolios of MESCOM. Thus, the present MCLR rates with an addition of interest on working capital at 10.90% per annum as per the provisions of the MYT Regulations for FY24.

Accordingly, the approved interest on working capital for FY24 is as follows:

TABLE – 5.20

Approved Interest on Working Capital Loan for FY24

Particulars	Amount in Rs. Crores	
	FY24	
One-twelfth of the amount of O&M Exp.	74.29	
Opening GFA	4803.28	
Stores, materials and supplies- 1% of Opening balance of GFA	48.03	
One-sixth of the Revenue	730.65	
Total Working Capital	852.97	
Rate of Interest (% p.a.)	10.90%	
Interest on Working Capital	92.97	

Thus, the Commission decides to approve interest on working capital loan of Rs.92.97 Crores for FY24.

5.2.12 Interest on Consumer Security Deposit:

MESCOM's proposal:

MESCOM, in its Petition, has claimed Rs.49.52 Crores as against Rs.36.45 Crores as approved by the Commission towards interest on consumer's security for FY24.

MESCOM in its Petition, has submitted that methodology adopted by the Commission in its Tariff Order 2022, has been followed for projecting the interest on consumer security deposit. Further, increase in consumer deposit in FY22 with reference to security deposit in FY21 is taken as the estimated additions for projecting the consumer security deposit amount for FY23 and FY24. MESCOM has considered the interest rate of 6.15% per annum, as per RBI Notification dated 30-09-2022, for estimating the interest on consumer security deposits for FY24 as shown below:

TABLE – 5.21
Interest on Consumer Security Deposits for FY24
MESCOM's Proposal

Particulars	Amount in Rs. Crores	
	FY24	
Opening balance of Consumer Security Deposit	786.71	
Proposed addition during the year	37.05	
Closing Balance of the Consumer security deposits	823.76	
Average of deposit	805.24	
Rate of Interest per annum.	6.15%	
Interest on Consumer Security Deposit	49.52	

Commission's Analysis and Decision:

The Commission notes that MESCOM has considered the Bank rate of 6.15% in claiming the interest on consumer security Deposits for FY24. In accordance with the KERC (Interest on Security Deposit) Regulations 2005, the interest rate to be allowed is the Bank Rate prevailing on the 1st of April of the financial year for which interest is due. Accordingly, the Commission has considered the latest available interest rate of 6.50% as per Reserve Bank of India Notification dated 07.12.2022, for computing interest on consumer security deposit for FY24.

The Commission has considered the consumer security deposits as per the audited accounts of FY22 and half yearly accounts of FY23 for arriving at the additional amount of consumer security deposit likely to be collected from the consumers during FY23 and FY24. Based on the additional security deposits collected during FY22 and half yearly accounts of FY23, the Commission has decided to factor Rs.40 Crores as the additional security deposit likely to be collected for during FY24. Thus, the allowable interest on consumer deposits for FY24 is computed in the following Table:

TABLE – 5.22
Approved Interest on Consumer Security Deposits for FY24

Amount in Rs. Crores	
Particulars	FY24
Opening balance of consumer deposits	789.66
Closing balance of consumer deposits	834.66
Average consumer deposits	812.17
Rate of Interest allowed per annum	6.50%
Allowable Interest on Consumer Security Deposit.	52.79

Thus, the Commission decides to approve interest on consumer security deposits of Rs.52.79 Crores for FY24.

5.2.13 Other Power Purchase Liabilities:

MESCOM in its Petition, under D1 Format Power Purchase Cost has claimed Rs.22.43 Crores towards M/s UPCL interest claim on the infirm power supply charges and Rs.190.07 Crores towards power purchase charges claimed by M/s AMR Power Private Ltd., for FY24.

The Commission notes from the MESCOM filing that, as per the Order of the Hon'ble Tribunal in Appeal No.275/2013 and the Hon'ble Supreme Court of India in Civil Appeal No.1665/2015 dated 15.09.2016, M/s AMR Power Pvt. Ltd., has claimed Rs.190.76 Crores towards energy supplied during the non PPA period from 22.07.2011 to 16.10.2024 along with interest. Subsequently KERC on the petition filed by M/s AMR Power Pvt. Ltd., for fixation of the market price for the energy supplied has issued the final order on 23.03.2021 by determining the amount to be paid for the energy supplied along with interest of Rs.23.8703 Crores. Again M/s AMR Power Pvt. Ltd., had filed an Appeal before the Hon'ble Tribunal to allow the full amount of Rs.190.70 Crores as claimed by him. The case is pending for adjudication.

The Commission further notes from the filing that MESCOM has claimed Rs.22.43 Crores towards interest on infirm energy supply chargers as claimed by M/s UPCL as an additional power purchase cost for FY24. The Commission notes that, the Appeal filed by M/s AMR Power Pvt. Ltd., for having claimed the power purchase cost of Rs.190.70 Crores is pending for adjudication before the Hon'ble Tribunal and the claims of M/s UPCL for Rs.22.43 Crores is not yet accounted in MESCOM books of accounts. Thus, the Commission decides not to consider these two amounts in approval of revised ARR for FY24. However, on issue of Orders by the Hon'ble Tribunal and accounting payment and while arranging payment by in the book of account, MESCOM may include this amount while claiming the FPPCA from the consumers.

5.2.14 Other Interest and Finance Charges:

MESCOM in its Petition, has claimed Rs.1.51 Crores as against Rs.1.58 Crores as approved by the Commission towards 'other interest and finance charges' for FY24.

Commission's Analysis and Decision:

The Commission takes note of the actual other interest and finance charges incurred by MESCOM as per the audited accounts during FY22 for raising the

loans. Thus, the Commission decides to allow an amount of Rs.1.51 Crores as proposed by MESCOM towards interest and finance charges for FY24.

5.2.15 Interest and other expenses capitalized:

MESCOM in its Petition, has not claimed any amount towards capitalization of interest on loans and other expenses for FY24.

Commission's Analysis and Decision:

The Commission notes that no Interest and other expenses capitalized during FY22. Accordingly, the Commission decides not to allow any amount towards capitalization of interest on loans and other expenses for FY24.

5.2.16 Interest and finance charges:

The abstract of approved interest and finance charges for FY24 are as follows:

TABLE – 5.23
Approved Interest and finance charges for FY24

Amount in Rs. Crores	
Particulars	FY24
Interest on Capital Loan	118.14
Interest on Working Capital Loan	92.97
Interest on Consumers Security Deposit	52.79
Other Interest & Finance Charges	1.51
Less: Interest & other expenses capitalized	0.00
Total Interest & Finance Charges	265.42

5.2.17 Return on Equity:

MESCOM's proposal:

MESCOM, in its application, has claimed the RoE of Rs.182.97 Crores for FY24 at 15.50% duly grossed up with the applicable MAT of 17.472% which works out to 18.7815%, as approved in Tariff Order 2021, based on the paid up share capital, share deposit and reserves & surplus at the beginning of the year, as indicated in the following Table:

TABLE – 5.24

Return on Equity – MESCOM's Proposal

Amount in Rs. Crores

Particulars	FY24
Opening balance of Paid up Share capital	662.42
Opening balance of Share deposit	0.75
Opening Balance of Reserves and surplus*	337.01
Less: Recapitalized Security Deposit	(26.00)
Opening balance of Net Equity	974.18
RoE grossed up with MAT	18.7815%
Return on Equity	182.97

Commission's Analysis and Decision:

The Commission notes the status of debt equity ratio with reference to the projected gross fixed asset and capital loans for FY24.

The Commission notes the actual amount of closing balance of share capital, share deposits and the accumulated surplus / deficit under reserves & surplus as per the audited accounts for FY22 for arriving at the allowable equity base for FY24.

The Commission, in accordance with the provisions of the MYT Regulations, has considered 15.50% of Return on Equity duly grossed up with the applicable Minimum Alternate Tax (MAT) @ 17.472% at (18.7815% on Equity) in allowance of RoE for FY24. Further, as per the decision of the Commission in the Review Petition No.6/2013 and Review Petition 5/2014, and the amended provisions of the MYT Regulations, the Return on Equity is to be computed based on the opening balances of share capital, share deposits and the accumulated balances of surplus / deficit under reserves and surplus account. Further an amount of Rs.26.00 Crores of recapitalized consumer deposit as net worth is also considered as per the Orders of the Hon'ble ATE in Appeal No.46/2014. The Commission, by considering the actual profit / loss earned by MESCOM during the previous years as per the audited account, in order to avoid front-loading of the allowable RoE in the retail supply tariff, has not carried forward the allowable RoE for FY23 as the additional equity infused during the year for computation of RoE for the subsequent year.

Further, in compliance with the Orders of the Hon'ble ATE in Appeal No.46/2014, wherein it is directed to indicate the opening and closing balances of gross fixed assets along with break-up of equity and capital loan component in the Tariff Order henceforth, the details of GFA, debt and equity (net worth) for FY24 are as follows:

TABLE – 5.25
Status of Debt Equity Ratio for FY24

Amount in Rs. Crores

Year	Particulars	GFA	Debt	Equity (Net worth)	Normative Debt @ 70% of GFA	Normative Equity @ 30% of GFA	%age of actual debt on GFA	%age of actual equity on GFA
FY24	Opening Balance	3840.31	1390.48	848.30	2688.22	1152.093	36.21%	22.25%
	Closing Balance	4127.11	1454.95	848.30	2888.98	1238.133	35.25%	20.55

From the above table, it is seen that the debt equity amount is likely to be within the normative debt equity ratio of 70:30 on the opening and the closing balances of projected GFA for FY24. Further, the Commission will review the same during the Annual Performance Review for each year based on the actual data, as per the audited accounts.

The allowable Return on Equity for FY24 is computed as follows:

TABLE – 5.26
Approved Return on Equity for FY24

Amount in Rs. Crores

Particulars	FY24
OB: Paid Up Share Capital	662.42
OB: Share Deposit	0.75
OB: Reserves & Surplus	211.13
Less: Recapitalized Security Deposit	-26.00
Opening Balance of Equity for the year	848.30
RoE Grossed up with MAT @ 17.472% = 18.7815%	159.32

Thus, the Commission decides to approve Return on Equity at 15.50% grossed up with MAT (17.472%) at 18.7815% at Rs.159.32 Crores for FY24. The RoE and the MAT allowed will be subject to truing up as per the actual equity and tax paid by the MESCOM during APR of FY24.

5.2.18 Other Income:**MESCOM's proposal:**

MESCOM in its Petition, has claimed 'Other Income' of Rs.68.01 Crores as against Rs.105.08 Crores as approved by the Commission for FY24 as detailed below:

TABLE – 5.27
Other Income - MESCOM's Proposal

Amount in Rs. Crores	
Particulars	FY24
Interest on Bank fixed Deposits	0.11
Income on Other investments	1.02
Interest on loans/advances to suppliers/Contractors	0.76
Profit on sale of stores	1.03
Rental from Staff quarters	1.94
Rental from others	0.07
Other miscellaneous receipts from trading	0.03
Sale of Scrap	0.09
Value of materials found excess during physical verification	0.01
Commission for collection of Electricity duty	1.07
Incentives received	40.15
Miscellaneous recoveries	21.73
Total	68.01

Commission's Analysis and Decision:

The Commission notes that MESCOM has projected Rs.68.01 Crores as "Other Income' for FY24 as against the actual other income of Rs.80.92 Crores during FY22. The Commission notes that the other income received by the MESCOM mainly includes income from incentives received, miscellaneous recoveries, interest on bank deposits, rent from staff quarters and sale of scrap, profit on sale of stores, commission on collection of electricity duty etc.

The Commission while computing the 'Other Income' for FY24 has considered the average of actual other income earned for FY21 and FY22 as per audited accounts with an increase of 3% each for FY24. The Commission has also considered an income of Rs.45.48 Crores for FY24 from sale of 62.49 MU to MSEZ at Rs.7.2775 per unit.

Thus, the Commission decides to approve 'Other Income' of Rs.143.12 Crores for FY24.

5.2.19 Fund towards Consumer Relations / Consumer Education:

MESCOM in its Petition has claimed Rs.0.50 Crores towards Consumer Relations / Consumer Education.

The Commission, in its previous Tariff Orders, has been allowing an amount of Rs.0.50 Crore per year towards consumer relations / consumer education.

Accordingly, the Commission decides to continue providing an amount of Rs.0.50 Crore for FY22 towards meeting the expenditure on consumer relations / consumer education which should be disbursed in accordance with the guidelines specified by the Commission for consumer education and grievance redressal activities.

MESCOM shall submit a detailed plan of action for utilization of this amount to the Commission. MESCOM is also directed to maintain a separate account of these funds and furnish the same at the time of APR.

5.2.20 Other debits:

MESCOM in its Petition, has claimed Rs.9.43 Crores towards other debits for FY24.

The Commission as per the provisions of MYT Regulations has not allowed the same, as 'other debits' cannot be estimated beforehand.

5.2.21 Revenue:

MESCOM in its Petition, has projected Rs.4445.43 Crores as revenue to be generated from sale of power to different category of consumers. MESCOM has projected revenue of Rs.3392.93 Crores from tariff and miscellaneous charges and Rs.1052.50 Crores from tariff subsidy for the sale of energy to BJ/KJ and IP set installations for FY24.

Commission's Analysis and Ddecision:

The Commission, considering the approved category-wise sales for FY24 has projected the Revenue at existing tariff, as under:

Amount in Rs. Crores

Revenue from sale of power to consumers other than IP sets & BJ/KJ Installations	3349.42
Revenue from BJ/KJ Installations	27.38
Revenue from IP sets	1007.10
Total Projected Revenue at existing Rates for FY24	4383.90

5.3 Tariff Subsidy for FY24

The Commission has allowed 33.55 MU and 1634.91 MU as the sale of power to BJ/KJ and IP installations respectively for FY24. Accordingly, for the sale of power to these category of consumers, the approved tariff subsidy at the revised retail supply tariff is Rs.28.89 Crores and Rs.1090.20 Crores respectively. Thus, the total subsidy payable by GoK as per the prevailing Government Order to MESCOM is Rs.1119.09 Crores for FY24.

5.4 Abstract of ARR for FY24:

In the light of the above analysis and decisions of the Commission, the following is the approved ARR for FY24:

TABLE – 5.28
Approved ARR for FY24

Amount in Rs. Crores

Sl. No.	Particulars	As approved in T.O 04.04.2022	As Filed	FY24
1	Energy at Gen Bus (With MSEZ) in MU	6360.518	6313.75	6316.72
	Transmission Losses in %	2.764%	2.764%	2.764%
2	Energy at Interface in MU	6138.13	6139.24	6142.13
3	Distribution Losses in %	8.85%	8.85%	8.85%
	Sales in MU			
4	Sales to other than IP & BJ/KJ	3772.35	3898.60	3873.13
5	Sales to BJ/KJ	32.97	35.28	33.55
6	Sales to IP	1789.59	1662.04	1634.91
7	Total Sales	5594.91	5595.92	5541.59
	Revenue at existing tariff in Rs. Crores.			
8	Revenue from tariff and Misc. Charges	4350.75	3392.93	3349.42

Sl. No.	Particulars	As approved in T.O 04.04.2022	As Filed	FY24
9	Tariff Subsidy to BJ/KJ		28.68	27.38
10	Tariff Subsidy to IP		1023.82	1007.10
	Total Existing Revenue	4350.75	4445.43	4383.90
	Expenditure in Rs. Crores.			
11	Power Purchase Cost	2406.202	3171.08	3203.09
12	Transmission charges of KPTCL	401.47	401.47	424.53
13	SLDC Charges	2.37	2.36	2.02
14	Other Power Purchase Liability	0.00	212.50	0.00
	Power Purchase Cost including cost of transmission	2810.04	3787.41	3629.64
15	O&M Expenses	830.19	1048.61	891.47
16	Depreciation	223.46	203.81	192.01
	Interest & Finance charges			
17	Interest on Capital Loans	138.24	130.60	118.14
18	Interest on Working capital loans	80.27	90.83	92.97
19	Interest on consumer security deposits	36.45	49.52	52.79
20	Other Interest & Finance charges	1.58	1.51	1.51
21	Less: interest & other expenses capitalized	-2.10	0.00	0.00
22	Total Interest & Finance charges	254.44	272.46	265.42
23	Other Debits	0.00	9.43	0.00
24	Net Prior Period Debit/Credit	0.00	0.00	0.00
25	Return on Equity	151.53	182.97	159.32
26	Funds towards Consumer Relations/Consumer Education	0.50	0.50	0.50
	Regulatory Assets as per T.O dated 04.11.2020	0.00	0.00	0.00
27	Other Income (Including income from MSEZ)	-105.08	-68.01	-143.12
28	ARR	4165.08	5437.18	4995.23
29	Less: surplus as per APR for FY22	0.00	222.78	223.79
30	Net ARR	4165.08	5214.40	4771.44
31	Net Deficit for FY24		-768.97	-387.54

5.5 Segregation of ARR into ARR for Distribution Business and ARR for Retail Supply Business:

MESCOM in its Petition, has not proposed any new ratio for segregation of consolidated ARR into ARR for Distribution Business and ARR for Retail Supply Business.

Commission's Analysis and Decision:

Since no new proposal for segregation of expenses has been furnished by MESCOM, the Commission decides to continue with the existing ratio of segregation of ARR as detailed below:

TABLE – 5.29
Approved Segregation of ARR – FY24

Particulars	Distribution Business	Retail Supply Business
O&M	39%	61%
Depreciation	84%	16%
Interest on Loans	100%	0%
Interest on Consumer Deposits	0%	100%
RoE	78%	22%
GFA	84%	16%
Non-Tariff Income	7%	93%

Accordingly, the following is the approved ARR for Distribution Business and Retail supply business:

TABLE – 5.30
APPROVED REVISED ARR FOR DISTRIBUTION BUSINESS – FY24

Amount in Rs. Crores

Sl. No	Particulars	FY24
1	R&M Expenses	
2	Employee Expenses	
3	A&G Expenses	347.67
4	Depreciation	161.29
	Interest & Finance Charges	
5	Interest on Capital Loans	118.14
6	Interest on Working capital loans	14.35
7	Interest on consumer security deposits	0.00
8	Other Interest & Finance charges	1.51
9	Less interest & other expenses capitalised	0.00
10	Other Debits (incl. Prov for Bad debts)	0.00
11	Extraordinary Items	0.00
12	Other (Misc.)-net prior period credit	0.00
13	Total	642.96
	ROE	124.27
15	Provision for taxes	0.00
17	Less: Other Income	-10.34
18	Regulatory assets	0.00
19	NET ARR	757.22

TABLE – 5.31

APPROVED ARR FOR RETAIL SUPPLY BUSINESS- FY 24- MESCOM

Sl. No	Particulars	FY22
1	Power Purchase	3205.11
2	Transmission Charges	424.53
3	R&M Expenses	
5	Employees expenses	
6	A&G Expenses	543.80
	Depreciation	30.72

Interest & Finance Charges		
	Interest on Working capital loans	78.62
	Interest on consumer security deposits	52.79
	Other Interest & Finance charges	0.00
	Less interest & other expenses capitalised	0.00
13	Other Debits (incl. Prov for Bad debts)	0.00
14	Extraordinary Items	0.00
15	Other (Misc.)-net prior period credit	0.00
16	Power purchase cost as per decision in OP No.8/2009 dated 11.12.2009	0.00
	Total	4335.57
17	ROE	35.05
18	Other Income	-133.11
19	Provision for taxes	0.00
20	Fund towards Consumer Relations / Consumer Education	0.50
21	Regulatory assets	0.00
22	NET ARR	4238.01

5.6 Gap/Surplus in Revenue for FY24:

As discussed above, the Commission approves the Net Annual Revenue Requirement (ARR) of MESCOM at Rs.4771.44 Crores as against Rs.5214.40 Crores proposed by MESCOM in its application for ARR for its operations in FY24. The approved ARR includes an amount of Rs.223.79 Crores which is determined as the surplus for FY22 as per APR as discussed in Chapter-4. Based on the existing retail supply tariff, the total realization of revenue will be Rs.4383.90 Crores.

The net ARR, the deficit in revenue for FY24 and the average cost of supply is indicated in the following table:

TABLE – 5.32
Revenue Deficit for FY24

Particulars	FY24
Net ARR including carry forward deficit of FY22 (in Rs. Crores)	4771.44
Approved sales (in MU)	5541.59
Average cost of supply for FY24 (in Rs. /unit)	8.61
Revenue at existing tariff (in Rs. Crores)	4383.90
Deficit in revenue for FY24 (in Rs. Crores)	(-)387.54

Thus, the details of revised retail supply tariff for FY24, on the basis of the above approved ARR is discussed in detail in the Chapter-6 of this Order.

CHAPTER-6

DETERMINATION OF RETAIL SUPPLY TARIFF FOR FY24

6.0 Revision of Retail Supply Tariff for FY24-MESCOM's Proposals and Commission's Decisions:

6.1 Tariff Application:

MESCOM, in its tariff application, has projected the revised ARR of Rs. 5214.40 Crores with an unmet gap in revenue of Rs.768.97 for FY24, which also includes the revenue surplus of Rs.222.78 Crores for FY22. In order to bridge this gap in revenue, MESCOM has proposed to increase both the fixed and energy charges with an average tariff increase of 137 paise per unit, in respect of all the categories of consumers.

In the previous chapters of this Order, the revision of ARR consequent on Annual Performance Review (APR) for FY22 and the approval of revised ARR for FY24, has been discussed. The revision of retail supply tariff for FY24 is discussed in this Chapter.

6.2 Statutory Provisions guiding determination of Tariff:

In terms of 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 is 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 in the manner specified by the Commission;
- ❖ efficiency in performance shall be rewarded: and
- ❖ a multi-year tariff framework is adopted.

As per Section 62(5) of the Electricity Act, 2003, read with Section 27(1) of the Karnataka Electricity Reform Act, 1999, the Commission is empowered to specify, from time to time, the methodologies and the procedure to be observed by the licensees in computing the Expected Revenue from Charges (ERC). In pursuance of these statutory provisions and in accordance with the Regulations and Orders issued from time to time, the Commission has determined the Tariff for the year FY24.

6.3 Factors Considered for Tariff setting:

The Commission has kept in view the following factors relevant for determination of retail supply tariff:

a) Tariff Philosophy:

As discussed in the earlier Tariff Orders, in respect of consumers whose ability to pay is considered inadequate, the Commission has continued to fix tariff below the average cost of supply and in respect of certain categories of consumers whose ability to pay is considered to be higher, has fixed the tariff at or above the average cost of supply. Thus, the system of cross subsidy has been continued. However, it has been the endeavour of the Commission 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 level supply. Therefore, the Commission has decided to continue the fixation of tariff with reference to the average cost of supply for recovery of the ARR. However, in terms of the Orders of the Hon'ble ATE, the cross subsidy with reference to the voltage-wise cost of supply has been worked out and indicated in the Annexure-3 to this Order.

c) Cross subsidisation and Rationalisation of Tariff:

Consequent on merger of Urban and Rural tariff categories and rationalization of tariff structure, the status of cross subsidization is as under:

However, in order to soften the burden of increase in tariff of rural consumers, the Commission decides to extend a rebate 30 paise per unit to the consumers falling under village panchayats. In respect of LT5 category, the rebate of 30 paise per unit shall be applicable for consumers of village panchayat areas & Town Municipal Council areas.

Cross subsidising Consumer categories:

- a. LT 2(a).. Domestic (In higher slabs only)
- b. LT-3 LT Commercial
- c. LT-5 LT Industrial
- d. LT2b Private Educational Institutions & Hospitals
- e. HT2 (a) HT Industrial.
- f. HT2(b) HT Commercial
- g. HT2(c) Govt. / Private Educational Institutions & Hospitals
- h. HT (4) HT Residential
- i. HT5 & LT& Temporary Supply

Cross subsidised Consumer categories:

- LT4 (a) & (b) –Agriculture
LT4(c) Private Nurseries & Plantations
LT6 (a) & HT1 Water Supply
LT6(b) & (c) Street Lights & EV Charging Stations.

While the Cross Subsidizing consumers are paying above the Average Cost of Supply, the Cross Subsidized consumers are paying less than the Average Cost of Supply. The level of cross subsidies is indicated in Annexure-3. In this regard, the Commission, while fixing the tariff, is progressively reducing the level of cross subsidization to bring down the cross subsidy levels, as envisaged in the Tariff Policy, 2016 issued by the Government of India

d) Uniform Tariff Across ESCOMs:

In view of the Policy of Government of Karnataka to fix uniform tariff across the ESCOMs, the power allocation from generating stations owned by the State Govt./ Central Govt./ IPPs is being made, year on year, by the GoK to make the average cost of supply comparable. As a result, high cost energy is being allocated to good performing ESCOMs (like BESCO & MESCOM) and low cost energy is being allocated to under-performing ESCOMs of the State to ensure uniform tariff across the ESCOMs.

e) Rationalisation of Tariff:

Hitherto the Commission has been determining differential retail supply tariff for consumers in urban and rural areas, beginning with its Tariff Order, dated 25th November, 2009. Consequent on taking up several extension and improvement works like, NJY, bifurcation IP set feeders and other Central and State Government sponsored schemes the quality and reliability of supply of power to the rural areas has improved considerably. In view of this, the Commission is of the view that continuation of differential tariff is no longer warranted. Further, the Forum of Regulators has also been recommending simplification and rationalisation of tariff structure in the States. In view of this, the Commission has proceeded to simplify and rationalise the tariff for FY24.

6.4 New tariff Proposal by MESCOM:**1. Time of Day (ToD) tariff to all HT consumers:**

MESCOM and other ESCOMs in their tariff applications has proposed the revision of exiting ToD tariff structure.

MESCOM has submitted that as per the provisions of the Electricity Act 2003, National Electricity Policy, National Tariff Policy, Regulations requires implementation of the ToD metering. The Working Group Report of FoR on metering issues has recommended the implementation of the ToD metering even for the connected load of 25 KW and above.

Rationality of ToD tariff proposals and fixation of TOD slots and tariff applicable for each slot:

BESCOM and Other ESCOMs in their filing have submitted that, seven months in the Financial Year, i.e., Dec, Jan, Feb, Mar, April, May and June has been considered as high demand period and the balance 5 months (July-Aug, Sept, Oct and Nov) is low demand period. The present ToD tariff divided the day into three blocks with 4 hours as peak period, 8 hours as off-peak period and 12 hours as normal period. ESCOM's have proposed to divide the day into blocks with 8 hours as peak period, 11 hours as off-peak period, and 5 hours as a normal period. The rebate in tariff for off peak period consumption has been proposed at the same rate across all the high and low demand periods. The additional per unit rate for consumption during peak periods in high demand periods has been proposed at almost double the tariff in the low demand period. The proposed ToD tariff system, would benefit all the HT consumers by passing on the low cost power during off-peak/low demand periods, and also helpful in flattening of the load curve with the shifting of some part of the demand from peak periods to off-peak periods, which in turn will address the problems of intermittency of renewable energy and grid management to some extent. The power rates in the exchanges are higher during high demand periods and lower during the low demand periods. As per the estimates, there will be a shortage of power for the ESCOMs to meet their energy requirement during the high demand period. Therefore, market/exchange purchases may be inevitable for which the ESCOMs are likely to incur high costs on power to some extent. The State is trading maximum power during 00-00 - 05:00 Hrs & 09:00 - 16:00 Hrs (Solar) and during monsoon season (between June to Sept) and between 9.00 am to 4.00 pm, when there is solar generation and also between 0:00 hrs to 5:00 hrs when demand is less.

By catering 51% of the IP load during the day time, SLDC is able to sell excess energy during the normal hours of the day.

MESCOM has submitted peak demand and average demand during the period October 2021 to September, 2022 and proposed to divide a day into peak, off-peak, and normal periods into six slots.

MESCOM has proposed the revised ToD tariff as detailed below:

Time of Day		Dec to June	July to Nov
		(rebate/penalty in addition to the base tariff, Rs. per unit)	
06.00 to 10.00	Peak	1.50	1.00
10.00 to 15.00	Off-peak	-0.75	-0.75
15.00 to 18.00	Normal	0	0
18.00 to 22.00	Peak	1.50	1.00
22.00 to 24.00	Normal	0	0
24.00 to 06.00	Off-Peak	-0.75	-0.75

MESCOM has requested the Commission to introduce ToD tariff mandatorily to all HT consumers irrespective of connected load and category of usage .

Commission's Analysis & Decisions:

The Commission notes the submission made by MECOM and other ESCOMs with regard to the revised ToD proposal. The Commission notes that except BESCO, MESCOM and HESCO, the other ESCOMs have not sought the revision in ToD Tariff. The Commission has carefully examined the proposal for revising ToD tariff structure. It is noticed that the details furnished by the ESCOMs are not supported by any technical data to justify that by revising the existing ToD structure how far they are able to flatten the demand curve in the peak hours.

For getting more clarity in the matter, the Commission had several rounds of discussions with the BESCO, SLDC and PCKL officials. After discussions, it was agreed by the BESCO and SLDC officials to reconsider the issue and submit revised proposal with relevant technical data. However, neither BESCO nor SLDC have submitted any revised proposal or justified the earlier proposal. The Commission in its Tariff Order by considering the surplus power situation and as the suggestions of the ESCOMs, KPTCL, SLDC, PCKL and the stake holders had approved the ToD tariff in the Tariff Order.

The Commission further held the meeting with BESCO and SLDC with regard to the ToD tariff proposal of ESCOMs. The Commission directed the SLDC to

submits its opinion. Accordingly, the SLDC has submitted its report on the ToD proposal of ESCOMs vide Email dated 28.04.2023.

In the report it is submitted that, as per the LGBR data, State is in deficit during morning & evening non-solar hours. Accordingly, earlier it had submitted to introduce the ToD tariff during morning hours and continuation of evening ToD, to meet the demand during these periods, as the availability of power in the market is minimal with maximum cost. The proposal of ESCOMs for introduction of Time of Day (ToD) is essential for smooth functioning of State grid and dispatch of Electricity economically.

The SLDC has submitted the impact on relaxation of ToD during morning/evening peak hours as under:

- ❖ There can be additional loading in the system during peak hours (approx. to an extent of 1000 to 1500MW), maintaining the system parameters (voltage, frequency) as per grid code with this additional load, firm power units viz., thermal power to be brought on bar for this specific period to meet this additional demand, which will be not economical from grid operation perspective.
- ❖ Shifting of loads will also affect during non-solar hours, being an RE rich state, sufficient loads have to be balanced when injection of wind generation is high during night periods.
- ❖ During high wind penetration, most of the thermal units are kept under shutdown to absorb the must run RE by using hydro for ramping on short duration.
- ❖ The wind generation as observed is predominantly less in the morning and evening peak hours, ToD will help the grid management during these hours provided the loads are shifted in reality.
- ❖ The domestic and commercial loads are predominantly more in the morning/evening peak hours and if compounded with the relaxation of TOD, additional loads from Industrial has to be met, this requires firm power (Thermal units) during this period.

- ❖ The power is not available in Market during Morning & evening hours, relaxing the ToD during Morning & evening hours will prompt the OA customers to use the state grid during this hours, this will be additional burden to the State grid.

As per the details of the projected and actual generation availability and demand submitted for April-23(upto 26th), SLDC has submitted that, there is a deviation of projected generation and actual generation due to forced outage of units. Due to unprecedented rise in demand, during this financial year, the relaxation of ToD during evening hours will have substantial impact for grid operation to maintain within the permissible limit of UI as per the new DSM regulation. At present, the State is managing this unprecedented rise in demand with the help of banking arrangement of UPPCL & PSPCL and also by utilizing the market effectively.

By considering the above submissions SLDC has opined to continue the existing ToD facility to all HT consumers for better grid management.

In the absence of any justifiable data and the opinion submitted by SLDC on the revised ToD tariff proposal of ESCOMs and by considering the surplus power situation in the State, the Commission decided to continue with the existing approved ToD Tariff.

2. Parallel Operation Charges/Grid Support Charges proposal for captive power plants:

MESCOM, in its application has claimed Grid Support Charges/ Parallel Operation charges in respect of all the Captive Power plants, since they seek parallel operation for safety, security and reliability of operation with the support of a much larger and stable system. It is submitted that captive Power Plants are running in parallel with grid and continuously taking the support of grid for their captive and process operations. To justify its claim MESCOM has stated that the Parallel Operation Charges/Grid Support Charges are being collected in other States like Gujrat, Tamil Nadu, Madhya Pradesh, Chhattisgarh etc.

Commission's Analysis & Decisions:

The Commission notes that during the public hearing, the consumer organisations/ captive generators have vehemently opposed imposing the Parallel operation/grid support charge. In this regard, the Commission had issued the discussion paper on introduction of grid interactive support / grid support charge to all the Solar Rooftop consumer under net metering and any captive plant which is connected to the grid. The Commission, by considering the objections raised by the stake holders during the public hearing on the tariff application filed by ESCOMs, is of the opinion that, a study needs to be conducted before taking any decision in the matter.

As such the Commission decides to take up the issue after conducting a detailed study and analysis on the subject.

3. Increase in Demand Charges for HT consumers:

MESCOM and other ESCOMs has proposed to increase the Demand Charges (Fixed costs) in respect of all the consumer categories. It is submitted that in the tariff structure the recovery of fixed charges and energy charges is not proportionate to actual fixed cost and energy charges incurred by ESCOMs.

MESCOM has submitted that, the expenditure in respect of Fixed costs and Variable cost is in the ratio of 63:37. But as per the tariff fixed by the Commission the ratio of recovery is 16:84, resulting in recover of the substantial portion of fixed cost through energy charge.

It is further submitted that as and when the HT consumers avail open access by drawing power from other sources or due to reduction in consumption on account installing of captive power units and for any other reasons, to the extent of reduced energy consumption, MESCOM would under recover the fixed cost which is included in the energy charge. This is affecting MESCOM financially. In view of this. MESCOM has proposed substantial increase in

demand/ fixed charge across all the consumer categories and also reduction in energy charge so as ensure full recovery of fixed cost.

MESCOM has also compared the fixed charges being levied in the other States like Madhya Pradesh, Tamil Nadu and Andhra Pradesh to justify the claim for increase in fixed charges.

Commission's Analysis & Decision:

The Commission has carefully considered the proposal of MESCOM and other ESCOMs for increasing the Demand/ Fixed charge.

The Commission, in its earlier Orders, has been emphasizing the need to recover the fixed costs in the tariff by increasing the monthly rate of fixed costs gradually. As long as the consumers are drawing the power from the MESCOM, the MESCOM is assured of the full cost recovery, in the form of demand charges and energy charges. The question of under recovery of fixed charges would arise only when the consumers opt for Open Access(OA).

The Commission, to address the issue of under-recovery of fixed cost from the consumers had issued a discussion paper on 28.09.22 and sought views/ suggestions/ objections of the stakeholders. In the said Discussion Paper, the following issues were discussed:

The Fixed costs are the costs which are incurred by the ESCOMs to pay to the Generating Companies, Transmission Company and meet the costs towards creation and maintenance of Distribution network with in the ESCOMs.

The Fixed costs in the Generating Company are those which are incurred in land acquisition, construction of Generating station, payment of employee costs (salaries & pension), interest on loans, depreciation, return on equity and taxes thereon.

Similarly, fixed costs in Transmission (based on the transmission capacity created) and Distribution Companies (towards the distribution network), pertain to all the costs incurred for creation of transmission/ distribution network,

payment of employee costs (salaries & pension), payment of interest on loans, depreciation, return on equity and taxes thereon.

The above fixed costs are required to be incurred, by the ESCOMs, month on month, irrespective of the quantum of energy sold to the consumers.

The Fixed Charges/ Demand Charges, included in the bill, pertain to the charges fixed in tariff based on the sanctioned load of the consumers' installations, expressed in terms of Rs. per kW/KVA of the sanctioned load / contracted demand.

Fixed charges are levied to recover the fixed cost incurred on arranging power supply to the end consumers. Whereas, Energy Charges or the variable charges are those which relate to the cost of generation of electricity generated from a generating unit. It mainly consists of the primary and secondary fuel costs in the form of cost of coal or gas and oil in thermal units.

While the Fixed cost determined on per kW / KVA per month (of the sanctioned load) basis remain the same, the energy charges vary according to the quantum (KWh/ unit) of electricity used by the Consumer.

Traditionally, the recovery of fixed cost through demand charges was fixed at nominal rates, whereas a substantial portion of the fixed cost of electricity was recovered through energy/ variable charges. Thus, the recovery of fixed cost and the energy charge was not reflective of the actual per unit costs towards fixed and variable expenses incurred by the Electricity Supply Companies (ESCOMs).

As per the Provisions of the Electricity Act, 2003, due to introduction of 'Open Access' in the electricity business, the ESCOMs are required to allow open access to their consumers, to enable them buy power from other sources at competitive rates. While availing open access, the consumers buy power from outside sources other than the ESCOMs and to the extent of energy purchased from outside sources, the consumers will not pay energy charges to the ESCOMs. Thus, the ESCOMs will not be able to recover the fixed costs which are

a part of the energy/ variable charges. This results in under recovery of fixed costs embedded in the energy charges. As the ESCOMs are required to pay the fixed cost to the generating and transmission companies, irrespective of the of energy purchased / transmitted by them, the ESCOMs are made to pay fixed charges to the generators and transmission charges even for the energy not purchased by the Open Access consumers from the grid. Thus, the ESCOMs are losing the fixed cost embedded in the energy charges (revenue) for the energy drawn through open access consumers for which the ESCOMs are required to pay full fixed costs.

In view of the above situation, ESCOMs have been praying the Commission to substantially increase the rate of recovery of Fixed Charges and to proportionately reduce the Energy Charges so as to ensure adequate recovery of fixed costs from consumers, with reference to the actual fixed costs incurred by them.

During the public hearing, the stakeholders in general and industrial consumers in particular, have opposed the proposal of the ESCOMs to substantially increase the fixed cost. They have expressed their dissatisfaction over ESCOM's lacklustre attitude in promoting the sales.

The stakeholders also pointed that, in case the Commission allows recovery of full fixed cost, there is every likelihood of the ESCOMs becoming complacent in the performance of their duties as they are assured of recovery of full fixed cost.

The Commission has been considering gradual increase in the rate of fixed costs over a period of time, with a view to balance the interest of both consumers and ESCOMs, instead of substantially increasing the fixed cost upfront.

The Commission notes that, as per the Tariff Order 2022 dated 04.04.2022, the Commission had determined the fixed charges / demand charges so as ensure recovery of fixed cost to an extent of 53.96 % which also includes recovery of fixed charges embedded through CDT in respect of IP set installations.

Further, as per the provisions of the Electricity Act 2003, the ESCOMs should realise the cost of supply from all the category of consumers and should not confine themselves with the recovery of increased fixed cost only to specific categories of consumers. Mere increasing the fixed charges/demand charges and reducing energy charges to HT consumers does not appears to be a proper approach to retain HT/EHT/Open Access consumers.

In order to retain the HT Consumers, MESCOM shall make wide publicity of the schemes approved by the Commission and promote sales by adopting various marketing strategies to encourage the consumers to avail the schemes approved by the Commission.

Comparison of the recovery of Fixed costs in other States by MESCOM is also not appropriate, since the cost components in other States will vary according to their generation mix, geographical considerations and the overall economic conditions prevailing in the States. In Karnataka historically, the thrust was more on recovery of energy charges rather than the fixed charges.

The Commission notes that one of the major reasons for consumers opting for open access is the frequent interruptions in power and the poor reliability in supply of power to consumers. MESCOM is advised to improve the power supply reliability by reducing interruptions and distribution losses, to maximise its revenues.

In view of the above, the Commission is not in favour of MESCOM's submission for substantially increasing the fixed charges at one go and reduce the energy charges. Hence, the Commission has considered a moderate increase in fixed charges to all the category of consumers, so as to ensure gradual increase in the fixed costs as envisaged in the Tariff Policy of the Gol.

In this Tariff Order, in order to balance the interest of consumers and the ESCOMs, the Commission, by considering the substantial increase involved in operations of generation, transmission and distribution activities has endeavoured to give effect to a moderate increase in the recovery of fixed

cost. As per approved ARR for FY24 of ESCOMs, the share of fixed and variable cost is as under:

Total Approved ARR of ESCOMs :	Rs. 58,109.95 Crores
Less Variable cost of power purchase:	Rs. 26,963.74 Crores
Fixed cost to be incurred:	Rs. 31,146.21 Crores
Ratio of Variable cost & Fixed Cost:	46.40: 53.60

In the public hearing, some of the consumers' / stake holders have pointed out that, in respect of LT-1 (BJ/KJ) and LT-4(a) (IP sets 10 HP below) the fixed charges are not being charged and recovered, thereby, ESCOMs are showing under recovery of the fixed charges. In this regard the Commission would like to make it clear that in the CDT fixed by the Commission for LT-1 & LT-4(a) tariff categories the fixed charge component was not indicated separately even though the CDT determined is inclusive of the fixed charges. As such, in this tariff order, the Commission has endeavoured to consider the Fixed and Variable Cost Component separately in the CDT of the respective tariff schedules. Thus, ensuring the overall recovery of fixed charges by the ESCOMs to the extent of 63.14%.

After effecting appropriate increase in the Demand charges, in respect of the all the categories including LT-1(BJ/KJ) and LT-4(a) (IP sets 10 HP and below), the total fixed cost allowed to be recovered in tariff for FY24 would be Rs.22202.66 Crores as against total Fixed cost of Rs.31236.21 Crores. This accounts for recovery of 71.08% out of 53.60% against the earlier recovery level at 57-20%. The revised fixed charges in respect of various category-wise consumers is indicated in the revised tariff schedule.

4. Special Incentive scheme:

MESCOM and other ESCOMs in their filing have requested the Commission to discontinue the approved Special Incentive Scheme (SIS) for the reason that MESCOM has proposed to increase the demand charges for HT consumers by simultaneously reducing the energy charges, which are very competitive. It is further submitted that ESCOMs have also proposed ToD tariff for all HT

Categories which is similar to Special Incentive Scheme for HT consumers and requested the Commission to discontinue special incentive scheme with effect from 1st April,2023.

Commission's Analysis and Decision:

The Commission notes that, during the Public hearing the consumer organisations have pleaded for continuation of Special Incentive Scheme, since it is helpful to the industries. Thereafter MESCOM and other ESCOMs have also concurred with views of the stakeholders. Considering the request of the consumers and concurrence of ESCOMs, the Commission has decided to continue the SIS on the existing terms and conditions. The scheme would remain in force until further orders.

5. Discounted Energy Rate Scheme:

MESCOMs, in its tariff application has proposed to continue the Discounted Energy Rate Scheme (DERS), whereas the other ESCOMs have proposed for continuation of the Scheme for further period.

Commission Analysis and Decisions:

The Commission notes the submission made by MESCOM in seeking extension of DERS scheme for a further period of two years. Keeping in view the surplus power situation in the State, and as requested by the ESCOMs, in order to encourage increase in sales to HT consumers, the Commission decides to continue the DERS as per the existing terms and conditions. **However, the Commission decides to fix the discounted rate for the scheme @ Rs.5/- per unit as against the rate of Rs 6.00 per unit until further orders. The reduced rate shall be effective from the first meter reading date on or after the date of this Tariff Order, until further orders.**

Further, regarding monthly base consumption, whenever the consumers get their contract demand reduced, there shall not be any reduction in base consumption. This will be effective from the first meter reading date on or after the date of this Tariff Order.

The Commission in order to encourage increase in sales, decides to extend the DERS Scheme to LT industries and LT Commercial consumers having sanctioned load of 50 Kwh and above at a discounted rate of energy charges of Rs.5.00 per unit. This will be effective from the first meter reading date on or after the date of this Tariff Order, until further orders.

The average monthly base consumption for the existing LT-5 consumers and LT-3 consumers as on 01.04.2023 shall be computed by considering the energy supplied by MESCOM during the period from April, 2022 to March 2023 at the option of the consumer opting for the scheme.

In respect of new installation serviced on or after 01.04.2023, the monthly base consumption shall be at 57 Kwh per KW of sanctioned load. In case the eligible consumers who have increased their sanctioned load during the currency of the scheme on a permanent basis, the existing monthly average base consumption shall be increased to the extent of additional sanctioned load at the rate of 57 Kwh per KW of additional sanctioned load per month from the month in which the additional sanctioned load has come into effect.

All other terms and conditions of the DERS Scheme as approved by the Commission in its Tariff Order 2021 dated 9th June, 2021 shall remain in force.

6. Withdrawal of Solar Rebate:

MESCOM and other ESCOMs in their proposals have submitted that, GoK in the letter No. EN 396 NCE 2006 dated 13.11.2007, as a Demand Side Management measure has made installation of solar water heater is mandatory in all residential building with built up area of 600 Sq. feet and above constructed on sites measuring 1200 Sq. feet and above falling within the limits of Municipal / Corporations and Bangalore Development Authority.

Commission analyses and decisions:

The Commission notes the submission made by the ESCOMs for withdrawal of solar water heater rebate extended to the consumers. The Commission also

notes that, many of the consumers in the public hearing suggested to withdraw the solar rebate extended in the Tariff Order as any rebate extended to any particular consumer is to be borne by other consumers in the tariff. The Commission notes that, Government of Karnataka has made mandatory of the installation of solar water heater on the roof of the residential buildings on certain conditions. The use of Solar water heaters is advantageous to both the ESCOMs and the consumers. Now, with the availability of surplus power due to the Commissioning of RE power projects in the State as noted from the submission made by ESCOMs, the backing down of the thermal power stations to accommodate the power from the must run status RE power as per the prevailing Rules / Policy of the GoI/ MNRE is eminent. Thus, on account of this, the ESCOMs are liable to pay the capacity charges and has resulted in increase in the power purchase cost of the ESCOMs abnormally, which has to be borne by the consumers in the State through Retail Supply Tariff. Under these circumstances, extension of any further concession in the solar rebate has to be borne by the other consumers by increase in the tariff for which they are objecting.

The Commission by considering the financials of the ESCOMs and the plight of other consumers in the State decides to withdraw the existing rebate of 50 paise per unit, for use of solar water heaters under tariff schedule LT2(a).

7. Non-telescopic tariff for Domestic consumers and Rationalisation / Simplification of tariff categories:

MESCOM and other ESCOMs have proposed introduction of non-telescopic slabs in respect of LT Domestic consumers, for the reason that in the present telescopic slabs, ESCOMs are unable to recover full cost of supply. The approved tariff structure fetches lesser average rate from the domestic consumers as against the approved average cost of supply. MESCOM has submitted that, by ensuring lower rate for lower consumption and higher rate for higher consumption, the cross subsidization from other categories will be eliminated.

ESCOMs have proposed non-telescopic tariff with reduced energy charges and increase in fixed charges from 100 units onwards. ESCOMs have proposed

consumption-wise segregation of its consumers in domestic category as a methodology of intra-slab cross subsidization. Increase in fixed charges have been proposed by proportionately reducing the Energy charges.

ESCOMs have also cited the non-telescopic tariff slabs in other States like Kerala, Maharashtra, Madhya Pradesh and Tamil Nadu to justify the proposal.

Commission's Analysis & Decision:

The Standing Committee on Energy in its 26th Report had observed that, over the years, the tariff structure across the States has become very complex and the consumer categories are unduly large in number. In view of this, the Standing Committee has recommended simplification and rationalisation of tariff structure which would make the process of tariff determination simpler and also bring more transparency and accountability.

Keeping in view the recommendation of the Standing Committee, the Commission has attempted to rationalise the Tariff structure to the extent possible, keeping in view the present tariff structure. The salient features of the tariff Rationalisation are as follows:

- a. Merger of urban and rural categories into one category.
- b. Introduction of non-telescopic tariff slabs in respect of all the LT categories except LT Industrial tariff.
- c. Reduction of slabs in fixed and energy charges.

The Commission by considering the request of MESCOM and other ESCOMS and the recommendation of the Standing Committee with regard to the tariff structure, decides to rationalise and simplify the tariff categories and tariff in the present tariff order. By this exercise, the Commission is able to reduce the tariff to 21 categories from the existing 28 categories.

8. Withdrawal of incentive extended to ECS consumers:

The Other ESCOMs in their applications have proposed to withdraw the incentive extended by the Commission in its earlier Tariff Orders to the

consumers who are paying electricity bills through Electronic Clearing System (ECS) at 0.25% of the bill amount. ESCOMs have submitted that, considering the number of consumers availing this mode of payment with the sizable number of transactions and the amount collected through various other online payment modes offered without any incentive, the extension of incentive to ECS opted consumers, may be discontinued.

Commission analyses and decisions:

The Commission notes ESCOM's submissions in respect of the proposal for withdrawal of incentive extended to ECS consumers. In the earlier years, the consumers in general were provided with only ECS facility for payment of bills as approved by the RBI. At present there are various modes of online payment available to the consumers. The incentive on ECS payment was allowed in order to promote cash less transaction and realization of bill amount on the due date. Now, after digitization, the citizens/ consumers are offered with various modes of online payment. At present the volume of transactions under these modes of online payment is very high, for which no incentive is being allowed.

Thus, the Commission, by considering the request of BESCO and keeping in view the availability of various other options for online payment to the consumers, decides to withdraw the incentive extended to ECS consumers. However, the consumers may continue to make payment through ECS.

9. Merging of Urban and Rural category under LT -2(a), LT-2(b) LT-3 , LT-5 with the extension of a rebate in energy charges for consumers of village panchayats:

The Commission has taken note of the submissions made by the ESCOMs on the above issues. As made out in the earlier paras, in order to remove the complexity in billing of the installations and to simplify the tariff structure, the Commission has decided to rationalize and simplify the tariff structure.

Accordingly, the Commission decides to club Urban and Rural consumers tariff category under HT-2(a), HT-2(b), and HT-2(c) under HT category and LT-2(a), LT-2(b), LT-3 and LT-5 under LT tariff category. Further, consequent on merger of

rural and urban tariff categories, there is likely to be slight increase in the electricity bills in respect of rural consumers. To soften the burden of increase in tariff of rural consumers, the Commission decides to extend a rebate 30 paise per unit to the consumers falling under village panchayats. In respect of LT5 consumers, the Commission decides to extend a rebate 30 paise per unit to the consumers falling under village panchayats and Town Municipal Council areas.

10. Merging of LT7(b) tariff schedule under LT-3:

LT-7(b) tariff activities such as Hoardings and 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 may be shifted / classified under LT-3 tariff category with an addition of energy charges of Rs.2.50 per unit plus the highest energy charges of LT-3 category as the activities are commercial in nature.

The Commission notes the submission made by MESCOM and other ESCOMs to shift LT-7(b) tariff schedule i.e. Hoardings and 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 basis to LT-3 category and fixed charges at the highest energy charges of LT-3 category plus Rs.2.50 paise per unit / 1.50 times of LT-3 Tariff category.

The Commission, in its earlier Tariff Order by considering the plight of the consumer and the nature of power supply arrangement, has decided to bill these consumers under LT-7(b) tariff schedule. The Commission in order to rationalise and reduce the present tariff structure as requested by BESCO, decides to club this tariff category with LT-3 tariff schedule by levying the additional Rs.2.00 per unit over the approved Energy charges along with fixed charges as approved by the Commission.

11. Gaushala activity to be included under LT-2(a) tariff schedule:

The Commission notes the submission made by the ESCOMs to include Gaushala activity under Domestic LT-2 tariff schedule.

The Commission by considering the nature of activity carried out in Gaushala and as requested by the ESCOMs decided to include Gaushala activity under LT-2 domestic tariff schedule.

12. Animal husbandry activity to be included in LT-5 tariff:

The Commission notes the submission made by the ESCOMs to include Animal Husbandry activity under LT-5 tariff schedule.

The Commission by considering the nature of activity carried out in Animal Husbandry and as requested by the ESCOMs decided to include Animal Husbandry activities under LT-5 tariff schedule.

13. Re-classification of sanctioned load under LT-5 tariff schedule:

The other ESCOMs, in their applications have proposed to reclassify the existing sanctioned levy the fixed charges on the sanctioned load under 5 slabs into 3 slabs. The Commission to rationalise the tariff structure and to remove the complexity in billing, decides to reduce the existing 6 slabs of sanctioned load considered for levy of fixed charge into two slabs under LT-5 tariff schedule as under:

Existing Sanctioned Load	Approved Sanction Load
i. 5 HP and below	i. Below 100 HP
ii. Above 5 HP and Below 40 HP	ii. 100 HP and Above
iii. 40 HP & above but below 67 HP	
iv. 67 HP & above but below 100 HP	
v. 100 HP and Above	

14. Merging of HT-3 (a)(i), HT-3 (a)(ii) & HT-3 (a)(iii) into single tariff schedule HT-3(a) i.e. Lift Irrigation.

The Commission notes the submission made by the ESCOMs to merge the HT-3 (a)(i), HT-3 (a)(ii) & HT-3 (a)(iii) tariff category into single tariff categories as HT-3(a).

The Commission by considering the purpose of usage of Lift irrigation and rationalisation of tariff structure as recommended by FoR and as requested by ESCOMs decides to merge HT-3 (a)(i), HT-3 (a)(ii) & HT-3 (a)(iii) tariff category into single tariff category HT-3(a).

15. Classification of Data Centres under Industrial Category:

The Government of Karnataka vide its letter No. Energy/ 32 / PSR/ 2023 dated 4th February, 2023 has forwarded the requests of Department of Electronic Information Technology and Biotechnology & Science & Technology along with the Karnataka Data Centre Policy:2022-2027 with a request to classify the Data Centres under industrial tariff instead of treating them as commercial consumers.

Commission's Analysis & Decision:

The Commission notes that the data centres provided larger employment opportunities. They are also energy intensive units requiring bulk power. In order to encourage setting up of more data centres and to generate more employment opportunities in the State of Karnataka, the Commission decides to classify the data centres (both LT and HT under industrial tariff category subject to Production of necessary certificate issued by Department of Electronics, Information Technology & Biotechnology and Science & Technology.

Classification of Transformers repair centre under LT-5 tariff category:

MESCOM in its application has proposed to classify transformer repair centres under LT-5 category as these centres are not classified in the existing tariff schedule.

The Commission notes the submission made by MESCOM. The Commission by considering the nature of activities carried in the transformer repair centres decides to classify these activities under LT-5 tariff schedule.

6.5 Revenue at existing tariff and deficit for FY24:

The Commission, in the preceding Chapters, has decided to carry forward the surplus of Rs.223.79 Crores of FY22 to the ARR of FY24. The net gap in revenue of Rs.387.54 Crores for FY24 is proposed to be recovered by revision of the Retail Supply Tariff, as discussed in the following paragraphs of this Chapter.

Considering the approved ARR for FY24 and the revenue as per the existing tariff, the resultant gap in revenue for FY24 is as follows:

Revenue Deficit for FY24

Amount in Rs. in Crores	
Particulars	Amount
Approved Net ARR for FY24 including gap of FY22	4771.44
Revenue at existing tariff	4383.90
(-)Deficit/ Additional Revenue to be realised by Revision of Tariff	(-)387.54

Accordingly, the Commission now proceeds to determine the Retail Supply Tariff for FY24. The category-wise tariff, as existing, as proposed by MESCOM and as approved by the Commission are as follows:

6.6 Category-wise Existing, Proposed and Approved Tariffs:

1. LT-1 Bhagya Jyothi:

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

LT-1: Applicable to BJ / KJ installations		
PARTICULARS	As Existing	As Proposed
Energy charges (including recovery towards service main charges)	813 paise / Unit subject to a monthly minimum of Rs.70	933 paise / Unit subject to a monthly minimum of Rs.70

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 20th March, 2017. Based on the present average cost of supply, the tariff payable by this BJ/KJ consumer is revised to Rs.8.61 per unit.

Further, the ESCOMs shall 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 consumer is found to have more than one out-let, it shall be billed as per the Tariff Schedule LT 2(a).

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

LT-1: Applicable to BJ / KJ installations- for MESCOM Area	
PARTICULARS	As Approved by The Commission
Fixed Charges & Energy Charges:	
Commission Determined Tariff (CTD)	861 paise / Unit subject to a monthly minimum of Rs.100 [CDT comprises of fixed charge component of Rs.4.62 and variable charge component of Rs.3.99 per unit]
NOTE: GOK is meeting the full cost of supply to BJ / KJ installations. However, if the GOK does not release the subsidy in advance, a Tariff of Rs.8.61 per unit subject to a monthly minimum of Rs.100 per installation per month, shall be demanded and collected from these consumers by MESCOM.	

2. LT-2(a) - Domestic Consumers:**MESCOM's Proposal:**

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

Domestic Consumers Category- EXISTING TARIFF		
PARTICULARS	LT-2(a)(i) Applicable to areas coming under City Municipal Corporations and all other Urban Local Bodies	LT-2(a)(ii) Applicable to Areas under Village Panchayats
Fixed Charges / KW /Month:		
For the first KW	Rs.100/-	Rs.85/-
For every additional KW upto and inclusive of 50 KW	Rs.110/-	Rs.100/-
For every additional KW above 50 KW	Rs.175/-	Rs.160/-
Energy Charges per kWh:		
0 to 50 Units	410 paise	400 paise
51 to 100 Units	560 paise	530 paise
101 to 200 Units	715 paise	685 paise
For the balance Units	820 paise	770 paise

MESCOM has proposed non-telescopic slabs by merging of the existing LT-2(a)(i) and LT-2(a)(ii) tariff categories into one category as follows.

LT-2(a): Domestic Consumers Category- AS PROPOSED	
PARTICULARS	LT-2(a) Applicable for all areas
Fixed Charges / KW /Month:	
Per KW (irrespective of load)	Rs.150/-
Energy Charges per kWh:	
0 to 50 Units	400 paise
0 to 100 Units [If the total consumption exceeds 50 units and upto 100 units]	500 paise
0 to All Units [If the total consumption exceeds 100 units]	700 paise

Commission's Decision:

The Commission decides to rationalize the existing tariff structure of domestic consumers, as detailed below:

- (i) Merging LT-2(a)(i) & LT-2a(ii) categories
- (ii) Reducing fixed charges slabs to two from the existing three slabs.
- (iii) Introducing non-telescopic energy charges slabs.

- (iv) Consequent to the merging of rural category under urban category, the Commission decides to extend a rebate 30 paise per unit to the consumers falling under village panchayat areas.
- (v) As per the request of the ESCOMs, the Commission decides to classify "Gaushala" installations under tariff schedule LT-2(a).

LT-2(a): Domestic Consumers as Approved by the Commission	
PARTICULARS	LT-2(a) [Applicable for all areas]
Fixed Charges / KW /Month:	
Per KW Upto 50 KW	Rs.110/-
For every additional KW above 50 KW	Rs.210/-
Energy Charges per kWh:	
0 to 100 Units	475 paise
0 to All Units [if the total consumption exceeds 100 units]	700 paise

3. LT-2 (b): Applicable to the Private Professional and other private Educational Institutions including aided, unaided institutions, Nursing Homes and Private Hospitals having only lightning or combined lightning & hearing and motive power

MESCOM's Proposal:

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

LT-2(b): EXISTING TARIFF		
PARTICULARS	LT-2(b)(i) Applicable to areas coming under City Municipal Corporations and all other Urban Local Bodies	LT-2(b)(ii) Applicable to Areas under Village Panchayats
Fixed Charges / KW /Month:		
Per KW upto 50 KW	Rs.120/-	Rs.110/-
Subject to a minimum per KW	Rs.150/-	Rs.135/-
For every additional KW above 50 KW	Rs.175/-	Rs.165/-
Energy Charges per kWh:		
0 to 200 Units	730 paise	675 paise
Above 200 Units	855 paise	800 paise

LT-2(b): AS PROPOSED	
PARTICULARS	LT-2(b) Applicable for all areas
Fixed Charges / KW / Month:	
Per KW (irrespective of load)	Rs.175/-
Energy Charges per kWh:	
0 to 200 Units	700 paise
For the balance Units	800 paise

Commission's decision:

The Commission decides to rationalize the existing tariff structure of LT-2(b) category as detailed below:

- (i) Merging LT-2(b)(i) & LT-2b(ii) categories
- (ii) Rationalizing the fixed charges slabs.
- (iii) Single slab for the energy charges.
- (iv) Consequent to the merging of rural category under urban category, the Commission decides to extend a rebate 30 paise per unit to the consumers falling under village panchayat areas.

LT-2(b): Approved by the Commission	
PARTICULARS	LT-2(b) Applicable for all areas
Fixed Charges / KW / Month:	
Per KW Upto 50 KW	Rs.180/-
For every additional KW above 50 KW	Rs.250/-
Energy Charges per kWh:	
For entire consumption	775 paise

4. LT-3: Commercial Lighting, Heating & Motive Power:**MESCOM's Proposal:**

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

LT-3: EXISTING TARIFF		
PARTICULARS	LT-3(i) Applicable to areas coming under City Municipal Corporations and all other Urban Local Bodies	LT-3(ii) Applicable to Areas under Village Panchayats
Fixed Charges / KW / Month:		
Per KW upto 50 KW	Rs.125/-	Rs.115/-
For every additional KW above 50 KW	Rs.230/-	Rs.220/-
Energy Charges per kWh:		
0 to 50 Units	840 paise	790 paise
For the balance Units	940 paise	890 paise

LT-3: Demand based Tariff (optional) where sanctioned load is above 5 KW but below 150 KW - EXISTING TARIFF		
PARTICULARS	LT-3(i) Applicable to areas coming under City Municipal Corporations and all other Urban Local Bodies -	LT-3(ii) Applicable to Areas under Village Panchayats
Fixed Charges per KW / Month of billing demand:		
Per KW upto 50 KW	Rs.140/-	Rs.130/-
For every additional KW above 50 KW	Rs.245/-	Rs.235/-
Energy Charges per kWh:		
0 to 50 Units	840 paise	790 paise
For the balance Units	940 paise	890 paise

LT-3: AS PROPOSED	
PARTICULARS	LT-3 Applicable for all areas
Fixed Charges / KW / Month:	
Per KW (irrespective of load)	Rs.200/-
Energy Charges per kWh:	
0 to 50 Units	800 paise
For the balance Units	900 paise

LT-3: Demand based Tariff (optional) where sanctioned load is above 5 KW but below 150 KW - AS PROPOSED	
PARTICULARS	LT-3 Applicable for all areas
Fixed Charges per KW / Month of billing demand:	
Per KW (irrespective of load)	Rs.250/-
Energy Charges per kWh:	
0 to 50 Units	800 paise
For the balance Units	900 paise

Commission's decision:

The Commission decides to rationalize the existing tariff structure of LT-3 category, as detailed below:

- (i) Merging LT-3(i) & LT-3(ii) categories
- (ii) Single slab for the energy charges.
- (iii) **Shifting of the consumers under LT-7(b) category (Applicable to power supply to Hoardings & Advertisement boards on Permanent connection basis) into LT-3 category.**
- (iv) Consequent to the merging of rural category under urban category, the Commission decides to extend a rebate 30 paise per unit to the consumers falling under village panchayat areas.

LT-3: As Approved by the Commission	
PARTICULARS	LT-3 Applicable for all areas
Fixed Charges / KW / Month:	
Per KW Upto 50 KW	Rs.200/-
For every additional KW above 50 KW	Rs.300/-
Energy Charges per kWh:	
For entire consumption	850 paise

LT-3: Demand based Tariff (optional) where sanctioned load is above 5 KW but below 150 KW - As Approved by the Commission	
PARTICULARS	LT-3 Applicable for all areas
Fixed Charges per KW / Month of billing demand:	
Per KW Upto 50 KW	Rs.220/-
For every additional KW above 50 KW	Rs.320/-
Energy Charges per kWh:	
For entire consumption	850 paise

5. LT-4: Irrigation Pump Sets:

5.1: LT-4(a)- Applicable to IP sets up to and inclusive of 10 HP

MESCOM's Proposal:

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

LT-4(a): Applicable to IP sets up to and inclusive of 10 HP		
PARTICULARS	As Existing	As Proposed
Fixed Charges:	NIL	NIL
Energy Charges per kWh:		
Commission Determined Tariff (CTD)	616 paise	901 paise

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 shall borne by the GoK through tariff subsidy. In view of this, all the consumers under the existing LT-4(a) tariff are covered under fully subsidised 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:

LT-4(a): Approved CDT for IP Sets for FY24		
S.No.	PARTICULARS	MESCOM
1	Approved ARR (Rs.in Crores)	4771.44
2	Sales to BJ/KJ installations – MU	33.55
3	Sales to IP set installations – MU	1634.91
4	Sales to other than BJ/KJ & IP set installations in MU	3873.13
5	Total Sales in MU (2 + 3 + 4)	5541.59
6	Average Cost of supply in Rs. Per unit (1 / 5 *10)	8.61
7	Cost of supply – other than IP sets / BJ/KJ sales (4 * 6 / 10)	3334.76
8	Rev. from other than IP & BJ/KJ installations (Rs.in Crores)	3652.35
9	Cross subsidy from other than IP & BJ/KJ installations in Rs.Crores (8 - 7)	317.59

10	Cost of supply to BJ/KJ installations in Rs.Crores (2 * 6 /10)	8.61
11	Revenue from sales to BJ/KJ installations in Rs.Crores	28.89
12	Cost of supply to IP sets sales in Rs.Crores (3 * 6 /10)	1407.66
13	Revenue to be collected from IP set installations (12 - 9)	1090.07
14	Approved sales to IP set in MU	1634.91
15	Commission determined tariff (CDT) for IP set category for FY24 in Rs. Per unit (13 / 14 * 10)	6.67

Accordingly, the Commission decides to approve tariff of Rs.6.67 per unit as CDT for FY24 for IP Set category under LT4 (a). In case the GoK does not release the subsidy in advance, the tariff of Rs.6.67 per unit shall be demanded and collected from these consumers.

LT-4(a): Applicable to IP sets up to and inclusive of 10 HP- for MESCOM Area	
PARTICULARS	As Approved by The Commission
Energy Charges & Energy Charges:	
Commission Determined Tariff (CTD)	667 paise / Unit [CDT comprises of fixed charge component of Rs.3.58 and variable charge component of Rs.3.09 per unit]
NOTE: IN CASE THE GOK DOES NOT RELEASE THE SUBSIDY IN ADVANCE, IN THE MANNER SPECIFIED BY THE COMMISSION IN CLAUSE 6.1 OF THE KERC (MANNER OF PAYMENT OF SUBSIDY) REGULATIONS, 2008, CDT OF Rs.6.67 PER UNIT SHALL BE DEMANDED FROM THESE CONSUMERS.	

The Commission has been issuing directives to ESCOMs 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 undertaking feeder segregation under NJY scheme, Deen Dayal Upadhyaya Gramma Jyothi Yojana, the ESCOMs including MESCOM were also directed to submit IP set consumption on the basis of the meter readings of the 11 kV feeders at the sub-station 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, the ESCOMs including MESCOM 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 ESCOMs have not fully complied with these directions and have initiated measures to achieve full compliance. The MESCOM need to ensure full

compliance as this has direct impact on their revenues and tariff payable by other categories of consumers.

Government of Karnataka vide letter dated 29.03.2023 has informed the Commission that for FY24, Government have allocated an amount of Rs.13,143.00 Crores for providing free electricity supply to BJ/KJ consumers (consuming up to 40 Units) and IP sets consumers with a sanctioned load of 10 HP & below and requested the Commission to determine the tariff for these categories considering the same.

In this regard, it is explicitly made clear that the Commission is determining the tariff for various category of consumers duly considering the cross subsidy from other category of consumers. As such, while determining the tariff for BJ/KJ consumers (consuming up to 40 Units) and IP sets consumers with a sanctioned load of 10 HP and below, the Commission has to consider the level of cross subsidization from other consumer categories and also the increase in the various cost components. Resultantly, it is not possible for the Commission to determine the tariff for the above categories restricting to the amount of subsidy allocated by the Government. Further, as per Section 62 of the EA, 2003, the Commission is required to determine the tariff. Therefore, the request of the Government to limit the tariff of these categories to match the amount of allocated subsidy would be against the decision of the Government in the matter of providing free electricity supply to these categories vide its order 04.09.2008.

In the light of this, the Government shall fully meet the cost of such subsidized supply at the rate of Commission Determined Tariff in respect of for BJ/KJ consumers (consuming up to 40 Units) and IP sets consumers with a sanctioned load of 10 HP & below. In case, the Government is not able to provide the subsidy to the extent of CDT approved by the Commission, then GoK shall direct the ESCOMs to regulate the power supply to the extent the subsidy provided.

5.2: LT-4(b)- Applicable to IP sets above 10 HP up to and inclusive of 10 HP.

MESCOM's Proposal:

LT-4(b): Applicable to IP sets above 10 HP up to and inclusive of 10 HP		
PARTICULARS	As Existing	As Proposed
Fixed Charges / HP / Month:		
Per HP	Rs.110/-	Rs.130/-
Energy Charges per kWh:		
For entire consumption	390 paise	400 paise

Commission's decision:

The Commission decides to revise the tariff for the category as below:

LT-4(b): Applicable to IP sets above 10 HP up to and inclusive of 10 HP	
PARTICULARS	As Approved by the Commission
Fixed Charges / HP / Month:	
Per HP	Rs.135/-
Energy Charges per kWh:	
For entire consumption	410 paise

5.3: LT-4(c)- Applicable to Pvt. Horticultural Nurseries, Coffee, Tea & Rubber plantations.**MESCOM's Proposal:**

LT-4(c): Applicable to Private Horticultural Nurseries, Coffee, Tea & Rubber plantations		
PARTICULARS	As Existing	As Proposed
Fixed Charges / HP / Month:		
Per HP	Rs.100/-	Rs.150/-
Energy Charges per kWh:		
For entire consumption	390 paise	400 paise

Commission's decision:

The Commission decides to revise the tariff for the category as below:

LT-4(c): Applicable to Private Horticultural Nurseries, Coffee, Tea & Rubber plantations	
PARTICULARS	As Approved by the Commission
Fixed Charges / HP / Month:	
Per HP	Rs.135/-
Energy Charges per kWh:	
For entire consumption	425 paise

6. LT-5 : Industries:**MESCOM's Proposal:**

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

LT-5: EXISTING TARIFF		
PARTICULARS	LT-5(a) Applicable to arrears under City Municipal Corporation	LT-5(b) Applicable to all areas other than those covered under LT-5(a)
Fixed Charges / HP / Month:		
For 5 HP & below	Rs.90/-	Rs.80/-
For above 5 HP & below 40 HP	Rs.100/-	Rs.95/-
For 40 HP & above but below 67 HP	Rs.125/-	Rs.120/-
For 67 HP & above but below 100 HP	Rs.190/-	Rs.175/-
For 100 HP and above	Rs.225/-	Rs.210/-
Energy Charges per kWh:		
0 to 500 Units	585 paise	575 paise
501 to 1000 Units	685 paise	670 paise
For the balance Units	715 paise	700 paise

LT-5: Demand Based Tariff (Optional) : EXISTING TARIFF		
PARTICULARS	LT-5(a) Applicable to areas under City Municipal Corporation	LT-5(b) Applicable to all areas other than those covered under LT-5(a)
Fixed Charges / KW / Month of billing demand:		
Above 5 HP & less than 40 HP	Rs.120/-	Rs.110/-
For 40 HP & above but below 67 HP	Rs.155/-	Rs.145/-
For 67 HP & above but below 100 HP	Rs.240/-	Rs.230/-
For 100 HP and above	Rs.255/-	Rs.245/-
Energy Charges per kWh:		
0 to 500 Units	585 paise	575 paise
501 to 1000 Units	685 paise	670 paise
For the balance Units	715 paise	700 paise

LT-5: ToD Tariff (at the option of consumers) – EXISTING		
Time of Day	From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100 Paise
22.00 Hrs to 06.00 Hrs	0	(-)100 Paise

LT-5: PROPOSED TARIFF	
PARTICULARS	LT-5(a) Applicable for all areas
Fixed Charges / HP / Month:	
For below 40 hp	Rs.125/-
For 40 HP & above but below 67 HP	Rs.150/-
For 67 HP and above	Rs.250/-
Energy Charges per kWh:	
0 to 500 Units	550 paise
501 to 1000 Units	650 paise
For the balance Units	700 paise

LT-5: Demand Based Tariff (Optional) : PROPOSED TARIFF	
PARTICULARS	LT-5(a) Applicable for all areas
Fixed Charges / KW / Month of billing demand:	
For below 40 HP	Rs.150/-
For 40 HP & above but below 67 HP	Rs.175/-
For 67 HP and above	Rs.275/-
Energy Charges per kWh:	
0 to 500 Units	550 paise
501 to 1000 Units	650 paise
For the balance Units	700 paise

LT-5: ToD Tariff (at the option of consumers) – PROPOSED (in Rs. Per unit)			
Time of Day		From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	Peak	1.00	1.50
10.00 Hrs to 15.00 Hrs	Off-peak	(-)0.75	(-)0.75
15.00 Hrs to 18.00 Hrs	Normal	0.00	0.00
18.00 Hrs to 22.00 hrs	Peak	1.00	1.50
22.00 Hrs to 24.00 Hrs	Normal	0.00	0.00
24.00 Hrs to 06.00 Hrs	Off-peak	(-)0.75	(-)0.75

Commission's Decision:

The Commission decides to rationalize the existing tariff structure of LT-5 category, as detailed below:

- (i) Merging LT-5(a) & LT-5(b) categories
- (ii) Reducing the fixed charge slabs to two from the existing five.
- (iii) Consequent to the merging of rural category under urban category, the Commission decides to extend a rebate 30 paise per unit to the consumers of village panchayat areas & Town Municipal Council Areas.
- (iv) As per the request of the ESCOMs, the Commission decides to classify "Transformer Repair Centre" installations under tariff schedule LT-5.
- (v) The Commission decides to include the "Data Centre" installations in the LT-5 tariff schedule.

LT-5: As Approved by the Commission	
PARTICULARS	LT-5 Applicable for all areas
Fixed Charges / HP / Month:	
Below 100 HP	Rs.140/-
100 HP and above	Rs.250/-
Energy Charges per kWh:	
0 to 500 Units	610 paise
Above 500 Units	710 paise

LT-5: Demand Based Tariff (Optional) : As Approved by the Commission	
PARTICULARS	LT-5 Applicable for all areas
Fixed Charges / KW / Month of billing demand:	
Below 100 HP	Rs.190/-
100 HP and above	Rs.300/-
Energy Charges per kWh:	
0 to 500 Units	610 paise
Above 500 Units	710 paise

LT-5: ToD Tariff (at the option of consumers) – As Approved by the Commission		
Time of Day	From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100 Paise
22.00 Hrs to 06.00 Hrs	0	(-)100 Paise

Time of Day Tariff

In view of the discussions made in the earlier paras, the decision of the Commission, in its previous 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 ToD Tariff which the Commission has approved in respect of EV charging stations in the Depots of BMTC / KSRTC / NEKRTC / NWKRTC will continue to be in force, until further orders.

Accordingly, the Commission decides to continue the existing ToD Tariff structure without any modification.

Rebate to Micro & Small scale industries under LT-5 category:

In the Tariff Order 2022, the Commission has approved a Rebate of 50 paise per unit in Energy Charges to Micro & Small scale industries in order to mitigate the financial crisis faced due to present economic slowdown in the State on account of pandemic Covid-19. This Rebate was allowed for only 12 months.

In the public hearing conducted by the Commission relating to the tariff revision application of ESCOMs and also in the written submission, several consumer organizations have requested to continue the Rebate for sustenance of Micro & Small scale industries.

Considering the request, the Commission decides to continue the Rebate of 50 paise unit in Energy Charges to Micro & Small scale industries as certified by the Government of Karnataka for the consumers falling under Tariff Schedule LT-5, until further orders.

Rebate to Ice Manufacturing Units / Cold Storage plants used for fisheries purpose falling under HT-2a and LT-5 category:

In the Tariff Order 2022, the Commission has approved a Rebate of Re.1/- per unit in respect of Ice Manufacturing Units / Cold Storage plants used for fisheries purpose that are situated in the coastal belt area of Karnataka State within radius of 5 Kms from Sea only.

Karnataka Coastal Ice Plant & Cold Storage Owners' Association, in their written submission and also in public hearings, have brought to the notice of the Commission that a few Ice Manufacturing Units / Cold Storage plants are deprived of the Rebate benefit as they are situated outside the perimeter of 5 Kms from Sea.

Considering their contentions, the Commission decides to continue the Rebate of Re.1/- per unit in respect of Ice Manufacturing Units / Cold Storage plants used for fisheries purpose that are situated in the coastal belt area of Karnataka State within radius of 5 Kms from Sea and has also decides to extend the similar benefit to such plants which are situated beyond the perimeter of 5 Kms from Sea provided that such consumers have to submit a certification from the authorities of Fisheries Department that their activities are actually meant for fisheries purpose only.

7. LT-6 (a) Water Supply Installations, (b) Public Lighting (c) Electric Vehicle Charging Stations/ Battery Swapping Stations:

MESCOM's Proposal:

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

LT-6(a): Applicable to Water Supply Installations		
PARTICULARS	As Existing	As Proposed
Fixed Charges / HP / Month:		
For HP upto 67 HP	Rs.110/-	Rs.125/-
For every additional HP above 67 HP	Rs.215/-	Rs.225/-
Energy Charges per kWh:		
For entire consumption	500 paise	600 paise

LT-6(b): Public Lighting Installations		
PARTICULARS	As Existing	As Proposed
Fixed Charges / KW / Month:		
Per KW	Rs.125/-	Rs.150/-
Energy Charges per kWh:		
For entire consumption	665 paise	700 paise
Energy charges for LED / Induction Lighting	560 paise	560 paise

LT-6(c): Electric Vehicle Charging Stations/ Battery Swapping Stations (for Both LT & HT)		
PARTICULARS	As Existing	As Proposed
Fixed Charges / KW / Month:		
For KW upto 50 KW	Rs.70/-	Rs.100/-
For every additional KW above 50 KW	Rs.170/-	Rs.200/-
For HT (per KVA / Month of billing demand)	Rs.200/-	Rs.250/-
Energy Charges per kWh:		
For entire consumption	500 paise	500 paise

LT-6(c): ToD Tariff for the EV charging stations in the Depots of BMTC / KSRTC / NEKRTC / NWKRTC who have availed HT power supply for charging the Electric Motor Vehicles- EXISTING		
Time of Day	From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100 Paise
22.00 Hrs to 06.00 Hrs	0	(-)100 Paise

LT-6(c): ToD Tariff – PROPOSED (in Rs. Per unit)			
Time of Day		From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	Peak	1.00	1.50
10.00 Hrs to 15.00 Hrs	Off-peak	(-)0.75	(-)0.75
15.00 Hrs to 18.00 Hrs	Normal	0.00	0.00
18.00 Hrs to 22.00 hrs	Peak	1.00	1.50
22.00 Hrs to 24.00 Hrs	Normal	0.00	0.00
24.00 Hrs to 06.00 Hrs	Off-peak	(-)0.75	(-)0.75

Commission's decision:

The Commission decides to revise the tariff for the category as below:

LT-6(a): Applicable to Water Supply Installations (Applicable to all areas)	
PARTICULARS	As Approved by the Commission
Fixed Charges / HP / Month:	
Upto and inclusive of 67 HP	Rs.175/-
For every additional HP above 67 HP	Rs.275/-
Energy Charges per kWh:	
For entire consumption	550 paise

LT-6(b): Public Lighting Installations (Applicable to all areas)	
PARTICULARS	As Approved by the Commission
Fixed Charges / KW / Month:	
Per KW	Rs.175/-
Energy Charges per kWh:	
For entire consumption	700 paise
Energy Charges for LED/Induction Lighting	600 paise

LT-6(c): Electric Vehicle Charging Stations/ Battery Swapping Stations (for Both LT & HT) (Applicable to all areas)	
PARTICULARS	As Approved by the Commission
Fixed Charges / KW / Month:	
Upto and inclusive of 50 KW	Rs.70/-
For every additional KW above 50 KW	Rs.170/-
For HT (per KVA / Month of billing demand)	Rs.200/-
Energy Charges per kWh:	
For entire consumption	450 paise

In view of the discussions made in the earlier paras, the Commission decides to continue the existing ToD Tariff approved in respect of HT EV charging stations in the Depots of BMTC / KSRTC / NEKRTC / NWKRTC will continue to be in force until further orders, as follows:

LT-6(c): ToD Tariff for the EV charging stations in the Depots of BMTC / KSRTC / NEKRTC / NWKRTC who have availed HT power supply for charging the Electric Motor Vehicles– As Approved by the Commission.		
Time of Day	From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100 Paise
22.00 Hrs to 06.00 Hrs	0	(-)100 Paise

8. LT 7- Temporary Supply & Permanent supply to Advertising Hoardings:

MESCOM's Proposal:

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

LT-7(a): Temporary Power Supply for all purposes		
PARTICULARS	As Existing	As Proposed
Less than 67 HP only	Energy charge at 1120 paise per unit subject to a weekly minimum of Rs.275 per KW of the sanctioned load.	Energy charge at 1200 paise per unit subject to a weekly minimum of Rs.300 per KW of the sanctioned load.

LT-7(b): Applicable to power supply to Hoardings & Advertisement boards on Permanent connection basis		
PARTICULARS	As Existing	As Proposed
Fixed Charges / KW / Month:		To merge this category with LT-3
Less than 67 HP only	Rs.150/-	
Energy Charges per kWh:		
For entire consumption	1120 paise	

Commission's decision:

The Commission decides to reclassify the consumers falling under LT-7(b) category under LT-3 tariff category as tariff schedule LT-3(b). The existing LT

commercial consumers shall be classified as LT-3(a). Thus, tariff schedule LT-3(b) shall appear below LT-3(a) schedule, as below;

LT-3(b): Applicable to power supply to Hoardings & Advertisement boards on Permanent connection basis	
PARTICULARS	As Approved by the Commission
Fixed Charges / KW / Month:	
Less than 67 HP only	Rs.200/-
Energy Charges per kWh:	
For entire consumption	1050 paise

Further, by renaming LT-7(a) category as LT-7, the Commission has approved to revised tariff for the category as indicated below.

The temporary installations with sanctioned load / contract demand above 67 HP will continue under HT-5.

The Commission has also decided that the billing of LT-7 installations shall be on monthly basis, similar to other category of consumers, however, subject to the provisions of the Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka (CoS) (Eleventh Amendment), 2023.

LT-7: Temporary Power Supply for all purposes (Applicable to all areas)	
PARTICULARS	As Approved by the Commission
Fixed Charges / HP / Month:	
Less than 67 HP	Rs.200/-
Energy Charges per kWh:	
For entire consumption	1150 paise

HT Categories - Time of Day Tariff

In view of the discussions made in the earlier paras, 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

ToD Tariff which the Commission has approved in respect of EV charging stations in the Depots of BMTC / KSRTC / NEKRTC / NWKRTC will continue to be in force until further orders.

9. HT-1- Water Supply & Sewerage

MESCOM's Proposal:

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

HT-1: Water Supply and Sewerage Installations		
PARTICULARS	As Existing	As Proposed
Demand Charges / KVA / Month of billing demand:		
Per KVA	Rs.250/-	Rs.350/-
Energy Charges per kWh:		
For entire consumption	560 paise	600 paise

HT-1: ToD Tariff (Optional) – EXISTING		
Time of Day	From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100 Paise
22.00 Hrs to 06.00 Hrs	0	(-)100 Paise

HT-1: ToD Tariff – PROPOSED (in Rs. Per unit)			
Time of Day		From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	Peak	1.00	1.50
10.00 Hrs to 15.00 Hrs	Off-peak	(-)0.75	(-)0.75
15.00 Hrs to 18.00 Hrs	Normal	0.00	0.00
18.00 Hrs to 22.00 hrs	Peak	1.00	1.50
22.00 Hrs to 24.00 Hrs	Normal	0	0
24.00 Hrs to 06.00 Hrs	Off-peak	(-)0.75	(-)0.75

Commission's decision:

The Commission decides to revise the tariff for the category as below:

HT-1: Water Supply and Sewerage Installations (Applicable to all areas)	
PARTICULARS	As Approved by the Commission
Demand Charges / KVA / Month of billing demand:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	600 paise

10. HT-2(a) – HT Industries**MESCOM's Proposal:**

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

HT-2(a): Industries (Applicable for all areas)		
PARTICULARS	As Existing	As Proposed
Demand Charges / KVA / Month of billing demand:		
Per KVA	Rs.265/-	Rs.450/-
Energy Charges per kWh:		
For the first 1 lakh units	735 paise	600 paise
For the balance units	760 paise	(for all units)

HT-2(a): Railway Traction (Applicable for all areas)		
PARTICULARS	As Existing	As Proposed
Demand Charges / KVA / Month of billing demand:		
Per KVA	Rs.275/-	Rs.500/-
Energy Charges per kWh:		
For entire consumption	660 paise	550 paise

HT-2(a): Effluent Treatment Plants independently serviced outside the premises of any installation under HT2(a)		
PARTICULARS	As Existing	As Proposed
Demand Charges / KVA / Month of billing demand:		
Per KVA	Rs.275/-	Rs.500/-
Energy Charges per kWh:		
For entire consumption	700 paise	550 paise

HT-2(a): ToD Tariff – EXISTING		
Time of Day	From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100 Paise
22.00 Hrs to 06.00 Hrs	0	(-)100 Paise

HT-2(a): ToD Tariff – PROPOSED (in Rs. Per unit)			
Time of Day		From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	Peak	1.00	1.50
10.00 Hrs to 15.00 Hrs	Off-peak	(-)0.75	(-)0.75
15.00 Hrs to 18.00 Hrs	Normal	0.00	0.00
18.00 Hrs to 22.00 hrs	Peak	1.00	1.50
22.00 Hrs to 24.00 Hrs	Normal	0.00	0.00
24.00 Hrs to 06.00 Hrs	Off-peak	(-)0.75	(-)0.75

Commission's Decision:

The Commission decides to introduce a single slab by removing the existing two slabs in the energy charges.

The Commission as in pre paras decides to include the "Data Centre" installations in the HT-2(a) tariff schedule.

HT-2(a): Industries (Applicable for all areas)	
PARTICULARS	As Approved by the Commission
Fixed Charges / month / KVA of Billing Demand:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	740 paise

HT-2a: Railway Traction	
PARTICULARS	As Approved by the Commission
Fixed Charges / month / KVA of Billing Demand:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	700 paise
Note: (i) ToD Tariff is not applicable to Railway Traction installations. (ii) 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. However, they are eligible to avail the new "Discounted Energy Rate Scheme".	

HT2(a): Effluent Treatment Plants independently serviced outside the premises of any installation	
PARTICULARS	As Approved by the Commission
Fixed Charges / month / KVA of Billing Demand:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	700 paise
NOTE: ToD tariff is applicable to these installations, if the Special Incentive Scheme is not opted.	

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

MESCOM's Proposal:

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

HT-2(b): Commercial (Applicable for all areas)		
PARTICULARS	As Existing	As Proposed
Demand Charges / KVA / Month of billing demand:		
Per KVA	Rs.290/-	Rs.500/-
Energy Charges per kWh:		
For the first 2 lakh units	905 paise	650 paise
For the balance units	915 paise	(for all units)

HT-2(b): ToD Tariff – EXISTING		
Time of Day	From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100 Paise
22.00 Hrs to 06.00 Hrs	0	(-)100 Paise

HT-2(b): ToD Tariff – PROPOSED (in Rs. Per unit)			
Time of Day		From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	Peak	1.00	1.50
10.00 Hrs to 15.00 Hrs	Off-peak	(-)0.75	(-)0.75
15.00 Hrs to 18.00 Hrs	Normal	0.00	0.00
18.00 Hrs to 22.00 hrs	Peak	1.00	1.50
22.00 Hrs to 24.00 Hrs	Normal	0.00	0.00
24.00 Hrs to 06.00 Hrs	Off-peak	(-)0.75	(-)0.75

Commission's Decision:

The Commission decides to introduce a single slab by removing the existing two slabs in the energy charges.

HT-2(b): Commercial (Applicable for all areas)	
PARTICULARS	Tariff approved by the Commission
Fixed Charges / month / KVA of Billing Demand:	
Per KVA	Rs.375/-
Energy Charges per kWh:	
For entire consumption	925 paise

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

12.1: 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:

12.2: HT-2(c)(ii) Applicable to Hospitals and Educational Institutions other than those covered under HT2(c) (i)

MESCOM's Proposal:

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

HT-2(c)(i) (for all areas)		
PARTICULARS	As Existing	As Proposed
Demand Charges / KVA / Month of billing demand:		
Per KVA	Rs.260/-	Rs.450/-
Energy Charges per kWh:		
For the first 1 lakh units	720 paise	600 paise
For the balance units	760 paise	(for all units)

HT-2(c)(ii) (for all areas)		
PARTICULARS	As Existing	As Proposed
Demand Charges / KVA / Month of billing demand:		
Per KVA	Rs.265/-	Rs.500/-
Energy Charges per kWh:		
For the first 1 lakh units	820 paise	650 paise
For the balance units	860 paise	(for all units)

HT-2(c)(i) & HT-2(c)(ii) ToD Tariff – EXISTING		
Time of Day	From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100 Paise
22.00 Hrs to 06.00 Hrs	0	(-)100 Paise

HT-2(c)(i) & HT-2(c)(ii) ToD Tariff – PROPOSED (in Rs. Per unit)			
Time of Day		From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	Peak	1.00	1.50
10.00 Hrs to 15.00 Hrs	Off-peak	(-)0.75	(-)0.75
15.00 Hrs to 18.00 Hrs	Normal	0.00	0.00
18.00 Hrs to 22.00 hrs	Peak	1.00	1.50
22.00 Hrs to 24.00 Hrs	Normal	0.00	0.00
24.00 Hrs to 06.00 Hrs	Off-peak	(-)0.75	(-)0.75

Commission's Decision:

The Commission decides to introduce a single slab by removing the existing two slabs in the energy charges:

HT-2(c)(i) (Applicable for all areas)	
PARTICULARS	Tariff approved by the Commission
Fixed Charges / month / KVA of Billing Demand:	
Per KVA	Rs.300/-
Energy Charges per kWh:	
For entire consumption	750 paise

HT-2(c)(ii) (Applicable for all areas)	
PARTICULARS	Tariff approved by the Commission
Fixed Charges / month / KVA of Billing Demand:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	850 paise

Applicable to HT-1 (optional), HT-2(a), HT-2(b), HT-2(c)(i) & HT-2(c)(ii) categories ToD Tariff As approved by the Commission		
Time of Day	From July to November (monsoon period)	From December to June)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100 Paise
22.00 Hrs to 06.00 Hrs	0	(-)100 Paise

13. HT-3(a) Lift Irrigation Schemes:**MESCOM's Proposal:**

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

HT-3(a)(i): Applicable to LI Schemes under Government Departments / Government owned Corporations
As Existing
Energy charge at 315 paise per unit subject to annual minimum of Rs.1900/- per HP the sanctioned load.

HT-3(a)(ii): Applicable to all LI Schemes and Lift Irrigation Societies: fed through Express / Urban feeders	
PARTICULARS	As Existing
Fixed Charges / HP / Month:	
Per HP	Rs.110/-
Energy Charges per kWh:	
For entire consumption	315 paise

HT-3(a)(iii): Applicable to private LI schemes and Lift Irrigation Societies other than those covered under HT-3(a)(ii) above	
PARTICULARS	As Existing
Fixed Charges / HP / Month:	
Per HP	Rs.90/-
Energy Charges per kWh:	
For entire consumption	315 paise

HT-3(a)(i): Applicable to LI Schemes under Government Departments / Government owned Corporations	
As Proposed	
Energy charge at 415 paise per unit subject to annual minimum of Rs.2100/- per HP the sanctioned load.	

HT-3(a)(ii): Applicable to all LI Schemes and Lift Irrigation Societies: fed through Express / Urban feeders	
PARTICULARS	As Proposed
Fixed Charges / HP / Month:	
Per HP	Rs.150/-
Energy Charges per kWh:	
For entire consumption	415 paise

HT-3(a)(iii): Applicable to private LI schemes and Lift Irrigation Societies other than those covered under HT-3(a)(ii) above	
PARTICULARS	As Proposed
Fixed Charges / HP / Month:	
Per HP	Rs.150/-
Energy Charges per kWh:	
For entire consumption	415 paise

HT-3(b): Irrigation & Agricultural Farms, Government Horticulture farms, Private Horticulture Nurseries, Coffee, Tea, Coconut & Arecanut Plantations	
As Existing	As Proposed
Energy charge at 515 paise per unit subject to annual minimum of Rs.1960/- per HP the sanctioned load.	Energy charge at 550 paise per unit subject to annual minimum of Rs.2100/- per HP the sanctioned load.

Commission's Decision:

The Commission decides to merge HT-3(a)(i), HT-3(a)(ii) and HT-3(a)(iii) consumer categories under one common category i.e., HT-3: "Lift Irrigation" and to renumber the existing HT-3(b) category as HT-6 with revision of tariff, as detailed below.

HT-3: Lift Irrigation (Applicable for all areas)	
PARTICULARS	Tariff approved by the Commission
Fixed Charges / month / HP:	
Per HP	Rs.150/-
Energy Charges per kWh:	
For entire consumption	350 paise

HT-6: Irrigation & Agricultural Farms, Government Horticulture farms, Private Horticulture Nurseries, Coffee, Tea, Coconut & Arecanut Plantations	
PARTICULARS	Tariff approved by the Commission
Fixed Charges / month / HP:	
Per HP	Rs.150/-
Energy Charges per kWh:	
For entire consumption	550 paise

14. HT4 - RESIDENTIAL APARTMENTS/ COLONIES:**MESCOM's Proposal:**

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

HT-4: Residential Apartments/ Colonies (Applicable for all areas)		
PARTICULARS	As Existing	As Proposed
Demand Charges / KVA / Month of billing demand:		
Per KVA	Rs.175/-	Rs.300/-
Energy Charges per kWh:		
For entire consumption	705 paise	700 paise

Commission's Decision:

The Commission decides to revise the fixed and energy charges for the categories, as below.

HT-4: Residential Apartments/ Colonies (Applicable for all areas)	
PARTICULARS	Tariff approved by the Commission
Fixed Charges / month / KVA of Billing Demand:	
Per KVA	Rs.300/-
Energy Charges per kWh:	
For entire consumption	725 paise

15. HT-5: Temporary Power Supply**MESCOM's Proposal:**

HT-5: Temporary Power Supply (Applicable for all areas)		
PARTICULARS	As Existing	As Proposed
Fixed Charges / month / HP:		
For entire sanctioned load	Rs.325/-	Rs.400/-
Energy Charges per kWh:		
For entire consumption	1120 paise	1200 paise

The Commission decides to revise the fixed and energy charges for the categories, as below.

HT-5: Temporary Power Supply (Applicable for all areas)	
PARTICULARS	Tariff approved by the Commission
Fixed Charges / month / HP:	
For entire sanctioned load	Rs.400/-
Energy Charges per kWh:	
For entire consumption	1150 paise

The Approved Tariff schedule for FY24 is enclosed in **Annexure– V** of this Order. **All other existing provisions / procedures / terms & conditions, which are not amended in this Order, will continue to be in force until further orders.**

6.7 Wheeling and Banking Charges:

MESCOM has proposed wheeling charges of 48 paise/unit and 113 paise/unit for HT network and LT network, respectively. Further it is stated that proposed technical losses of 3.59-% at HT level and 5.16% at LT level are also applicable.

Regarding Wheeling charges for RE sources, it is submitted that wheeling transactions of RE sources is increasing year-on-year and therefore MESCOM has requested to apply all the relevant charges as is being made applicable to normal OA / wheeling transactions to RE sources also. In this regard it is submitted that the transmission & distribution network maintenance charges are increasing year-on-year. The increased transactions under wheeling & banking arrangements are impacting the tariff charges of the LT categories considerably.

Further on banking, MESCOM has submitted that it concurs with the order dated 09.01.2018 reducing the banking period from one year to six months and that energy banked during the peak TOD hours only can be drawn during peak hours and not otherwise.

As far as wheeling charges and banking facility for RE sources is concerned, the Commission notes that the 2018 order in the matter of banking is pending before the Hon'ble Supreme court of India and the 2018 order on wheeling charges is pending before the Hon'ble High Court of Karnataka.

The Commission in the meanwhile had issued a discussion paper on wheeling charges and banking facility and considering the stakeholder's comments directed KPTCL/ ESCOMs to conduct a study in the matter. The study on Wheeling charges & Banking facility entrusted to Prayas, Pune by PCKL is completed and a public hearing on the above report was held by the Commission on 08.09.2022. The Commission would take appropriate action in the matter.

Further, the Central Government has notified the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022, which has become effective from 06.06.2022 and as envisaged under Rule-5, this Commission has notified the GEOA Regulations, which has come into effect from 19.01.2023. Regulation 11(1) of GEOA regulations specify that OA charges will be determined by the Commission considering the methodology specified by FoR under GEOA Rules. The FoR has finalised the methodology. In order to adopt the above methodology, certain amendments to MYT Regulations is necessitated and also it would take some time for the ESCOMs to collect the data necessary to compute various charges as per the FoR methodology. In the circumstances, the Commission has decided to continue the Transmission/Wheeling charges as per the methodology adopted in earlier orders, which shall be applicable to RE sources coming under GEOA Regulations also. In this regard the Commission vide letter dated 06.04.2023, regarding the OA charges under GEOA has communicated as follows:

‘. . . Regulation 11(i) of KERC (Terms and Conditions for GEOA) Regulations, 2022 specify that the Open Access Charges shall be determined by the Commission considering the methodology specified by FoR. However, till the time the Commission adopts and determines the charges in accordance with the methodology specified by FoR, the KPTCL / SLDC / ESCOMs are directed to collect the following:

- i. The Transmission charges, wheeling charges, additional surcharge and Cross-subsidy surcharge in full, as determined by the Commission in its Tariff Orders issued from time to time.
Note: Additional surcharge shall not be applicable, if full fixed charges of the licensee are being recovered through retail supply tariff and such full fixed charges are paid by the Open Access consumers.*
- ii. Standby charges as per the Rules specified by the MoP;*
- iii. Banking charges as specified by FoR (8% of banked energy);*

- iv. Any other charges as determined by the Commission from time to time;

Other applicable charges are listed below:

- a. Additional surcharge as determined by the Commission in its Tariff Order issued from time to time.
- b. Monthly transaction charges of Rs. 3000 (Rupees Three Thousand only) for maintaining the transaction details,
- c. Meter reading charges of Rs. 1000 (Rupees One Thousand only) per month, in case AMR meters having remote meter reading facilities are not functional,
- d. Load despatch Centre fees and charges as determined by the Commission from time to time,
- e. Scheduling and system operation charges as determined by the Commission from time to time,
- f. Applicable Parallel operation charges as determined by the Commission from time to time,
- g. Reactive power charges as determined by the Commission from time to time,
- h. Deviation settlement charges as specified under the Regulations as amended from time to time,
- i. Other charges as specified under the various KERC Regulations, if any.'

The approach of the Commission regarding wheeling & banking charges is discussed in the following paragraphs:

The Commission has considered the approved ARR pertaining to distribution wires business and has proceeded determining the wheeling charges as detailed in the following paragraphs:

6.7.1 Wheeling within MESCOM Area:

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. Based on the approved ARR for distribution business, the wheeling charges to each voltage level is worked out as under:

TABLE – Wheeling Charges

Distribution ARR-Rs. Crs	757.22
Sales-MU	5541.59
Wheeling charges- paise/unit	136.64
	Paise/unit
HT-network	40.99
LT-network	95.65

In addition to the above, the following technical losses are applicable:

Loss allocation	% loss
HT	3.59
LT	5.20

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

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

		paise/unit	
Injection point →		HT	LT
Drawal point ↓			
HT	41 (3.59%)	137 (8.79%)	
LT	137 (8.79%)	96 (5.20%)	

Note: Figures in brackets are applicable loss

The wheeling charges as determined above are applicable to all the open access / wheeling transactions for using the MESCOM network only.

6.7.2 WHEELING OF ENERGY USING TRANSMISSION NETWORK OR NETWORK OF MORE THAN ONE LICENSEE

6.7.3 In case the wheeling of energy 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 ESCOMs' network is used, Transmission Charges shall be payable to the Transmission Licensee, in addition to transmission losses. Wheeling Charges of the ESCOM where the power is drawn shall be shared equally among the ESCOMs whose networks are used.

Illustration 1:

If a transaction involves transmission network & MESCOM's network and 100 units is injected, then at the drawal point the consumer is entitled for 88.69 units, after accounting for Transmission loss of 2.764% & MESCOM's technical loss of 8.79%.

The Transmission charge in cash as determined in the Transmission Tariff Order shall be payable to KPTCL & Wheeling Charge of 137 paise per unit shall be payable to MESCOM. In case more than one ESCOM is involved, the above 137 paise shall be shared by all the ESCOMs involved.

- iii. If ESCOMs' network only is used, the Wheeling Charges of the ESCOM where the power is drawn is payable and shall be shared equally among the ESCOMs whose networks are used.

Illustration 2:

If a transaction involves injection to BESCO's network & drawal at MESCOM's network, and 100 units is injected, then at the drawal point the consumer is entitled for 91.21 units, after accounting MESCOM's technical loss of 8.79%.

The Wheeling charge of 137 paise per unit applicable to MESCOM shall be equally shared between MESCOM & BESCO.

As the actual normal network charges depend upon the point of injection and point of drawal, the following broad guidelines may be followed by the licensees, while working out the charges:

Injection point →	KPTCL Network	BESCOM Network	MESCOM Network	CESC Network	HESCOM Network	GESCOM Network
Drawal point ↓						
KPTCL Network	Transmission charges & Losses as per KPTCL's Order	Transmission charges & Losses as per KPTCL's Order and ESCOM's wheeling charges & Technical losses as per illustration-1 of Tariff Order for the ESCOM where power is drawn	Transmission charges & Losses as per KPTCL's Order and ESCOM's wheeling charges & Technical losses as per illustration-1 of Tariff Order for the ESCOM where power is drawn	Transmission charges & Losses as per KPTCL's Order and ESCOM's wheeling charges & Technical losses as per illustration-1 of Tariff Order for the ESCOM where power is drawn	Transmission charges & Losses as per KPTCL's Order and ESCOM's wheeling charges & Technical losses as per illustration-1 of Tariff Order for the ESCOM where power is drawn	Transmission charges & Losses as per KPTCL's Order and ESCOM's wheeling charges & Technical losses as per illustration-1 of Tariff Order for the ESCOM where power is drawn
BESCOM Network	Transmission charges & Losses as per KPTCL's Order and BESCOM's wheeling charges & Technical losses as per illustration-1 of BESCOM's Tariff Order	BESCOM's network charges and technical losses as per BESCOM's tariff order under the heading 'wheeling within BESCOM area' which again depends on point of injection or drawal	BESCOM's network charges and technical losses as per illustration-2 of BESCOM's tariff order	BESCOM's network charges and technical losses as per illustration-2 of BESCOM's tariff order	BESCOM's network charges and technical losses as per illustration-2 of BESCOM's tariff order	BESCOM's network charges and technical losses as per illustration-2 of BESCOM's tariff order
MESCOM Network	Transmission charges & Losses as per KPTCL's Order and MESCOM's wheeling charges & Technical losses as per illustration-1 of MESCOM's Tariff Order	MESCOM's network charges and technical losses as per illustration-2 of MESCOM's tariff order	MESCOM's network charges and technical losses as per illustration-2 of MESCOM's tariff order under the heading 'wheeling within MESCOM area' which again depends on point of injection or drawal	MESCOM's network charges and technical losses as per illustration-2 of MESCOM's tariff order	MESCOM's network charges and technical losses as per illustration-2 of MESCOM's tariff order	MESCOM's network charges and technical losses as per illustration-2 of MESCOM's tariff order
CESC Network	Transmission charges & Losses as per KPTCL's Order and CESC's wheeling charges & Technical losses as per illustration-1 of CESC's Tariff Order	CESC's network charges and technical losses as per illustration-2 of CESC's tariff order	CESC's network charges and technical losses as per illustration-2 of CESC's tariff order	CESC's network charges and technical losses as per illustration-2 of CESC's tariff order under the heading 'wheeling within CESC area' which again depends on point of injection or drawal	CESC's network charges and technical losses as per illustration-2 of CESC's tariff order	CESC's network charges and technical losses as per illustration-2 of CESC's tariff order
HESCOM Network	Transmission charges & Losses as per KPTCL's Order and HESCOM's wheeling charges & Technical losses as per illustration-1 of HESCOM's Tariff Order	HESCOM's network charges and technical losses as per illustration-2 of HESCOM's tariff order	HESCOM's network charges and technical losses as per illustration-2 of HESCOM's tariff order	HESCOM's network charges and technical losses as per illustration-2 of HESCOM's tariff order	HESCOM's network charges and technical losses as per illustration-2 of HESCOM's tariff order under the heading 'wheeling within HESCOM area' which again depends on point of injection or drawal	HESCOM's network charges and technical losses as per illustration-2 of HESCOM's tariff order
GESCOM Network	Transmission charges & Losses as per KPTCL's Order and GESCOM's wheeling charges & Technical	GESCOM's network charges and technical losses as per illustration-2 of GESCOM's tariff order	GESCOM's network charges and technical losses as per illustration-2 of	GESCOM's network charges and technical losses as per illustration-2 of	GESCOM's network charges and technical losses as per illustration-2 of	GESCOM's network charges and technical losses as per illustration-2 of GESCOM's tariff order under the heading 'wheeling within

Injection point →	KPTCL Network	BESCOM Network	MESCOM Network	CESC Network	HESCOM Network	GESCOM Network
Drawal point ↓						
	losses as per illustration-1 of GESCOM's Tariff Order		GESCOM's tariff order	GESCOM's tariff order	GESCOM's tariff order	GESCOM area which again depends on point of injection or drawal

6.7.4 CHARGES FOR WHEELING OF ENERGY BY RE SOURCES (NON-REC & REC ROUTE) TO CONSUMERS IN THE STATE

The charges shall be as specified under GEOA Regulations for projects coming under the purview of GEOA Regulations. For other projects the charges for wheeling shall be as per the orders issued by the Commission from time to time.

6.7.5 CHARGES FOR WHEELING ENERGY BY RE SOURCES WHEELING ENERGY FROM THE STATE TO A CONSUMER/OTHERS OUTSIDE THE STATE

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 6.7.1 and 6.7.3 of this Order shall be applicable.

6.7.6 Banking Charges for RE sources:

The charges shall be as specified under GEOA Regulations for projects coming under the purview of GEOA Regulations. For other projects Banking Charges as determined in the separate Orders issued by the Commission from time to time, shall be applicable.

6.7.7 Cross Subsidy Surcharge [CSS]:

In the matter of levying of Cross Subsidy Surcharge and Additional Surcharge for RE sources, MESCOM has requested to continue to levy the same as determined by the Commission from time to time.

Commission's Observations:

The Commission directs MESCOM to furnish category-wise calculations for the cross subsidy surcharge.

MESCOM's Reply:

MESCOM has stated that the calculations for CSS is already furnished in the tariff petition and that for ready reference the same is furnished in the Annexure 17A to 17 C of the replies.

COMMISSION's Views:

The Commission notes that MESCOM has computed CSS as follows:

Tariff Category	Average Tariff	Voltage wise Cost of Supply @ 66kV & above level	Voltage wise Cost of Supply @ 33kV level	Voltage wise Cost of Supply @ HT level	Cross Subsidy Surcharge @ 66kv & above level (*)	Cross Subsidy Surcharge @ 33kv level (*)	Cross Subsidy Surcharge @ HT level (*)
HT-1	7.02	8.87	8.83	9.04	-	-	-
HT-2a	8.54	8.87	8.83	9.04	1.71	1.71	1.71
HT-2b	10.82	8.87	8.83	9.04	1.95	1.99	1.78
HT-2c	10.15	8.87	8.83	9.04	1.28	1.32	1.11
HT-3a	7.48	8.87	8.83	9.04	-	-	-
HT-3b	17.00	8.87	8.83	9.04	3.40	3.40	3.40
HT-4	8.52	8.87	8.83	9.04	1.70	1.70	1.70
HT-5	15.75	8.87	8.83	9.04	3.15	3.15	3.15

(*) Limited to 20% of the average applicable tariff

While, the Commission notes the reply furnished by the MESCOM, the determination of cross subsidy surcharge by the Commission is discussed in the following paragraphs: -

The Commission in its Regulations has adopted the formula as per Tariff Policy, 2016, for computing the CSS which is as indicated below:

$$S=T-[C/(1-L/100) + D + R]$$

Where

S is the Surcharge

T is the tariff Payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level

R is the per unit cost of carrying regulatory assets.

As there is no regulatory asset in FY24, the cost of carrying the regulatory asset is considered as zero.

Based on the methodology specified in its MYT and OA Regulations, and adopting the formula stated supra, the category wise cross subsidy surcharge will be as indicated in the following Table:

a. EHT & HT categories

Paise/unit						
Tariff category	Category Tariff paise/unit 'T' (Avg. of ESCOMs)	State Average Cost of supply @ 66 kV and above level* paise/unit $C/(1-L/100) + D + R]$	State Average Cost of supply at @ HT level** paise/unit $C/(1-L/100) + D + R]$	Cross subsidy surcharge paise/unit @ 66 kV & above level as per formula	Cross subsidy surcharge paise/unit @ HT level as per formula	20% of tariff payable by relevant category-paise/unit
1	2	3	4	5	6	7
				(2-3)	(2-4)	20% of (2)
HT-1 Water Supply	699	629.30	685.60	69.70	13.40	139.80
HT-2a Industries	1025	629.30	685.60	395.70	339.40	205.00
HT-2b Commercial	1399	629.30	685.60	769.70	713.40	279.80
HT-2 (C)(i)	930	629.30	685.60	300.70	244.40	186.00
HT-2 (C)(ii)	1146	629.30	685.60	516.70	460.40	229.20
HT3 Lift Irrigation	544	629.30	685.60	-85.30	-141.60	108.80
HT6 Irrigation & Agricultural Farms	549	629.30	685.60	-80.30	-136.60	109.80
HT-4	953	629.30	685.60	323.70	267.40	190.60

Tariff category	Category Tariff 'T' (Avg. of ESCOMs)	State Average Cost of supply @ 66 kV and above level* C/(1-L/100)+D+R]	State Average Cost of supply at @ HT level** C/(1-L/100)+D+R]	Cross subsidy surcharge paise/unit @ 66 kV & above level as per formula	Cross subsidy surcharge paise/unit @ HT level as per formula	20% of tariff payable by relevant category-paise/unit
Residential Apartments						
HT5 Temporary	1657	629.30	685.60	1027.70	971.40	331.40

* Includes weighted average power purchase costs of 526.51 paise/unit, transmission charges of 87.49 paise/unit and transmission losses of 2.82% including commercial losses at EHT.

** Includes weighted average power purchase costs of 526.51 Paise per unit, transmission charges of 87.49 Paise per unit and transmission losses of 2.82% including commercial losses at EHT, HT distribution network / wheeling charges of 37.52 Paise/unit and HT distribution losses of 3.35% including commercial losses at HT.

Note: The carrying cost of regulatory asset of transmission licensee for the current year is zero.

b. LT Categories

Tariff category	Category Tariff 'T' (Avg. of ESCOMs)	State Average Cost of supply @ LT level* C/(1-L/100)+D+R]	Paise/unit	
			Cross subsidy surcharge paise/unit @ LT level as per formula	20% of tariff payable by relevant category-paise/unit
1	2	3	5	7
LT-1 subsidised	892	815.59	76.41	178.40
LT-1 Non-subsidised	638	815.59	-177.59	127.60
LT2a Domestic	947	815.59	131.41	189.40
LT2b Pvt. Institutions	1100	815.59	284.41	220.00
LT3 Commercial	1199	815.59	383.41	239.80
LT-4a	647	815.59	-168.59	129.40

Tariff category	Category Tariff paise/unit 'T' (Avg. of ESCOMs)	State Average Cost of supply @ LT level* paise/unit $C/(1-L/100)+D+R$	Cross subsidy surcharge paise/unit @ LT level as per formula	20% of tariff payable by relevant category-paise/unit
LT4b IP>10HP	899	815.59	83.41	179.80
LT4c Pvt. Nurseries	1054	815.59	238.41	210.80
LT5 Industrial	1137	815.59	321.41	227.40
LT6 Water Supply	748	815.59	-67.59	149.60
LT6 Public lighting	840	815.59	24.41	168.00
LT-6 EV charging	458	815.59	-357.59	91.60
LT7 Temporary Supply	2552	815.59	1736.41	510.40

- * Includes weighted average power purchase costs of 526.51 Paise per unit, transmission charges of 87.49 Paise per unit and transmission losses of 2.82% including commercial losses at EHT, HT distribution network / wheeling charges of 37.52 Paise/unit, HT distribution losses of 3.35% including commercial losses at HT and LT distribution network / wheeling charges of 87.54 Paise/unit, LT distribution losses of 7.04% including commercial losses at LT

Note: The carrying cost of regulatory asset of transmission licensee for the current year is zero

As per the Tariff Policy 2016, while limiting the CSS so as not to exceed 20% of the tariff applicable to relevant category, the CSS (after rounding off to nearest paise) is determined as per the following table:

- a. EHT & HT categories

Paise/unit

Particulars	66 kV & above	HT level-11 kV/33kV
HT-1 Water Supply	70	13
HT-2a	205	205
HT-2b Commercial	280	280
HT-2 (C)(i)	186	186
HT-2 (C)(ii)	229	229
HT3	0	0
HT6 Irrigation & Agricultural Farms	0	0
HT-4 Residential Apartments	191	191
HT5 Temporary	331	331

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

b. LT categories

Paise/unit	
Particulars	LT level
LT1 SUBSIDISED	76
LT1 NON-SUBSIDISED	0
LT2a	131
LT2b	220
LT3	240
LT4a	0
LT4b	83
LT4c	211
LT5	227
LT-6 WS	0
LT-6SL	24
LT-6 EV charging	0
LT7	510

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 BESCOM. 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.

The detailed calculation sheet of CSS is enclosed as **Annexure-4**.

6.8 Additional Surcharge:

As regards to additional surcharge, the Commission notes that, in Appeal No.260/2018 and 43/2021, the Hon'ble ATE in its order dated, 15.09.2022, has directed the Commission to bear in mind the submissions made by the Appellants, as and when the Commission sets about to pass an order in the matter and also to keep in mind the guidance on the subject provided not only by the NTP but also the Regulations framed by the Commission, wherein the muster prescribed is "conclusive demonstration on existence of factors justifying

such levy". The said order is available on the ATE's Website. **Keeping in view the observations of the Hon'ble ATE, MESCOM shall conclusively demonstrate and furnish the details of stranded costs involved to justify the claim of additional surcharge. In the absence of full details of the stranded costs to justify the Additional Surcharge, it would not be possible for the Commission to determine the Additional surcharge, so as to comply with the Orders of the Hon'ble ATE.**

The relevant extract of the Orders of the Hon'ble ATE is as under:

7. *"It is the contention of the appellants that most basic data that is essential to be gathered examining whether or not there is any stranded capacity on account of the drawal of power by the open access customers from other sources comprises the information as to the extent to which the licensees were compelled to back down any long term power source during the time blocks when there was open access concession, the distribution licensees were constrained to procure power on short term basis, and the distribution licensee had to take resort to power cuts or regulate the power supply in the State this being indicative of insufficient availability of power to meet the actual demand.*
8. *In the submissions of the appellants, in order to examine and compute the claim of stranded capacity and computation of additional surcharge, information as to open access consumption, unscheduled capacity short term power purchase and power cuts imposed, if any, on time block basis is sine qua non. The submission is that since such exercise was not undertaken by the Commission, it cannot be said that the distribution licensees had conclusively demonstrated their case for approval of the rate proposed for determination of the additional surcharge."*

MESCOM's Reply:

MESCOM has submitted that it has computed ASC as per the methodology approved by the Commission in its earlier orders and as requested the Commission to take its view in the matter.

Commission's views and decision:

The Commission keeping in view the orders of the Hon'ble ATE, vide its letter dated 19.01.2023 and 09.02.2023, had directed the PCKL to furnish month-wise consolidated data of standard capacity based on 15-minutes' time-block data and the open access capacity for the month along with the average month-wise fixed cost / MW. Accordingly, the PCKL submitted the data vide its letter dated 16.03.2023. The consolidated data furnished by PCKL is as follows:

MONTH	Capacity stranded MW	Open Access capacity including wheeling for the month (MW)	Average fixed cost for the month Rs/MW
Apr-21	2333	649	1151932
May-21	2957	666	1173102
Jun-21	2092	818	1111461
Jul-21	2111	868	1120003
Aug-21	3149	835	1058383
Sep-21	4280	851	976678
Oct-21	2590	798	1021783
Nov-21	3043	780	1215063
Dec-21	2042	753	979290
Jan-22	1197	758	1183060
Feb-22	2997	996	969827
Mar-22	2555	970	1060280
TOTAL	2612	812	1085072

The Commission notes that while arriving at the above data PCKL has considered total backed down data based on 15-minutes' time-block-wise MW-data. Also the month-wise open access energy is considered to arrive at the month-wise open access capacity in MW. The Commission has relied upon the above data furnished by PCKL to arrive at the additional surcharge.

The Commission has compared the stranded capacity with the open access capacity and has considered lower of the stranded capacity and open access capacity to arrive at the stranded cost attributable to the open access transactions. Accordingly, the Commission has worked out the Additional surcharge as follows:

Month	Capacity stranded MW	Open Access capacity including wheeling for the month (MW)	Stranded Capacity attributed to OA transactions- (MW)	Average fixed cost for the month Rs/MW	Stranded Cost attributed to OA transactions – Rs. 6=(5x4)
1	2	3	4	5	
Apr-21	2333	649	649	1151932	747603868
May-21	2957	666	666	1173102	781285932
Jun-21	2092	818	818	1111461	909175098
Jul-21	2111	868	868	1120003	972162604
Aug-21	3149	835	835	1058383	883749805
Sep-21	4280	851	851	976678	831152978
Oct-21	2590	798	798	1021783	815382834
Nov-21	3043	780	780	1215063	947749140
Dec-21	2042	753	753	979290	737405370
Jan-22	1197	758	758	1183060	896759480
Feb-22	2997	996	996	969827	965947692
Mar-22	2555	970	970	1060280	1028471600
TOTAL	2612	812	812	1085072	10516846401
OA / Wheeling Cons. In MU as per PCKL					7102.33
Addl. Surcharge (Rs. / unit)					1.48

Accordingly, the Commission determines the ASC for FY24 of Rs. 1.48 /Unit which shall be applicable to all open access transactions other than for captive use.

6.9 Other Issues:

i) 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 to give wide publicity about the availability of RE power through newspapers/ media/ interaction meeting with the industrial consumers.**

ii) Withdrawal of Rebate for use of Solar Water Heater:

The Distribution Licensees have requested the Commission to discontinue the Solar water heater rebate to the consumers. During the public hearing, some of the consumers have requested the Commission to withdraw the solar rebate extended for the installation of solar water heater. Some of the consumers have requested to increase the Rebate on Solar water heaters. The Commission, by considering mandatory installation of Solar heaters as per Government of Karnataka order, financial impact on ESCOMs and the availability of surplus power due to the commissioning of RE power projects in the State as made out in pre paras, **decides to withdraw the existing rebate for use of solar water heaters under tariff schedule LT2(a).**

iii) Prompt payment incentive:

The Commission has approved incentive for bill payment at the rate of 0.25% of bill in respect of:

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

However, as discussed in pre paras, the Commission decides to discontinue the prompt payment incentive towards payment of bills through ECS.

iv) 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 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).

v) Power Factor:

The Commission in its previous orders 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 has decided 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

vi) 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.

vii) Interest on delayed payment of bills by consumers:

The Commission, in its previous Orders had approved collection of interest on delayed payment of bills at 12% per annum. The Commission with a view to achieve the 100% collection efficiency in recovery of revenue demand to reduce the financial burden of ESCOMs and to bring in discipline among the defaulting consumers, decides to continue the same rates in this Order also.

viii) Security Deposit (3 MMD/ 2 MMD):

The Commission had issued the K.E.R.C. (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.

ix) 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 could 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 **subject to informing the payment details to the concerned sub-division.**

The Commission, as decided in the Tariff Order 2018 dated 14th May, 2018, in order to encourage the consumers to opt for digital payments in line with the direction of the Ministry of Power (MOP), Gol, decides to continue to allow MESCOM to collect payment of monthly power supply bill through **Electronic clearing system (ECS)/ Debit / Credit cards / RTGS/ NEFT/ Net Banking through ESCOMs / Bank/ Bangalore One and 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 MESCOM to incur and claim the expenditure on such transaction in the ARR. However, the Commission decides to allow MESCOM 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.**

x) Cross Subsidy Levels for FY24:

The Hon'ble Appellate Tribunal for Electricity (ATE), in its Order dated 8th 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 MESCOM and the cross subsidy thereon, is indicated in ANNEXURE- 3 of this Order. It is the Commission's endeavour to reduce the cross subsidies gradually as per the Tariff policy.

xi) Date of Effect of Revised Tariff:

- a. As per the KERC (Tariff) Regulations 2000, read with the MYT Regulations 2006, the ESCOMs have 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 MESCOM has filed its applications for revision of tariff on or before 30th November, 2022.
- b. To enable the MESCOM to recover the revenue gap determined as per of this Order, the Commission decides that, the revised tariff for the energy consumed, shall be given effect, from the 1st meter reading date falling on or after 1st of April 2023.

A statement indicating the proposed revenue and approved revenue is enclosed vide **Annexure-3** and detailed tariff schedule is enclosed vide **Annexure-5 respectively**.

6.10 Summary of the Tariff Order:

The following is summary of the Tariff Order 2023:

- ❖ The Commission has approved the revised ARR for MESCOM of Rs.4771.44 Crores for FY24, which includes the revenue surplus of Rs.223.79 Crores for FY22 as per APR, with the net gap in revenue of Rs.387.54 Crores. This is against MESCOM's proposed ARR of Rs.5214.40 Crores and a gap of Rs.768.97 Crores.
- ❖ MESCOM, in its tariff application dated 30.11.2022 had proposed an average increase in the tariff by of 137 paise per unit for all categories of consumers resulting in average increase in retail supply tariff by 17.30%. The Commission has approved an average increase of 70 paise per unit. The

average increase in retail supply tariff of all the consumers in MESCOM for FY24 is 8.84%.

- ❖ The Commission has allowed recovery of approved revenue gap of Rs.387.54 Crores with an average increase of 70 paise per unit (seventy paise) by appropriately increasing the demand and energy charges payable by the consumers.
- ❖ The Commission has introduced the non-telescopic tariff for LT2 Domestic category of consumers.
- ❖ The Commission under LT / HT has merged Urban and Rural categories into single category.
- ❖ The Commission has merged the HT-3(a)(i), HT-3(a)(ii) & HT-3(a)(iii) tariff categories and reclassified as HT-3(a) tariff schedule.
- ❖ The Commission has reclassified the consumer under LT-7(b) tariff schedule under LT-3 (b) tariff schedule with increase in energy charges.
- ❖ The tariff schedule HT-3(b) is renamed as HT-6 Tariff schedule.
- ❖ The Commission to promote the use of eco-friendly Electric Motor Vehicle in the State in line with the Policy of the GoI / GoK, **has reduced the energy charges to the Electric Vehicle Charging Stations including the Electric Vehicle battery swapping Stations under LT-6 tariff category from the existing energy charges of Rs.5.00 per unit to Rs.4.50 per unit, without increasing the fixed / demand charges.**
- ❖ **The Commission decides to extend the concession of 50 paise per unit in the Energy Charges for the electricity consumed by the Micro and Small Scale Industries until further orders in respect of LT-5 category, as certified by the Government.**
- ❖ The Commission decides to extend concession of Re.1 per unit in the energy charges for the consumption made during the year in addition to the concession in the Fixed charges/demand charges already extended to the installations of Ice manufacturing units / cold storage plants used for fisheries

purpose, situated in the coastal belt area of Karnataka State within a radius of 5 Kms. from Sea only. **If the installation of Ice manufacturing units / cold storage plants used for fisheries purpose, situated in the coastal belt area of Karnataka State beyond radius of 5 Kms from Sea, the concession approved by the Commission shall also be extended on production of certificate issued by the Fisheries Department.**

- ❖ The existing ToD tariff is continued.
- ❖ The TOD tariff approved by the Commission is also applicable for the power supply availed in the Depots of the HT installation of BMTC / KSTRC / NEKRTC / NWKRTC for charging their Electric Motor Vehicle under LT6(c) tariff schedule.
- ❖ **In order to encourage sale of surplus energy, the Commission has continued the “Discounted Energy Rate Scheme” by reducing the energy charges from the existing Rs.6.00 per unit to Rs.5.00 per unit for the HT2(a) (b) and (c) categories for usage of power beyond the base consumption until further order.**
- ❖ **The Commission decides to extend the DERS scheme to LT Industrial and LT Commercial consumers also.**
- ❖ The Commission, in order to increase the energy sales and to attract the consumers to consume power from ESCOMs, has decided to continue the existing **“Special Incentive Scheme”** to HT category until further order.
- ❖ The Commission has decided to continue the concessional tariff to the Railway Traction installations.
- ❖ The Commission has decided to continue Green tariff of additional 50 paise per unit over and above the normal tariff at their option, for HT industries and HT commercial consumers to promote purchase of renewable energy from ESCOMs.

- ❖ The Commission has continued to provide a separate fund for facilitating better Consumer Relations / Consumer Education Programmes.
- ❖ The Commission has issued a new directive to link the Aadhaar card no. with RR Numbers of IP sets to regulate payment of subsidy by the Government.
- ❖ As per directive issued to the ESCOMs, the Commission, would continue to impose penalty up to Rupees one lakh per sub-division on ESCOMs, if the field officers do not conduct Consumer Interaction meetings, at least once in three months and such penalty would be payable by the concerned officers of the ESCOM.
- ❖ The Commission has decided to recover the revenue gap determined as per Chapter-5 of this Order, in the revised retail supply tariff effective from the 1st meter reading date falling on or after 1st of April 2023.

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 ARR as per APR for FY22 and determines the ARR for FY24 and notifies the retail supply tariff of MESCOM for FY24 as stated in Chapter-6 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 1st April, 2023.**
3. **This Order is signed dated and issued by the Karnataka Electricity Regulatory Commission at Bengaluru this day, the 12th of May, 2023.**

Sd/-
(P. Ravi Kumar)
Chairman

Sd/-
(H.M. Manjunatha)
Member (Legal)

Sd/-
(M.D.Ravi)
Member

APPENDIX

REVIEW OF COMPLIANCE OF THE COMMISSION'S DIRECTIVES

The Commission, in its Tariff Order dated 4th April 2022, and the earlier Tariff Orders, has issued several Directives. The Commission has been reviewing the compliance thereof, on a regular basis. In the present proceedings also, the Commission has reviewed the compliance to the Directives. The Commission decides not to pursue few of the Directives which were dropped in the earlier Tariff Order as they are routine and the MESCOM is attending to them. The Commission besides reviewing the existing directives, decides to elaborate and clarify them for continued compliance. The same are discussed below:

New Directives:

1. Linking of RR numbers to Aadhaar Numbers of IP sets having a sanctioned Load of 10 HP & Below:

The Commission hereby directs all the ESCOMs to take up a drive to obtain and link the RR Numbers to Aadhaar Numbers, in respect of all the IP set Installations of 10 HP & below. The ESCOMs shall complete this task within six months from the date of issue of this Order. In case the ESCOMs fail to link the RR numbers to Aadhaar Numbers, the Government shall not release subsidy in respect of such installations.

2. Setting up of Web Portal for Monitoring PPAs and payment of Power bills to the Generators:

The Commission has noticed that the ESCOMs are not maintaining the details of Power Purchase Agreements (PPAs) to monitor the term of PPA, implementing the tariff in accordance with terms & conditions of PPA and other terms as approved by the Commission from time to time.

Further, it has also come to the notice of the Commission that payment to generators against power purchase bills submitted by them, are not properly monitored to ensure timely payment of power purchase bills. This has resulted in abnormal delay in settling the generator's bill necessitating payment of Late payment surcharge (LPS). This is also giving room for increased litigations.

In view of the above facts, all the ESCOMs are hereby directed to set up a Web Portal for implementing the following activities:

- a. Creating complete database of all the executed PPAs, approved by the competent authorities and updating the data on a regular basis.
- b. On line payment of power purchase bills:
 - i) All the generators shall mandatorily upload their power purchase bills payable by the ESCOMs, on the web portal created by the respective ESCOMs.
 - ii) The ESCOMs shall arrange to pass the bills and make online payment through digital transfer of money and post the payment details on the Web Portal.

The above Directive shall be implemented within a timeframe of three months from the date of this Order.

1. Non-compliance of this Directive will attract action under the provision of the Electricity Act, 2003 as amended from time to time. Existing Directives:

1. Issue of No Objections Certificates(NOC) for Wheeling and Banking facility to Open Access Consumers/ Captive generators:

The Commission had observed that in the matter of issue of No Objection Certificates(NOC) for Wheeling and Banking facility to Open Access Consumers/ Captive generators, the KPTCL/SLDC/ ESCOMs are not adhering to *the time frame prescribed by the Commission as per the KERC (Open Access) Regulations, 2004, as amended from time to time. As a result of the delay, substantial quantum of energy is being wheeled/ banked to the transmission/ distribution network under the provisions of 'deemed approval for the W & B facility'. The energy so wheeled/ banked remains unpaid and the generators

are made to indefinitely wait for payment and ultimately they are filing petitions before this Commission for settlement of their claims.

Since the energy is wheeled/ banked from RE sources which are having must run status, any delay in giving NOC for wheeling / banking facility or non-payment of the charges for the deemed approved W & B is not justifiable. Whereas, timely action in clearing NOC for W & B facility would avoid all the complications/ litigations in the matter.

Compliance by the MESCOM:

MESCOM is abiding by the Open Access regulations duly issuing the No Objection Certificate (NOC) for wheeling and Banking facility to Open Access Consumers/ Captive generators within the timeframe specified in the said regulations.

In its replies to preliminary observations, MESCOM has furnished that:

The details of the applications received for NOC during FY 22 and FY 23 up to October are as hereunder:

SI No	No. of applications received for NOC during FY 22	No. of applications received for NOC during FY 23 up to November	Total	No of applications for which NOC issued within the time frame as per OA regulations	No of applications for which issuing of NOC is delayed.
1	16	7	23	23	Nil

Commission's views:

The Commission notes that the MESCOM has complied with the Directive by issue of No Objections Certificates(NOC) for Wheeling and Banking facility to Open Access Consumers/ Captive generators in the time frame as per OA regulations and there are nil number of applications pending in the MESCOM with regard to NOC. The Commission notes that MESCOM has taken timely

action in clearing the NOC within time frame and directs to continue the same without any adjournment.

Though the Commission in the Tariff Order 2022 has directed for compliance of this Directive to be reported within two months from the date of issue of the Tariff Order, it is noted that the MESCOM has not furnished the status of NOC for wheeling and Banking facility to Open Access Consumers/Captive generators. The Commission reiterates its directive that the MESCOM should take timely action in clearing NOC for W & B facility to avoid all the complications / litigations in the matter.

The Commission desires that, MESCOM shall furnish the details of applications received, NOCs issued within the time frame and details of NOCs issued after the timeline, duly giving reasons for the delay. MESCOM shall also ensure that for any deliberate delay in issue of NOC by respective officers, suitable action is taken against the concerned.

Compliance of this Directive may be reported within two months from the date of issue of this Tariff Order.

2. **Directive on conducting Consumers' Interaction Meetings (CIM) in the O & M sub- divisions for redressal of consumer complaints:**

The Commission, in its Tariff Orders had directed that the MESCOM shall ensure that Consumers' Interaction Meetings (CIM) chaired by the Superintending Engineers, are conducted in each of the O&M Sub-Divisions according to a pre-published schedule, at least once in every three months. Further, the consumers should be invited to such meetings by giving advance notices through emails, letters, local newspapers, notices on its website etc., to facilitate participation of maximum number of consumers in such meetings. The MESCOM shall ensure that the proceedings of such meetings are recorded and uploaded on its website, for the information of consumers. Compliance in this regard shall be reported once in three months to the Commission, indicating the dates of meeting, the number of consumers attending such meetings and the status of redressal of their complaints.

If MESCOM fails to ensure the conduct of the Consumer Interaction Meetings as directed, the Commission would consider imposing a penalty of up to Rs. One lakh per O&M sub-division per quarter for each instance of non-compliance as per Section 142 and 146 of the Electricity Act 2003 and also direct that such penalty shall be recovered from the concerned Superintending Engineer failing to conduct such meetings.

In addition to quarterly meetings to be chaired by the jurisdictional Superintending Engineer (EI) or the jurisdictional Executive Engineer (EI), the concerned Assistant Executive Engineer (EI) shall conduct the CIM on third Saturday of every month so as to attend to the grievances of the consumers, as is being done in MESCOM as reported in the tariff filing.

Compliance by the MESCOM:

It is submitted that, MESCOM is conducting Janasamparka Sabha's chaired by Superintending Engineer (Elec.) of concerned O&M Circle/ Executive Engineer(Elec) of O&M Division by giving wide publicity through leading newspapers, e-mails, messages, social media like twitter and Facebook, regional and local newspapers etc., well in advance (3 days prior) in order to ensure large participation of Consumers and providing an opportunity for the consumers to raise their grievances personally. Similarly, every 3rd Saturday of the month CIMs were also conducted chaired by the Sub-divisional Officers up to May - 2022. In addition to this, MESCOM is conducting Vidyuth Adalaths on the 3rd Saturday of every month at different places of each Subdivision comprising of Managing Director/Director Technical/ Chief Financial officer and others as per the GoK Order Energy/207/EEB/2022 dated.04.06.2022. All these efforts are aimed at improving the services to Consumers to their satisfaction.

MESCOM has submitted that necessary directions were given to Superintending Engineer (EI), Shivamogga O&M Circle for not attending the CIMs as per the Commission's Directions and the officer is attending the CIMs

regularly. As directed details of the number of CIMs conducted in MESCOM jurisdiction during last 3 years was submitted to the Commission vide letter No. SEE(Coml)/I/19315/2022/ 14.06.2022.

MESCOM has conducted 498 Janasamparka Sabhas & 365 CIMs during FY21. Likewise, during 2022-23 up to September 116 Janasamparka Sabhas, 189 CIMs and 217 Vidyuth Adalaths have been conducted. In the above said meetings, 6593 complaints were brought to the notice of MESCOM for redressal. Out of which 4281 complaints were disposed. The details relating to the period 2021-22 and 2022-23 (up to Sept-2022) are as follows:

Progress of Janasamparka Sabhas in 2021-22:

O&M Circle	No. of O&M Sub-Divisions	No. of O&M Sub-divisions in which meetings conducted	No. of meetings conducted	No. of complaints received in the meeting	No. of complaints disposed of in the meeting	Cumulative no. of complaints yet to be addressed
Mangaluru	20	20	183	564	242	913
Udupi	11	11	57	93	78	33
Shivamogga	18	18	93	262	258	4
Chikkamagaluru	12	12	165	358	146	86
Total	61	61	498	1277	724	1036

Progress of Janasamparka Sabhas in 2022-23: (up to Sept-2022)

O&M Circle	No. of O&M Sub-Divisions	No. of O&M Subdivisions in which meetings conducted	No. of meetings conducted	No. of complaints received in the meeting	No. of complaints disposed of in the meeting	Cumulative no. of complaints yet to be addressed
Mangaluru	20	20	40	194	36	612
Udupi	12	12	20	81	76	39
Shivamogga	18	18	36	119	110	12
Chikkamagaluru	12	12	20	125	91	40
Total	62	62	116	519	313	703

The Details of the Janasamparka Sabhas/CIM/Vidyuth Adalaths conducted in

MESCOM for FY-22 & FY-23 (up to Sept-2022) is annexed in Annexure-CIM.

Progress of CIMs conducted at Subdivision level in 2021-22:

O&M Circle	No. of O&M Sub-Divisions	No. of O&M Sub divisions in which meetings conducted	No. of meetings conducted	No. of complaints received in the meeting	No. of complaints disposed in the meeting	Cumulative no. of complaints yet to be addressed
Mangaluru	20	20	131	387	387	0
Udupi	11	11	66	124	123	1
Shivamogga	18	18	111	230	230	0
Chikkamagaluru	12	12	57	144	140	4
Total	61	61	365	885	880	5

Progress CIMs conducted at Subdivision level in 2022-23 (up to Sept-22):

O&M Circle	No. of O&M Sub-Divisions	No. of O&M Sub divisions in which meetings conducted	No. of meetings conducted	No. of complaints received in the meeting	No. of complaints disposed in the meeting	Cumulative no. of complaints yet to be addressed
Mangaluru	20	20	75	220	220	0
Udupi	12	12	18	40	39	1
Shivamogga	18	18	33	62	62	0
Chikkamagaluru	12	12	63	488	442	49
Total	62	62	189	810	763	50

Progress of Vidyuth Adalaths conducted in 2022-23 (from June-22 to Sept-22):

O&M Circle	No. of O&M Sub-Divisions	No. of villages in which meetings conducted	No. of complaints received in the meeting	No. of complaints disposed in the meeting	Cumulative no. of complaints yet to be addressed
Mangaluru	20	85	1133	462	671
Udupi	12	59	634	301	333
Shivamogga	18	65	770	426	344
Chikkamagaluru	12	60	565	412	153
Total	62	269	3102	1601	1501

Commission's Views:

Though MESCOM has submitted the details of consumer interaction meetings conducted in its jurisdiction during FY22 and during 1st and 2nd quarter of FY23

till September 2022, the Commission desires that, MESCOM has to furnish the details in its tariff filing for information of the public.

The Commission had reiterated its directions to the ESCOMs to conduct the consumer interaction meetings in the sub-divisions chaired by either the jurisdictional Superintending Engineer or the jurisdictional Executive Engineer to effectively address the consumer grievances. The Commission reiterates that, in every quarter, the jurisdictional Superintending Engineer (EI) or the Executive Engineer (EI) shall ensure to chair the CIMs covering all the O&M Sub-divisions in their respective areas. The Commission also appreciates the fact that, MESCOM, in addition to conducting the CIMs as per the directions, is also conducting the CIMs in all the Sub-divisions on 3rd Saturday of every month to address the grievances of the consumers, which are chaired by the jurisdictional Assistant Executive Engineer (EI). Further, the Commission desires that, conduct of such meetings shall be continued duly ensuring that such meetings are strictly chaired by either the jurisdictional Superintending Engineer or the jurisdictional Executive Engineer and no other officer of the lower rank.

Therefore, the Commission hereby reiterates its directive to the MESCOM to conduct Consumer Interaction Meetings (CIM) chaired by either the jurisdictional Superintending Engineer or jurisdictional Executive Engineer once in a quarter, in each of the O&M Sub-divisions, to redress the consumer grievances relating to supply of electricity. The proceedings of conduct of such meetings shall be uploaded in the website of the MESCOM for reference of the needy consumers and a report in the prescribed format shall be sent to the Commission after the end of each quarter. In addition to the quarterly meetings to be chaired by the jurisdictional SEE or the jurisdictional EE, the concerned Assistant Executive Engineer shall conduct the CIM on third Saturday of every month so as to attend to the grievances of the consumers, as is being done now.

2. Directive on implementation of Standards of Performance (SoP)

The MESCOM was directed to implement the specified Standards of Performance strictly, while rendering services related to supply of power as per the KERC (Licensee's Standards of Performance) Regulations, 2004. Further, the MESCOM was directed to display prominently, in both Kannada & English languages, the details of various critical services such as replacing the failed transformers, attending to fuse off call / line breakdown complaints, arranging new services, change of faulty meters, reconnection of power supply, etc., rendered by it as per Schedule-1 of the KERC (Licensee's Standards of Performance) Regulations, 2004 and Annexure-1 of the KERC (Consumer Complaints Handling Procedure) Regulations, 2004, on the notice boards in all the offices of O & M Sections and O & M sub-divisions, in its jurisdiction for the information of consumers, as per the format given in the previous Tariff Orders.

Compliance by the MESCOM:

The services covered in SoP as per the KERC (Licensee's Standards of Performance) Regulations, 2004 in a prescribed format are displayed in all the O&M offices of MESCOM at places where it can be easily visible to Consumers visiting these offices. Further, details about the claim procedure for the delayed services if any, is also printed in the above format for the Consumer information. Form-A of the KERC (CGRF and Ombudsman) Regulations, 2004 for claims is also made available in the MESCOM website. Further, Handbook on SoP both in Kannada and English languages is displayed in the official website of MESCOM.

MESCOM is continuously educating all its field officers and staff during Divisional level/Circle level meetings/trainings. Further, during every Monday of the week is also made as platform to educate linemen staff regarding SoP and the consequences of non-adherence to the SoP while taking the Oath about Electrical Safety. In addition to this MESCOM is also educating about SoP to its staff (Jr. Assistants, Assistants, Senior Assistants, Over sears, Junior Engineers and Linemen Staff) during the regular training by HRD wing.

MESCOM has published the "HAND BOOK" (KAIPIDI) in Kannada on the SoP and distributed to all the staff and stakeholders. The Hand Books are also made available during Janasamparka Sabhas/CIMs so as to distribute to the consumers. The copy of the same is also published in the MESCOM website.

MESCOM is strictly adhering to the specified Standards of Performance while rendering services to ensure that consumer complaints are attended to in a time bound manner as per the KERC (Licensee's Standards of Performance) Regulations, 2004. Also, out of services covered in SoPs, 10 major services are linked to SAKALA Application of GoK.

In its replies to preliminary observations, MESCOM has furnished that:

The MESCOM has taken action to display parameters in all its O&M Subdivisions and O&M Sections. Instructions were also communicated to the field officers to include the latest amendments in the displayed parameters. Action for the same is in progress.

The details of number of violations of SoP by officers, sub-division-wise, month-wise, amount of penalty levied on the officers and the amount paid to the consumers for any delay in service and orientation programme conducted in Hobli level are as hereunder:

Name of the Company	Year	No of Subdivisions	No of Subdivisions where SoP is displayed	No of O&M Sections	No of O&M Sections where SoP is displayed	No of violations, if any, by Officers Subdivision-wise	Amount of penalty for delay in compliance of SoP if any, on the Officers in Rs.	Amount paid to the Consumers if any, for delayed services in Rs.	Number of awareness campaigns conducted in Hobli level for educating consumers	No of Orientation program conducted for educating the Officers and Field staff, up to the level of Linemen on the SoP and Consequences for non-adhering	Action taken on publishing the Handbook (ಕೆ.ಆರ್.ಸಿ) on SoP and distributing to all the Staff & Stakeholders	Remarks / Awards given to Best Performing Subdivision / Section in respect of Adherence to SoP
1	2	3	4	5	6	7	8	9	10	11	10	11
MESCOM	2021-22	62	62	241	241	0	0	0	498	608	Handbook distributed to all staffs & stakeholders	-
	2022-23 (upto Nov-2022)	62	62	241	241	0	0	0	320	96		-

Commission's Views:

The MoP, GoI, has issued the Electricity (Rights of Consumers) Rules, 2020 to enhance the consumer satisfaction levels by incorporating the technological advancement in the power sector due to the application of information

Technology, advancement in metering technology etc. For incorporating the provisions of the Electricity (Rights of Consumers) Rules, 2020, the Regulations issued earlier by the KERC were suitably amended and KERC (Rights of Consumers Relating to Supply of Electricity, Standards of Performance (SoP) and allied matters) Regulations, 2022 were notified on 14.10.2022

- a) In this notification, the Commission has specified the time frame, as required under the Rules issued by the MoP, by including the same in the respective Regulations which deal with Duty of the Licensee to Supply Electricity on Request, the Licensees' Standards of Performance and Consumer Complaints Handling Procedure and,
- b) has considered repealing the following Regulations in order to avoid duplication and redundancy:
- (i) KERC (Duty of the Licensee to Supply Electricity on Request) Regulations, 2004
 - (ii) KERC (Licensees' Standards of Performance) Regulations, 2004 with amendments
 - (iii) KERC (Consumer Complaints Handling Procedure) Regulations, 2004

These Regulations specify automatic payment of compensation by the Distribution Licensees for their failure to meet the guaranteed standards of performance in respect of certain critical service areas. The mechanism for automatic payment of compensation, in respect of certain service areas, is expected to push the Distribution Licensees to strive for improving their quality of performance and enhancing their service standards.

In view of the above, it has become all the more essential duty of MESCOM to supply quality and reliable power to consumers. Hence, the KERC (Rights of Consumers relating to Supply of Electricity, Standards of Performance (SoP) and allied matters) Regulations, 2022 specified by the Commission need to be implemented in its letter and spirit.

In order to make the consumers aware of the Rights of Consumers relating to Supply of Electricity, Standards of Performance (SoP) and allied matters, Regulations, 2022 specified by the Commission and make consumers get prompt services from MESCOM, it is its duty to display the details of various critical services such as replacing the failed transformers, attending to fuse off call / line breakdown complaints, arranging new services, change of faulty meters, reconnection of power supply, etc., rendered by it as per **Rights of Consumers Relating to Supply of Electricity, Standards of Performance (SoP) and allied matters, Regulations, 2022** in all their offices, website etc. As per the submissions made by MESCOM, in its Tariff application, it is observed that, MESCOM has not efficiently conducted the awareness campaigns on SoP for consumers at Hobli level. If it had conducted such awareness campaigns, MESCOM would have furnished the details of such campaigns. Hence, the Commission while taking note of the MESCOM's compliance, reiterates that the MESCOM shall continue to adhere to the directives on the specified Standards of Performance in rendering various services to consumers in a time bound manner.

Further, the Commission directs the MESCOM to supervise over the functioning of field offices particularly in rendering of services to the consumers, relating to restoration of supply of electricity.

The Commission also directs MESCOM to submit the Quarterly Reports giving the details of number of violations of SoP by officers, Sub-division-wise, month-wise, amount of penalty levied on the officers and the amount paid to the consumers for the delay in rendering services. MESCOM shall continue to display Rights of Consumers relating to Supply of Electricity, Standards of Performance (SoP) and allied matters, Regulations, 2022 in each of the Section Office and Sub-division Office, in a conspicuous place, which can be viewed by all the visitors to the Office. At the end of SoP, it shall be mentioned that, consumers can claim the compensation automatically from the concerned officers for deficiency in service.

The Commission reiterates and directs MESCOM to conduct awareness campaign at the Hobli levels for educating the public about the Rights of Consumers Relating to Supply of Electricity, Standards of Performance (SoP) and allied matters, Regulations, 2022 specified by the Commission. MESCOM shall continue to conduct necessary orientation programme for all the field officers and the staff up to linemen level to educate them on the SoP and the consequences of non- adherence to the same. MESCOM shall consider and continue bringing in a system of recognizing the best performing sub-division / section in terms of adherence to SoP and publicize such recognition so as to incentivize better performance from the officers / personnel concerned.

3. Directive on use of safety gear by linemen / Power men:

With a view to reducing the electrical accidents to the linemen working in the field, the Commission directs the MESCOM to ensure that all the linemen in its jurisdiction are provided with proper and adequate safety gears and also ensure that the linemen use such safety gears while working on the network. The MESCOM should sensitize the linemen about the need for adoption of safety aspects in their work through suitably designed training and awareness programmes. The MESCOM is also directed to device suitable reporting system on the use of safety gear and mandate supervisory / higher officers to regularly cross check the compliance by the linemen and take disciplinary action on the concerned if violations are noticed. The MESCOM shall implement this directive and submit compliance report to the Commission.

Compliance by the MESCOM:

MESCOM is abiding by the Commission's directives duly procuring the safety equipment regularly to facilitate all field staff to work safely while working on distribution network. In addition to providing these safety equipment, the usage of safety kits also being ensured while on working by conducting surprise visits to the work spots and during regular movements. Further, using safety meetings as a platform, which is regularly conducted on every Monday of the week across all the section offices of MESCOM, sharing knowledge about the

usage of safety kits and briefing the causes of non-usage of the safety equipment to all the line staff. MESCOM has provided all the safety gears required to carry out the work on Distribution system in all conditions. For this, MESCOM has spent Rs 48.09 lakh during 2021-22 for replacing the non-usable safety gears and T&P materials and to purchase adequate spare equipment for emergency usage. During FY 2021-22 following are the safety and T&P materials purchased to carry out the works smoothly free from accidents:

- **Safety Helmets-808 Nos,**
- **Tool Kit-24 Nos,**
- **Cutting plier- 265 Nos,**
- **Gumboots-1660 Pairs,**
- **Rechargeable LED Hand Torch-127 Nos,**
- **First Aid Box-12 Sets,**
- **Bill hook - 64 Nos,**
- **Hand Glove - 117 Nos,**
- **Earthing Rods - 53 Nos,**
- **Rope - 40Kgs, Chain Pulley - 3 Nos,**
- **bamboo ladder – 3 Nos and**
- **Rubber Shoes Knee height - 429 Nos.**

In order to reduce/Prevent Electrical accidents, MESCOM is conducting safety trainings to its field staff regularly under the sponsorship of REC through HRD wing of MESCOM. During 2021-2022 and 2022-2023 (up to Sept-2022), a total 11 number of training programmes have been conducted with participation of 310 field staff.

MESCOM is regularly supplying safety gadgets to all linemen and giving necessary direction to its line staff from time to time and all are using the gadgets when working on Distribution network.

With this MESCOM has given at most attention towards providing safety gears to its staff working on Distribution network in order to prevent electrical accidents. MESCOM has appointed Chief Engineer (Elec) of the O&M, Zone as 'Electrical Safety Officer' and given instructions to take all the safety measures.

In its replies to preliminary observations, MESCOM has furnished that:

1591 linemen are working in MESCOM's jurisdiction and they are provided with complete set of safety gear. Suitable instructions have been issued to field staff to use safety gear provided to them and to create safety zone before working on the Distribution network.

Commission's Views:

The Commission is of the view that all the power men shall be provided with adequate safety gear while working on the network and considers that, non-supply of appropriate safety gears / equipment to the staff at work place, amounts to a serious violation of human rights by MESCOM.

The Commission hereby directs that adequate quantities of safety gears / equipment shall be procured periodically and sufficient inventory of these materials shall also be maintained. MESCOM should take action to empanel suppliers of safety gear / equipment, so that the procurement is quicker and regular.

The Commission while taking note of the MESCOM's compliance on the directive, stresses that the MESCOM should continue to give attention to safety aspects in order to reduce and prevent electrical accidents occurring due to negligence / non-adherence of safety procedures by the field staff while carrying out the work on the distribution network.

The power men and other field staff should be imparted appropriate training periodically on adherence to safety aspects / procedure, and such training modules should include case studies on the safety aspects and related issues, so that the training highlights current and relevant issues which will go a long way in understanding the seriousness of the issues by the field staff.

The Commission reiterates its directive that the MESCOM shall ensure that, all the power men and other field staff are provided with adequate and

appropriate safety equipment and they use the safety gears and equipment, while carrying out the work. Protocols should be drawn on procedures to be adopted / roles and responsibilities fixed in respect of all those involved in working on (live) lines / installations for repairs etc., based on case studies.

The compliance in this regard shall be submitted once in a quarter to the Commission regularly.

4. Directive on load shedding:

In respect of Load Shedding, the Commission had directed that:

- i. Load shedding required for planned maintenance of transmission / distribution networks should be notified in daily newspapers at least 24 hours in advance for the information of consumers.
- ii. The ESCOMs shall, on a daily basis estimate the hourly requirement of power for each sub-station in their jurisdiction based on the seasonal conditions and other factors affecting demand.
- iii. Any likelihood of shortfall in the availability during the course of the day should be anticipated and the quantum of load shedding should be estimated in advance. Specific sub-stations and feeders should be identified for load shedding for the minimum required period with due intimation to the concerned sub-divisions and sub-stations.
- iv. The likelihood of interruptions in power supply with time and duration of such interruptions may be intimated to consumers through SMS and other means.
- v. Where load shedding has to be resorted due to unforeseen reduction in the availability of power, or for other reasons, consumers may be informed of the likely time of restoration of supply through SMS and other means.
- vi. Load shedding should be carried out in different sub-stations / feeders to avoid frequent load shedding affecting the same sub-stations / feeders.
- vii. The ESCOMs should review the availability of power with respect to the projected demand for every month in the last week of the previous

- month and forecast any unavoidable load shedding after consulting other ESCOMs in the State about the possibility of inter-ESCOM load adjustment during the month.
- viii. The ESCOMs shall submit to the KERC their projections of availability and demand for power and any unavoidable load shedding for every succeeding month in the last week of the preceding month.
 - ix. The ESCOMs shall also propose specific measures for minimizing load shedding by spot purchase of power in the power exchanges or bridging the gap by other means.
 - x. The ESCOMs shall submit to the Commission sub-station-wise and feeder-wise data on interruptions in power supply every month before the 5th day of the succeeding month.

The Commission had directed that the ESCOMs shall make every effort to minimize inconvenience to consumers by strictly complying with the above directions. The Commission had indicated that it would review the compliance of directions on a monthly basis for appropriate orders.

Compliance by the MESCOM:

MESCOM is abiding by the directives of the Hon'ble Commission duly arranging 3 phase & single phase power supply in all the districts of MESCOM as per the GoK Order. As directed, all Scheduled outage for planned maintenance of distribution networks are carried out with prior intimation to consumers using URJA MITRA application. As at the end of September 2022, out of 25.24 lakh Consumers of MESCOM, 20.97 lakh Consumers are registered under this application. Action is being initiated to tag balance consumers to the said App. Base data for the said App is updated to provide all the information through SMS to all the registered consumers under this Application about scheduled and unscheduled power outages, emergency outages, restoration time, power outage extension time, etc., due to reasons such as system constraints, breakdowns of lines / equipment, maintenance etc.

In addition to this, MESCOM has launched "NANNA MESCOM" Mobile Application with a facility where consumers of MESCOM can download the App from Google Play Store and register on their own. The registered Consumer under this App will get information about all scheduled Interruptions along with unscheduled power outages, emergency outages, restoration time, power outage extension time pertaining to their respective Installation areas. Apart from this, Consumer can get his billing and payment details of his respective registered installation and can raise complaints regarding power supply and billing/revenue related issues using this App.

Further, the above said scheduled outage information also being brought to knowledge of Consumers 24 hours before by publishing in the Local/leading News Papers as well as in MESCOM website to avoid inconvenience to them. In addition to the above, week ahead district-wise planned maintenance of distribution network is being notified in the MESCOM website regularly. As per the directive, MESCOM has given utmost care to avoid frequent load shedding of 11 KV Feeders to avoid inconvenience to consumers/public.

As per the direction of GoK, MESCOM has taken Distribution Transformer minor maintenance works in mass at the field itself to reduce the distribution transformer failure by which to reduce interruptions to Consumers on account of failure of Distribution Transformers. As on date MESCOM has carried out maintenance works on 66,396 Transformers during 2022-2023. Also established 6741 different capacities of additional distribution transformers during 2021-2022 and in the same way 2388 additional transformers added to the Grid where Transformers are overloaded to avoid failures and to ensure the reliable power supply to Consumers. Further, Division-wise Transformer bank is created in such a way that, transformers of all capacities are made available during all seasons for replacement of faulty transformers.

MESCOM is submitting its projections of availability and demand for power and any unavoidable load shedding for every succeeding month in the last week of the preceding month to the Commission regularly.

Further, MESCOM has developed in-house software for Customer Care Centre and notifying scheduled and unscheduled interruption details regularly helping consumers to know about interruptions occurred, expected restoration time, etc.

Details of Transformer Maintenance carried out:

Sl. No.	Name of the Division	Number of Existing Transformers	Number of Transformers for which maintenance is carried.	Progress in percentage
1	Mangalore	4930	4480	90.87
2	Kavoor	4804	4498	93.63
3	Puttur	6646	5838	87.84
4	Bhantwala	8339	7473	89.61
5	Udupi	5130	5130	100
6	Karkala	2600	2600	100
7	Kundapura	3937	3937	100
8	Shivamogga	10915	7722	70.74
9	Bhadravati	4254	3709	87.18
10	Sagara	8967	2570	28.66
11	Shikaripura	11007	4958	45.04
12	Chikkamgaluru	6016	1727	28.70
13	Koppa	3200	1573	49.15
14	Kadur	15285	10181	66.60
Total		96030	66396	69.14

In its replies to preliminary observations, MESCOM has furnished that:

MESCOM has taken action for updating the consumer data to the applications used for public information system on power system interruptions etc.

As on 23.12.2022 out of 25.24 lakh consumers, MESCOM has taken action to tag total 20.98 Lakhs consumers under Urja Mitra. In addition to this MESCOM has launched "Nanna MESCOM" mobile application wherein information about power system interruptions viz., scheduled, unscheduled and emergency outages of area specific can be obtained by registering to this app.

Scheduled power outages in MESCOM are being publishing in the website in advance by a link: <https://mescom.karnataka.gov.in/page/PUBLICATIONS/Power+Outages/en>.

Commission's Views:

The Commission notes that, MESCOM is making use of the URJA Mitra and "Nanna MESCOM" mobile apps for sending messages to provide information of

scheduled and unscheduled power outages, emergency outages, restoration time, power outage extension time, etc., due to reasons such as system constraints, breakdowns of lines / equipment, maintenance etc., to the consumers through SMS. The said application is effective only if the entire consumer data is updated into the system. MESCOM has to take further steps to update the database with the entire consumer strength of the Company as per the schedule given to make the App effective.

It is noted that URJA Mitra mobile application, which can be used as a link between the field staff and citizens for facilitation of information on dissemination on outage to all consumers through SMS can also be integrated with any other system. This would significantly address the “consumers’ dissatisfaction” on this issue and prevent inconvenience / disruption caused to the consumers especially the industrial consumers.

The Commission notes that, though the availability of power has improved resulting in surplus power situation, the distribution network reliability has not similarly improved, causing frequent disruptions in power supply, resulting in hardship to the consumers and also loss of revenue to the MESCOM. **The Commission directs MESCOM to take remedial measures to minimize power supply interruptions and ensure 24 x 7 power supply. MESCOM shall submit the action plan in this regard to the Commission within three months of this order.**

As per the SoP set by the Commission, the MESCOM is required to restore power supply affected due to failure of DTC within 24 hours in City and Town areas and within 72 Hours in Rural areas. However, during the public hearing the consumers have complained that the MESCOM is not adhering to the SoP fixed by the Commission and that the field officers are not attending to minor faults and are taking longer time for restoring power supply.

The Commission hereby directs MESCOM to continue to conduct orientation programmes / workshops to the field staff to equip and motivate them to attend to the minor faults at site itself wherever possible and restore power supply as early as possible. MESCOM is also directed to take action to

effectively monitor and supervise the work of periodical maintenance & repairs to the transformers and fix personal responsibility on the erring staff / officer in case of poor maintenance and poor quality of repairs.

The MESCOM is directed to submit the projections of availability and demand for power and any unavoidable load shedding for every succeeding month in the last week of the preceding month regularly to the Commission without fail.

The Commission reiterates that the MESCOM shall comply with the directive on load shedding and submit monthly compliance reports thereon to the Commission regularly.

5. Directive on Establishing a 24x7 Fully Equipped Centralized Consumer Service Center for Redressal of Consumer Complaints:

The MESCOM is directed to put in place a 24 x 7 fully equipped Centralized Consumer Service Centre at its Headquarters with a state-of-the-art facility / system for receiving consumer complaints and monitoring their redressal so that electricity consumers in its area of supply are able to seek and obtain timely and efficient services in the matter of their grievances. Such a Service Centre shall have adequate desk operators in each shift so that the consumers across the jurisdiction of the MESCOM are able to lodge their complaints to this Centre.

Every complaint, received through various modes in the center shall be registered by the desk operator and the complaint register number shall be intimated to the Consumer through SMS. In turn, the complaints shall be transferred online to the concerned field staff for resolving the issue. The concerned O&M / local service station staff shall visit the complainant's premises at the earliest to attend to the complaints and then inform the Centralized Service Centre that the complaint is attended. Thereafter, the desk operator shall call the complainant and confirm with him whether the complaint has been resolved. The complaints shall be closed only after confirmation by the consumer. Such a system should also generate daily reports indicating the number / nature of complaints received, complaints attended, complaints pending and reasons for not attending to the complaints

along with the names of the officers responsible with remarks be placed before the Management on the following day for attention to review and take corrective action in case of any pendency / delay in attending to the complaints.

The MESCOM shall publish the details of complaint handling procedure / Mechanism with contact numbers in the local media or in any other form periodically for the information of the consumers.

The Commission directs the MESCOM to establish / strengthen 24 x 7 service stations, equipping them with separate vehicles & adequate line crew, safety kits and maintenance materials at all its sub-divisions including the rural areas for effective redressal of consumer complaints.

Compliance by the MESCOM:

MESCOM has established a 24X7 Centralized Consumer Service Centre at Mangaluru and the complaints are being received from all the consumers of MESCOM at this customer care center. The consumers are requested to lodge their complaints related to electricity using helpline number '1912' for better utilization of services of customer care center and resolve their complaints. MESCOM has developed in-house software for Customer Care Centre and is maintained by MESCOM itself and also made provision for consumers to register the complaints through this web application as "Quick complaints". Further, the said software is also integrated to the SAKALA Application of GoK where services of MESCOM are synched with a time limits as specified in the Hon'ble KERC SoP Regulations in order to render the services to consumers within the time frame. MESCOM has already established 54 full-fledged 24 hours' service stations and 7 number of 12 hours' service stations. In addition to this, 46 additional Vehicles and 585 Gang men were provided during 2021-22 and 61 additional Vehicles and 606 Gang men are provided during 2022-23 so as to enable to attend to the faults immediately and to restore the supply with in the shortest period.

Nature of complaints	No. of complaints received and disposed	
	2021-22	2022-23 (up to Sept-22)
A-Failure of Power Supply	453527	307839
B-Voltage Complaints	23680	16629
C- Metering Complaints	657	535
D-Billing Issues	3725	2376
E-Safety Issues	817	6845
F- TC failure Complaints	392	189
G-Theft	115	29
I- New Connection/Additional Load	78	54
J-Phase Conversion	3	3
K- Transfer of ownership and conversion	18	7
L-Refund/Issuance of Certificates	2	4
M-Additional TC/Enhancement	14	9
N- General	6739	3059
GRAND TOTAL	497121	337578

Total complaints received category wise for the FY 21-22 and FY 22-23 (up to Sept 2023) is as mentioned below:

Additionally, MESCOM has extended the following services to its consumers.

WhatsApp: 9483041912

Facebook: www.facebook.com/mescomkarnataka.

Twitter: www.twitter.com/MESCOM_official

Website: www.mescom.karnataka.gov.in

For public awareness, wide publications are also given in daily newspapers.

Commission's Views:

The Commission notes that the MESCOM has established the necessary infrastructure for effective redressal of consumer complaints. While taking note of the efforts made by MESCOM, it is observed that the number of complaints is increasing year on year. If MESCOM has carried out the improvement works as it has claimed, then the number of consumer complaints should come down. But the same is not true going by the increase in number of complaints. MESCOM should ensure that the improvement and O&M works executed are as per the standards so that the number of complaints are reduced.

While appreciating the efforts put in by MESCOM, the Commission directs MESCOM to continue to instruct the agency employing and deploying executives to customer care center to impart suitable training on public relations and behavioral attitude, interpersonal relations etc. **MESCOM shall continue bringing in a system of recognizing the best performing customer care executive every week / fortnight / month and publicize such recognition so as to encourage and incentivize better performance from them. The Commission directs MESCOM to continue to deploy a Senior Level Officers to supervise and review all the activities of the CCC, and shall take disciplinary action against erring officials / executives.**

As per the information furnished by MESCOM in its compliance to preliminary observations, it is observed that the average time taken for attending a complaint in FY22 is almost the same as compared to FY21. The Commission hereby directs MESCOM to continue its efforts in improving the delivery of consumer services, especially in reducing time required for resolving consumer complaints relating to breakdowns of lines / equipment, failure of transformers etc. The MESCOM is also directed to analyze the nature of complaints registered and take action to minimize the number of complaints by taking preventive / corrective action.

The Commission reiterates that the MESCOM shall periodically publish the complaint handling procedures / contact number of the Centralized Consumer Service Centre in the local media, continue to host it on its website and also publish it through other modes, for the information of public and ensure that all the complaints of consumers are registered only through the Centralized Consumer Service Centre for proper monitoring and disposal of the complaints registered.

As directed MESCOM has established and operating 24x7 fully equipped Centralized Consumer Service Centre for redressal of consumer complaints. Considering this, Commission decides not to pursue this directive further and drop the Directive.

6. Directive on Energy Audit:

The Commission had directed the MESCOM to prepare a metering plan for energy audit to measure the energy received in each of the Interface Points and to account the energy sales. The Commission had also directed the MESCOM to conduct energy audit and chalk out an action plan to reduce distribution losses to a maximum of 15 percent in the towns / cities having a population of over 50,000, wherever the losses are above this level.

The Commission, in 2010 itself, had directed all the ESCOMs to complete installation of meters at the DTCs by 31st December, 2010. The ESCOMs were required to furnish to the Commission the following information on a monthly basis:

- i. Number of DTCs existing.
- ii. Number of DTCs already metered.
- iii. Number of DTCs yet to be metered.
- iv. Time bound monthly programme for completion of the work.

Compliance by the MESCOM:

During FY-22, MESCOM's Distribution Loss is 9.02%. Several initiatives have been taken up for reduction of distribution loss in MESCOM by strengthening distribution system which includes establishment of new sub-stations, augmenting the transformer capacity in the existing sub-stations, addition of new distribution transformers in low voltage pockets, enhancement of transformers to avoid overloading of systems, re-conductoring of HT/LT lines, bifurcation of feeders, construction of link lines, etc.

Progress of various works including system strengthening works for the past 2 years is as shown below:

Year	DTCs added	33kV lines in kms	11kV UG cable in kms	HT lines added in RKMs	HT lines recondu cting in RKMs	LT lines added in RKMs	LT lines recondu cting in RKMs	Feeders added in nos	33 kV station augmentati on/ addition in MVA
2020-21	6958	2.36	67.1	3296.8	415.34	2419.8	1591.58	110	50 MVA
2021-22	6741	75.05	75.63	2340.26	495.32	2146.46	2077.70	96	95 MVA

Division wise energy audit details for the year FY-22 and FY-23(up to Sep-22 Provisional) are as follows:

Sl. No.	Name of the Division	Distribution Loss in % during FY 22	Distribution Loss in % IN FY23 (up to Sep-22, provisional)
1	Mangaluru	4.52	5.09
2	Kavoor	4.41	3.97
3	Puttur	8.73	7.65
4	Bantwal	11.49	9.86
5	Udupi	8.77	6.57
6	Karkala		11.75
7	Kundapura	3.03	7.53
8	Shivamogga	8.94	8.79
9	Bhadravathi	7.48	6.19
10	Sagar	11.35	11.80
11	Shikaripura	14.73	10.39
12	Chikkamagaluru	14.57	9.90
13	Koppa	12.17	10.20
14	Kadur	13.82	13.47
MESCOM		9.02	8.04

Energy Audit of Cities and Towns:

In MESCOM City/Town Audit is being carried out regularly and reports are submitted to the Commission periodically.

The energy losses of all city/ towns are below 10% and AT&C Losses are below 15% for FY-22.

City Energy Audit reports for the FY 23 has been submitted to Commission on 01.10.2022

City/Town Audit for FY- 22 and FY-23 (up to Aug-22)

Name of the City/Town	FY 2021-22		FY 2022-23 (up to Aug-22 Provisional)	
	% Energy Loss	% AT&C Loss	% Energy Loss	% AT&C Loss
Mangaluru	3.00	3.40	3.07	4.58
Udupi	4.95	5.86	5.13	7.01
Shivamogga	7.90	7.90	5.03	8.02
Bhadravathi	4.34	5.71	5.15	5.15
Sagar	8.20	8.71	7.01	12.30
Chikkamagaluru	8.92	8.92	7.81	12.65
Bantwala	8.00	8.00	7.68	18.13
Belthangady	4.72	11.69	4.24	6.11
Puttur	5.27	5.27	6.69	10.55
Sullya	3.76	3.76	3.59	8.19
Karkala	6.36	9.05	6.49	6.85
Kundapura	5.14	5.14	5.86	7.75
Thirthahalli	6.02	6.78	4.99	9.89
Shikaripura	7.57	9.50	7.53	8.13
Soraba	8.68	8.68	9.14	9.14
Hosanagar	5.63	5.99	6.26	18.42
Kadur	7.62	7.62	4.89	4.89
Tarikere	7.16	8.00	7.72	7.72
Mudigere	4.38	4.38	4.35	10.30
Koppa	4.58	4.58	4.49	8.72
Sringeri	3.97	3.97	3.55	3.55
N.R.Pura	4.73	4.73	4.79	4.79

Energy Audit of 11kV feeders:

Feeder level energy audits as at the end of March-2022 and as at the end of Aug-2022 are as indicated below:

Sl. No	Period	As at the end of March-2022	As at the end of August-2022
--------	--------	-----------------------------	------------------------------

		Total No. of Feeders	Total No. of feeders monitored	Total No. of feeders	Total No. of feeders monitored
1	Feeders having less than 15% losses	1246	1205	1299	1264
2	Feeders having losses between 15% to 20%		15		0
3	Feeders having losses between 20% to 30%		0		0
4	Feeders having more than 30% losses		0		0
	Total	1246	1220	1299	1264

In MESCOM, Feeder-wise energy audit is being carried out to all feeders except the idle/ faulty/ newly charged feeders under improvement works.

Energy Audit of DTCs:

Energy Audit is being conducted on DTCs for which meters are functional. Proposal is submitted for providing smart meters to all the DTCs under RDSS.

DTC level energy audit as at the end of March-2022 and as at the end of Aug-2022 are as indicated below:

Sl. No	Period	As at the end of March-2022	As at the end of Aug-2022
1	DTCs having less than 5% losses	9646	9403
2	DTCs having losses between 5% to 10%	10460	11002
3	DTCs having losses between 10% to 15%	2331	1982
4	DTCs having losses between 15% to 20%	7	0
5	DTCs having more than 20% losses	4	0
	Total	22448	22387

Status of DTC metering as on 30.09.22 is as indicated below:

No. of DTCs existing in MESCOM	No. of DTCs metered	No. of DTCs yet to be metered
97978	49047	48931

Consumer indexing:

Status of Consumer indexing (DTC wise) as at the end of September-2022:

Circle	Consumers existing	Consumers tagged	% of tagging
Mangaluru	889787	889787	100.00%
Udupi	508974	508974	100.00%
Shivamogga	715082	707214	98.90%
Chikkamagaluru	479509	412671	86.06%
Total	2593352	2518646	97.12%

MESCOM has taken initiation to conduct the division level workshops for educating the officers of all cadres about the importance and the methodology to be followed while conducting energy audit of feeders and DTCs. Workshop was conducted through Video Conference for all the 14 divisions of MESCOM during the month of April-2022. Feeder wise, DTC wise energy audit is being reviewed in MESCOM Review meetings regularly. Feeder wise and DTC wise Energy Audit reports for FY 22 has been submitted to Commission on 07.07.2022.

Further, methodology adopted to arrive at the assessed IP consumption in MESCOM is as detailed below:

a) Up to 2021-2022 MESCOM has assessed the IP set consumption based on sampling predominantly IP feeding DTCs.

(1). Division wise number of sampling predominantly feeding DTCs is as follows;

Sl.No	Division	No. of Sampling
1	Mangaluru	6
2	Kavoor	63
3	Puttur	182
4	Bantwal	181
5	Udupi	73
6	Kundapura	84
7	Shivamogga	152
8	Bhadravathi	116
9	Sagara	154
10	Shikaripura	179
11	Chikkamagaluru	103
12	Koppa	24
13	Kadur	269
Total		1586

(2). Meters of these DTCs are being read on 1st day of every month.

(3). The partly other load consumption existing in these DTCs are deducted

- to arrive at the exclusive IP consumption.
- (4). LT line loss of 6.67% is deducted from the exclusive IP consumption so arrived to have consumption at consumer level.
 - (5). This exercise is applied for all 1586 sampling predominantly IP feeding DTCs and average per IP consumption arrived for each of the O&M sections by considering all sampling DTCs existing in that particular O&M section. Such consumption is applied for all the IP sets to compute the quantum of IP consumption for a particular O&M section.
 - (6). This method of computation has been applied to all the Divisions of MESCOM and total IP consumption of the Company arrived.
 - (7). The section officers are assigned with the responsibility of indicating the condition of meter and appropriate reasons for subnormal/abnormal consumption of IP sets separately for each DTCs in the meter reading statements.
 - (8). All sampling DTCs are being calibrated once in six months and monitored by Superintending Engineers (Ele) of the concerned, O&M Circles. The rating reports are being sent to Superintending Engineer (Ele), O&M Circle with the copy to the O&M Chief Engineer (Ele.) and Corporate Office.
 - (9). Month wise calculations are emailed to the Commission periodically.

b) Procedure adopted for 2022-23:

- (1) In MESCOM, 290 exclusive IP feeders are commissioned in 5 divisions namely; Shivamogga, Bhadravathi, Sagara, Shikaripura and Kadur.

Division wise feeder details (As on August-2022):

Sl.No	Division	No. of exclusive feeders	No. of IP sets covered
1	Shivamogga	25	11504
2	Bhadravathi	25	11164
3	Sagara	18	5562
4	Shikaripura	92	24163
5	Kadur	130	54595
	Total	290	106988

- (2) The IP set consumption of the exclusive feeders are taken as recorded in the feeder meters by subtracting metered consumption if any, line (HT and LT) losses and transformer loss.
- (3) However, the assessment of the consumption in respect of IP sets which are not covered in the above said 290 exclusive IP feeders is being done

duly taking the consumption recorded in the sampling predominantly IP feeding DTCs as per the usual practice.

In its replies to preliminary observations, MESCOM has submitted that:

In MESCOM, 49,047 DTCs have been metered at the end of September-2022. The audit is being carried out to the DTCs with good meters. Following remedial measures have been taken to reduce the losses in DTCs.

- 1) All the field staffs are directed to carry out DTC wise tagging of installations and to submit energy audit of all metered DTCs every month.
- 2) All circle SEEs have been instructed to review energy audit in monthly review meeting and to analyze the data and to take necessary action in this regard.
- 3) Action has been taken to replace MNR meters/faulty meters and faulty CT/PTs so as to get the accurate DTCs consumption.

Consumer indexing is a regular process. Tagging details as at the end of November-2022 are as follows:

Circle	Consumers existing	Consumers tagged	% of tagging
Mangaluru	893870	893870	100%
Udupi	512144	512144	100%
Shivamogga	718591	712871	99.20%
Chikkamagaluru	479780	419900	87.52%
Total	2604385	2538785	97.48%

Commission's Views:

MESCOM is not submitting the energy audit reports of cities / towns with detailed analysis regularly, to the Commission. MESCOM needs to conduct energy audit of identified cities / towns and on the basis of energy audit results, initiate necessary action to reduce the distribution losses and improve collection efficiency so as to achieve the targeted AT & C loss of less than 15% per cent in all towns. It is noted that there are many towns and cities whose energy losses are more than 8% and MESCOM is directed to focus on the towns

and cities having a distribution loss of more than 8% and take corrective measures to bring down the losses. MESCOM is also directed to conduct such energy audit and submit compliance thereon every quarter, regularly to the Commission.

MESCOM has failed to furnish the energy audit reports in respect of all the metered DTCs and in spite of the provisions with AMR facility in RAPDRP towns and installing energy meters to the DTCs in almost entire area of its operations. Similarly, MESCOM is not furnishing the information on the energy audit of all the 11 kV feeders operating in its jurisdiction regularly. The Commission has taken a serious note on the manual reading of the energy meters provided to the DTCs, despite incurring huge amounts on establishing the infrastructure for automatic reading of the energy meters. The Commission notes that MESCOM should have taken action to continue the energy audit of DTCs for which the metering is completed.

Therefore, MESCOM is directed to take up energy audit of all the 11 kV feeders, DTCs, which are said to be metered and the energy audit of major Cities / Towns and take remedial measures for reducing energy losses in the high loss-making distribution areas based on the results of the energy audit. The compliance in respect of energy audit conducted, with the details of analysis and the remedial measures initiated to reduce loss levels shall be regularly submitted to the Commission on a quarterly basis.

The Commission directs MESCOM to continue to conduct workshops at the Division Office level, for educating the officers of all cadre on the importance of conducting the energy audit, feeder-wise, DTC-wise etc., and motivating them to take action to reduce the losses in their areas besides addressing issues relating to consumer tagging, strictly servicing all the installations by providing appropriate energy meters, providing and maintaining energy meters to the DTCs, Metering of Street light installations, replacement of electromechanical meters etc. Further, the feeder-wise and DTC-wise energy audit shall be reviewed in the review meetings at the Circle/Division level every month.

The Commission directs MESCOM to submit a consolidated energy audit report for the FY23, before 31st June 2023, as per the formats prescribed by the Commission.

7. Directive on Nirantara Jyothi – Feeder Separation:

The MESCOM was directed to furnish to the Commission, the programme of implementing 11 kV taluk-wise feeders' segregation with the following details:

1. Number of 11 kV feeders considered for segregation.
2. Month wise time schedule for completion of envisaged work.
3. Improvement achieved in supply after segregation of feeders.

Compliance by the MESCOM:

In its replies to preliminary observations, MESCOM has submitted that in Shivamogga and Chikkamagaluru Circles of MESCOM, a total of 290 segregated agricultural feeders are commissioned so far. The details of the same are furnished below:

Sl.No	Division	No. of exclusive feeders	No. of IP sets covered
1	Shivamogga	25	11504
2	Bhadravathi	25	11164
3	Sagara	18	5562
4	Shikaripura	92	24163
5	Kadur	130	54595
Total		290	106988

Consumption of the above said segregated agriculture feeders are taken as recorded in the feeder meters at the respective substations by subtracting metered consumption if any, line losses (HT <) and transformer losses.

Commission's Views:

For assessing the energy sales to IP sets, segregation of agricultural feeders is of utmost importance. In the absence of bifurcation of agricultural feeders, MESCOM is assessing the energy sales to IP sets on the basis of the energy meters provided to pilot DTCs predominantly feeding IP sets.

In the preliminary observations, the Commission has directed MESCOM to furnish the progress of agricultural feeders segregated and assess the sales to IP set installations based on the energy meter readings, provided to such agricultural feeders and the action plan for completing the work.

MESCOM has submitted that, 369 feeders were having more than 30% IP loads in Shivamogga and Chikkamagaluru out of which segregation works were carried out in 290 feeders under DDUGJY by creating 124 feeders for non-agriculture loads. At present, these 290 feeders are dedicated agriculture feeders/exclusively IP feeders. Load segregation works in balance 79 feeders in Chikkamagaluru and Shivamogga districts is pending, which are proposed under RDSS scheme.

Further, the MESCOM shall ensure that, any illegal tapping of NJY feeders by the farmers for operating their IP-sets should be stopped. Failure to stop this illegal activity will defeat the very purpose of feeder segregation works undertaken at huge cost and therefore, the MESCOM needs to take stern action on such offenders. Further, the field officers / officials who fail to curb illegal tapping shall be personally held responsible for these irregularities.

Since the Commission has observed that, MESCOM has segregated substantial number of feeders under different schemes, the Commission hereby directs MESCOM to continue to report every month, the specific consumption and the overall IP set consumption, only on the basis of the data from energy meters installed to the agricultural feeders, as per the prescribed formats. Any data furnished later on based on other assumption will not be considered by the Commission.

Since substantial work of segregation of feeders has been completed by MESCOM, the Commission decides not to pursue this directive and drop the directive.

8. Directive on Implementation of Financial Management Framework:

The present organizational set up of the ESCOMs at the field level appears to be mainly oriented towards maintenance of power supply without a corresponding emphasis on realization of revenue. This has resulted in a serious mismatch between the power supplied, expenditure incurred and the revenue realized by the ESCOMs. The continued inability of the ESCOMs to effectively account the input energy and its sale in different sub-divisions of the ESCOM in line with the revenue realization rate fixed by the Commission, urgently calls for a change of approach by the ESCOMs, so that the field level functionaries are made accountable for ensuring realization of revenues vis-à-vis the input energy supplied to the jurisdiction of Sub-division / Division.

The Commission had therefore directed the MESCOM to introduce a system of Cost-Revenue Centre Oriented sub-divisions at least in two Divisions, on a pilot basis, in its operational area and report the results of the experiment to the Commission.

Compliance by the MESCOM:

As per the directions of the Commission, stringent action has been initiated with respect to fixing of targets, recovery of revenue arrears, reduction of distribution losses, energy audit etc. The progress achieved by the divisions are being reviewed by the higher authorities on monthly basis.

Revenue Demand:

The Commission has approved the ARR of Rs.7.94 per unit for the FY 21-22 and MESCOM has achieved ARR of Rs.7.47 per unit. ARR realized at lower rate due to Covid pandemic. Due to closure of commercial activities, revenue was not realized up to approved level. Instructions have been issued to the Divisions to achieve ARR of Rs 8.13 per unit for the FY 22-23 by adopting 100 percent reading and billing and also by replacing MNR meters on top priority.

Revenue Collection:

For FY 22-23 ,100 percent reading, billing and collection targets has been given to the Divisions by adopting monthly targets to each O&M Sections/ Meter readers/ linemen. MESCOM has achieved collection efficiency of 99.31% during FY 21-22 with CB Ratio of 1.56. Due to the non-payment of electricity bills by M/s MPM Bhadravati Company could not reach the 100% collection target in spite of regular correspondence and persuasion. The MPM dues as on 31.03.2022 is Rs. 202.21 crore.

Action has been taken to collect huge arrears in respect of the O & M Divisions, where the ratio of Closing Balance is high, including the arrears from the Government installations.

- By reviewing the daily collection vis-a-vis the due dates for payments.
- Timely disconnection of default installations and on priority age-wise/ amount-wise arrears recovery persuasion during revenue review meeting.
- To review and follow up the recovery in respect of Government installations.
- To review and follow up the recovery in respect of GP/TPs and local bodies duly contacting the concerned authorities in person by the Sub-Division officers'/Section officers.
- Sub Division offices are sending monthly consolidated bills in addition to spot bills to respective GPs/TP/TMC/CMC/ Corporation and are taking signed acknowledgement.

Following methods are adopted by MESCOM to recover electricity dues of RLB/ULB.

- By contacting concerned RLB/ULB officials over phone / personally by MESCOM officials to pay the regular bills as well as outstanding arrears.
- Addressing D.O. letters by M.D to the concerned District DCs/CEOs/ Project Director regarding payment of electricity dues.
- Personally monitoring by the Zonal Chief Engineers and Circle Superintendent Engineers to recover the outstanding dues of RLB and ULB.
- Prompt reconciliation and follow up of collection with the collection agencies such as post office, Banks, Paytm, Karnataka-1 etc.,
- To conduct periodically the revenue arrears collection drive on a Mass basis.

- To follow up the back-billing charges on account of MT/RT and Vigilance reports.
- To arrange / follow-up of inspection of DL, Nil and MNR installations / replacement of meter.

Further Division-wise sales target issued vide this office letter No.: 17785/2022 dated 17.05.2022 the details are shown below:

Sl.No	Division Name	Target Sales for 2022-23 in MU	
		Sales	%
1.	Mangalore	641.31	11.88%
2.	Kavoor	779.41	14.43%
3.	Puttur	308.53	5.71%
4.	Bantwal	495.98	9.18%
5.	Udupi	488.40	9.04%
6.	Karkala	149.39	2.77%
7.	Kundapura	268.86	4.98%
8.	Shivamogga	517.94	9.59%
9.	Bhadravathi	259.94	4.81%
10.	Sagara	309.30	5.73%
11.	Shikaripura	363.29	6.73%
12.	Chickmagalur	220.60	4.08%
13.	Koppa	97.73	1.81%
14.	Kadur	499.46	9.25%
Total		5400.14	100.00%

Commission's Views:

The Commission notes that, though the MESCOM has implemented the financial framework model designed by it, it is not submitting the compliance in respect of implementation of Financial Management Framework, on quarterly basis, to the Commission, as directed.

The Commission directs MESCOM to continue to review the performance of the Divisions & Sub-divisions in terms of the energy received, sold, average revenue realization and average cost of supply using the Financial Management Framework Model developed by it. Further, the MESCOM is directed to

continue to analyze the following parameters each month to monitor the performance of the Divisions & Sub-divisions, at Corporate level:

- a) Target losses fixed and the achievement at each stage.
- b) Target revenue to be billed and achievement against each tariff category of consumers.
- c) Target revenue to be collected and achievement under all tariff categories.
- d) Target revenue arrears to be collected.
- e) Targeted distribution loss reduction when compared to previous years' losses.
- f) Comparison of high-performing divisions in sales with low performing divisions, in terms of low AT & C loss levels and high revenue realization, so as to plug the loopholes in low performing divisions.
- g) Targets and achievement in performing the energy audit, feeder-wise, DTC-wise, and the performance in achieving the reduction in energy losses of feeders, DTCs by setting right the lacuna's / issues viz., tagging of consumers properly etc.,

Based on the above analysis, MESCOM needs to take corrective measures to ensure 100 per cent meter reading, billing, and collection, through identification of feeders showing high losses, sub-normal consumption in meters, replacement of non-recording meters etc.

The Matter of monitoring of revenue realization is a routine administrative function to be done at the Corporate level by MD and the Director Finance / Financial Advisers. Hence, the Commission decides not to pursue the directive hereafter.

9. Directive on Prevention of Electrical Accidents:

On a review of the electrical accidents that have occurred in the State during the previous years, it is seen that the major causes of the accidents are due to snapping of LT / HT lines, accidental contact with live LT / HT / EHT lines / equipment in the streets, hanging live wires around the electric poles /

transformers, violation / neglect of safety measures, lack of supervision, inadequate / lack of maintenance, etc., posing greater threat to human lives.

Considering the above facts, the Commission hereby directs the MESCOM to prepare an action plan to effect improvements in its distribution network and implement safety measures to prevent electrical accidents. A detailed division-wise action plan shall be submitted by the MESCOM to the Commission.

Compliance by the MESCOM:

With the aim of prevention of electrical accidents, instructions have been given to all the field officers of MESCOM to follow the guidelines issued in Manual of "Safety/Technical Audit for Power Distribution System" prepared by the Commission. The Chief Engineer (Electy) of each O&M Zone of MESCOM is designated as "Electrical Safety Officer" to take action to prepare the action plan on prevention of electrical accidents. Further, while conducting the transformer maintenance Abhiyana, all the deteriorated LT protection Kits/LT wing Kits have been replaced with new one along with proper size of fuses.

Safety gears such as Earthing rods, Helmets, High voltage Detectors, Safety kits, Hand Gloves, Insulated Cutting Plier etc., are provided to all the linemen and periodical training is imparted to them about the safety aspects through trained professionals in HRD Training Centre of MESCOM.

Details of training programme conducted on safety measures are as hereunder:

Financial year	Total team	No. of trainees attended
2021-22 & 2022-2023 (Sept-2022)	11	310

For creating public awareness, wide publications on Do's & Don'ts are also given regularly in newspapers.

In order to prevent and reduce the number of fatal electrical accidents, MESCOM has taken measures to rectify the hazardous locations/installations. As per the directive, MESCOM has made sincere efforts for identification of all the hazardous installations in the distribution system which is a continual process.

However, MESCOM has given top priority for rectification of hazardous installations in densely populated areas/ public areas. Further, to prevent the electrical accidents MESCOM has taken the following actions during 2021-2022 and 2022-2023 (up to Sept-2022). The details of the same are as below:

Action taken to prevent the Electrical Accidents during 2021-2022

Sl. No	Details of Action taken		CIRCLE					
			Mangaluru	Udupi	Shivamogga	Chikkamagaluru	Total	
1	Replacement of Damaged/Deteriorated RCC/PSC, I Beam, Tubular, Ladder, Wooden poles	Nos	599	1496	1912	903	4910	
2	Replacement of Deteriorated Aluminum Conductor	Ckms	3591.37	364.338	36.715	113	4105.423	
3	Enhancement of size of Conductor	Ckms	319.3	163.98	334.5	152.3	970.08	
4	Replacement of copper Conductor	Ckms	0	0	2.5	21.5	24	
5	Providing intermediate poles	HT Line	Nos	261	64	602	795	1722
6		LT Line	Nos	1360	904	776	538	3578
7	No of slanted poles set right	Nos	1267	2440	1808	881	6396	
8	No of places where lines close to/ above the buildings are shifted	Nos	31	2	466	125	624	
9	No of places where the transformers are shifted to safe place	Nos	18	2	46	34	100	
10	No of poles where jumbled service main connections are set right	Nos	400	1806	2240	649	5095	
11	No of poles where LT kits/MCCBs are provided	Nos	99	11	240	21	371	
12	Aerial bunched cables provided	kms	0	0	15.04	10.2	25.24	
13	No of awareness programs for public is conducted	Nos	78	149	91	61	379	
14	No of training programs to field staff conducted	Nos	613	660	247	921	2441	
15	No of other preventive maintenance works like tree cutting, restringing of wires, providing proper fuses, replacement of lead wires, providing proper earthing etc., is carried out	Nos	7210	7436	11518	1607	27771	

Action taken to prevent the Electrical Accidents during 2022-2023(Upto Sept-2022)

Sl No	Details of Action taken		CIRCLE					
			Mangaluru	Udupi	Shivamogga	Chikkamagaluru	Total	
1	Replacement of Damaged/Deteriorated RCC/PSC, I Beam, Tubular, Ladder, Wooden poles	Nos	707	1283	2600	1428	6018	
2	Replacement of Deteriorated Aluminum Conductor	Ckms	810.48	116.71	63.29	109	1099.48	
3	Enhancement of size of Conductor	Ckms	148.59	499.786	127.563	188.03	963.969	
4	Replacement of copper Conductor	Ckms	0	5.2	0.5	39	44.7	
5	Providing intermediate poles	HT Line	Nos	207	181	329	535	1252
6		LT Line	Nos	893	409	399	802	2503
7	No of slanted poles set right	Nos	941	1465	1981	1010	5397	
8	No of places where lines close to/above the buildings are shifted	Nos	48	0	123	46	217	
9	No of places where the transformers are shifted to safe place	Nos	7	12	42	36	97	
10	No of poles where jumbled service main connections are set right	Nos	298	1104	1426	777	3605	
11	No of poles where LT kits/ MCCBs are provided	Nos	143	4	57	85	289	
12	Aerial bunched cables provided	kms	0.5	1.8	0.06	10	12.36	
13	No of awareness programs for public is conducted	Nos	64	93	77	68	302	
14	No of training programs to field staff conducted	Nos	419	179	190	549	1337	
15	No of other preventive maintenance works like tree cutting, restringing of wires, providing proper fuses, replacement of lead wires, providing proper earthing etc., is carried out	Nos	3278	4683	7044	3030	18035	

The details of number of hazardous locations identified and rectified are as below:

Year	Hazardous locations existing at the beginning of the year	Hazardous locations identified during the year	Hazardous locations rectified during the year	Balance Hazardous locations to be rectified
2021-22	79	2344	2364	59
2022-23	59	821	821	59

(up to Sept-22)				
-----------------	--	--	--	--

In addition to the above as per the directions of GoK, MESCOM has taken action to shift all the DTCs installed in the premises of schools and as well as HT/LT lines drawn in the school premises to avoid the electrical accidents. The details of the number of shifting works carried in MESCOM jurisdiction are as below:

Sl. No.	Name Of the Circle	Number of School Premises where Distribution lines crossed/ passed identified	Number of School Premises from which Distribution lines have been shifted during 2021-2022	Number of School Premises from which Distribution lines have been shifted during 2022-2023 (up to Sept-2022)	Total Number of School Premises from which Distribution lines have been shifted	Balance Number of School Premises from which Distribution lines to be shifted
1	Mangaluru	604	574	30	604	0
2	Udupi	199	120	54	174	25
3	Shivamogga	326	161	144	305	21
4	Chikkamagaluru	203	186	9	195	8
	Total	1332	1041	237	1278	54

In its preliminary observations MESCOM has submitted the details of the hazardous locations identified and the balance number of such locations pending for rectification are furnished below:

Sl No	No. of hazardous locations at the beginning of the year	No. of hazardous locations identified during FY 2022	No. of hazardous locations identified during FY 2023 up to Oct-22	Total	No of locations rectified.	Balance No. of hazardous locations
1	79	2344	825	3248	3186	62

Commission's Views:

The Commission notes that the MESCOM has taken several remedial measures to improve its distribution network and also has taken up programmes to create awareness and to educate the field staff as well as public about the electrical

safety measures. However, despite all these measures taken by the MESCOM, the rate of fatal electrical accidents involving human, animal and livestock is on an increase, which is a matter of serious concern. Going by the elaborate works taken up by MESCOM as reported by it, the accidents especially involving fatal should have been reduced or minimized. From the details of identification, rectification of hazardous locations submitted by MESCOM in its compliance to the preliminary observations, it is seen that still there are number of identified hazardous locations are remaining unattended. MESCOM has not furnished any action plan for rectification of the these identified and remaining hazardous locations.

The increase in number of electrical accidents indicates that there is an urgent need for identification and rectification of hazardous installations, more systematically and regularly. Therefore, the MESCOM should continue to focus on identification and rectification of all the hazardous installations including streetlight installations / other electrical works, under the control of local bodies to prevent electrical accidents. MESCOM should also continue to take up awareness campaigns through visual / print media on safety aspects relating to electricity among public.

The Commission is of the view that, MESCOM should continue to carry out more effective periodical maintenance works, provide and install LT protection to distribution transformers, and also ensure use of safety tools & tackles by the field-staff, besides imparting necessary training to the field-staff at regular intervals. MESCOM should direct the field staff to ensure that the earth leakage circuit breakers (ELCB) are installed by the consumers as per the safety code/regulations while availing service to prevent accidents due to internal faults. Sufficient campaign in this regard needs to be done to create awareness among the public about the electrical safety.

Further, the existence of hazardous installations in the distribution network is because of the sub-standard works carried out without adhering to the best and standard practices in construction / expansion of the distribution network. To ensure quality in execution of the works conforming to the standards is the

need of the hour to prevent any untoward incidents to public from the failure of equipment / snapping of conductors. MESCOM needs to carryout preventive maintenance works as per pre-arranged schedule as per the Safety Technical Manual issued by the Commission to keep the network equipment in healthy condition besides conducting regular safety audit of its distribution system. MESCOM should also take up regular inspection of consumer installations especially IP sets, pump houses, cow sheds and buildings under construction to identify hazardous installations, educate the consumers about likely hazards and persuade them to take up rectification of such hazardous installations.

The Commission, reiterates its directive that the MESCOM shall continue to take adequate measures to identify and rectify all the hazardous locations / installations existing in its distribution system under action plan to prevent and reduce the number of electrical accidents occurring in its distribution system.

MESCOM shall submit an action plan for reducing the accidents in its area and the details of envisaged programmes to create awareness and to educate the field staff and public about the electrical safety measures within three months of the date of this Order. The compliance thereon shall be submitted to the Commission on quarterly basis, regularly.

Appendix-1		
Sl. No.	Objections	Replies by MESCOM
1	MA-01: Sri. Suresh Nayak M S/o Late Sri. M Vamana Nayaka, House No. 9-4-236, City Press Road, Mangalore – 575 001	
	A) ಪ್ರಸ್ತುತ/ ಪಸ್ತಾವಿತ ದರ ತೋರಿಕೆ ಪಟ್ಟಿಯ ಎಲ್.ಟಿ.2 (ಎ) ರಲ್ಲಿ ಗೃಹ ಬಳಕೆಗೆ ನಿಗದಿತ ದರಗಳನ್ನು ಎಲ್ಲಾ ಹಂತಗಳಲ್ಲಿ ವಿಲೀನಗೊಳಿಸಿರುವುದಕ್ಕೆ ಹಾಗೂ ಹಾಲಿ ಬಹು ಹಂತದ ನಿಗದಿತ ದರಗಳನ್ನು ವಿಲೀನಗೊಳಿಸಿ ಪ್ರತೀ ಕಿ.ವ್ಯಾ. ಗೆ ರೂ.150 ಕ್ಕೆ ಏರಿಸುವ ಪ್ರಸ್ತಾವನೆಗೆ ಆಕ್ಷೇಪಣೆ ಇರುತ್ತದೆ.	ಗೌರವಾನ್ವಿತ ಕ.ವಿ.ನಿ. ಆಯೋಗದ ದರಪಟ್ಟಿ ನಿಯಮಗಳು 2006 ರ ಅನುಸಾರ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಸಿದ್ಧಪಡಿಸಲಾಗಿದೆ ಮತ್ತು ಪ್ರತಿಯೊಂದು ಪ್ರಸ್ತಾವನೆ ಸಂಬಂಧ ಅಂದಾಜಿಸಲಾಗಿರುವ ಖರ್ಚು ವೆಚ್ಚಗಳನ್ನು ಅದರ ಪೂರ್ವಾಪರ ಅಂಕಿ ಅಂಶಗಳೊಂದಿಗೆ ವಿಷದವಾಗಿ ವಿವರಿಸಲಾಗಿದೆ. ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಸರಬರಾಜಿಗೆ ತಗಲುವ ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ ಮತ್ತು ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಸೇರಿದಂತೆ ಪ್ರಮುಖವಾಗಿ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚದಲ್ಲಿ ಒಳಗೊಂಡಿರುವ ನಿಗದಿತ ವೆಚ್ಚಗಳನ್ನು ಸರಿದೂಗಿಸುವ ಸಲುವಾಗಿ ನಿಗದಿತ ದರಗಳ ಏರಿಕೆಗೆ ಪ್ರಸ್ತಾಪಿಸಲಾಗಿರುತ್ತದೆ. ಮೆಸ್ಕಾಂ ಮಾನ್ಯ ಆಯೋಗದ ಅಂತಿಮ ಅದೇಶಕ್ಕೆ ಬದ್ಧವಾಗಿರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ದರ ಹಂತಗಳ ವಿಲೀನದ ಬಗ್ಗೆ ಸಂಬಂಧಿತ ಅಧ್ಯಾಯದಲ್ಲಿ ಹೆಚ್ಚಿಸಲಾಗಿದೆ.	
	B) ಮುಂದುವರೆದು, ಆಕ್ಷೇಪಣೆದಾರರು ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕದ ಬಗ್ಗೆ ಈ ಹಿಂದೆ ಇದ್ದಂತಹ 51-100 ಯೂನಿಟ್‌ನ್ನು 0-100 ಯೂನಿಟ್ ಗೆ ಬದಲಾವಣೆಯಿಂದಾಗಿ 133% ಏರಿಕೆ ಆಗುವ ಕಾರಣ ಈ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಆಕ್ಷೇಪಿಸಿರುತ್ತಾರೆ.	ಹಾಲಿ ದರ ಮತ್ತು ಪ್ರಸ್ತಾವಿತ ದರಗಳನ್ನು ಹೋಲಿಕೆ ಮಾಡುವಾಗ ನಿಗದಿತ ದರ ಮತ್ತು ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕ ಇವೆರಡನ್ನೂ ಒಳಗೊಂಡ ಸರಾಸರಿ ದರವನ್ನು ಹೋಲಿಕೆ ಮಾಡಿದಲ್ಲಿ ಮಾತ್ರ ಎಷ್ಟು ದರ ಹೆಚ್ಚಳ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಮಾಡಲಾಗಿದೆ ಎಂಬುದು ತಿಳಿದು ಬರುತ್ತದೆ. ಅದರಂತೆ ತಾವು ತಮ್ಮ ಆಕ್ಷೇಪಣೆಯಲ್ಲಿ ತಿಳಿಸಿದಷ್ಟು ಪ್ರಮಾಣದ ಏರಿಕೆ ಇರುವುದಿಲ್ಲ. ಮುಂದುವರೆದು, ಆಯಾ ಗ್ರಾಹಕರ ಅವಶ್ಯಕತೆ ಮತ್ತು ಆರ್ಥಿಕ ಸಾಮರ್ಥ್ಯಕ್ಕೆ ಅನುಗುಣವಾಗಿ ವಿದ್ಯುತ್ ನ ಬಳಕೆಯು ಅವಲಂಬಿಸಿದ ಕಾರಣ, ಈ ಹಿಂದಿನ ಜಕಾತಿ ಆದೇಶದಲ್ಲಿ ಬಿಲ್ಡಿಂಗ್ ನ ಆರಂಭಿಕ ಸ್ತರದಲ್ಲಿ ಎಲ್ಲಾ ವರ್ಗದವರಿಗೂ ಸಮಾನವಾಗಿ ಹಂಚಿಕೆಯಾಗಿ ಹೋಗುತ್ತಿದ್ದ ರಿಯಾಯಿತಿ ದರದ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕವನ್ನು ಪ್ರಸ್ತುತ ಆರ್ಥಿಕವಾಗಿ ಸಶಕ್ತರಲ್ಲದ ಗ್ರಾಹಕ ವರ್ಗಕ್ಕೆ ಸೂಕ್ತವಾಗಿ ಅನ್ವಯಿಸಿ ಅದರ ಅನುಕೂಲವು ಲಭಿಸುವಂತೆ ಮಾಡಲು ಬಳಕೆ ಶುಲ್ಕದ ಬಿಲ್ಡಿಂಗ್ ಹಂತಗಳನ್ನು ಪರಿಷ್ಕರಿಸಿ ಪ್ರಸ್ತಾಪಿಸಲಾಗಿರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
2	MA-02: Sri. Vasudeva Nayak M S/o Late Sri. M Purushothama Nayaka, Mittabail Post - 574 226	

	<p>1. ಗ್ರಾಮೀಣ ಹಾಗೂ ನಗರ ಪ್ರದೇಶದಲ್ಲಿನ ಮೂಲಭೂತಸೌಕರ್ಯಗಳಲ್ಲಿ ಅಜಗಜಾಂತರ ವ್ಯತ್ಯಾಸವಿರುವ ಕಾರಣ ಪ್ರಸ್ತುತ/ ಪಸ್ತಾವಿತ ದರ ತೋರಿಕೆ ಪಟ್ಟಿಯ ಎಲ್.ಟಿ.2 (ಎ) ರಲ್ಲಿ ಗೃಹ ಬಳಕೆಗೆ ನಿಗದಿತ ದರಗಳನ್ನು ಎಲ್ಲಾ ಹಂತಗಳಲ್ಲಿ ವಿಲೀನಗೊಳಿಸಿರುವುದಕ್ಕೆ ಹಾಗೂ ಹಾಲಿ ಬಹು ಹಂತದ ನಿಗದಿತ ದರಗಳನ್ನು ವಿಲೀನಗೊಳಿಸಿ ಪ್ರತಿ ಕಿ.ವ್ಯಾ. ಗೆ ರೂ. 150 ಕ್ಕೆ ಏರಿಸುವ ಪ್ರಸ್ತಾವನೆಗೆ ಆಕ್ಷೇಪಣೆ ಇರುತ್ತದೆ.</p>	<p>ಗೌರವಾನ್ವಿತ ಕ.ವಿ.ನಿ. ಆಯೋಗದ ದರಪಟ್ಟಿ ನಿಯಮಗಳು 2006 ರ ಅನುಸಾರ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಸಿದ್ಧಪಡಿಸಲಾಗಿದೆ ಮತ್ತು ಪ್ರತಿಯೊಂದು ಪ್ರಸ್ತಾವನೆ ಸಂಬಂಧ ಅಂದಾಜಿಸಲಾಗಿರುವ ಖರ್ಚು ವೆಚ್ಚಗಳನ್ನು ಅದರ ಪೂರ್ವಾಪರ ಅಂಕಿ ಅಂಶಗಳೊಂದಿಗೆ ವಿಷದವಾಗಿ ವಿವರಿಸಲಾಗಿದೆ. ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಸರಬರಾಜಿಗೆ ತಗಲುವ ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ ಮತ್ತು ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಸೇರಿದಂತೆ ಪ್ರಮುಖವಾಗಿ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚದಲ್ಲಿ ಒಳಗೊಂಡಿರುವ ನಿಗದಿತ ವೆಚ್ಚಗಳನ್ನು ಸರಿದೂಗಿಸುವ ಸಲುವಾಗಿ ನಿಗದಿತ ದರಗಳ ಏರಿಕೆಗೆ ಪ್ರಸ್ತಾವಿಸಲಾಗಿರುತ್ತದೆ. ಮೆಸ್ಕಾಂ ಮಾನ್ಯ ಆಯೋಗದ ಅಂತಿಮ ಅದೇಶಕ್ಕೆ ಬದ್ಧವಾಗಿರುತ್ತದೆ.</p>
	<p>ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.</p>	
	<p>2. ಮುಂದುವರೆದು, ಆಕ್ಷೇಪಣೆದಾರರು ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕದ ಬಗ್ಗೆ ಈ ಹಿಂದೆ ಇದ್ದಂತಹ 51-100 ಯೂನಿಟ್‌ನ್ನು 0-100 ಯುನಿಟ್ ಗೆ ಬದಲಾವಣೆಯಿಂದಾಗಿ 163 % ಏರಿಕೆ ಆಗುವ ಕಾರಣ ಈ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಆಕ್ಷೇಪಿಸಿರುತ್ತಾರೆ.</p>	<p>ಹಾಲಿ ದರ ಮತ್ತು ಪ್ರಸ್ತಾವಿತ ದರಗಳನ್ನು ಹೋಲಿಕೆ ಮಾಡುವಾಗ ನಿಗದಿತ ದರ ಮತ್ತು ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕ ಇವೆರಡನ್ನೂ ಒಳಗೊಂಡ ಸರಾಸರಿ ದರವನ್ನು ಹೋಲಿಕೆ ಮಾಡಿದಲ್ಲಿ ಮಾತ್ರ ಎಷ್ಟು ದರ ಹೆಚ್ಚಳ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಮಾಡಲಾಗಿದೆ ಎಂಬುದು ತಿಳಿದು ಬರುತ್ತದೆ. ಅದರಂತೆ ತಾವು ತಮ್ಮ ಆಕ್ಷೇಪಣೆಯಲ್ಲಿ ತಿಳಿಸಿದಷ್ಟು ಪ್ರಮಾಣದ ಏರಿಕೆ ಇರುವುದಿಲ್ಲ. ಮುಂದುವರೆದು, ಆಯಾ ಗ್ರಾಹಕರ ಅವಶ್ಯಕತೆ ಮತ್ತು ಆರ್ಥಿಕ ಸಾಮರ್ಥ್ಯಕ್ಕೆ ಅನುಗುಣವಾಗಿ ವಿದ್ಯುತ್ ನ ಬಳಕೆಯು ಅವಲಂಬಿಸಿದ ಕಾರಣ, ಈ ಹಿಂದಿನ ಜಕಾತಿ ಆದೇಶದಲ್ಲಿ ಬಿಲ್ಡಿಂಗ್ ನ ಆರಂಭಿಕ ಸ್ತರದಲ್ಲಿ ಎಲ್ಲಾ ವರ್ಗದವರಿಗೂ ಸಮಾನವಾಗಿ ಹಂಚಿಕೆಯಾಗಿ ಹೋಗುತ್ತಿದ್ದ ರಿಯಾಯಿತಿ ದರದ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕವನ್ನು ಪ್ರಸ್ತುತ ಆರ್ಥಿಕವಾಗಿ ಸಶಕ್ತರಲ್ಲದ ಗ್ರಾಹಕ ವರ್ಗಕ್ಕೆ ಸೂಕ್ತವಾಗಿ ಅನ್ವಯಿಸಿ ಅದರ ಅನುಕೂಲವು ಲಭಿಸುವಂತೆ ಮಾಡಲು ಬಳಕೆ ಶುಲ್ಕದ ಬಿಲ್ಡಿಂಗ್ ಹಂತಗಳನ್ನು ಪರಿಷ್ಕರಿಸಿ ಪ್ರಸ್ತಾವಿಸಲಾಗಿರುತ್ತದೆ.</p>
	<p>ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.</p>	
3	<p>MA-03: Sri. B. Praveen, Hon'ble General Secretary, KASSIA, 2/106, 17th Cross, Magadi Chord Road, Vijayanagar, Bengaluru – 560 040</p>	
	<p>1. The objector has given the profile of KASSIA and submitted that, the objector and its members are affected party to the Tariff revision Proposal of MESCOM FY-24</p>	<p>Noted.</p>
	<p>Commission's Views: The Commission notes the above submissions made by the objector.</p>	
	<p>2. OBJECTIONS TO MAINTAINABILITY :</p>	

	i. The objector says that, the petition has been filed on 03-01-2023 which is not 120 days before the commencement of financial year.	MESCOM has filed the tariff petition before Hon'ble Commission on 30-11-2022 which is within 120 days before the commencement of financial year.
	Commission's Views: The Commission notes that the reply provided by MESCOM is acceptable. The above issue is being raised every year. Objector shall verify the facts submitted by the licensee, before making such objections.	
	ii. MESCOM has not detailed the efficiency improvement measures.	The Commission will compute the efficiency gains to be transferred to the consumers while approving the APR.
	Commission's Views: The Commission directs MESCOM to provide details of the efficiency measures taken to reduce costs/ expenses in MESCOM.	
	iii. MESCOM has projected excess capital expenditure for FY24.	MESCOM has projected the capital expenditure for FY24 based on the expenditure booked during preceding years and based on the works to be taken up during FY24 to reduce the losses and to give reliable and un-interrupted power supply to its consumers.
	Commission's Views: The Commission notes the reply provided by MESCOM. CAPEX is discussed in the relevant chapter.	
	iv. HT consumers are leaving the grid due to high tariff and ultimately cross subsidizing are loaded to the remaining HT Consumers. Hence the tariff to HT category is to be reduced by at least 100 paise per unit.	MESCOM has proposed the reduced tariff for HT consumers for FY 24.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The tariff for HT consumers is discussed in the relevant chapter.	
	v. "Cost to Serve" model not finalized by Commission.	The Hon'ble Commission is determining the retail supply tariff on the basis of average cost of supply and had discussed the rationale for that also in the tariff orders. One of the reasons for considering the average cost of supply is due to the fact that the distribution network in Karnataka is such that it is difficult to segregate the common cost between different classes of consumers.
	Commission's Views: The Commission is determining the tariff on average cost basis pending implementation of the CoS model which requires a long-term subsidy policy (to IP sets) by the Government. However, the Commission is indicating voltage-wise (EHT, HT & LT) cost of supply in the order as per the orders of the Hon'ble ATE.	
	vi. MESCOM is Resorting to load shedding without approval of KERC.	MESCOM is giving reliable and un-interrupted power supply to its consumers. The scheduled load shedding is being notified in advance as well as in the website. The messages regarding scheduled and unscheduled outages, reason

		for the outages, approximate time required for restoring the power supply, etc., are triggered in URJA MITRA application which enables the consumers to get the information easily on the above. Moreover, whatsapp groups are also created to keep the consumers informed about power cuts, to post their grievances/suggestions to improve the services of MESCOM etc.,.
	Commission's Views: The Commission reiterates that MESCOM shall comply with the directive on "load shedding" provided in earlier Tariff Orders.	
	vii. The avg. Cost of supply is Rs. 9.33. But IP sets are charged only Rs.3.90. The huge difference should be compensated through GoK Subsidy instead of passing on to other consumers.	MESCOM proposed tariff for IP for FY24 is Rs 9.01/- per unit as against the avg cost supply of Rs 9.33/- per unit. Further, in the prevailing socio-economic conditions continuing the cross subsidization is inevitable.
	Commission's Views: The Commission notes the reply provided by MESCOM. The determination of tariff to IP Sets has been dealt with appropriately in this Order.	
	viii. No action taken by MESCOM to prevent electrical accidents. MESCOM has not given the accident figures for FY22.	MESCOM is committed to take action for prevention of electrical accidents by identifying the hazardous locations and rectifying the same on time. In the financial year 2021-22 about 2364 hazardous locations were rectified. This being a continuous task, during the current financial year also about 821 hazardous locations (as at the end of Sept-2022) have been rectified. In addition to this, 1278 number of school premises form which Transformer centers and HT/ LT lines are shifted to safer place during the FY23. Necessary directions have been issued to the field officers taking up the safety audit of the electrical system. The details on the subject matter are provided in Page No from 23 to 26 of the tariff proposal. In FY22, 67 numbers of fatal and 37 numbers of non-fatal accidents occurred.
	Commission's Views: The Commission, reiterates its directive in its earlier Tariff Orders that the MESCOM shall continue to take adequate measures to identify and rectify all the hazardous locations / installations existing in its distribution system under an action plan to prevent and reduce the number of electrical accidents occurring in its distribution system. Further, Directive on use of safety gear by linemen / Power men provided in earlier Tariff Orders needs to be complied with.	
	ix. HT/LT lines ratio not maintained at the level of 1:1.	In this regard, it is to be submitted that 1:1 is the ideal ratio to be maintained for HT/LT lines. In order to achieve the same MESCOM is continuously focusing on establishing new DTCs at the load centers. Likewise, during FY22 and FY23, 6741 and 2388 numbers of additional

		DTCs are added to the system respectively with an additional HT line of 3361 km. Further, MESCOM keeps it in view as benchmark, as far as possible, while implementing system improvement works.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	x. The objector has stated that, in the absence of compliance to directives, the whole exercise of ERC would be futile and the petition is liable to be rejected on this ground itself.	MESCOM compliance to the directives issued by the Commission is provided in the chapter-3 "Compliance to Directives", of tariff proposal in Page No 4-26.
	Commission's Views: The Commission notes the reply provided by MESCOM and the same is discussed in the relevant chapter.	
	xi. MESCOM has totally failed in improving efficiency of its operations and complying with the directives of the Commission. The quality of power supply in rural areas has deteriorated.	In this regard, it is to submit that the statement of the objector is not acceptable. Keeping in view, the directives issued by the Commission, the reliable and un-interrupted power supply is given in the rural areas also. Avg. reliability index of all 11 kV feeders is 92.97%.
	Commission's Views: The Commission notes the reply provided by MESCOM. However, the Commission directs MESCOM to improve their above reliability index and furnish reliability index of all 11kV Rural feeders.	
	3. TRUINGUP FOR FY 22:	
	i. HT consumers have purchased 350.04 MU from Open access which is cheaper than the MESCOM Tariff. The Commission should consider reducing HT tariff so that, HT consumers don't move away from Karnataka.	MESCOM has proposed the reduced tariff for HT consumers for FY 24.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The HT consumers tariff is discussed in the relevant chapter.	
	ii. MESCOM has incurred the capital expenditure much below the budgeted amount.	The capital works are taken up as per the budget provisions without substantial variations. However, the amount of Rs.428.83 Cr is only the expenditure booked in that year for the payments made towards capital expenditure in FY22.
	Commission's Views: The Commission notes the reply provided by MESCOM. CAPEX is discussed in the relevant chapter.	
	iii. MESCOM is spending huge amount for the repair and replacement of failed distribution transformers due to more than 5% failure rate.	In order to reduce the failure rate MESCOM is continuously carrying out maintenance work of DTCs. Likewise, during FY23 maintenance work of 66396 transformers were carried out. However, the main reason for failure of DTCs are due to heavy rain, lightning and such other natural calamities.

	Commission's Views: The Commission notes the reply furnished.	
	iv. Specific consumption of IP set was based on the reading of 1586 sample IP sets and MESCOM has not given what is the specific consumption.	The IP consumption is assessed based on predominantly IP feeding DTCs. The readings are taken on 1 st of every month. The specific consumption assessed for FY22 is 4030 units per IP set. The methodology for arriving the specific consumption is detailed in page No.19 of Tariff proposal. The same details are also furnished to the Commission.
	Commission's Views: The Commission notes the reply provided by MESCOM. IP Set consumption is discussed in the relevant chapter.	
	v. If dues from local bodies and Govt. depts. are collected there is no need to revise the tariff. Collection efficiency of MESCOM is reduced.	During FY22 MESCOM is able to achieve collection efficiency @ 102.51%. Further in respect of collection of dues from local bodies and Govt. depts., regular efforts are being made by way of addressing letters to the concerned and repeated follow ups over phone and in person.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	4. OBSERVATIONS PERTAINING TO COMPLIANCE TO DIRECTIVES.	
	i. MESCOM should give TOD power to HT consumers at Rs.2 less than the tariff during 6AM to 10AM.	In order to incentivize the usage of power, TOD to HT consumer are already provided in the tariff when availability of power is more than the requirement i.e., for energy usage during 10PM to 6AM.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. ToD is discussed in the relevant chapter.	
	ii. Timer switches are not provided to street lights.	Fixing & maintenance of the street lights is the responsibility of local bodies. The local bodies are replacing the manually operated switches by Timer Switches. MESCOM is also insisting and continuously following up the matter with local bodies to install timer switches to street lights. Further, as per the Hon'ble Commission's directions, all the new street light connections are being serviced with timer switches.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	iii. Independent feeders are to be provided to industries.	On specific application from the individual industries, the feasibility of providing independent feeders will be examined.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	iv. MESCOM has not indicated the details of how many installations are yet to be serviced with solar water heaters.	As per the commission's "Condition of Supply of Electricity of Distribution Licensees in the State of Karnataka" regulations, MESCOM is insisting to install the solar water heating system to the notified new domestic applicants.
	Commission's Views: The Commission notes the reply provided by MESCOM.	

	v. Nirantara Jyothi Scheme (NJY) is being done as per the Govt. directions for better supply to rural consumers. As this is the Govt. welfare scheme, the related capital cost should be borne by Govt. and not by consumers.	The Central Government is providing 60% grant for implementing feeder segregation scheme. The remaining 40% have to be borne by respective ESCOMs.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	vi. MESCOM is not serious in implementing HVDS.	MESCOM had proposed to implement the HVDS scheme and submitted detailed DPR for approval before the Commission. But as per the directions of the Commission, HVDS scheme is not implemented. However, in order to bring the HT/LT ratio at ideal level, MESCOM is establishing additional DTCs to the system at load centers by adding 11 kV lines periodically.
	Commission's Views: The Commission has decided not to implement HVDS scheme until further Orders keeping in view the CAPEX involve.	
	vii. Demand side Management in Agriculture:	As per the DSM action plan report, replacement of 52,548 IP sets over a period of 3 years is proposed with Rs.178.07 Crs. The said report is under verification.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	viii. MESCOM has not completed metering of DTCs to work out the losses in order to plug the same. Energy losses in majority of the talukas are more than 10%.	Metering of new DTC's are ensured at the time of commissioning and the balance DTC metering work is under progress.
	Commission's Views: The Commission directs MESCOM to comply with the directions issued in the subject matter under the head "Directive on Energy Audit" in the previous Tariff Orders.	
	ix. MESCOM officers have not made any attempt to calibrate the DTC meters in order to reduce the loss.	Calibration of DTC meters are being carried periodically by the MESCOM officers.
	Commission's Views: The Commission notes the reply provided by MESCOM. However, MESCOM shall provide the statistics in this regard, henceforth.	
	x. No action has been taken by MESCOM to prevent electrical accidents. MESCOM has not given the accident figures for FY22.	MESCOM is committed to take action for prevention of electrical accidents by identifying the hazardous locations and rectifying the same on time. In the financial year 2021-22 about 2364 hazardous locations were rectified. This being a continuous task, during the current financial year also about 821 hazardous locations (as at the end of Sept-2022) rectified. In addition to this, 1278 number of school premises from which Transformer

		centers and HT/ LT lines are shifted to safer place during the FY23. This being a continuous process, the directions have been issued to the field officers taking up the safety audit of the electrical system. The details on the subject matter are provided in Page No from 23 to 26 of the tariff proposal. In FY22, 67 numbers of fatal and 37 numbers of non-fatal accidents occurred.
	Commission's Views: The Commission, reiterates its directive in its earlier Tariff Orders that the MESCOM shall continue to take adequate measures to identify and rectify all the hazardous locations / installations existing in its distribution system under an action plan to prevent and reduce the number of electrical accidents occurring in its distribution system. Any lapse on the part the concerned officers / officials should entail them to face disciplinary action. Further, Directive on use of safety gear by linemen / Power men provided in earlier Tariff Orders needs to be complied.	
	xi. HT/LT lines ratio not maintained at the level of 1:1.	In this regard, it is to be submitted that 1:1 is the ideal ratio to be maintained for HT/LT lines. In order to achieve the same MESCOM is continuously focusing on establishing new DTCs at the load centers. Likewise, during FY22 and FY23, 6741 and 2388 numbers of additional DTCs are added to the system respectively with an additional HT line of 3361 km. Further, MESCOM keeps it in view as benchmark, as far as possible, while implementing system improvement works.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xii. MESCOM has manipulated Specific consumption of IP set to show that losses have come down.	The IP consumption is assessed based on predominantly IP feeding DTCs. The assessed consumption for IP is 4030 units per IP. There is no manipulation of the specific consumption. The details for the calculation of IP specific consumption are provided in the compliance to the Directives chapter of tariff petition in Page No.19.
	Commission's Views: The Commission notes the reply provided by MESCOM. IP Set consumption is discussed in the relevant chapter.	
	xiii. MESCOM is hiding the data relating to Reliability Index as it appears that there is no improvement in quality of supply.	MESCOM has no intention to hide the data. MESCOM is providing the data of Reliability Indices to the Commission regularly and the same is also being hosted on the MESCOM website.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xiv. MESCOM has not given the number of IP sets after enumeration. Getting it checked by third party can be decided later.	MESCOM has completed the enumeration of all the IP sets. Accordingly, total IP sets are 385767 as at the end of Sept-22 in the jurisdiction of MESCOM.

	Commission's Views: The Commission notes the reply provided by MESCOM. The number of IP Sets is discussed in the relevant chapter.	
	xv. Unauthorized IP sets are a drain in MESCOM. It is used for manipulating % losses and Subsidy amount.	MESCOM is considering DCB/Enumerated data of number IP sets for calculation of % loss and subsidy amount.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xvi. Cost of repair and replacement of failed distribution transformers should be disallowed as failure rate is more than 5%.	In order to reduce the failure rate MESCOM is continuously carrying out maintenance work of DTCs. During FY23 maintenance work of 66396 transformers were carried out. However, due to heavy rain, lightning and such other natural calamities occurred during FY 22 has affected DTC failure rate.
	Commission's Views: The Commission notes the reply furnished. The O&M cost are controllable expenses and is allowed based on norms, which includes any expenditure incurred on transformer repairs.	
	xvii. MESCOM is quoting only distribution losses but not ATC losses.	ATC loss is correlated with the distribution loss. However, it is to be indicated that ATC loss of MESCOM for FY22 is 9.02%.
	Commission's Views: The Commission notes the reply provided by MESCOM. However, for clarity, objector is requested to refer to the reply provided by MESCOM to the objection no.9 under MA-11.	
	xviii. Banked energy should be allowed to be used in the next 12 months instead of 3 months.	As per the Open Access Regulations 2004 and subsequent amendment's, banking is applicable for a period of 1 year for those generators who have already enter into a W&B agreement and for generators who subsequently enters W&B agreement for wheeling under green energy Open Access, banking of energy is allowed on a monthly basis against REC certificate without carry forward facility.
	Commission's Views: The Commission notes the reply provided by MESCOM. The year-2018 order of the Commission reducing the banking period to six-months was set aside by the Hon'ble ATE. The Order of the ATE is challenged before the Hon'ble Supreme Court of India and the matter is pending. Subsequently, Commission has issued the discussion paper and has completed the proceedings in the matter. The Commission would issue appropriate order in the matter. Also, the Commission has notified GEOA Regulations, in January, 2023, wherein monthly banking is specified.	
	xix. MESCOM is not monitoring the implementation of Standards of Performance.	In this regard, it is to be submitted that the Standards of performance as per the KERC (Licensee's standards of performance) Regulation-2004 is being hosted on MESCOM website. Action has taken to display the SoP in all subdivision /Divisions of MESCOM. The periodical reports are being sent to Hon'ble Commission regularly.

	Commission's Views: MESCOM shall take action to implement the amended CoS which provides for automatic payment of compensation for failure to comply with the standards of performance.	
	xx. Automation project in Peenya is not completed even after 5 years.	Objection is not related to MESCOM.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM.	
	xxi. Other Directives;	
	Sl. No.	Objection
	1	Consumers are not informed about load shedding.
	2	Hourly based substation wise day ahead projections not informed.
	3	Specific Substation and Feeder are not identified and informed.
	4	Interruptions not informed to consumers
	5	Likely restoration not informed to consumers
	6	Load shedding is more for Industries.
	7	There is no coordination among ESCOMs in energy drawl.
	8	Demand and availability not shown in website.
	9	Spot purchase not shown in website.
	10.	Monthly interruptions not shown in website.
		Reply
		Replied in MA-03, objection No. 2(vi).
		Daily projections are being done at SCADA
		Objection is not clearly stated.
		Replied in MA-03, objection No. 2(vi).
		Replied in MA-03, objection No. 2(vi).
		Most of Industrial areas are feeding with dedicated feeders so as to provide reliable and un-interrupted power supply.
		Energy drawl by ESCOMs is Coordinated at SLDC.
		weekly and next month power outages are available in website.
		Noted.
		weekly and next month power outages are available in website
	Commission's Views: The Commission notes above replies provide by MESCOM. MESCOM's reply is not satisfactory in respect of objection no.(xxi)(8) above. The Commission directs MESCOM to understand the objection properly and provide corresponding reply.	
	xxii. The objector stated that, in the absence of compliance to directives, the whole exercise of ERC would be futile and the petition is liable to rejected on this ground itself.	MESCOM compliance to the directives issued by the Hon'ble Commission is provided in the chapter-3 "Compliance to Directives", of tariff proposal in Page No 4-26.

	Commission's Views: The Commission notes the reply provided by MESCOM. The compliance to the directives is discussed in the relevant chapter.	
	5. NEW PROPOSALS	
	i. Fixed charges increased and energy charges decreased. Fixed charges should not be increased as the cost of machineries gets depreciated every year. Fixed and variable are two different costs. This method of pricing is against the principle of fair pricing of any product/service. Fixed cost component of energy cannot be charged/ claimed under the fixed charges.	The proposal for revision of tariff is prepared based on the projected demand for electricity and the costs involved to meet the electricity demand. The proposal for revision of tariff is submitted well within the framework of prevailing tariff regulations notified by the Hon'ble Commission.
	Commission's Views: The Commission notes the reply provided by MESCOM. The matter has been dealt with in the relevant chapter of this order.	
	ii. Tariff should be within +/- 20 % of cost to serve. Cost to serve should be decided first and then variation of FC and variable cost should be decided. MESCOM is trying to hike the fixed cost.	The retail supply tariff is decided on the basis of average cost of supply and has been discussed in the tariff orders about the rationale for deciding the tariff based on average cost of supply. One of the reasons for considering the average cost of supply is due to the fact that the distribution network in Karnataka is such that it is difficult to segregate the common cost between different classes of consumers. Further, the proposal for revision of tariff is prepared based on the projected demand for electricity and the costs involved in the meeting the electricity demand.
	Commission's Views: The Commission notes the reply provided by MESCOM. The Commission is determining the tariff on average cost basis. To move to cost of supply, long-term subsidy trajectory by GoK is required. However, as per the Orders of the Hon'ble ATE, the Commission is indicating the voltage-wise CoS.	
	iii. When the HT consumer is not utilizing power why billing at 85% of the demand.	MESCOM has to ensure the reliable and uninterrupted power supply up to the door step of HT consumer even during the time when the power is not drawn from MESCOM grid. For this, the cost involved in maintaining reliable power, fixed cost involved in Power purchase and other associated fixed costs are needed to be considered. Hence a demand charge at 85% of the demand is fixed.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	iv. The charges for service of reconnection should be dropped as a matter of service to the	Statement made by the objector is contradicting. However, to make clear the reason for levy of reconnection charges, is the cost of time and labour.

	consumer and existing reconnection charges should be continued.	
	Commission's Views: The Commission notes the reply provided by MESCOM. The Charges are levied as per Regulations issued by the Commission which are binding.	
	6. OBJECTIONS TO ARR OF FY -24	
	i. The tariff hike of 138 paise per unit is unreasonable on account of higher side projection of capital expenditure.	MESCOM has projected the capital expenditure for FY24 based on the expenditure booked during preceding years and based on the works to be taken up during FY24 to reduce the losses and to give the reliable and uninterrupted power supply to its consumers.
	Commission's Views: The Commission notes the reply provided by MESCOM. The same is discussed in the relevant chapter.	
	ii. HT consumers are leaving the grid due to high tariff and ultimately cross subsidizing are loaded to the remaining HT Consumers. Hence the tariff to HT category is to be reduced by at least 100 paise per unit.	MESCOM has proposed the reduced tariff for HT consumers for FY24. Further, even though the consumers opt for open access, the grid which is developed and maintained by MESCOM is used by them for wheeling of energy and the wheeling charges paid are not compensated properly. Moreover, the open access consumers are getting the privilege of uninterrupted power from MESCOM grid irrespective of the interruption at their energy supplier.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The matter has been dealt with in the relevant chapter of this order.	
	iii. Due to lack of unreliable power supply industries are badly affected. And due to high tariff HT consumers are not availing MESCOM Power.	Most of Industrial areas are feeding with dedicated feeders so as to provide reliable power supply. Further, MESCOM has proposed the reduced tariff for HT consumers for FY24.
	Commission's Views: The Commission notes the reply provided by MESCOM. MESCOM shall endeavor to provide reliable supply to industries.	
	iv. HT consumers are leaving the MESCOM grid due to high tariff.	MESCOM has proposed the reduced tariff for HT consumers for FY24. Even though the consumers opt for open access, the grid which is developed and maintained by MESCOM is used by them for wheeling of energy and the wheeling charges paid are not compensated properly. Moreover, the open access consumers are getting the privilege of uninterrupted power from MESCOM grid irrespective of the interruption at their energy supplier.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The tariff matter has been dealt with in the relevant chapter of this order.	

	v. In D-18 statement only HT DCB are given at page No 279 and not provided information about LT installations.	LT installations' DCB is provided in page 278 of the tariff proposal.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	vi. Solar water heater rebate should be continued and increased to Rs 100./-	Solar Rebate for LT-2(a) was introduced to encourage usage of environmental friendly energy i.e., solar energy and also aimed to reduced morning peak. Now in the changed scenario of increased RE power composition in the total mix and also the strengthened and highly stabled distribution network, it is not desirable to continue this rebate. As such, it is requested to remove the same.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The matter is addressed in the relavant chapter.	
	vii.MESCOM has not produced subsidy allocation letter.	The objection is not specific. However, it is informed that, letter for subsidy allocation is received at the time of release of subsidy grants.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. However, the Commission directs the MESCOM to provide the details of subsidy released by the State Govt. in respect of irrigation pump sets. The Subsidy allocation for the State is given by the Government in its Annual Budget.	
	viii.MESCOM has not given details of un-authorized IP sets.	As per MESCOM DCB there are no un-authorized IP sets
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The number of IP Sets is discussed in the relavant chapter	
	ix.MESCOM has not given specific consumption. The specific consumption is whims and fancies of MESCOM	The details for the calculation of IP specific consumption are provided in the compliance to the Directives chapter of tariff petition in Page No.19. The specific consumption assed for FY 22 is 4030 unit per IP.
	Commission's Views: The Commission notes the reply provided by MESCOM. The specific consumption is discussed in the relavant chapter.	
	x.MESCOM has not achieved segregation of technical and Commercial losses.	In the energy flow diagram, MESCOM has indicated the commercial and technical loss separately in page No 280 to 282. ATC loss is correlated with the distribution loss. However, it is to be indicated that ATC loss of MESCOM for FY22 is 9.02%.
	Commission's Views: The Commission notes the reply provided by MESCOM. However, for clarity, objector is requested to refer to the reply provided by MESCOM to the objection no.9 under MA-11.	
	xi.MESCOM has not given the avg. number of interruptions per	MESCOM regularly hosting the SAIFI and SAIDI details in the website.

	consumer and avg. duration of interruptions per consumer.	
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xii.Consumer indexing is not completed in MESCOM.	Consumer indexing to the extent of 97.12% is completed. Balance indexing work is under progress and it will be completed shortly.
	Commission's Views: The Commission directs MESCOM to complete the Consumer indexing 100% and comply with the directions issued under the head "Directive on Energy Audit" in the previous Tariff Orders.	
	xiii.Geographical positioning system is not completed in MESCOM.	In RAPDRP area of MESCOM GIS mapping network is done and in rural area GIS mapping is under progress in IPDS scheme.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xiv.Booking of vigilance cases by police is wrong. It is to be booked by assessing officer. Commission has to give clear direction.	The cognizable and non-cognizable cases are registered as per the Electricity Act by designated officer.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xv.Delayed payment charges to generators should not be passed on to consumers.	MESCOM has not incurred on any delayed payment charges to generators.
	Commission's Views: The Commission notes the reply provided by MESCOM. The Commission is not allowing interest on belated power purchase payments, except in case of specific orders by Courts.	
	xvi.Why MESCOM has not Accepted Ujwal DISCOMs Assurance Yojana (UDAY)?	MESCOM has entered into an agreement with MOP during 2016 for implementation of UDAY. However, as the losses of MESCOM were well within the limits, the UDAY was not taken up.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xvii. MESCOM has to use more and more hydel power.	Power purchase is based on the allocation given by GoK from time to time.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xviii. If Bidadi Power station is started, purchase of short term power will not arise. No mention about this in tariff proposal.	There is no PPA between MESCOM and Bidadi Power station.
	Commission's Views: The Commission notes the reply provided by MESCOM. Further, the non-availability of gas and high prices of gas is a matter of concern.	
	xix. MESCOM has proposed increase in FC to HT consumers even if the HT consumer establishes the infrastructure for his installation.	MESCOM has to ensure the reliable power supply up to the door step of HT consumer even though during the time when the power is not drawn from MESCOM grid. For this the cost involved in maintaining reliable power, fixed cost involved in the form of purchase of power

		along with other associated costs needs to be considered.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xx. MSME firms are suffering a lot as they are bearing the load of cross subsidy and requested to make separate tariff for small scale industries at Rs.1 lesser than other tariff.	There is a separate tariff classified as LT-5 and the same is already provided in the tariff schedule.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xxi. Software companies should be brought under Commercial Tariff.	The Hon'ble Commission may take its view in the matter.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM.	
	xxii. MESCOM may extend to give 300 units' free power as in Delhi	MESCOM being a part of the industry in general cannot give free power to any consumer category for the reason that, the cost is involved in purchase of power, development of electricity infrastructure, deployment of human resource etc., to provide the quality and reliable power supply at the door steps of consumers.
	Commission's Views: The Commission notes the reply provided by MESCOM. The matter relating to supply of free power is dependent on the Policy of the State Government.	
	7. CONTRIBUTION TO P&G FUND: The objector objects the recovery of contribution to P & G fund from consumers, as the Govt. is contributing so far.	MESCOM has not included any amount towards contribution to P&G of retired employees in its tariff proposal.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The issue is addressed appropriately in the KPTCL Order	
	8. Following are the statements of the objector under the head "GENERAL".	
	i. Commission should come out with short term and long term solution w.r.t. tariff.	Power purchase is based on the allocation given by GoK from time to time and in the prevailing socio-economic conditions continuing the cross subsidization is inevitable. The tariff is determined based on the average cost of supply duly considering the statutory provisions guiding determination of tariff, directions of the Govt., cross-subsidization, etc.,
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The Objector should indicate as to what are short-term and long-term solutions.	
	ii. The objector insisted for deployment of prepaid meters.	Providing prepaid meters to all installation except for IP is proposed in RDSS scheme.

	Commission's Views: The installation of pre-paid meter shall be as per the orders of the Commission.	
	iii. In the absence of 100% metering KERC should not allow cross subsidy in respect of un-metered category.	Except IP all other category of installations are metered in MESCOM jurisdiction. Further, in the prevailing socio-economic conditions continuing the cross subsidization is inevitable.
	Commission's Views: The Commission notes the reply provided by MESCOM. However, the MESCOM should comply with the Commission's directives on "Nirantara Jyothi – Feeder Separation" issued in earlier Tariff Orders in respect of IP set consumption.	
	iv. Substantial reduction in tariff is required for survival of industries in Karnataka.	MESCOM being a part of the industry in general cannot accept for substantial reduction in tariff, for the reason that, the cost is involved in purchase of power, development of electricity infrastructure, deployment of human resource etc., to provide the quality and reliable power supply at the door steps of consumers. These costs ought to be compensated properly in the tariff.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The industrial tariff and the concession extended to industries is discussed in the relevant chapter.	
	v. MESCOM should have its own generation of 2000 MW.	MESCOM is engaged in the business of retail supply of electricity. MESCOM being a public Ltd Company is purchasing power as per the power allocation issued by GoK.
	Commission's Views: The Commission notes the reply provided by MESCOM. MESCOM may consider having its own generation, as and when required, if the situation warrants.	
	vi. Requested the Hon'ble Commission to endeavor to balance cross subsidy while determining the tariff.	In the prevailing socio-economic conditions continuing the cross subsidization is inevitable.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The Commission, as per the provisions of Electricity Act, 2003, is balancing the interest of consumers as well as ESCOMs and is endeavoring to reduce the cross subsidy to +/- 20% of average cost of supply.	
	vii. Allocation of expensive PPAs to MESCOM is not in accordance with National Electricity Policy.	MESCOM being a public Ltd Company is purchasing power as per the power allocation issued by GoK.
	Commission's Views: The Commission notes the reply provided by MESCOM. Allocation of PPAs comes under the purview of the GoK.	
	viii. Open Access may be extended to the consumers drawing power below 1 MW also.	Hon'ble Commission has given an opportunity to purchase energy from Open access for the consumers having sanctioned load 100kW and above under Green Energy Open Access Regulations 2022.

	Commission's Views: As per the GEOA Regulations, consumers having sanction load / contract demand of 100kW and above are allowed open access. For transactions not coming under GEOA, 1-MW limit is continued.	
	ix. Bank Guarantee should be accepted instead of cash payments	If Bank Guarantees are accepted from the consumers, the consumer has to renew the same periodically and any additional security deposits are demanded by MESCOM, then additional Bank Guarantees are to be provided. MESCOM having around 26 lakh consumers. Maintain of these, demands in additional resources and cost, which again is to be passed on to tariff.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	x. Tariff should be brought down for small scale industries.	The proposal for revision of tariff is prepared based on the projected demand for electricity and the costs involved in meeting the electricity demand. In order to encourage the industries, the tariff is brought under LT-5 category.
	Commission's Views: The Commission notes the reply provided by MESCOM. The rebate to MSME is discussed in the relevant chapter.	
	xi. Objector requested commission to instruct MESCOM to supply Quality power to industries in rural area.	MESCOM has been providing quality and reliable power supply to rural areas also. Avg. reliability index of all 11 kV feeders is 92.97%.
	Commission's Views: The Commission notes the reply provided by MESCOM. However, the Commission directs MESCOM to improve their above reliability index.	
	xii. Commission should publish annual reports of ESCOMs performance	MESCOM itself is publishing the Annual Report every year under the provision of Companies Act 2013. It is made available in the official website www.mescom.karnataka.gov.in
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xiii. Excess spending by KPTCL on account of excess capacity addition should be disallowed as ESCOMs are passing these to the consumers.	Hon'ble Commission will take appropriate decision while determining the tariff for KPTCL.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	xiv. Fixed charges should be collected from IP consumers also.	Except for LT4(a) category fixed charges from all other category of IP are demanded as per the prevailing tariff order.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The matter is discussed in the relevant chapter	
	xv. Objector requested the Commission to re-negotiate with solar PPAs to reduce the earlier	Hon'ble Commission may take a view in the matter.

	PPA rates to present reduced rate.	
	Commission's Views: The Commission cannot interfere in already concluded contracts.	
	9. COMPARISON WITH OTHER STATES:	
	i. Even though abundant cheaper hydel power available in Karnataka the power tariff to the consumers are high.	The tariff depends not only the cost of hydro power but also on the cost of power purchase from other sources like thermal, atomic, solar, wind, etc., along with associated other costs for distribution of electricity.
	Commission's Views: The Commission notes the reply provided by MESCOM. The hydro power available in the State constitutes only 12% of the availability and the remaining power has to be met by other sources which are costly.	
	ii. APERC has not increased tariff of domestic consumers up to 500 units.	The tariff is proposed based on the proposed income and expenditure structure of MESCOM for FY 24, by considering the cross subsidization factor.
	Commission's Views: The Commission notes the reply provided by MESCOM. The tariff in one State is dependent on the cost structure of that State and the same cannot be compared with other States.	
	iii. During 2013-14 five states have not increased industrial tariff to encourage the industries. This year there should not be hike in industrial tariff.	The requirement of tariff revision has been explained in above different questions.
	Commission's Views: The Commission notes the reply provided by MESCOM. The cost structure differs from State to State and therefore tariff cannot be compared.	
	iv. Objector has stated that, tariff for industries in United States are around 3 per kWh. By quoting this objector requested to not to hike the HT tariff in order to compete in global market.	The tariff is proposed based on the proposed income and expenditure structure of MESCOM for FY 24, by considering the cross subsidization factor. However, MESCOM has proposed the reduced tariff for HT consumers for FY 24.
	Commission's Views: The Commission notes the reply provided by MESCOM. The tariff in one State is dependent on the cost structure of that State and the same cannot be compared with other States/ Countries.	
	10. Management of MESCOM may be entrusted to any public/private bidder who can supply energy to the consumers at the least tariff.	The minimum tariff is proposed every year by MESCOM based on the proposed income and expenditure structure duly considering the cross subsidization factor. However, entrustment of management of MESCOM to private bidder is policy matter of the Govt.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
4,5 & 6	MA-04 to MA-06	

	<p>MA-04: Sri.K.N. Veerandra Nayaka S/o Narasimha Nayaka, Buklapura Horabailu, Kuruvalli Post, Thirthahalli Taluk, Shivamoga – 577 432.</p> <p>MA-05: Sri. D.M. Manudev S/o D. Manappa Gowda, Devangi Village & Post, Thirthahalli Taluk, Shivamoga – 577 415.</p> <p>MA-06: Sri. K. Nagaraja Shetty S/o K. Sheenappa Shetty, Kondlu koppa village, Sankada Hole Post, Thirthahalli Taluk, Shivamoga – 577 432.</p>	
<p>1. ಕಳೆದ ಎರಡು ವರ್ಷಗಳಲ್ಲಿ ಕೋವಿಡ್-19 ರ ಬಾಧೆಯಿಂದ ಸಂಕಷ್ಟಕ್ಕೆ ಒಳಗಾದ ಜನರು ಜೀವನೋಪಾಯಕ್ಕೆ ಅವಲಂಬಿಸಿರುವ ಎಲ್ಲಾ ಸಣ್ಣ ಕೈಗಾರಿಕೆಗಳು ಹಾಗೂ ಉದ್ಯಮ ಮತ್ತು ಉತ್ಪಾದನಾ ಘಟಕಗಳು ಸುಧಾರಿಸಿಕೊಳ್ಳುತ್ತಿರುವಾಗ ವಿದ್ಯುತ್ ದರ ಏರಿಕೆ ಮಾಡಬಾರದು.</p>		<p>ಮೆಸ್ಕಾಂ ಮುಂದಿನ ಆರ್ಥಿಕ ವರ್ಷಕ್ಕೆ ಅಂದಾಜಿಸಿದ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚ, ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ, ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಮತ್ತು ಇತರೆ ವೆಚ್ಚಗಳನ್ನು ಪರಿಗಣಿಸಿ ಗೌರವಾನ್ವಿತ ಕ.ವಿ.ನಿ. ಆಯೋಗದ ದರಪಟ್ಟಿ ನಿಯಮಗಳು 2006 ರ ಅನುಸಾರ ವಿದ್ಯುತ್ ದರ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಸಿದ್ಧಪಡಿಸಿ ಗೌರವಾನ್ವಿತ ಆಯೋಗಕ್ಕೆ ಸಲ್ಲಿಸಲಾಗಿರುತ್ತದೆ. ಗೌರವಾನ್ವಿತ ಆಯೋಗವು ಸದರಿ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಪರಿಶೀಲಿಸಿ ನೀಡುವ ಆದೇಶಕ್ಕೆ ಮೆಸ್ಕಾಂ ಬದ್ಧವಾಗಿರುತ್ತದೆ.</p>
	<p>ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ವಿದ್ಯುತ್ ದರ ಪರಿಷ್ಕರಣೆ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ವಿಸ್ತಾರವಾಗಿ ಚರ್ಚಿಸಲಾಗಿದೆ.</p>	
<p>2. ಅವೈಜ್ಞಾನಿಕವಾಗಿ ವಿದ್ಯುತ್ ದರ ಏರಿಕೆಯಿಂದ ಜನರು ಹಾಗೂ ಎಲ್ಲಾ ಸಣ್ಣ ಕೈಗಾರಿಕೆಗಳು ಹಾಗೂ ಉದ್ಯಮ ಮತ್ತು ಉತ್ಪಾದನಾ ಘಟಕಗಳು ಮುಚ್ಚುವಂತೆ ಅಪಾಯವಿರುವ ಕಾರಣ ದರ ಏರಿಕೆ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಕೈಬಿಡಬೇಕು.</p>		<p>ಗೌರವಾನ್ವಿತ ಕ.ವಿ.ನಿ. ಆಯೋಗದ ದರಪಟ್ಟಿ ನಿಯಮಗಳು 2006 ರ ಅನುಸಾರ ವಿದ್ಯುತ್ ದರ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಸಿದ್ಧಪಡಿಸಿ ಗೌರವಾನ್ವಿತ ಆಯೋಗಕ್ಕೆ ಸಲ್ಲಿಸಲಾಗಿರುತ್ತದೆ ಮತ್ತು ಪ್ರತಿಯೊಂದು ವಿಷಯಗಳಿಗೆ ಅಂದಾಜಿಸಲಾಗಿರುವ ಖರ್ಚು ವೆಚ್ಚಗಳನ್ನು ಮಾನ್ಯ ಆಯೋಗವು ನಿಗದಿಪಡಿಸಿದ ಮಾರ್ಗಸೂಚಿಗಳಂತೆ ಲೆಕ್ಕಾಚಾರ ಮಾಡಲಾಗುತ್ತಿದೆ.</p>
	<p>ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ವಿದ್ಯುತ್ ದರ ಪರಿಷ್ಕರಣೆ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ವಿಸ್ತಾರವಾಗಿ ಚರ್ಚಿಸಲಾಗಿದೆ.</p>	
<p>3. ವಿದ್ಯುತ್ ದುರ್ಬಳಕೆ, ಕಳ್ಳತನ, ಸಾಗಣಾ ನಷ್ಟ ಇತ್ಯಾದಿ ನಿರ್ವಹಿಸಿದಲ್ಲಿ ದರ ಏರಿಕೆ ಸಮಸ್ಯೆ ಬರುವುದಿಲ್ಲ.</p>		<p>ವಿದ್ಯುತ್ ದುರ್ಬಳಕೆ ಮತ್ತು ಕಳ್ಳತನವನ್ನು ನಿಯಂತ್ರಿಸಲು ಆಯಾ ಶಾಖಾ ಮತ್ತು ಉಪ ವಿಭಾಗ ಮಟ್ಟದಲ್ಲಿ ಕ್ರಮ ಕೈಗೊಳ್ಳಲಾಗುತ್ತಿದೆ. ಅಲ್ಲದೇ ಇಂತಹ ಚಟುವಟಿಕೆಗಳನ್ನು ಪತ್ತೆಹಚ್ಚಲು ಮೆಸ್ಕಾಂನಲ್ಲಿ ಪ್ರತ್ಯೇಕವಾಗಿ ಜಾಗೃತದಳ ಸಕ್ರಿಯವಾಗಿ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿದ್ದು, 2021-22 ನೇ ಸಾಲಿನಲ್ಲಿ 1196 ಪ್ರಕರಣಗಳನ್ನು ದಾಖಲಿಸಿ ಒಟ್ಟು ರೂ.3.85 ಕೋಟಿ ಮೊತ್ತದ ದಂಡ ಶುಲ್ಕವನ್ನು ವಿಧಿಸಿ ಸಂಗ್ರಹಿಸಲು ಕ್ರಮವಹಿಸಲಾಗುತ್ತಿದೆ.</p> <p>ಮುಂದುವರಿದು, ಸಾಗಣೆ ನಷ್ಟ ಕಡಿಮೆ ಮಾಡುವ ಸಲುವಾಗಿ ಹಲವಾರು ವ್ಯವಸ್ಥೆ ಸುಧಾರಣೆ ಕಾಮಗಾರಿಗಳನ್ನು (ಉದಾ: 6741 ಸಂಖ್ಯೆ ಹೊಸ ಪರಿವರ್ತಕಗಳ ಸೇರ್ಪಡೆ, 2340.26 ಆರ್.ಕಿ.ಮೀ 11 ಕೆ.ವಿ ಮಾರ್ಗಗಳ ಸೇರ್ಪಡೆ, ಕ್ರಮವಾಗಿ 495.32 ಆರ್.ಕಿ.ಮೀ ಮತ್ತು 2077.7 ಆರ್.ಕಿ.ಮೀ ಹೆಚ್.ಟಿ ಮತ್ತು ಎಲ್.ಟಿ ಮಾರ್ಗಗಳ ವಾಹಕ ಬದಲಾವಣೆ, ಇತ್ಯಾದಿ...) ಕೈಗೊಂಡು 2021-22 ನೇ ವರ್ಷದಲ್ಲಿ ಶೇ.9.02 ಕ್ಕೆ ತಗ್ಗಿಸಲಾಗಿರುತ್ತದೆ.</p>

		ಇದರ ಹೊರತಾಗಿಯೂ ಮುಂದಿನ ಆರ್ಥಿಕ ವರ್ಷಕ್ಕೆ ಅಂದಾಜಿಸಿದ ವಿದ್ಯುತ್ಪರಿದಿವೆಚ್ಚ, ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ, ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಮತ್ತು ಇತರೆ ವೆಚ್ಚಗಳನ್ನು ಪರಿಗಣಿಸಿ ವಿದ್ಯುತ್ ದರ ಪರಿಷ್ಕರಣೆಗೆ ಪ್ರಸ್ತಾಪಿಸಲಾಗಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ವಿದ್ಯುತ್ ಸಾಗಾಣಿಕೆ ನಷ್ಟವನ್ನು ಸಂಬಂಧಿತ ಅಧ್ಯಾಯದಲ್ಲಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	
4. ನೀಡಿದ ಭರವಸೆಯಂತೆ ಗುಣಮಟ್ಟದ ವಿದ್ಯುತ್ ಸರಬರಾಜು ಮಾಡುತ್ತಿಲ್ಲ. ತಂತಿಗಳು ವಿದ್ಯುತ್ ಸರಬರಾಜು ಮಾಡುವ ಸಾಮರ್ಥ್ಯ ಹೊಂದಿರುವುದಿಲ್ಲ.	ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರಿಗೆ ಉತ್ತಮ ಗುಣಮಟ್ಟದ ಅನಿಯಮಿತ ವಿದ್ಯುತ್ ಸರಬರಾಜು ಮಾಡುವ ನಿಟ್ಟಿನಲ್ಲಿ ಹಲವಾರು ವ್ಯವಸ್ಥೆ ಸುಧಾರಣೆ ಕಾಮಗಾರಿಗಳನ್ನು ಮಾಡುವುದರ ಜೊತೆಗೆ ವಿದ್ಯುತ್ ಅಡಚಣೆಗಳನ್ನು ತಡೆಗಟ್ಟಲು ಕಾಲಕಾಲಕ್ಕೆ ಹೆಚ್.ಟಿ./ಎಲ್.ಟಿ. ವಿದ್ಯುತ್ ಮಾರ್ಗಗಳನ್ನು ಮತ್ತು ಪರಿವರ್ತಕ ಕೇಂದ್ರಗಳನ್ನು ನಿರ್ವಹಣೆ ಮಾಡುತ್ತಿದೆ. 2021-22 ನೇ ಸಾಲಿನಲ್ಲಿ ಕ್ರಮವಾಗಿ 495.32 ಆರ್.ಕಿ.ಮೀ ಮತ್ತು 2077.7 ಆರ್.ಕಿ.ಮೀ ಹೆಚ್.ಟಿ ಮತ್ತು ಎಲ್.ಟಿ ಮಾರ್ಗಗಳ ಹಳೆಯದಾದ ತಂತಿಗಳನ್ನು ಕಳಚಿ ಹೊಸ ತಂತಿ ಅಳವಡಿಸುವ ಕಾಮಗಾರಿಯನ್ನು ನಿರ್ವಹಿಸಲಾಗಿರುತ್ತದೆ. ಹೆಚ್ಚುವರಿಯಾಗಿ, 2022-23 ನೇ ಸಾಲಿನಲ್ಲಿ ಡಿಸೆಂಬರ್ ವರೆಗೆ ಸುಮಾರು 66,396 ಪರಿವರ್ತಕಗಳನ್ನು ನಿರ್ವಹಣೆ ಮಾಡಲಾಗಿರುತ್ತದೆ ಮತ್ತು 275.77 ಆರ್.ಕಿ.ಮೀ ಹೆಚ್.ಟಿ ಮತ್ತು 984.33 ಆರ್.ಕಿ.ಮೀ ಎಲ್.ಟಿ ಮಾರ್ಗಗಳ ಹಳೆಯದಾದ ತಂತಿಗಳನ್ನು ಕಳಚಿ ಹೊಸ ತಂತಿ ಅಳವಡಿಸುವ ಕಾಮಗಾರಿಯನ್ನು ನಿರ್ವಹಿಸಲಾಗಿರುತ್ತದೆ.	
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
5. ಕೈಗಾರಿಕೆ, ವಾಣಿಜ್ಯ ಮತ್ತು ಗೃಹ ಬಳಕೆಯ ಗ್ರಾಹಕರಿಗೆ ನಿಗದಿತ ಶುಲ್ಕ ಏರಿಕೆ ಮಾಡಬಾರದು.	ಗೌರವಾನ್ವಿತ ಕ.ವಿ.ನಿ. ಆಯೋಗದ ದರಪಟ್ಟಿ ನಿಯಮಗಳು 2006 ರ ಅನುಸಾರ ವಿದ್ಯುತ್ ದರ ಪರಿಷ್ಕರಣೆಯ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಸಿದ್ಧಪಡಿಸಲಾಗಿದೆ ಮತ್ತು ಮತ್ತು ಪ್ರತಿಯೊಂದು ವಿಷಯಗಳಿಗೆ ಅಂದಾಜಿಸಲಾಗಿರುವ ಖರ್ಚು ವೆಚ್ಚಗಳನ್ನು ಮಾನ್ಯ ಆಯೋಗವು ನಿಗದಿಪಡಿಸಿದ ಮಾರ್ಗಸೂಚಿಗಳಂತೆ ಲೆಕ್ಕಾಚಾರ ಮಾಡಲಾಗುತ್ತಿದೆ. ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಸರಬರಾಜು ಪ್ರಕ್ರಿಯೆಯಲ್ಲಿ ಪ್ರಮುಖವಾಗಿ ತಗಲುವ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚವನ್ನು ಮತ್ತು ತತ್ಸಂಬಂಧವಾದ ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ ಮತ್ತು ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಸೇರಿದಂತೆ ನಿಗದಿತ ವೆಚ್ಚಗಳನ್ನು ಸರಿದೂಗಿಸುವ ಸಲುವಾಗಿ ನಿಗದಿತ ದರಗಳ ಏರಿಕೆಗೆ ಪ್ರಸ್ತಾಪಿಸಲಾಗಿರುತ್ತದೆ. ಮೆಸ್ಕಾಂ ಮಾನ್ಯ ಆಯೋಗದ ಅಂತಿಮ ಆದೇಶಕ್ಕೆ ಬದ್ಧವಾಗಿರುತ್ತದೆ.	
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ದರ ಪರಿಷ್ಕರಣೆ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ವಿಸ್ತಾರವಾಗಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	

	<p>6. ಪ್ರಸರಣಾ ಮಾರ್ಗಗಳ ಅಕ್ಕ ಪಕ್ಕದಲ್ಲಿರುವ ಮರಗಳನ್ನು ಕಾಲ ಕಾಲಕ್ಕೆ ಕಡಿಯದೇ ಇರುವುದರಿಂದ ಮುಂಗಾರು ಅವಧಿಯಲ್ಲಿ ಗಾಳಿ ಮಳೆಗೆ ಕಂಬ ಹಾಗೂ ತಂತಿಗಳು ತುಂಡಾಗಿ ವಿದ್ಯುತ್ ಪೂರೈಕೆಯಲ್ಲಿ ಅಡಚಣೆಯಾಗಿ ಕಂಪೆನಿಗೂ ನಷ್ಟವಾಗುತ್ತದೆ.</p>	<p>ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರಿಗೆ ಉತ್ತಮ ಗುಣಮಟ್ಟದ ಅನಿಯಮಿತ ವಿದ್ಯುತ್ ಸರಬರಾಜು ಮಾಡುವ ನಿಟ್ಟಿನಲ್ಲಿ ಹಲವಾರು ವ್ಯವಸ್ಥೆ ಸುಧಾರಣೆ ಕಾಮಗಾರಿಗಳನ್ನು ಮಾಡುವುದರ ಜೊತೆಗೆ ವಿದ್ಯುತ್ ಅಡಚಣೆಗಳನ್ನು ತಡೆಗಟ್ಟಲು ಕಾಲಕಾಲಕ್ಕೆ ಹೆಚ್.ಟಿ./ಎಲ್.ಟಿ. ವಿದ್ಯುತ್ ಮಾರ್ಗಗಳನ್ನು ನಿರ್ವಹಣೆ ಮಾಡುತ್ತಿದೆ. ಆ ಪ್ರಕಾರ 2022-23 ನೇ ಸಾಲಿನಲ್ಲಿ ಈ ವರೆಗೆ 8860.95 ಕಿ.ಮೀ. ಹೆಚ್.ಟಿ ಮಾರ್ಗ ಹಾಗೂ 10,572.60 ಕಿ.ಮೀ. ಎಲ್.ಟಿ ಮಾರ್ಗಗಳ ಬದಿಯಲ್ಲಿ ತಂತಿಗಳಿಗೆ ತಾಗುವಂತಿದ್ದ ಮರಗಳ ರೆಂಬೆ ಕೊಂಬೆಗಳನ್ನು ಕಡಿತ ಗೊಳಿಸಲಾಗಿದೆ. ಆದಾಗ್ಯೂ ಪ್ರಕೃತಿ ವಿಕೋಪಗಳಿಂದಾಗುವ ವಿದ್ಯುತ್ ಅಡಚಣೆಗಳನ್ನು ಸರಿಪಡಿಸಿ ಸರಬರಾಜನ್ನು ಮರು ಸ್ಥಾಪಿಸುವಲ್ಲಿ ಭರಿಸಿದ ಖರ್ಚುಗಳನ್ನು ಅನಿವಾರ್ಯವಾಗಿ ಸರಿದೂಗಿಸಬೇಕಾಗಿರುತ್ತದೆ.</p>
	<p>ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಮೆಸ್ಕಾಂ ಸೂಕ್ತಕ್ರಮ ಕೈಗೊಳ್ಳತಕ್ಕದ್ದು.</p>	
	<p>7. ಸಂಪನ್ಮೂಲಗಳಿಂದ ವಿದ್ಯುತ್‌ನ್ನು ಉತ್ಪಾದಿಸಲು ಇನ್ನೂ ಸರಿಯಾಗಿ ಆಗುತ್ತಿಲ್ಲ. ಈ ಕಾರಣದಿಂದ ಹೆಚ್ಚುವರಿ ವಿದ್ಯುತ್ಪರೀದಿ ಬೆಲೆಯನ್ನು ಗ್ರಾಹಕರು ತೆರಬೇಕಾಗುತ್ತದೆ.</p>	<p>ವಿವಿಧಮೂಲಗಳಿಂದ ಮಾನ್ಯ ಕೇಂದ್ರೀಯ / ರಾಜ್ಯ ಆಯೋಗದಿಂದ ನಿಗದಿಪಡಿಸಿದ ವಿವಿಧ ದರಗಳಲ್ಲಿ ಖರೀದಿಮಾಡಿರುವ ವಿದ್ಯುತ್ಪರಿಮಾಣ ಮತ್ತು ವೆಚ್ಚಗಳ ಬಗ್ಗೆ ಜಕಾತಿ ಪರಿಷ್ಕರಣಾ ಅರ್ಜಿಯಲ್ಲಿ ಮೆಸ್ಕಾಂ ಪೂರ್ಣ ವಿವರಗಳನ್ನು ನೀಡಿದ್ದು, ಇದನ್ನು ಗೌರವಾನ್ವಿತ ಆಯೋಗವು ಪರಿಶೀಲಿಸಿ ನೀಡುವ ಆದೇಶಕ್ಕೆ ಮೆಸ್ಕಾಂ ಬದ್ಧವಾಗಿರುತ್ತದೆ.</p>
	<p>ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.</p>	
<p>7</p>	<p>MB-01: Sri. Pramod N Shanbagh, Manager (Electrical Maintenance), Bhadra Paper Mills Ltd., No.23/14, 2nd floor, Jalasambhavi Complex, 1st Main road, Gandhinagar, Bangalore-560009</p>	
	<p>1. Tariff Proposal of MESCOM is not at all encouraging and MESCOM has not studied global situation.</p>	<p>In this regard, it is to be submitted that in order to provide quality power supply to its consumers, MESCOM has to purchase electricity from the various generators and maintain / upgrade the electrical network at the optimum level from time to time. In view of this, MESCOM has estimated its revenue requirements for the financial year 2023-24 as per the provisions of KERC regulations and submitted its proposal before the Hon'ble Commission seeking revision of power tariff.</p>
	<p>Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The tariff proposal and the Commission's views are elaborately discussed in this order.</p>	
	<p>2. In the proposal the demand charges for HT2a category has been raised to Rs. 450/kVA from</p>	<p>It is for kind information that, MESCOM has submitted the tariff revision proposal for FY 24 by projecting the power purchase cost, depreciation cost, interest and finance charges, O&M expenses etc., that are going to</p>

	Rs.265/kVA, which is very high to any consumer to bear;	be incurred for supply of energy against the projected energy demand. These projections are made well within the framework as per the guidelines notified by the KERC. The proposed demand charges are quite reasonable and required to meet the above expenses. Further, proposed energy charges are considerably very low compared to existing tariff.
	Commission's Views: The Commission notes the reply provided by MESCOM. The fixed charges are discussed in the relevant chapter.	
	3. We have the captive Solar plant of 2 MW and also consuming the MESCOM energy. Captive energy gets adjusted in the monthly bill. In this situation, if demand charges are also raised we will suffer a lot.	With regard to the application of demand charges despite having solar captive plant, it may kindly be noted that, the solar power plant cannot run without the MESCOM grid connectivity and restricted to solar hours only and your solar power plant is also connected to the MESCOM Grid. As such, MESCOM has to ensure the reliable power supply up to your plant even though power is not drawn from MESCOM grid. MESCOM on the other hand is providing alternate source of power at the door step of your plant. As such the cost is involved in these arrangements and MESCOM has no scope to exempt your plant load from demand charges under the present supply regulations of the Hon'ble Commission.
	Commission's Views: The Commission notes the reply provided by MESCOM. The Commission notes the reply provided by MESCOM. The fixed charges are discussed in the relevant chapter.	
8 & 9	MA-07 and MA-08 MA-07: Sri. K.N. Venkatagiri Rao, Member Consumer' Forum, Brasam Building, Nehru Field, Sagar – 577401 MA-08: Sri. Subramanya T.G. Talamakki, Kuduregundi Post, Koppa Taluk, Chikkamagaluru Dist-577127	
	1. The objector has requested Commission for third party verification of the MESCOM performance on compliance to directives	In this regard, it is to be submitted that the Commission is issuing directives to ESCOMs on all the issues affecting consumers and also periodically reviewing the same.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	2. The objector has expressed concern over the dearth of manpower in MESCOM for delivering services to the consumers particularly in rural areas.	It is to be submitted that MESCOM has kept continues focus on optimal utilization of existing manpower and at the same time efforts are being made to reduce the vacancies at cutting edge and maintenance level.
	Commission's Views: The Commission notes the reply provided by MESCOM.	

	<p>3. The objector has stated that there is necessity of analyzing the electrical accident cases in detail for taking preventive measures to prevent the same.</p>	<p>It is to be submitted that MESCOM is committed to take action for prevention of electrical accidents by identifying the hazardous locations and rectifying the same on time. In the financial year 2020-21 about 2458 hazardous locations were identified and rectified. This being a continuous task, during the current financial year also about 1845 hazardous locations (as at the end of Dec-2021) rectified.</p>
<p>Commission's Views: The Commission, reiterates its directive in its earlier Tariff Orders that the MESCOM shall continue to take adequate measures to identify and rectify all the hazardous locations / installations existing in its distribution system under an action plan to prevent and reduce the number of electrical accidents occurring in its distribution system. Any lapse on the part the concerned officers / officials should entail them to face disciplinary action. Further, Directive on use of safety gear by linemen / Power men provided in earlier Tariff Orders needs to be complied.</p>		
	<p>4. Responsiveness of consumers to Janasamparka Sabhas are poor. The objector states that awareness building programs to be conducted to consumers regarding the legal courses available to them.</p>	<p>In this regard, it is to be submitted that there might be lesser public participation in the consumer interaction meetings. However, in the 3rd quarter of current financial year 365 consumer interaction meetings have been conducted where about 880 complaints have been attended.</p>
<p>Commission's Views: MESCOM is directed to see that Janasamparka Sabhas are held as per prevailing regulations without fail.</p>		
	<p>5. The centralized consumer complaint center has only outsourced staff. They did not have any powers or responsibilities. Therefore, MESCOM has failed in its duty in institutionalizing a consumer friendly grievance redressal system.</p>	<p>In this regard, it is to be submitted that, the central consumer complaint cell, as the name itself indicates, is only integrated software driven communication platform. Its role is to facilitate communication of the complaints received from the consumers to the concerned section level officers and to notify the compliance communicated from the section level officers to the respective complainant. Earlier the consumers were used to contact the service stations of their jurisdiction which were having different telephone / mobile numbers for different areas causing unnecessary embarrassment in contacting the concerned. Now the integrated unique help line No.1912 has been provided for hassle free complaint lodging. This helpline numbers are being notified extensively for the information of the general public. It is for your kind information that, the consumer complaint center is working under the supervision of Superintending Engineer (Ele).</p>

		Further, for redressal of consumer grievance multi-level redressal system has been provided in the regulations notified by KERC. The same is delivering the required solutions to the consumer grievances effectively.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	6. The Commission has stopped the office of consumer advocacy cell (OCA) working under it. Appeals the commission to start the functioning of OCA.	In this regard, it is to be submitted that the Hon'ble Commission may take a view on the above.
	Commission's Views: This is an administrative matter of the Commission. The Commission will deal with this matter separately.	
	7. The enormous hike in fixed charges is baseless and is demanding data from the year 1960s, so as to express opinion on the subject.	It is to be submitted that, the proposal for revision of tariff is prepared based on the projected demand for electricity and the costs involved in the meeting the electricity demand. The proposal for revision of tariff is submitted well within the framework of prevailing tariff regulations notified by the Hon'ble Commission. As such, it is to inform that, past data from 1960s are not necessary at this juncture.
	Commission's Views: The Commission notes the reply provided by MESCOM. The Commission would like to inform the objector that, the Commission is following prescribed Regulations and is considering the public objections before issuance of every Tariff Order. The matter of FC is discussed in the relevant chapter.	
	8. While quantifying the FC, regulator has to take into consideration the issue of power outages- both scheduled and unscheduled. No FC shall be charged during unused period of network	It is to be submitted that, the power supply infrastructure to be provided and maintained by MESCOM for ensuring uninterrupted power supply involves huge amount of capital cost. In view of this, levy of FC is inevitable irrespective of power outages.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM.	
	9. Commission shall not allow the respondent to pass on the pension portion of the expenditure on consumers.	In this regard, it is to be submitted that, MESCOM has not factored the pension portion of retired employees in the tariff revision proposal.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. This matter has been dealt with suitably in the tariff order of KPTCL.	
10	MA-09: Sri. M. Lokaraj, Secretary General, Federation of Karnataka Chambers of Commerce Industry, KG Road, Bengaluru – 560 009	

	<p>1. The objector requested the Honb'le Commission not to entertain the Tariff Petition for the reason that, the petition is filed without due approval of the Board. The petitioner has pointed by referring different judgments that, the authorizations are not valid if they are not duly stamped. The petitioner has further raised the point that, the regulations of the KERC is silent about the way of authorization.</p>	<p>As per KER's Consumer Guide to Electricity tariff determination, at page 3, under the head 'tariff proceedings', has been stated that: "The details of the proposed investments, calculations of the ERC in the formats prescribed by the Commission have to be filed by the Licensee in SIX sets, signed by an authorized officer of the licensee who shall be responsible for verifying and certifying the correctness thereof." Further, chapter 2 of The Karnataka Electricity Regulatory Commission (Tariff) Regulations, 2000 provides that tariff application should be filed in accordance with serial No.7 of ERC and Tariff Filing, the same is reiterated.</p> <p><i>"(7) The details of calculations of ERC in the formats in Annexure I have to be filed by the Licensee in 6 sets with each format being signed by an authorized officer of the Licensee who shall be responsible for verifying and certifying the correctness thereof. In addition to the hard copies of the ERC formats, the Licensee has also to furnish the said formats in Electronic forms in diskettes using the MS Excel spread sheet package"</i></p> <p>Further, as per Section 21 of Companies Act, 2013 [CA,2013]: a document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any Key Managerial Personnel ["KMP"] or an Officer or Employee of the company duly authorized by the Board in this behalf.</p> <p>As per Section 2(59) of CA, 2013 "officer" includes any director, manager or KMP or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the directors is or are accustomed to act.</p> <p>As pe Section 2(51) of CA, 2013 "KMP", in relation to a company, means:</p> <ol style="list-style-type: none"> 1. The Chief Executive Officer or the managing director or the manager; 2. The Company Secretary; 3. The Whole-time director; 4. The Chief Financial Officer
--	---	--

		<p>5. Such other officer, not more than one level below the directors who is in whole-time employment, designated as KMP by the Board</p> <p>From the above mentioned definitions, prima facie we come to a conclusion that the following persons can authenticate documents, contracts and proceedings on behalf of the Company:</p> <ol style="list-style-type: none"> 1. Directors 2. Manager 3. Chief Executive Officer 4. Chief Financial Officer 5. Company Secretary 6. Any officer reporting to a whole-time director being designated as KMP 7. Any employee duly authorized by the Board. <p>Hence, it can be said that Directors and KMPs are deemed signatories for signing or executing documents and contracts in the name of a company without any further authorization by the Board. Whereas if an "officer" other than a Director or KMP were to sign or execute a document or a contract, then express authorization to that effect is required by the Board to enable that "officer" to be an "Authorized Signatory".</p> <p>In the 76th Board of Directors meeting held on 19.09.2019, it has been resolved that the Superintending Engineer (Ele)(Coml) has been authorized to represent the Company, to sign affidavits, pleadings, statements to furnish required documents/letters on behalf of MESCOM.</p> <p>The authorization given by the Board to represent the Company cannot be considered as power of attorney as such authorization is mere representation by the employee of the Company.</p> <p>Power of attorney relates to a document of authorization where Company authorizes a separate entity of another Company to transact on its behalf.</p>
--	--	---

		The authorization by the Board of Directors is not an instrument that is chargeable with the stamp duty. Therefore, there is no applicability of section 34.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The issue is being raised every year and the objectors are required to verify the facts before submitting the objections.	
	2. The petitioner has pointed that, the ARR /APR is not filed based on Audited Accounts.	<p>It is submitted that, as per KERC (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006, MESCOM shall file an application for determination of tariff for any financial year not less than 120 days before the commencement of such financial year in the form specified in KERC (Tariff) Regulations.</p> <p>Since the tariff proposal is to be submitted prior to 120 days from the date of closure of the financial year and as the audit was not completed at that time, the tariff proposal is submitted based on provisional accounts. And subsequently on completion of audit, the Annual Financial Statements for FY22, are submitted to the Commission on 23.12.2022 as a part of reply to the Preliminary Observations on the Tariff proposal.</p> <p>Audited accounts are also available at the website of MESCOM.</p>
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	<p>3. The petitioner has pointed that, the tariff proposal is unreliable. There is no framework by the Commission for reduction of Cross Subsidy. Further it is pointed by referring the APTEL judgment dated 08.10.2014 that, the GoK has no authority for allocation of power among ESCOMs after unbundling from erstwhile KEB as KPTCL.</p> <p>It is pointed further by the petitioner that, Cross subsidy is to be nullified by the end of 2010-11 as per the tariff policy and have to ensure that, the tariffs are within +/- 20% of average cost of supply.</p>	<p>With regard to Cross subsidy it is submitted that, the tariff revision proposal is submitted before the Hon'ble Commission in line with the policy guidelines issued by the Commission w.r.t. the same. The category wise cross subsidy is submitted in annexure 5(a) and 5(b) of tariff revision proposal of MESCOM.</p> <p>With regard to the authority of GoK in Power Allocation it is submitted that, in compliance with the provisions of Section 39 of the Electricity Act, 2003, the Government of Karnataka vide Order No. EN 131 PSR 2003 dated 10th May 2005 transferred the rights relating to trading of electricity from KPTCL to five Electricity Supply Companies established by GOK viz BESCO, HESCO, MESCOM, GESCOM and CESC Mysore w.e.f. 10th June 2005.</p>

	<p>The Principle of determination of cross subsidy is not followed by the applicant.</p>	<p>Further in exercise of the powers conferred under Section 131 of the Electricity Act, 2003, read with KER Act and Rules made there under and also provisions contained in the respective PPAs, GOK has reassigned the capacities in Central Generating Stations and major conventional IPPs including DG power plant, Yelahanka, of VVNL and the NCES projects to five Electricity Supply Companies as per the percentage stipulated in the Government of Karnataka notification No. EN 131 PSR 2003 dated 06-07-2005.</p> <p>The above Orders and its amendments are issued by GoK so that the ESCOMs shall place and continue to maintain Payment Security Mechanism which is required to be maintained as per the provisions contained in the PPAs, commensurate with the quantum of power allotted/purchased by each of the ESCOMs.</p> <p>Further the GOK Guarantee provided to IPPs if any shall continue to be in force as if the Guarantee is for the power purchased by ESCOMs in place of KPTCL/KEB.</p> <p>Presently for FY2022-23, the share of power allocated to MESCOM has been revised vide GoK Order dated 29.03.2022 and KERC Tariff Order 2022, dated 04.04.2022.</p>
	<p>Commission's Views: The Commission notes the reply provided by MESCOM. It has been the endeavor of the Commission to fix the cross subsidies to the desired level of +/- 20% and it has achieved the same in most of the tariff categories except the LT & HT Commercial consumers. In the given circumstances the levy of cross subsidy within framework of Tariff Policy is inevitable. The allocation of power comes under the purview of GoK.</p>	
	<p>4. The petitioner by referring the KERC Tariff Order 2000 has objected the proposal for levy of Grid Support Charges, for the reason that, there is no clear definition the term "Captive Power Plant" and there is no identifiable cost so as to levy the Grid Support Charges.</p>	<p>The bulk consumers were given supply on high voltage and extra high voltage levels. The contract demand of the bulk consumers with the utility used to be large enough to take care of the return on investment (RoI) made on the infrastructure by the utility.</p> <p>The shortage of power coupled with imposition of power cut on the bulk consumers resulted in many of bulk consumers in setting up captive power plants (CPP) for their use. The encouragement given by the Government and the Authorities by way of tax concessions, tariff concessions etc has resulted in reduction in</p>

		<p>cost of supply to these consumers and they preferred CPP for their requirement rather than grid supply. Also, the cost of supply from CPP is lower compared to that of grid supply from the utility due to the absence of the cross subsidy element and also relaxation in paying electricity taxes.</p> <p>The cost of providing infrastructure to maintain reliability and stability is not fully recovered due to non-accounting of reliability and stability cost which are not forming part of the tariff. This has resulted in utilities not giving sufficient importance to these concerns.</p> <p>In real time operation of the grid, the generation must balance the load. In case of sudden spikes in load caused by the CPPs, variation in the system frequency and voltage is observed. The system operator has to regulate this frequency and voltage by way of additional real and reactive power generation. In some cases, since the grid has large inertia compared to the CPPs, the frequency and voltage variations caused by CPPS to the system, as a whole is not very significant and hence it goes unaccounted.</p> <p>However, the grid support being an additional service extended by the utility to the consumers, it has to be charged to the consumers who utilize the grid support.</p> <p>Hence, MESCOM is proposing 243 paise/kWh from the captive consumers of MESCOM who are utilizing MESCOM grid.</p>
	<p>Commission's Views: The Commission notes the reply furnished. The grid support charges as determined by the Commission and as applicable shall be levied.</p>	
	<p>5. The petitioner has objected the proposed hike in fixed charges in respect of HT consumers and referred the Tariff Order 2000 dated 18.12.2000 to say that, the increase in FC without the guaranteeing the power supply will lead to neglect the customer service.</p>	<p>In this regard it is submitted that, the Commission may take its view in the matter.</p>

	It is suggested by the petitioner that, FC is to be levied also to IP set category and BJ & KJ Consumers. It is pointed that, the draft amendments to tariff policy- 2016 referred as justification for proposed hike in FC is only a proposal put forward in 2018 and is not yet finalized.	
	Commission's Views: The Commission has dealt with the matter suitably in this Tariff order.	
	6. Discontinuance of Special Incentive Scheme is objected by the petitioner.	In this regard it is submitted that, in the ERC the proposed tariff for HT-2a consumers itself is Rs.6. Hence, the incentive scheme proposed for withdrawal. The Commission may take its view in the matter.
	Commission's Views: The Commission has dealt with the matter suitably in this Tariff order.	
	7. Discontinuance of Solar Rebate is objected by the petitioner.	Solar Rebate for LT-2(a) was introduced to encourage usage of environmental friendly energy i.e., solar energy and also aimed to reduced morning peak. Now in the changed scenario of increased RE power composition in the total mix and also the strengthened and highly stabled distribution network, it is not desirable to continue this rebate. As such, it is requested to remove the same. The Hon'ble Commission may take its view in the matter.
	Commission's Views: The Commission has dealt with the matter suitably in this Tariff order.	
	8. The Comment made in Sl. No (9.1.1 to 9.1.2) is relating to CESC. In Sl No 9.2 The petitioner has submitted that, the Jurala Power Purchase Cost is not approved by KERC.	In this regard it is to submit that, the power purchase cost from Jurala Power Projects is admitted as per the approved tariff orders issued by the Hon'ble Commission in every year.
	Commission's Views: All the power purchase costs are being approved in the tariff orders issued by the Commission from time to time.	
	9. RPO High- Cost Energy: Objection filed to BESCO	The same is noted.
	Commission's Views: The Commission also notes the above.	

	10. Wheeling Charges and Cross Subsidy surcharges not shown in the revenue of the applicant.	In this regard it is to submit that, the wheeling charges are adjusted in kind. Hence it will not come in the annual accounts. However, the payment w.r.t. net energy banked if any is booked as power purchase cost.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM.	
	11. Exorbitant increase in temporary Power tariff	The tariff proposal is submitted based on the proposed cost like Power purchase cost, depreciation, interest and finance Charges etc. that are expected to be incurred for meeting the expected demand of electricity. The Commission will ultimately decide the tariff against each consumer category.
	Commission's Views: The Commission has dealt with the matter suitable in the order.	
	12. Computation of wheeling Charges by clubbing of wheeling charges for renewable and non-renewable energy sources by MESCOM is objected by the petitioner.	In this regard it is to submit that, the wheeling charges are adjusted in kind.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. Wheeling charges are discussed in the relevant chapter	
	13. The petitioner has suggested not to collect the additional surcharge	In this regard it is to submit that, the Hon'ble Commission will take its view.
	Commission's Views: The Commission has dealt with the matter suitably in this Tariff order.	
	14. Violation of KERC (Tariff) regulations, 2000 by not providing the statement of any subsidy committed by the Govt. along with the tariff application.	The tariff petition is filed in line with the prevailing regulations in the matter.
	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. However, the Commission directs the MESCOM to provide the details of subsidy released by the State Govt. in respect of irrigation pump sets to the objector.	
	15. Discrepancies in Consumer Security Deposit – Objection filed to BESCO	Noted
	Commission's Views: The Commission also notes the above.	
	16. Non Compliance of directives issued by the Hon'ble Commission.	MESCOM has submitted a detailed chapter in its tariff application regarding compliance to Commission's directive. The objector is not

		specific has to which directive, MESCOM has not complied with.
	Commission's Views: Compliance of directives has been dealt with in the tariff Order and the objector may go through the same in detail.	
	17. Counter averments made in APR, ARR & Tariff filings: APR and Transmission Tariff proposals of KPTCL were not opposed by MESCOM.	The objections are made on the tariff petition of KPTCL.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	18. Assumption of Power Consumption under IP set category.	MESCOM has submitted that details of methodology adopted for assessment of IP consumption explained in Page 19 to 20 under the Compliance to directives.
	Commission's Views: The Commission notes the reply provided by MESCOM. IP Set consumption is discussed in the relevant chapter.	
	19. Cost Audit report - Objection filed to BESCO.	Noted
	Commission's Views: The Commission also notes the above.	
	20. Scrutiny of Accounts of the Applicant.	MESCOM has submitted the audited accounts of the Company to the Hon'ble Commission.
	Commission's Views: The Commission has considered the audited accounts for FY22 to undertake APR for FY22.	
	21. Objection No 23. To 34. are filed to BESCO	Noted
	Commission's Views: The Commission also notes the above.	
	22. The objector by referring the decision of KERC in OP 25/2015/07.01.2016 that the tariff determination process is an inquisitorial proceeding. Hence the Commission has to probe all the issues submitted in the objections.	In this regard it is to submit that, the Hon'ble Commission will take its view.
	Commission's Views: The Commission notes the above objection and the Commission requests the objector to go through the preliminary observations raised by the Commission in respect of Tariff Petition filed by the MESCOM, wherein the Commission has made several observations concerning the tariff application filed by MESCOM.	

	23. The Objector has requested for personal hearing	In this regard it is to submit that, the Hon'ble Commission will take its view.
	Commission's Views: The Commission notes the above request of the objector and any representations/objections received within the timeline will be considered appropriately by the Commission and the Commission also holds Public hearing, where stakeholders can participate in person and submit their views.	
11, 24 to 32	MA-10 and MB-02 to MB-10	
	<p>MA-10: Sri. Sathyanarayana Udupa, District General Secretary, Bharathiya Kisan Sangha Karnataka Pradesh (R), Udupi Jilla Samiti, 1st Floor, Vasuki Towers, Court Road, Udupi – 576 101.</p> <p>MB-02: Sri. Govinda Raj Bhat s/o Keshava Bhat, Moorsalu Mane, Kadthala Grama, Karkala Taluk, Udupi – 574108</p> <p>MB-03: Sri. B. Shekar Sheety S/o Gopal Shetty, Prema Kuteera, Neere Saagu, Bhailooru, Karkala Taluk, Udupi – 574102</p> <p>MB-04: Sri. Sukshith Shetty S/o Sudhakar Shetty, Mittuttu House, Marne Village, Karkala Taluk, Udupi - 574101</p> <p>MB-05: Sri. Naveen Chandra Jain S/o Ananth Raju Madya, Padumane, Nitti Village, Karkala Taluk, Udupi District.</p> <p>MB-06: Sri. Shrinivas Bhat S/o Parameshwar Bhat, Sadhana Post, Iravatturu, Karkala Taluk, Udupi - 574114</p> <p>MB-07: Sri. K.P. Bhandary S/o Chikkaiah Bhandary, Kedinje Village & Post, Karkala Taluk, Udupi District.</p> <p>MB-08: Sri. Gangadhar R S/o Raju Poojari, Sai Meera, 4th Cross, Kuntlaapadi, Karkala Taluk, Udupi - 574104</p> <p>MB-09: Sri. Chandrahasa Shetty S/o Late Sri. Maindhu Shetty, "Bhandvya", Kaachooru, Inna Village & Post, Karkala Taluk, Udupi District.</p> <p>MB-10: Sri. Deepak Pai S/o Vishwanath, #1-65, Moodu Palimaaru, Palimaaru Post, Kaapu Taluk, Udupi District- 574112</p>	
	1. ಗೌರವಾನ್ವಿತ ಆಯೋಗವು ವಿದ್ಯುತ್ ಸರಬರಾಜು ಕಂಪೆನಿಗಳಿಗೆ ಯಾವುದೇ ನಷ್ಟ ಆಗದಂತೆ ದರ ಆದೇಶ ನೀಡಿದ್ದು ಕಳೆದ 8 ವರ್ಷಗಳಿಂದ ಕಂಪೆನಿಯು ಲಾಭದಲ್ಲಿರುವುದರಿಂದ ಮುಂದಿನ ವರ್ಷದಲ್ಲಿ ಪ್ರಸ್ತುತ ದರದಂತೆ ವಿದ್ಯುತ್ ಸರಬರಾಜು ಮಾಡಿದರೆ ನಷ್ಟವಾಗುತ್ತದೆ ಎಂದು ದರ ಏರಿಸುವ ಪ್ರಸ್ತವಾನೆಗೆ ಆಕ್ಷೇಪಣೆ ಇರುತ್ತದೆ.	ಮೆಸ್ಕಾಂ ಮುಂದಿನ ಆರ್ಥಿಕ ವರ್ಷಕ್ಕೆ ಅಂದಾಜಿಸಿದ ವಿದ್ಯುತ್ಪರಿದಿವೆಚ್ಚ, ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ, ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಮತ್ತು ಇತರೆ ವೆಚ್ಚಗಳನ್ನು ಪರಿಗಣಿಸಿ ಗೌರವಾನ್ವಿತ ಕ.ವಿ.ನಿ ಆಯೋಗದ ನಿಬಂಧನೆಗಳು 2006 ರ ಅನುಸಾರ ವಿದ್ಯುತ್ ದರ ಪರಿಷ್ಕರಣೆಯ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಸಿದ್ಧಪಡಿಸಿ ಗೌರವಾನ್ವಿತ ಆಯೋಗಕ್ಕೆ ಸಲ್ಲಿಸಲಾಗಿರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಮೆಸ್ಕಾಂ ವೆಚ್ಚದ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ವಿವರಿಸಲಾಗಿದೆ.	
	2. ಇತರೆ ವಿದ್ಯುತ್ ಸರಬರಾಜು ಕಂಪೆನಿಗಳಿಂದ ಮತ್ತು ಸರಕಾರದಿಂದ ಬರಬೇಕಾದ ಮೊತ್ತಗಳು ಬಾಕಿ ಇದ್ದು ಅದನ್ನು ವಸೂಲಿ ಮಾಡಿದರೆ ದರ ಏರಿಕೆ ಪರಿಸ್ಥಿತಿ ಬರುವುದಿಲ್ಲ.	ಮೆಸ್ಕಾಂ ಗೆ ಇತರೆ ವಿದ್ಯುತ್ ಸರಬರಾಜು ಕಂಪೆನಿಗಳಿಂದ ಮತ್ತು ಸರಕಾರದಿಂದ ಬರಬೇಕಾದ ಮೊತ್ತಗಳ ವಸೂಲಾತಿಯ ಬಗ್ಗೆ ನಿರಂತರವಾಗಿ ಅಗತ್ಯ ಕ್ರಮವಹಿಸಲಾಗುತ್ತಿದೆ. ಮೆಸ್ಕಾಂಗೆ ಬರಬೇಕಾದ ಮೊತ್ತಗಳನ್ನು ಅಂತಿಮ ಲೆಕ್ಕಪತ್ರಗಳಲ್ಲಿ ಪರಿಗಣಿಸಿ ತದನಂತರ ಮುಂದಿನ ವರ್ಷದ ಕಂದಾಯ ಕೊರತೆಯನ್ನು ಅಂದಾಜಿಸಿ ದರ ಪರಿಷ್ಕರಣೆಯ ಅರ್ಜಿಯನ್ನು ಸಲ್ಲಿಸಲಾಗಿರುತ್ತದೆ

	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
3.	ಪ್ರಸ್ತುತ ವರ್ಷದ ಖರ್ಚುಗಳಿಗೆ ಹೋಲಿಸಿದರೆ ಮುಂದಿನ ವರ್ಷಗಳಿಗೆ ತುಂಬಾ ಹೆಚ್ಚಿಗೆ ಅಂದಾಜಿಸಿ ನಷ್ಟವನ್ನು ಲೆಕ್ಕಾಚಾರ ಮಾಡಿರುವುದು ಮತ್ತು ಇತರೆ ಎಲ್ಲಾ ಕಂಪೆನಿಗಳಿಗೆ ಹೋಲಿಸಿದರೆ ಮೆಸ್ಕಾಂ ಉತ್ತಮವಾಗಿ ಕಾರ್ಯ ನಿರ್ವಹಿಸುತ್ತಿದ್ದು ದರ ಏರಿಕೆ ಪ್ರಸ್ತಾವನೆಯು ಆಕ್ಷೇಪಣಿಯವಾಗಿದೆ	ಗೌರವಾನ್ವಿತ ಕ.ವಿ.ನಿ. ಆಯೋಗದ ನಿಬಂಧನೆಗಳು 2006 ರ ಅನುಸಾರ ವಿದ್ಯುತ್ ದರ ಪರಿಷ್ಕರಣೆಯ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಸಿದ್ಧಪಡಿಸಿ ಗೌರವಾನ್ವಿತ ಆಯೋಗಕ್ಕೆ ಸಲ್ಲಿಸಲಾಗಿರುತ್ತದೆ ಮತ್ತು ಪ್ರತಿಯೊಂದು ವಿಷಯಗಳಿಗೆ ಅಂದಾಜಿಸಲಾಗಿರುವ ಖರ್ಚು ವೆಚ್ಚಗಳನ್ನು ಮಾನ್ಯ ಆಯೋಗವು ನಿಗದಿಪಡಿಸಿದ ಮಾರ್ಗಸೂಚಿಗಳಂತೆ ಲೆಕ್ಕಾಚಾರ ಮಾಡಲಾಗುತ್ತಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಮೆಸ್ಕಾಂ ವೆಚ್ಚದ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ವಿವರಿಸಲಾಗಿದೆ.	
4.	ವಿದ್ಯುತ್ ಖರೀದಿಯಲ್ಲಿ ಪ್ರತಿ ಯುನಿಟ್ ಗೆ ಇತರೆ ಕಂಪೆನಿಗಳು ಪಾವತಿ ಮಾಡಿದಕ್ಕಿಂತ ಹೆಚ್ಚಿನ ದರ ನೀಡಿದೆ ಇದನ್ನು ಗ್ರಾಹಕರಿಗೆ ಹೊರಿಸುವುದು ಸರಿಯಲ್ಲ.	ರಾಜ್ಯದ ಎಲ್ಲಾ ವಿದ್ಯುತ್ ಸರಬರಾಜು ಕಂಪೆನಿಗಳಲ್ಲಿ ವಿದ್ಯುತ್ ನ್ನು ಮಾನ್ಯ ಕೇಂದ್ರ/ ರಾಜ್ಯ ಆಯೋಗವು ಅನುಮೋದಿಸಿದ ದರಗಳಲ್ಲಿ ಖರೀದಿಸಲಾಗುತ್ತಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ವಿದ್ಯುತ್ ಖರೀದಿಯ ಬಗ್ಗೆ ಸಂಬಂಧಿತ ಅಧ್ಯಾಯದಲ್ಲಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	
5.	ಬೀದಿ ದೀಪ ಸ್ವಾವರಗಳಿಗೆ TIMER SWITCH ಅಳವಡಿಸದೇ ವಿದ್ಯುತ್ ಪೋಲಾಗುತ್ತಿದೆ.	ಬೀದಿ ದೀಪಗಳ ಸ್ಥಾಪನೆ ಮತ್ತು ನಿರ್ವಹಣೆಯು ಸಂಪೂರ್ಣವಾಗಿ ಸ್ಥಳೀಯ ಸಂಸ್ಥೆಗಳ ಆಡಳಿತಕ್ಕೆ ಸಂಬಂಧಿಸಿ ವಿಷಯವಾಗಿದ್ದು, ಇದನ್ನು ಗೌರವಾನ್ವಿತ ಆಯೋಗದ ಅವಗಾಹನೆಗೆ ತರಲಾಗಿದೆ. ಟೈಮರ್ ಸ್ವಿಚ್ ಅಳವಡಿಸಲು ಸ್ಥಳೀಯ ಸಂಸ್ಥೆಗಳಿಗೆ ಕೋರಲಾಗಿರುತ್ತದೆ ಮತ್ತು ಸದರಿ ಪ್ರಕ್ರಿಯೆಯು ಪ್ರಗತಿಯಲ್ಲಿರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
6.	ಎಲ್ಲಾ ವಿತರಣಾ ಪರಿವರ್ತಕಗಳಿಗೆ ಮೀಟರ್ ಅಳವಡಿಸಿಲ್ಲ ಮತ್ತು ಗ್ರಾಮೀಣ ಪ್ರದೇಶದಲ್ಲಿ ಅಳವಡಿಸಿರುವ ಮೀಟರ್‌ಗಳನ್ನು ಓದುವ ಕೆಲಸವಾಗಿಲ್ಲ.	ವಿತರಣಾ ಪರಿವರ್ತಕಗಳಿಗೆ ಮೀಟರ್‌ಗಳನ್ನು ಅಳವಡಿಸುವ ಕಾರ್ಯವು ಪ್ರಗತಿಯಲ್ಲಿರುತ್ತದೆ. ಗ್ರಾಮೀಣ ಪ್ರದೇಶದಲ್ಲಿ ಅಳವಡಿಸಿರುವ ವಿತರಣಾ ಪರಿವರ್ತಕ ಕೇಂದ್ರಗಳಿಗೆ ಅಳವಡಿಸಿದ ಮೀಟರ್ ಗಳನ್ನು ಆಯಾ ಭಾಗದ ಮಾಪಕ ಓದುಗರ ಮೂಲಕ ಓದಿಸಲಾಗುತ್ತಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು, ಈ ನಿಟ್ಟಿನಲ್ಲಿ ಆಯೋಗವು ಈ ಹಿಂದಿನ 'ಜಕಾತಿ ಆದೇಶ' ಗಳಲ್ಲಿ "Directive on Energy Audit" ರ ಅಡಿಯಲ್ಲಿ ನೀಡಿರುವ ನಿರ್ದೇಶನವನ್ನು ಕಟ್ಟುನಿಟ್ಟಾಗಿ ಪಾಲಿಸಬೇಕಾಗಿರುತ್ತದೆ ಮತ್ತು ಮ.ವಿ.ಸ.ಕಂ. ಯು ಮೇಲಿನ ನಿರ್ದೇಶನಕ್ಕೆ ನೀಡಿರುವ ಅನುಸರಣಾ ವರದಿಯನ್ನು ನೆನಪಿನಲ್ಲಿಟ್ಟುಕೊಂಡು ಕಾರ್ಯ ಪ್ರವೃತ್ತವಾಗ ಬೇಕಾಗಿರುತ್ತದೆ.	
7.	54% ರಷ್ಟು ಡಿ ಗ್ರೂಪ್‌ನ ನೌಕರರ ಕೊರತೆಯಿದ್ದು, ಗುಣಮಟ್ಟದ ಸೇವೆ	ನೌಕರರ ಕೊರತೆಯನ್ನು ನೀಗಿಸಲು ಕಾಲಕಾಲಕ್ಕೆ ನೇಮಕಾತಿಯನ್ನು ಮಾಡಲಾಗುತ್ತದೆ. ಆರ್ಥಿಕ ವರ್ಷ 2021-22 ರಲ್ಲಿ 529 ಸಂಖ್ಯೆಯ ಕಿರಿಯ ಪವರ್ ಮೆನ್ ಗಳನ್ನು ನೇಮಕ ಮಾಡಲಾಗಿದೆ. ಅಲ್ಲದೇ, ನೌಕರರ

	ನೀಡಲು ಹೇಗೆ ಸಾಧ್ಯ ಎಂಬ ಸ್ಪಷ್ಟತೆಯನ್ನು ನೀಡಬೇಕು.	ಕೊರತೆಯ ಹೊರತಾಗಿಯೂ ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರಿಗೆ ಗುಣಮಟ್ಟದ ಸೇವೆಯನ್ನು ನೀಡುತ್ತಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
	8. ಭದ್ರಾವತಿಯ ಎಂ.ಪಿ.ಎಂ. ಕಾರ್ಖಾನೆಯಿಂದ ರೂ.202 ಕೋಟಿ ಬಾಕಿಯಿದ್ದು ಇದರ ವಸೂಲಾತಿಗೆ ತೆಗೆದುಕೊಂಡ ಕ್ರಮವನ್ನು ತಿಳಿಸಬೇಕಾಗಿ ಆಕ್ಷೇಪಣೆದಾರರು ತಿಳಿಸಿರುತ್ತಾರೆ.	ಭದ್ರಾವತಿಯ ಎಂ.ಪಿ.ಎಂ. ಕಾರ್ಖಾನೆಯಿಂದ ಬರಬೇಕಾಗಿರುವ ಬಾಕಿ ವಸೂಲಾತಿಗಾಗಿ ಮವಿಸಕಂ ಸರ್ಕಾರದೊಡನೆ ನಿರಂತರವಾಗಿ ಅನುಸರಿಸಲಾಗುತ್ತಿದೆ ಮತ್ತು ಸದರಿ ಮೊತ್ತದ ವಸೂಲಾತಿಗೆ ಕಂಪನಿಯು ಆದ್ಯತೆಯ ಮೇರೆಗೆ ಕ್ರಮ ಕೈಗೊಳ್ಳುತ್ತಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
	9. ಗ್ರಾಹಕರ ಮೀಟರ್ ಬೋರ್ಡ್ ವರೆಗಿನ ಎಲ್ಲಾ ಸಾಮಗ್ರಿಗಳು ಮೆಸ್ಕಾಂ ಗೆ ಸೇರಿದ್ದು, ಹೀಗಿರುವಾಗ ಗ್ರಾಹಕರ ಸರ್ವಿಸ್ ವಯರ್ ದುರಸ್ತಿಗಾಗಿ ಹಣ ಮತ್ತು ಸಾಮಗ್ರಿಗಳ ಕೊರತೆಯನ್ನು ಹೇಳಿ ಗ್ರಾಹಕರನ್ನು ಶೋಷಿಸುತ್ತಿದ್ದಾರೆ. ಹಾಗಿದ್ದಲ್ಲಿ ಈ ಬಗ್ಗೆ ಯಾವ ಎಲ್ಲಾ ಸಾಮಗ್ರಿಗಳು ಲಭ್ಯವಿರುತ್ತದೆ? ಏನು ವ್ಯವಸ್ಥೆ ಕಲ್ಪಿಸಲಾಗಿದೆ?	ವಿದ್ಯುತ್ ವಿತರಣಾ ಮಾರ್ಗಗಳ ಸೇರ್ಪಡೆ, ನಿರ್ವಹಣೆಗಾಗಿ ಪ್ರತಿ ವರ್ಷ ಕಾಲಾನುಕಾಲಕ್ಕೆ ಸಾಮಗ್ರಿಗಳ ಅವಶ್ಯತೆಯನ್ನು ಆದರಿಸಿ ಅವಶ್ಯವಿರುವ ಸರ್ವಿಸ್ ವಯರ್ ಸಹಿತ ಇತರೆ ಸಾಮಗ್ರಿಗಳನ್ನು ಖರೀದಿಸಿ ಒದಗಿಸಲಾಗುತ್ತಿದೆ. ಅಂತೆಯೇ, ಪ್ರಸ್ತುತ ಮೆಸ್ಕಾಂನ ವಿವಿಧ ಉಗ್ರಾಣಗಳಲ್ಲಿ 44922 ಮೀ. ಪರಿಮಾಣದ ವಿವಿಧ ಸಾಮರ್ಥ್ಯದ ಸರ್ವಿಸ್ ವಯರ್ ಗಳು ದಾಖಲಾತಿ ಇರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಗ್ರಾಹಕರಿಗೆ ಅನುಕೂಲವಾಗುವ ರೀತಿಯಲ್ಲಿ ಮೆಸ್ಕಾಂ ಕ್ರಮ ಕೈಗೊಳ್ಳತಕ್ಕದ್ದು.	
	10. ಮೆಸ್ಕಾಂ ವ್ಯಾಪ್ತಿಯ ಎಲ್ಲಾ ಉಪ ವಿಭಾಗಗಳಲ್ಲಿ ದೂರು ನಿರ್ವಹಣಾ ಮಾನದಂಡ (ಎಸ್.ಒ.ಪಿ.) ಯನ್ನು ಪ್ರದರ್ಶಿಸಿಲ್ಲ.	ಮೆಸ್ಕಾಂನಲ್ಲಿ ಎಲ್ಲಾ ಶಾಖಾ/ಉಪವಿಭಾಗ ಕಛೇರಿಗಳ ಮುಂಭಾಗದಲ್ಲಿ ಗ್ರಾಹಕರಿಗೆ ಓದಲು ಅನುಕೂಲ ಇರುವಂತೆ ದೂರು ನಿರ್ವಹಣಾ ಮಾನದಂಡ (ಎಸ್.ಒ.ಪಿ.) ಗಳನ್ನೊಳಗೊಂಡ ಮಾಹಿತಿ ಫಲಕವನ್ನು ಪ್ರದರ್ಶಿಸಲಾಗಿದೆ. ಅಲ್ಲದೇ, ಈ ಕುರಿತಾದ ಗ್ರಾಹಕರ ಕೈಪಿಡಿಯು ಎಲ್ಲಾ ಉಪವಿಭಾಗ / ಶಾಖಾ ಕಛೇರಿಗಳಲ್ಲಿ ಗ್ರಾಹಕರ ಅನುಕೂಲಕ್ಕಾಗಿ ಲಭ್ಯಗೊಳಿಸಲಾಗಿರುತ್ತದೆ. ಅಂತೆಯೇ ಸದರಿ ಮಾಹಿತಿಯನ್ನು ಮೆಸ್ಕಾಂ ನ ಜಾಲತಾಣದಲ್ಲೂ ಸಹಾ ಪ್ರಕಟಿಸಲಾಗಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಮೆಸ್ಕಾಂ ಕ್ರಮ ಕೈಗೊಳ್ಳಲು, ಗ್ರಾಹಕರು ನಿರ್ದಿಷ್ಟವಾಗಿ ಯಾವ ವಿಭಾಗದಲ್ಲಿ ಎಸ್.ಒ.ಪಿ. ಪ್ರದರ್ಶಿಸಿಲ್ಲ ಎಂದು ತಿಳಿಸಬೇಕು.	
	11. ವಿತರಣಾ ಮಾರ್ಗಗಳ ಅಕ್ಕ ಪಕ್ಕದಲ್ಲಿರುವ ಮರಗಳನ್ನು ಕಾಲ ಕಾಲಕ್ಕೆ ಕಡಿಯದೇ ಇರುವುದರಿಂದ ತಂತಿಗಳು ತುಂಡಾಗಿ ವಿದ್ಯುತ್ ಪೂರೈಕೆಯಲ್ಲಿ ಅಡಚಣೆಯಾಗಿ ಕಂಪನಿಗೂ ನಷ್ಟವಾಗುತ್ತದೆ.	ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರಿಗೆ ಉತ್ತಮ ಗುಣಮಟ್ಟದ ಮತ್ತು ಅನಿಯಮಿತ ವಿದ್ಯುತ್ ಸರಬರಾಜು ಮಾಡುವ ನಿಟ್ಟಿನಲ್ಲಿ ಹಲವಾರು ವ್ಯವಸ್ಥೆ ಸುಧಾರಣೆ ಕಾಮಗಾರಿಗಳನ್ನು ಮಾಡುವುದರ ಜೊತೆಗೆ ವಿದ್ಯುತ್ ಅಡಚಣೆಗಳನ್ನು ತಡೆಗಟ್ಟಲು ಕಾಲಕಾಲಕ್ಕೆ ಹೆಚ್.ಟಿ./ಎಲ್.ಟಿ. ವಿದ್ಯುತ್ ಮಾರ್ಗಗಳನ್ನು ನಿರ್ವಹಣೆ ಮಾಡುತ್ತಿದೆ. ಆ ಪ್ರಕಾರ 2022-23 ನೇ ಸಾಲಿನಲ್ಲಿ ಈ

		ವರೆಗೆ 8,860.95 ಕಿ.ಮೀ ಹೆಚ್.ಟಿ ಮಾರ್ಗ ಹಾಗೂ 10,572.60 ಕಿ.ಮೀ ಎಲ್.ಟಿ ಮಾರ್ಗಗಳ ಬದಿಯಲ್ಲಿ ತಂತಿಗಳಿಗೆ ತಾಗುವಂತಿರುವ ಮರಗಳ ರೆಂಬೆ ಕೊಂಬೆಗಳನ್ನು ಕಡಿತಲೆಗೊಳಿಸಲಾಗಿದೆ. ಆದಾಗ್ಯೂ ಪ್ರಕೃತಿ ವಿಕೋಪಗಳಿಂದಾಗುವ ವಿದ್ಯುತ್ ಅಡಚಣೆಗಳನ್ನು ಸರಿಪಡಿಸಿ ವಿದ್ಯುತ್ ಸರಬರಾಜನ್ನು ಮರು ಸ್ಥಾಪಿಸುವಲ್ಲಿ ಸಂಭವಿಸಿದ ಖರ್ಚುಗಳನ್ನು ಭರಿಸಬೇಕಾಗಿರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಮೆಸ್ಕಾಂ ಈ ವಿಷಯದಲ್ಲಿ ಸೂಕ್ತ ಕ್ರಮ ಕೈಗೊಳ್ಳತಕ್ಕದ್ದು.	
12	MA-11: Sri. M. Ganesh Kamath, Director/President, Kanara Chambers of Commerce and Industry, Chamber Buildings, Chamber Road, Bunder, P.B.No.116, Managuru – 575 011.	
	1.0 The objector has referred the Annual Accounts of MESCOM for different years to state that the Company is in profit and requested KERC not to allow the proposal made by MESCOM.	In this regard, it is to be submitted that, MESCOM has drawn its proposal for approval of ARR/ERC for FY24 in the framework of the relevant regulations of the Hon'ble Commission. In the proposal, MESCOM has detailed all the parameters and bases which have been considered by MESCOM to propose revision in tariff.
	Commission's Views: The Commission would like to point out that the tariff for the ensuing year is fixed keeping in view the revenue gap duly considering the anticipated income and expenditure. The ARR is discussed in the relevant chapter.	
	2.0 The objector has stated that as per the Electricity Act 2003, the ESCOMs have to carry on their business on commercial principles and observed that catering power to IP set and BJ/KJ category below the average cost of supply is not in line with commercial principles. As these categories are being subsidized by GOK, the GOK has to bear the full cost arising out of their commitment. Cross subsidization factor is destroying the small scale industries. Further, the objection has also stated that, if the GoK exempts certain categories of consumers from payment of electricity, then the State Government has to bear the full cost of supply for providing supply to such categories.	Regarding the above it is to be submitted that, among the exempted categories of consumers the tariff proposed in respect of BJ/KJ category is at the level of average cost of supply whereas the tariff in respect of IP category is after factoring the cross subsidy from other cross subsidizing categories. In the prevailing socio-economic conditions continuing the cross subsidization is inevitable. Section 61(g) of The Electricity Act 2003 also provides that, "the tariff progressively reflects the cost of supply of electricity and also, reduces cross-subsidies in the manner specified by the Appropriate Commission."

	Commission's Views: The Government is giving subsidy to cover the full cost of supply as determined by the Commission. The tariff (CDT) computation of the IP sets is indicated in each of the orders, which the objector should go through.	
	3.0 The objector has observed that the receivables by MESCOM from KPTCL & other ESCOMs amount to Rs.757.36 Crores. Further, it has also stated that there is an amount of Rs.412.20 Crores pending to be released by GOK affecting the cash flows of MESCOM and in turn the consumer tariff.	It is to be submitted that, the receivables among the ESCOMs are considered in the audited annual accounts for the Company and then only the projected revenue gap for FY 24 is arrived. It is to submit further that, receivables are being reconciled periodically and efforts are being put forth to liquidate the same. Further, MESCOM continuously pursuing with GOK for release of pending amount.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	4.0 The objector has requested to create a separate construction power tariff category for supplying power to new industries at construction stage instead of the existing temporary tariff.	In this regard Hon'ble Commission may take a view.
	Commission's Views: The Commission is endeavouring to rationalise the tariff structure and would like to reduce the no. of tariff categories and tariff salbs. Hence, creating one more category for construction activity is not desirable.	
	5.0 The objector has stated that, industries expect the Govt. to bear full load of subsidy for selling power to weaker section of the society so as to make the industries more competitive	In this regard, it is to be submitted that, it is relating to the policy matter of the Govt.
	Commission's Views: The Commission notes the reply provided by MESCOM. The Objector is advised to take up the matter with the Government.	
	6.0 The objector has stated that, in FY 2021-22 there is drop in average cost of supply from 789 paise to 723 paise, while average realization rate is much lower from 789 paise to 766 paise.	The average cost of supply for FY22 is 759 paise per unit and average realization rate is 765 paise. The audited accounts are made available in the tariff revision proposal.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	7.0 The objector objects to the proposed increase in demand charges without considering their comments.	It is to be submitted that, MESCOM has proposed for the revision of tariff based on expected fixed cost involved in power purchase and also the O&M expenses, depreciation etc., against the expected demand for electricity. The revision proposals are prepared within the framework of

		applicable provisions framed by the Commission and also by considering the interest of the consumers in general. MESCOM is bound by the final tariff order issued by the Hon'ble Commission.
	Commission's Views: The matter has been dealt with appropriately in the tariff order.	
	8.0 The objector states that, return on equity is loaded in the full supply chain from generator to the transmission entity to the distribution entity. The artificial increase in ROE damages the economy.	In this regard, it is to be submitted that, the ROE factored is as per the existing provisions applicable for tariff revision proposal. The return on equity passing from generator, transmission entity and then to the distribution entity is inevitable.
	Commission's Views: The Commission notes the reply provided by MESCOM. The RoE is being allowed in terms of the Regulations issued by the Commission.	
	9.0 The objector has stated that the National Electricity Policy stipulates to assess technical loss and commercial loss separately. However, MESCOM has not indicated the same in the proposal.	In this regard, it is to be submitted that, the AT&C Loss for FY 22 is 9.02%. As the collection efficiency is 102.51% there is no commercial loss.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	10.0 The objector has stated that similar to Kerala there should be voltage-wise demand charges and energy charges.	The demand charges and energy charges based on voltage class i.e., LT /HT is already in vogue.
	Commission's Views: Since the ESCOMs are not accounting the assets, voltage-wise, the Commission is yet to introduce voltage-wise tariff.	
	11.0 The objector has stated that, industrial power consumption is decreasing; small industries are undergoing several hardships on account of global recession and such other factors. Further burden of increased power tariff will lead to closing down. Hence proposal for revision of tariff should not be allowed.	In this regard, it is to be submitted that the increase in power tariff may not be the sole reason for closing down of the industries. As the objector himself observed, the industries are reeling under severe hardship on account of global recession, demonetization, reduced sales and recessionary conditions prevailing in the domestic market. Further, it may kindly be noted that, electricity distribution companies are also a part of the industry, falling under services.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	12.0 The objector has stated that, levy of Fixed Charges on monthly basis shall be discontinued. Only minimum charges on permanent basis	It is to be submitted that, the capital cost incurred by MESCOM for development of electrical infrastructure and distribution of electricity is not specific for individual consumer and the benefit of this is also spread over different years.

	shall be charged based on allotted power.	MESCOM has submitted the tariff revision proposal for FY24 by projecting the power purchase cost, depreciation cost, interest and finance charges, O&M expenses etc., that are going to be incurred for supply of energy against the projected energy demand. As such it is not feasible to levy one time fixed charges.
	Commission's Views: As per the Tariff Policy issued by the Gol, the consumer tariff should be two-part tariff to recover fixed costs and the energy charges from the consumers. Hence, the Commission has no choice but to have two part tariff to be recovered from the consumers.	
	13.0 The objector has stated that, applicant is silent about the plan of introduction of pre-paid meters. If prepaid meters are introduced, payment of security deposit doesn't require.	It is to be submitted that, introduction of prepaid meters to all the consumer categories except to IP sets is proposed in RDSS scheme of the Central Govt. The proposal is under consideration at GoK.
	Commission's Views: The Commission's notes the reply and the prepaid metering shall be done as per the Orders of the Commission.	
	14.0 The objector has requested to design the ToD tariff only to incentivize for usage during the period from 20.00 Hrs to 8.00 Hrs without having any disincentive factor for usage in peak hours	Regarding the above, it is to be submitted that the rationale behind the ToD tariff is to incentivize the usage during off-peak hours and dis-incentivize at peak hours. However, Hon'ble Commission may take a view in this regard.
	Commission's Views: The matter has been dealt with appropriately in the tariff order.	
13	MA-12: Sri. Anil Savur D. Secretary, The Karnataka Planters' Association, Spencer Road, Post Box No.18, Chikmangalur – 577 101	
	1. The objector has given the profile of Karnataka Tea Planters' Association.	Noted.
	Commission's Views: The Commission also notes the above.	
	2. The objector has given the statistics of Coffee growers in India including Karnataka and Chikkamagalur District	Noted.
	Commission's Views: The Commission also notes the above.	
	3. Proposal of MESCOM for upward revision of electricity tariff will add to the burden of the planters. The Commission may consider the paying capacity of various categories while determining the tariff.	As the cost of supply is increasing due to increase in power purchase cost, transmission cost, O&M expenses, etc., a revision of power tariff is inevitable to sustain the business of MESCOM.

	Commission's Views: The Commission notes the above objection and reply provided by MESCOM. The ARR and the tariff is discussed in the relevant chapter.	
	4. The objector has made an observation that, the surplus of Rs.222.78 Crs could go up after audit in the Annual Performance Review of FY2022.	The surplus of Rs.222.78 crs is arrived in on the basis of audited accounts of MESCOM for FY 2021-22 and inline with the applicable provisions issued by the Commission with regard to the filing of Annual Performance Review.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	5. The ARR from the existing tariff calculated is not accurate and cannot be accepted.	The financial statements of the Company are audited by the statutory auditors, C&AG. These financial statements showing the true and fair view of state of affairs of the company is certified by the auditors. Annual Revenue Requirement field for FY2024 which is based on these audited accounts is accurate.
	Commission's Views: The Commission notes the reply. The APR and the ARR is carried out based on audited accounts and in accordance with MYT Regulations.	
	6. The objector has objected the increase of fixed charges for poor power supply for coffee and tea plantations.	The proposal for revision of tariff is prepared based on the projected demand for electricity and the costs involved to meet the electricity demand. The revision of fixed charges is inevitable mainly to make good the fixed cost component involved in power purchase cost along with such other associated costs like depreciation, O&M cost, employee cost etc. MESCOM is arranging quality and uninterrupted power supply to its consumers.
	Commission's Views: The Commission notes the objection and reply provided by MESCOM. The fixed charges is addressed in the relevant chapters.	
	7. The objector has requested to maintain uninterrupted 3 phase power supply and objected the increase of fixed charges under HT-3(b)(i).	MESCOM is arranging quality and reliable power supply to its consumers. Further, the revision of fixed charges is inevitable mainly to make good the fixed cost component involved in power purchase cost along with such other associated costs like depreciation, O&M cost, employee cost etc.,.
	Commission's Views: The Commission notes the reply provided by MESCOM. However, MESCOM is directed to provide the necessary statistics to the objector in respect of providing uninterrupted 3 phase power supply and endeavor to reduce interruptions.	
	8. The objector has suggested to generate alternative income and suggested to plug power thefts to increase the revenue.	The other income of Rs. 123.39 Crs is generated within the licensing policy during FY22. In order to plug the power theft, vigilance activity is continuously taken up every year. During FY 2022, 1196 cases are booked and Rs 3.03 Crs amount has been demanded. Further, non-cognizable cases are also booked at section and subdivision level to curb the misuse

		of electricity and thereby to increase the revenue.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	9. The objector has stated that MESCOM has to pay delayed payment charges to generators which should not be passed on to the consumers.	MESCOM has neither paid any late payment surcharges nor included in the tariff proposal of MESCOM for 2021-22.
	Commission's Views: The Commission notes the reply provided by MESCOM. The Commission is not allowing interest on belated power purchase payments, except in case where there are specific Court Orders.	
	10. The objector has stated that, if the arrears receivable from other consumers, ESCOMs and statutory institutions are recovered then there will be no necessity of tariff hike.	MESCOM is consistently pursuing with the concerned for recovery of the receivables.
	Commission's Views: The Commission notes the reply provided by MESCOM. However, the objector is requested to refer to the MESCOM reply to objection no.(3) under MA-11.	
	11. The objector has requested to maintain uninterrupted 3 phase power supply during harvesting of coffee pulpers from November to May	MESCOM is arranging quality and reliable power supply to its consumers.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	12. Intimation of power cuts, messages, bills etc., by SMS, Whats App, email, etc. to be transmitted.	<p>MESCOM is notifying the scheduled outages on the website one week in advance and also in newspapers by one day in advance.</p> <p>The messages regarding scheduled and unscheduled outages, reason for the outages, approximate time required for restoring the power supply, etc., are triggered in URJA MITRA application which enables the consumers to get the information easily on the above.</p> <p>MESCOM has launched "NANNA MESCOM" Mobile App for the convenience of consumers not only to access the power outage details in their area periodically but also to provide platform for payment of bills and verification of transactions of the consumers. Moreover, whatsapp groups are also created to keep the consumers informed about power cuts, to post their grievances/suggestions to improve the services of MESCOM etc.,</p>
	Commission's Views: The Commission notes the reply provided by MESCOM.	

	13. The objector requested to provide an opportunity to address objections during public hearing voluntarily and also requested to retain the existing tariff for LT-2(a), LT-3, LT-4(C) & HT-3(b)category.	The subject is under the purview of Commission.
	Commission's Views: The Commission conducts the public hearing in order to receive the objections relevant to the Tariff exercise from the public. Accordingly, the Commission has held the public hearing in Mangaluru on 17 th February 2023 and heard the public objections.	
14 to 22	<p style="text-align: center;">MA-13 to MA-21</p> <p>MA-13: Sri. Ramakrishna Sharma S/o K.L. Sharma, President, Udupi Jilla Krishikara Sangha, Bantakallu, Arasikatte Post, Kaapu Taluk, Udupi -574 115</p> <p>MA-14: Sri. Srinivas Bhat s/o Late Sri. Ganesh Bhat, Chief Secretary, Udupi Jilla Krishikara Sangha, Banglemaaru Mane, Udupi -576 113</p> <p>MA-15: Sri. Ravindra Gujjarabetta S/o Late Sri. Narayana Poojari, Secretary, Udupi Jilla Krishikara Sangha Nesara, Soorubettu, Brahmavara Taluk, Udupi – 576 213</p> <p>MA-16: Sri. Umesh S/o Guruva Poojari, Majila House, Udyavara, Udupi.</p> <p>MA-17: Sri. Ashok Poojari S/o Late Sri. Nakra Poojari, Kalyani Nivas Near Eshwara Temple, Tenkanidiyuru, Kodavooru Post, Udupi Taluk.</p> <p>MA-18: Sri. Adarsh S/o Shashidhar Shriyan, Ashirvad Nivas, Maddu Koppa, Katapadi Village, Udupi Taluk and District.</p> <p>MA-19: Sri. Praveen. D. Poojari S/o Late Sri.Dheju Poojari, 'Mathanugruha', Near APMC Market, Aadi Udupi Post, Krodashrama, Udupi.</p> <p>MA-20: Sri. Sudhakara Poojari S/o Kariya Poojari, Srigruru, Jogibettu Mane, Nitturu, Udupi</p> <p>MA-21: Sri. Prashanth S/o Sri. Shekara Kotaayan, Mudubettu, Kodavuru, Udupi Taluk & District.</p>	
	1. ವಾಣಿಜ್ಯ, ಗೃಹ, ವಿದ್ಯಾ ಸಂಸ್ಥೆ - ಯಾವುದೇ ವರ್ಗಗಳ ವಿದ್ಯುತ್ ದರ ಏರಿಕೆಗೆ ಅವಕಾಶ ನೀಡಬಾರದು. ವಿದ್ಯುತ್ ದರ ಏರಿಕೆ ಬದಲು ವಿತರಣಾ ನಷ್ಟವನ್ನು ಇನ್ನೂ ಕಡಿಮೆ ಮಾಡಿದರೆ ಕಂದಾಯ ಕೊರತೆ ಉಂಟಾಗುವುದಿಲ್ಲ.	ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಬೇಡಿಕೆಯನ್ನು ಪೂರೈಸಲು ತಗಲುವ ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ ಮತ್ತು ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಸೇರಿದಂತೆ ಪ್ರಮುಖವಾಗಿ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚಗಳನ್ನು ಸರಿದೂಗಿಸುವ ಸಲುವಾಗಿ ದರ ಪರಿಷ್ಕರಣೆಯನ್ನು ಪ್ರಸ್ತಾಪಿಸಲಾಗಿರುತ್ತದೆ. ಸಾಗಣೆ ನಷ್ಟ ಕಡಿಮೆ ಮಾಡುವ ಸಲುವಾಗಿ ಹಲವಾರು ವ್ಯವಸ್ಥೆ ಸುಧಾರಣೆ ಕಾಮಗಾರಿಗಳನ್ನು (ಉದಾ: 6741 ಸಂಖ್ಯೆ ಹೊಸ ಪರಿವರ್ತಕಗಳ ಸೇರ್ಪಡೆ, 2340.26 ಆರ್.ಕಿ.ಮೀ 11 ಕೆ.ವಿ ಮಾರ್ಗಗಳ ಸೇರ್ಪಡೆ, ಕ್ರಮವಾಗಿ 495.32 ಆರ್.ಕಿ.ಮೀ ಮತ್ತು 2077.7 ಆರ್.ಕಿ.ಮೀ ಹೆಚ್.ಟಿ ಮತ್ತು ಎಲ್.ಟಿ ಮಾರ್ಗಗಳ ವಾಹಕ ಬದಲಾವಣೆ, ಇತ್ಯಾದಿ...) ಕೈಗೊಂಡು 2021-22 ನೇ ವರ್ಷದಲ್ಲಿ ಶೇ.9.02 ಕ್ಕೆ ತಗ್ಗಿಸಲಾಗಿರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಮೆಸ್ಕಾಂ ವೆಚ್ಚದ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ಹೆಚ್ಚಿಸಲಾಗಿದೆ.	
	2. ಕಂದಾಯ ಕೊರತೆ ಸರಿದೂಗಿಸಲು ದರ ಏರಿಕೆಯ ಬದಲು ಸರ್ಕಾರವೇ ಶಿಕ್ಷಣ,	ಅನುದಾನ ನೀಡುವಿಕೆಯು ಸರ್ಕಾರದ ಕಾರ್ಯ ನೀತಿಗೆ ಸಂಬಂಧಿಸಿದ ವಿಷಯವಾಗಿರುತ್ತದೆ.

	ಆರೋಗ್ಯ ಇಲಾಖೆಗಳಿಗೆ ನೀಡುವಂತೆ ಅನುದಾನ ನೀಡಬೇಕು.	
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಗ್ರಾಹಕರು ಇದನ್ನು ಸರ್ಕಾರದ ಗಮನಕ್ಕೆ ತರತಕ್ಕದ್ದು.	
	3. ವಿದ್ಯುತ್ ಲೈನ್ ದುರಸ್ತಿ ಹಾಗೂ ದೂರು ನಿರ್ವಹಣೆಗೆ ವಿಶೇಷ ಕಾರ್ಯ ಪಡೆಗಳನ್ನು ರಚಿಸಬೇಕು, ಹಳೆಯ ಲೈನ್‌ಗಳ ದುರಸ್ತಿ ನಿಗದಿತವಾಗಿ ಮಾಡಿ, ವಿದ್ಯುತ್ ಸೋರಿಕೆಯನ್ನು ತಡೆಗಟ್ಟಲು ಕ್ರಮ ಕೈಗೊಳ್ಳಬೇಕು.	ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರಿಗೆ ಉತ್ತಮ ಗುಣಮಟ್ಟದ ಹಾಗೂ ಅನಿಯಮಿತ ವಿದ್ಯುತ್ ಸರಬರಾಜು ಮಾಡುವ ನಿಟ್ಟಿನಲ್ಲಿ ಹಲವಾರು ವ್ಯವಸ್ಥೆ ಸುಧಾರಣೆ ಕಾಮಗಾರಿಗಳನ್ನು ಮಾಡುವುದರ ಜೊತೆಗೆ ವಿದ್ಯುತ್ ಅಡಚಣೆಗಳನ್ನು ತಡೆಗಟ್ಟಲು ಕಾಲಕಾಲಕ್ಕೆ ಹೆಚ್.ಟಿ. /ಎಲ್.ಟಿ. ವಿದ್ಯುತ್ ಮಾರ್ಗಗಳನ್ನು ಮತ್ತು ಪರಿವರ್ತಕ ಕೇಂದ್ರಗಳನ್ನು ನಿರ್ವಹಣೆ ಮಾಡುತ್ತಿದೆ. 2021-22 ನೇ ಸಾಲಿನಲ್ಲಿ ಹೆಚ್.ಟಿ. 495.32 ಆರ್.ಕಿ.ಮೀ ಮತ್ತು ಎಲ್.ಟಿ 2077.7 ಆರ್.ಕಿ.ಮೀ ಮಾರ್ಗಗಳ ಹಳೆಯದಾದ ತಂತಿಗಳನ್ನು ಕಳಚಿ ಹೊಸ ತಂತಿಯನ್ನು ಅಳವಡಿಸುವ ಕಾಮಗಾರಿಯನ್ನು ನಿರ್ವಹಿಸಲಾಗಿರುತ್ತದೆ. ಅದೇ ರೀತಿ 2022-23 ನೇ ಸಾಲಿನಲ್ಲಿ ಡಿಸೆಂಬರ್ ವರೆಗೆ ಸುಮಾರು 66,396 ಪರಿವರ್ತಕಗಳನ್ನು ನಿರ್ವಹಣೆ ಮಾಡಲಾಗಿರುತ್ತದೆ ಮತ್ತು 275.77 ಆರ್.ಕಿ.ಮೀ. ಹೆಚ್.ಟಿ. ಮತ್ತು 984.33 ಆರ್.ಕಿ.ಮೀ. ಎಲ್.ಟಿ. ಮಾರ್ಗಗಳ ಹಳೆಯದಾದ ತಂತಿಗಳನ್ನು ಕಳಚಿ ಹೊಸ ತಂತಿ ಅಳವಡಿಸುವ ಕಾಮಗಾರಿಯನ್ನು ನಿರ್ವಹಿಸಲಾಗಿರುತ್ತದೆ. ವಿದ್ಯುತ್ ದುರ್ಬಳಕೆ ಮತ್ತು ಕಳ್ಳತನವನ್ನು ನಿಯಂತ್ರಿಸಲು ಆಯಾ ಶಾಖಾ ಮತ್ತು ಉಪ ವಿಭಾಗ ಮಟ್ಟದಲ್ಲಿ ಕ್ರಮ ಕೈಗೊಳ್ಳಲಾಗುತ್ತಿದೆ. ಅಲ್ಲದೇ ಇಂತಹ ಚಟುವಟಿಕೆಗಳನ್ನು ಪತ್ತೆಹಚ್ಚಲು ಮೆಸ್ಕಾಂನಲ್ಲಿ ಪ್ರತ್ಯೇಕವಾಗಿ ಜಾಗೃತದಳ ಸಕ್ರಿಯವಾಗಿ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿದ್ದು, 2021-22 ನೇ ಸಾಲಿನಲ್ಲಿ 1196 ಪ್ರಕರಣಗಳನ್ನು ದಾಖಲಿಸಿ ಒಟ್ಟು ರೂಪಾಯಿ. 3.85 ಕೋಟಿ ಮೊತ್ತದ ದಂಡ ಶುಲ್ಕವನ್ನು ವಿಧಿಸಿ ಸಂಗ್ರಹಿಸಲು ಕ್ರಮವಹಿಸಲಾಗುತ್ತಿದೆ. ಮುಂದುವರಿದು, ಮಳೆಗಾಲದಲ್ಲಿ ಉಂಟಾಗುವ ವಿದ್ಯುತ್ ಅಡಚಣೆಗಳನ್ನು ಶೀಘ್ರವಾಗಿ ಪರಿಹರಿಸಿ ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುತ್ ಮರುಸ್ಥಾಪಿಸಲು ಪ್ರತಿ ವರ್ಷ ಆಯಾ ಅವಧಿಗೆ ಪ್ರತ್ಯೇಕವಾಗಿ ಮಾನ್ಯನ್ ಗ್ಯಾಂಗ್ ಮತ್ತು ವಾಹನಗಳನ್ನು ಒದಗಿಸಲಾಗುತ್ತಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
	4. ಕೃಷಿ ಪಂಪುಸೆಟ್ಟುಗಳಿಗೆ ಹೊಸ ಸಂಪರ್ಕ ನೀಡುವಾಗ ರೂ.10000/- ನ್ನು ವಸೂಲಿ ಮಾಡಬಾರದು.	ಮಾನ್ಯ ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ಆದೇಶದಂತೆ ಕೃಷಿ ಪಂಪುಗಳಿಗೆ ಹೊಸ ಸಂಪರ್ಕ ನೀಡುವಾಗ ರೂ. 10,000/- ಪ್ರತಿ ಪಂಪುಸೆಟ್‌ಗೆ ಮೂಲಭೂತ ಸೌಕರ್ಯ ಶುಲ್ಕ ವಸೂಲು ಮಾಡಲಾಗುತ್ತಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	

	5. ವಿದ್ಯುತ್ ಉಳಿತಾಯದ ಬಗ್ಗೆ ಗ್ರಾಹಕ ಜಾಗೃತಿ ಮಾಡಬೇಕು ಮತ್ತು ಗುಣಮಟ್ಟದ ಎಲ್.ಇ.ಡಿ. ಮತ್ತು ಟ್ಯೂಬ್‌ಗಳನ್ನು ನೀಡಬೇಕು.	ವಿದ್ಯುತ್ ಉಳಿತಾಯದ ಬಗ್ಗೆ ಗ್ರಾಹಕ ಜಾಗೃತಿಯನ್ನು ಮೂಡಿಸಲು ಕಾಲಕಾಲಕ್ಕೆ ಕಾರ್ಯ ಚಟುವಟಿಕೆಗಳನ್ನು ಜರುಗಿಸಲಾಗುತ್ತಿದ್ದು, ಹಲವಾರು ಶಾಲೆಗಳಲ್ಲಿ ವಿದ್ಯುತ್ ಸುರಕ್ಷತೆ ಮತ್ತು ಉಳಿತಾಯದ ಬಗ್ಗೆ ಕಾರ್ಯಕ್ರಮಗಳನ್ನು ಮಾಡಲಾಗಿರುತ್ತದೆ. ಮುಂದುವರಿದು, ವಿದ್ಯುತ್ ಉಳಿತಾಯದ ಕುರಿತು ಮಾಹಿತಿಯನ್ನು ಮೆಸ್ಕಾಂ ಜಾಲ ತಾಣದಲ್ಲಿ ಸಹಾ ಪ್ರಚುರಪಡಿಸಲಾಗಿರುತ್ತದೆ.
ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.		
	6. ಎಲ್ಲಾ ಶಾಖಾ ಕಛೇರಿಗಳಲ್ಲಿ ವರ್ಷ ಪೂರ್ತಿ ಬಿಲ್ಲು ಪಾವತಿ ವ್ಯವಸ್ಥೆಯಾಗಬೇಕು.	ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುತ್ ಬಿಲ್ಲುಗಳನ್ನು ಪಾವತಿಸಲು ಅನುಕೂಲವಾಗುವಂತೆ ವಿವಿಧ ರೀತಿಯ ಪಾವತಿ ವ್ಯವಸ್ಥೆಗಳನ್ನು ಈಗಾಗಲೇ ಅನುಷ್ಠಾನಗೊಳಿಸಿರುತ್ತದೆ (ಕ್ಯಾಷ್ ಕೌಂಟರ್, ಎ.ಟಿ.ಪಿ., ಕರ್ನಾಟಕ ಒನ್/ಗ್ರಾಮ ಒನ್, ನನ್ನ ಮೆಸ್ಕಾಂ ಆಪ್, ಪೊಸ್ಟ್ ಆಫೀಸ್ ಮೂಲಕ ಪಾವತಿ ಮತ್ತು ಆನ್ ಲೈನ್ ಪಾವತಿ ವ್ಯವಸ್ಥೆ). ಈ ಎಲ್ಲಾ ವ್ಯವಸ್ಥೆಗಳು ವರ್ಷವಿಡೀ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿವೆ.
ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಗ್ರಾಹಕರು ಬಿಲ್ಲುಗಳನ್ನು ಸಕಾಲದಲ್ಲಿ ಪಾವತಿಸಲು, ಮೆಸ್ಕಾಂ ಸೂಕ್ತ ಕ್ರಮ ಕೈಗೊಳ್ಳತಕ್ಕದ್ದು.		
	7. ಮೀಟರ್ ಹಾಳಾದಾಗ ವಾರ್ಷಿಕ ಸರಾಸರಿ ಆಧಾರದಲ್ಲಿ ಬಿಲ್ ನೀಡಬೇಕೆ ವಿನಃ ಹೆಚ್ಚಿನ ಬಿಲ್ ವಸೂಲಿ ಮಾಡಬಾರದು.	ಗೌರವನ್ವಿತ ಆಯೋಗದ ವಿದ್ಯುತ್ ಸರಬರಾಜು ನಿಯಮಗಳ ಸೆಕ್ಷನ್ 27.04 ರನ್ವಯ ಮೀಟರ್ ಹಾಳಾದ ಸಂದರ್ಭಗಳಲ್ಲಿ ಹಿಂದಿನ 3 ತಿಂಗಳ ಸರಾಸರಿ ಬಳಕೆಯ ಆಧಾರದಲ್ಲಿ ಬಿಲ್ಲುಗಳನ್ನು ಮಾಡಲಾಗುತ್ತಿದೆ.
ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.		
	8. ವಿದ್ಯುತ್ ಸಂಬಂಧಿತ ದೂರು ನಿರ್ವಹಣಾ ತಂಡವನ್ನು ಶಾಖಾ ಕಛೇರಿಗಳಲ್ಲಿ ವಾಹನ ಸಹಿತ ಮಾಡುವ ವ್ಯವಸ್ಥೆಯನ್ನು ಮಾಡಿ, ದುರಸ್ತಿ ಕಾರ್ಯಕ್ಕೆ ಹೆಚ್ಚಿನ ಗಮನ ಕೊಡಬೇಕು.	ಉಪವಿಭಾಗ ಮಟ್ಟದಲ್ಲಿ ಸರ್ವಿಸ್ ಸ್ಟೇಷನ್‌ಗಳು ವಾಹನಗಳನ್ನೂ ಒಳಗೊಂಡು ಅಗತ್ಯ ಮೂಲ ಸೌಲಭ್ಯಗಳನ್ನು ಹೊಂದಿದ್ದು, ಈಗಾಗಲೇ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿವೆ.
ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.		
	9.	ಕ್ರಮ ಸಂಖ್ಯೆ 9 ನ್ನು ಆಕ್ಷೇಪಣೆಯಲ್ಲಿ ನಮೂದಿಸಿರುವುದಿಲ್ಲ.
	10. ಮಳೆಗಾಲದಲ್ಲಿ ಹೆಚ್ಚುವರಿ ಸಿಬ್ಬಂದಿ ನೇಮಿಸಿ, ಲೈನ್ ದುರಸ್ತಿ ಕೆಲಸಗಳನ್ನು ತಕ್ಷಣ ಮಾಡಿಕೊಡಬೇಕು.	ಮಳೆಗಾಲದಲ್ಲಿ ಉಂಟಾಗುವ ವಿದ್ಯುತ್ ಅಡಚಣೆಗಳನ್ನು ಶೀಘ್ರವಾಗಿ ಪರಿಹರಿಸಿ ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುತ್ ಮರುಸ್ಥಾಪಿಸಲು ಪ್ರತಿ ವರ್ಷ ಆಯಾ ಅವಧಿಗೆ ಪ್ರತ್ಯೇಕವಾಗಿ ಮಾನ್ಯೂನ್ ಗ್ಯಾಂಗ್‌ಮನ್ ಮತ್ತು ವಾಹನಗಳನ್ನು ಒದಗಿಸಲಾಗುತ್ತಿದೆ. ಅಂತೆಯೇ 2021-22 ನೇ ಸಾಲಿನಲ್ಲಿ 585 ಸಂಖ್ಯೆ ಮನ್ಯೂನ್ ಗ್ಯಾಂಗ್‌ಮನ್ ಮತ್ತು 46 ಸಂಖ್ಯೆ ವಾಹನಗಳನ್ನು ಹೆಚ್ಚುವರಿಯಾಗಿ ನೀಡಲಾಗಿರುತ್ತದೆ. ಅದೇ ರೀತಿ 2022-23 ನೇ ಸಾಲಿನಲ್ಲಿ

		606 ಸಂಖ್ಯೆ ಮನ್ಸೂನ್ ಗ್ಯಾಂಗ್‌ಮನ್ ಮತ್ತು 61 ಸಂಖ್ಯೆ ವಾಹನಗಳನ್ನು ಹೆಚ್ಚುವರಿಯಾಗಿ ಒದಗಿಸಲಾಗಿರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
	11.ಲೈನ್ ತೊಂದರೆಯಿಂದಾಗಿ ಗ್ರಾಹಕರ ವಿದ್ಯುತ್ ಉಪಕರಣಗಳು ಹಾಳಾದಲ್ಲಿ ಮೆಸ್ಸಾಂ ಪರಿಹಾರ ನೀಡಬೇಕು.	ವಿದ್ಯುತ್ ಲೈನ್ ಸಮಸ್ಯೆಯಿಂದಾಗಿ ಗ್ರಾಹಕರ ವಿದ್ಯುತ್ ಉಪಕರಣಗಳಿಗೆ ಹಾನಿಯಾದಲ್ಲಿ ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ವಿದ್ಯುತ್ ಪರಿವೀಕ್ಷಕರ ವರದಿಯನ್ನು ಪಡೆದು ನಿಯಮಾನುಸಾರ ಕ್ರಮ ಜರುಗಿಸಲಾಗುತ್ತಿರುತ್ತದೆ
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
	12.ವಿದ್ಯುತ್ ದರ ಏರಿಕೆಯ ಜೊತೆಗೆ ನಿಗದಿತ ಶುಲ್ಕವನ್ನು ಕೂಡಾ ಏರಿಸಲು ಪ್ರಸ್ತಾಪಿಸಿರುವುದರಿಂದ ದೊಡ್ಡ ಹೊರೆಯಾಗಲಿದೆ.	ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಸರಬರಾಜಿಗೆ ತಗಲುವ ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ ಮತ್ತು ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಸೇರಿದಂತೆ ಪ್ರಮುಖವಾಗಿ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚದಲ್ಲಿ ಒಳಗೊಂಡಿರುವ ನಿಗದಿತ ವೆಚ್ಚಗಳನ್ನು ಸರಿದೂಗಿಸುವ ಸಲುವಾಗಿ ನಿಗದಿತ ದರಗಳ ಏರಿಕೆಗೆ ಹಾಗೂ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕವನ್ನು ಕಡಿಮೆಗೊಳಿಸಲು ಪ್ರಸ್ತಾಪಿಸಿದೆ. ಮೇಲೆ ವಿವರಿಸಿರುವ ಎಲ್ಲಾ ಅಂಶಗಳನ್ನು ಪರಿಗಣಿಸಿ, ಮ.ವಿ.ಸ.ಕಂ. ಸಲ್ಲಿಸಿರುವ ದರ ಏರಿಕೆ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಪರಿಗಣಿಸಬೇಕೆಂದು ಮ.ವಿ.ಸ.ಕಂ. ಗೌರವಾನ್ವಿತ ಆಯೋಗವನ್ನು ಕೋರಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ನಿಗದಿತ ಶುಲ್ಕದ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ವಿವರಿಸಲಾಗಿದೆ.	
23	MA-22: Sri.Rajendra Suvarna S/o Sri. H.C. Kunder, President, Karnataka Coastal Ice Plant and cold Storage Owners Association, Udupi.	
	1. ಈ ಹಿಂದಿನ ಎಲ್ಲಾ ಜಕಾತಿ ನಿಗದಿಗಾಗಿ ಅರ್ಜಿದಾರರು ಸಲ್ಲಿಸಿದ ಪರಿಷ್ಕರಣಾ ಅರ್ಜಿಗೆ ಆಕ್ಷೇಪಣೆದಾರರು ಸಲ್ಲಿಸಿರುವ ಆಕ್ಷೇಪಣೆಯನ್ನು ಈ ಆಕ್ಷೇಪಣೆಯ ಒಂದು ಭಾಗವಾಗಿ ಯಾ ಅಂಶವಾಗಿ ಪರಿಗಣಿಸಬೇಕಾಗಿ ವಿನಂತಿಸುತ್ತೇನೆ.	ಸದರಿ ಮನವಿಯನ್ನು ಪುರಸ್ಕರಿಸುವ ವಿಷಯವು ಮಾನ್ಯ ಆಯೋಗದ ನಿರ್ಧಾರಕ್ಕೆ ಒಳಪಟ್ಟಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಹಿಂದಿನ ಎಲ್ಲಾ ಜಕಾತಿ ನಿಗದಿಗಾಗಿ ಅರ್ಜಿದಾರರು ಸಲ್ಲಿಸಿದ ಪರಿಷ್ಕರಣಾ ಅರ್ಜಿಗೆ ನಿಗದಿತ ಅವಧಿಯಲ್ಲಿ ಆಕ್ಷೇಪಣೆದಾರರು ಸಲ್ಲಿಸಿರುವ ಆಕ್ಷೇಪಣೆಯನ್ನು ಆಯೋಗವು ಆಯಾ 'ಜಕಾತಿ ಆದೇಶ' ಗಳನ್ನು ಹೊರಡಿಸುವ ಮುನ್ನ ಪರಿಗಣನೆಗೆ ತೆಗೆದು ಕೊಂಡಿರುತ್ತದೆ.	
	2. ಜಕಾತಿ ಪರಿಷ್ಕರಣೆಗಾಗಿ ಸಲ್ಲಿಸಿದ ಕೆಲವು ಪ್ರಮುಖ ಆಕ್ಷೇಪಣೆಗಳನ್ನು ಈವರೆಗೆ ಆಯೋಗವು ಪರಿಗಣಿಸಿರುವುದಿಲ್ಲ. ಮತ್ತು ಈ ಬಾರಿ ಹೆಚ್-2ಎ ಕೈಗಾರಿಕೆಗಳ ವಿದ್ಯುತ್ ಬಳಕೆಗೆ ಬೆಲೆ ರೂ.7.35 ರಿಂದ 6.00ಕ್ಕೆ ಪ್ರಸ್ತಾಪಿಸಿರುವುದು ಸ್ವಾಗತಿಸಿ ನಿಗದಿತ ಶುಲ್ಕವನ್ನು ಹೆಚ್ಚಿಸಿರುವುದು ಆಕ್ಷೇಪಣಾರ್ಹವಾಗಿದ್ದು, ಹಿಂದಿನ ನಿಗದಿತ ಶುಲ್ಕವನ್ನು	ಗೌರವಾನ್ವಿತ ಕ.ವಿ.ನಿ. ಆಯೋಗದ ನಿಬಂಧನೆಗಳು - 2006 ರ ಅನುಸಾರ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಸಿದ್ಧಪಡಿಸಲಾಗಿದೆ ಮತ್ತು ಪ್ರತಿಯೊಂದು ಪ್ರಸ್ತಾವನೆ ಸಂಬಂಧ ಅಂದಾಜಿಸಲಾಗಿರುವ ಖರ್ಚು ವೆಚ್ಚಗಳನ್ನು ಅದರ ಪೂರ್ವಾಪರ ಅಂಕಿ ಅಂಶಗಳೊಂದಿಗೆ ವಿಷದವಾಗಿ ವಿವರಿಸಲಾಗಿದೆ. ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಸರಬರಾಜಿಗೆ ತಗಲುವ ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ ಮತ್ತು ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಸೇರಿದಂತೆ ಪ್ರಮುಖವಾಗಿ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚದಲ್ಲಿ ಒಳಗೊಂಡಿರುವ ನಿಗದಿತ ವೆಚ್ಚಗಳನ್ನು ಸರಿದೂಗಿಸುವ ನಿಟ್ಟಿನಲ್ಲಿ ನಿಗದಿತ

	<p>ಮುಂದುವರಿಸುವುದರ ಜೊತೆಗೆ ಎಲ್.ಟಿ. ಸ್ವಾವರದವರಿಗೂ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕವನ್ನು ಹೆಚ್.ಟಿ. ಗ್ರಾಹಕರಂತೆಯೇ ರೂ. 6.00ಕ್ಕೆ ನಿಗದಿಪಡಿಸಲು ವಿನಂತಿಸಿದೆ.</p>	<p>ದರಗಳ ಏರಿಕೆಗೆ ಹಾಗೂ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕದ ಇಳಿಕೆಗೆ ಪ್ರಸ್ತಾಪಿಸಿದೆ.</p>
<p>ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ದರ ಪರಿಷ್ಕರಣೆಯ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ವಿಸ್ತಾರವಾಗಿ ಚರ್ಚಿಸಲಾಗಿದೆ.</p>		
<p>3. ಮವಿಸಕಂನ ದರಪರಿಷ್ಕರಣೆಯ ಅರ್ಜಿಯು ಕಾನೂನು ಬಾಹಿರ, ಅಪ್ರಸ್ತುತ, ಅನಾವಶ್ಯಕ, ಅಸಂಬದ್ಧ ಹಾಗೂ ಸಾಮಾಜಿಕ ನ್ಯಾಯ ಮತ್ತು ವಾಸ್ತವಕ್ಕೆ ವಿರುದ್ಧವಾಗಿರುತ್ತದೆ, ಹಾಗೂ ದರ ಪರಿಷ್ಕರಣೆಗೆ ಸೂಕ್ತವಾದ ಕಾರಣ ಮತ್ತು ದಾಖಲೆಯನ್ನು ಆಯೋಗದ ಮುಂದೆ ಹಾಜರುಪಡಿಸಿರುವುದಿಲ್ಲ.</p>		<p>ದಿನಾಂಕ 30.11.2022 ರ ದರ ಪರಿಷ್ಕರಣೆಯ ಅರ್ಜಿಯಲ್ಲಿ ಎಲ್ಲಾ ವಿವರಗಳನ್ನು ಗೌರವಾನ್ವಿತ ಆಯೋಗಕ್ಕೆ ಸಲ್ಲಿಸಲಾಗಿರುತ್ತದೆ. ಇದರಲ್ಲಿ ಗ್ರಾಹಕರಿಗೆ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಸರಬರಾಜು ಮಾಡಲು ತಗಲುವ ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ ಮತ್ತು ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಸೇರಿದಂತೆ ಪ್ರಮುಖವಾಗಿ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚಗಳನ್ನು ಸರಿದೂಗಿಸುವ ಸಲುವಾಗಿ ದರ ಪರಿಷ್ಕರಣೆಯನ್ನು ಪ್ರಸ್ತಾಪಿಸಲಾಗಿರುತ್ತದೆ.</p>
<p>ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ದರ ಪರಿಷ್ಕರಣೆಯ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ವಿಸ್ತಾರವಾಗಿ ಚರ್ಚಿಸಲಾಗಿದೆ.</p>		
<p>4. 2019-20 ಮತ್ತು 2020-21 ನೆ ಸಾಲಿನಲ್ಲಿ ಬಂದ ಕೋವಿಡ್ ನಿಂದಾಗಿ ಮೀನುಗಾರಿಕೆ ಕುರಿತಗೊಂಡು ಈವರೆಗೆ ಮಂಜುಗಡ್ಡೆ ವ್ಯವಹಾರವು ಸಹಜ ಸ್ಥಿತಿಗೆ ಮರಳದೇ ಇರುವುದರಿಂದ ಕೋವಿಡ್ ಸಮಯದ ನಷ್ಟವನ್ನು ಸರಿದೂಗಿಸಲು ಎಲ್.ಟಿ. ಸಣ್ಣ ಕೈಗಾರಿಕೆಗಳ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕಕ್ಕೆ ನೀಡಿದ್ದ, ೫೦ ಪೈಸೆ / ಯೂನಿಟ್ ರಿಯಾಯಿತಿಯನ್ನು ಮುಂದುವರಿಸುವುದರ ಜೊತೆಗೆ ಹೆಚ್.ಟಿ. ಸಣ್ಣ ಕೈಗಾರಿಕೆಗಳಿಗೂ ವಿಸ್ತರಿಸಲು ವಿನಂತಿ.</p>		<p>ಪ್ರಸ್ತುತ ಆರ್ಥಿಕತೆಯು ಕೋವಿಡ್ ಪೂರ್ವದ ಸ್ಥಿತಿಗೆ ಮರಳುತ್ತಿರುವುದನ್ನು ಮಾನ್ಯ ಆಯೋಗದ ಗಮನಕ್ಕೆ ತರುತ್ತಾ ಆಕ್ಷೇಪಣೆದಾರರ ಮನವಿಯನ್ನು ಪುರಸ್ಕರಿಸುವುದು ಮಾನ್ಯ ಆಯೋಗದ ನಿರ್ಧಾರಕ್ಕೆ ಒಳಪಟ್ಟಿದೆ.</p>
<p>ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಈ ವಿಷಯದ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ಸೂಕ್ತವಾಗಿ ಚರ್ಚಿಸಲಾಗಿದೆ.</p>		
<p>5. ಸಣ್ಣ ಕೈಗಾರಿಕೆಗಳನ್ನು ಪ್ರೋತ್ಸಾಹಿಸುವ ಉದ್ದೇಶದಿಂದ ಕೇಂದ್ರ ಹಾಗೂ ರಾಜ್ಯ ಸರ್ಕಾರಗಳು ಹೆಚ್ಚಿನ ಸವಲತ್ತುಗಳನ್ನು ನೀಡುವ ಬಗ್ಗೆ ನಿಬಂಧನೆಗಳನ್ನು ತಂದಿರುತ್ತಾರೆ. ಇದನ್ನು ಗಣನೆಗೆ ತೆಗೆದು ಕೊಳ್ಳದೇ ದರ ಪರಿಷ್ಕರಣೆಗೆ ಸಲ್ಲಿಸಿದ ಅರ್ಜಿಯನ್ನು ವಿಲೇವಾರಿಗೊಳಿಸಬೇಕಾಗಿ ವಿನಂತಿ.</p>		<p>ಮಂಜುಗಡ್ಡೆ ಸ್ವಾವರಗಳನ್ನು ಎಲ್.ಟಿ.-5 ಜಕಾತಿಯಲ್ಲಿ ವರ್ಗೀಕರಿಸಲಾಗಿದ್ದು, ಈಗಾಗಲೇ ಎಲ್.ಟಿ.-5 ಸ್ವಾವರಗಳ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕವನ್ನು ಕಡಿತಗೊಳಿಸಿ ಪ್ರೋತ್ಸಾಹಕವಾಗಿ ಜಕಾತಿ ದರವನ್ನು ಪ್ರಸ್ತಾಪಿಸಿದೆ.</p>

	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಅರ್ಜಿದಾರರ ಆಕ್ಷೇಪಣೆಯು ಸಾಮಾನ್ಯ ಸಣ್ಣ ಕೈಗಾರಿಕೆಗಳನ್ನು ಕುರಿತಂತಾಗಿರುವುದನ್ನು ಮತ್ತು ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಎಂ.ಎಸ್. ಎಂ.ಇ. ದರದ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	
6. ಮಂಜುಗಡ್ಡೆ ಘಟಕಗಳ ವಿದ್ಯುತ್ ಬಳಕೆಯ ಪ್ರತಿ ಯೂನಿಟ್ ಗೆ ಈ ಹಿಂದೆ ನೀಡಿದ್ದ, ರೂ. 1/- ರಿಯಾಯಿತಿಯನ್ನು ಈ ಬಾರಿ ರೂ 2/- ಕ್ಕೆ ಹೆಚ್ಚಿಸಬೇಕಾಗಿ ವಿನಂತಿ.		ಸದರಿ ಮನವಿಯನ್ನು ಪುರಸ್ಕರಿಸುವ ವಿಷಯವು ಮಾನ್ಯ ಆಯೋಗದ ನಿರ್ಧಾರಕ್ಕೆ ಒಳಪಟ್ಟಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ರಿಯಾಯಿತಿಯ ಬಗ್ಗೆ ಸಂಬಂಧ ಪಟ್ಟ ಅಧ್ಯಾಯದಲ್ಲಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	
7. ಮಂಜುಗಡ್ಡೆ ಸ್ವಾವರಗಳ ಮೀನುಗಾರಿಕೆಗೆ ಅವಲಂಬಿತವಾಗಿದ್ದು, ನಿಗದಿತ ಸಮಯದಲ್ಲಿ ನಡೆಯುವ ಉದ್ದಿಮೆಯಾಗಿರುತ್ತದೆ. ಮೀನುಗಾರಿಕೆ ಸಮಯದಲ್ಲೂ ಮಂಜು ಗಡ್ಡೆ ಕರಗಿ ಹೋಗದಂತೆ ಕಾಪಾಡಿಕೊಂಡು ಬರಲು ಪ್ರತಿ ದಿನ 4 ಗಂಟೆ ನಿರಂತರವಾಗಿ ವಿದ್ಯುತ್‌ನ್ನು ಚಾಲನಾ ಸ್ಥಿತಿಯಲ್ಲಿರಿಸಬೇಕಾಗಿರುವುದರಿಂದ ಮಾಲಿಕರಿಗೆ ನಷ್ಟವಾಗುತ್ತದೆ.		ಆಕ್ಷೇಪಣೆದಾರರು ಸಲ್ಲಿಸಿದ ಅಂಶವನ್ನು ಪರಿಗಣಿಸಿಯೇ ಗೌರವಾನ್ವಿತ ಆಯೋಗವು ಜಕಾತಿ ದರ ಆದೇಶದಲ್ಲಿ ಕೆಲವು ಷರತ್ತುಗಳೊಂದಿಗೆ ಸೀಸನಲ್ ಇಂಡಸ್ಟ್ರಿಗಳ ರಿಯಾಯಿತಿಯನ್ನು ವಿಸ್ತರಿಸಿರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
8. ಮಂಜುಗಡ್ಡೆ ಸ್ವಾವರಗಳ ಉತ್ತೇಜನಕ್ಕಾಗಿ ಕೇಂದ್ರ ಸರ್ಕಾರ ಶೇ. 40 ಧನಸಹಾಯ ನೀಡುತ್ತಿದ್ದರೂ ಮೀನುಗಾರಿಕೆಯ ಸಂಪನ್ಮೂಲಗಳ ಕೊರತೆಯಿಂದಾಗಿ ಸದ್ಯ ಉದ್ದಿಮೆದಾರರು ನಷ್ಟವನ್ನು ಅನುಭವಿಸಿ ನಿರುತ್ಸಾಹವಾಗಿ ಘಟಕಗಳೆಂದು ಘೋಷಿಸಲ್ಪಟ್ಟಿರುತ್ತದೆ.		ಮಂಜುಗಡ್ಡೆ ಸ್ವಾವರಗಳನ್ನು ಎಲ್.ಟಿ.-5 ಜಕಾತಿಯಲ್ಲಿ ವರ್ಗೀಕರಿಸಲಾಗಿದ್ದು, ಈಗಾಗಲೇ ಇತರೆ ಎಲ್ಲಾ ಜಕಾತಿಗಳೊಂದಿಗೆ ಎಲ್.ಟಿ.-5 ಸ್ವಾವರಗಳ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕವನ್ನು ಪ್ರೋತ್ಸಾಹಕವಾಗಿ ಪ್ರಸ್ತಾಪಿಸಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
9. ಮಂಜುಗಡ್ಡೆ ಮತ್ತು ಶೈತ್ಯಾಗಾರ ಘಟಕಗಳ ಉತ್ಪಾದನಾ ವೆಚ್ಚವು ಶೇ. 80 ರಷ್ಟು ವಿದ್ಯುಚ್ಛಕ್ತಿ ಬಳಕೆಯನ್ನೊಳಗೊಂಡಿದ್ದು, ಕೇರಳ ಮತ್ತು ಗೋವಾ ರಾಜ್ಯಗಳಲ್ಲಿ ವಿದ್ಯುತ್ ದರ ಕಡಿಮೆ ಇರುವುದರಿಂದ, ಇಲ್ಲಿ ಪ್ರತಿ ವರ್ಷ ಬೆಲೆ ಏರಿಕೆಯಾಗುವುದರಿಂದ ನಷ್ಟ ಉಂಟಾಗುತ್ತದೆ.		ಈ ಹಿಂದಿನ ವರ್ಷಗಳ ಅಂಕಿ ಅಂಶಗಳನ್ನಾದರಿಸಿ ಮುಂದಿನ ವರ್ಷದಲ್ಲಿ ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರ ವಿದ್ಯುತ್ ಬೇಡಿಕೆಯನ್ನು ಪೂರೈಸಲು ತಗಲುವ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚ, ಸವಕಳಿ, ಆಡಳಿತ ವೆಚ್ಚ ಇತ್ಯಾದಿಗಳನ್ನು ಅಂದಾಜಿಸಿ ದರ ಪರಿಷ್ಕರಣೆಗಾಗಿ ಗೌರವಾನ್ವಿತ ಆಯೋಗಕ್ಕೆ ದರ ಪರಿಷ್ಕರಣಾ ಅರ್ಜಿಯನ್ನು ಸಲ್ಲಿಸಲಾಗಿದೆ.

	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ದರದ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ಸೂಕ್ತವಾಗಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	
	10.ಯಾವುದೇ ನಿಶ್ಚಿತ ನೀತಿ, ನಿಬಂಧನೆಗಳಿಲ್ಲದೇ ವಿದ್ಯುತ್ ದರ ನಿಗದಿ ಮಾಡುತ್ತಿರುವುದರಿಂದ ನೆರೆಯ ರಾಜ್ಯಗಳಾದ ಕೇರಳ ಮತ್ತು ಗೋವಾ ರಾಜ್ಯಗಳಲ್ಲಿ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕ ಕಡಿಮೆ ಇರುವ ಕಾರಣ ಅಲ್ಲಿನ ಗಡಿ ಭಾಗದ ಮಂಜುಗಡ್ಡೆ ಘಟಕಗಳೊಂದಿಗೆ ವ್ಯವಹಾರಿಕವಾಗಿ ಪೈಪೋಟಿ ಕಷ್ಟವಾಗುತ್ತಿದೆ.	ಈ ಹಿಂದಿನ ವರ್ಷಗಳ ಅಂಕಿ ಅಂಶಗಳನ್ನಾದರಿಸಿ ಮುಂದಿನ ವರ್ಷದಲ್ಲಿ ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರ ವಿದ್ಯುತ್ ಬೇಡಿಕೆಯನ್ನು ಪೂರೈಸಲು ತಗಲುವ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚ, ಸವಕಳಿ, ಆಡಳಿತ ವೆಚ್ಚ ಇತ್ಯಾದಿಗಳನ್ನು ಅಂದಾಜಿಸಿ ದರ ಪರಿಷ್ಕರಣೆಗಾಗಿ ಗೌರವಾನ್ವಿತ ಆಯೋಗಕ್ಕೆ ದರ ಪರಿಷ್ಕರಣಾ ಅರ್ಜಿಯನ್ನು ಸಲ್ಲಿಸಿರುತ್ತದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ.	
	11.ರಾತ್ರಿ ಬಳಕೆಗೆ TOD ಯಡಿ ಡಿಸೆಂಬರ್ ನಿಂದ ಜೂನ್ ವರೆಗೆ ರಾತ್ರಿ 10 ರಿಂದ ಬೆಳಿಗ್ಗೆ 6 ರವರೆಗಿನ ವಿದ್ಯುತ್ ಬಳಕೆಗೆ ನೀಡುತ್ತಿರುವ ರೂ.1/- ರಿಯಾಯಿತಿಯನ್ನು ವರ್ಷವಿಡೀ ನೀಡುವುದರೊಂದಿಗೆ ರಿಯಾಯಿತಿ ದರವನ್ನು ರೂ.2/- ಕ್ಕೆ ಹೆಚ್ಚಿಸಿ ಅನುಕೂಲ ಮಾಡಿಕೊಡಲು ವಿನಂತಿ.	ಸದರಿ ಮನವಿಯನ್ನು ಪುರಸ್ಕರಿಸುವ ವಿಷಯವು ಮಾನ್ಯ ಆಯೋಗದ ನಿರ್ಧಾರಕ್ಕೆ ಒಳಪಟ್ಟಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ದರದ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ಸೂಕ್ತವಾಗಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	
	12.ವಿಶೇಷ ಪ್ರೋತ್ಸಾಹ ಧನ ಯೋಜನೆಯಡಿಯ ರಿಯಾಯಿತಿ ದರ ರೂ.2/- ನ್ನು ಕೇವಲ ಡಿಸೆಂಬರಿನಿಂದ ಜೂನ್ ವರೆಗೆ ನೀಡುತ್ತಿದ್ದು, ಉಳಿದ ಅವಧಿಗೆ ರೂ.1/- ನ್ನು ನೀಡುತ್ತಿರುತ್ತಾರೆ. ಈ ಬಗ್ಗೆ ಪ್ರಶ್ನಿಸಿದರೂ ಅದನ್ನು ಸರಿಪಡಿಸಿರುವುದಿಲ್ಲ. ವಿಶೇಷ ಪ್ರೋತ್ಸಾಹ ಧನ ಯೋಜನೆಯನ್ನು ಹೆಚ್.ಟಿ. ಸ್ವಾವರಗಳೊಂದಿಗೆ ಎಲ್.ಟಿ. ಸ್ವಾವರಗಳಿಗೂ ವಿಸ್ತರಿಸಲು ವಿನಂತಿ. ಎಲ್.ಟಿ. ಮಂಜುಗಡ್ಡೆ ತಯಾರಿಕಾ ಘಟಕಗಳಿಗೆ TOD ಯನ್ನು ಕೇವಲ 6 ತಿಂಗಳಿಗೆ ನೀಡುತ್ತಿದ್ದು, ಸದ್ಯ ಸವಲತ್ತನ್ನು ವರ್ಷವಿಡೀ ನೀಡಲು ವಿನಂತಿ.	ಈ ಬಗ್ಗೆ ತಿಳಿಸುವುದೇನೆಂದರೆ, ಅರ್ಜಿದಾರರು ಈ ಬಗ್ಗೆ ನಿರ್ದಿಷ್ಟ ಪ್ರಕರಣಗಳನ್ನು ಮವಿಸಕಂ ನ ಗಮನಕ್ಕೆ ತಂದಲ್ಲಿ ಗೌರವಾನ್ವಿತ ಆಯೋಗದ ನಿಯಮಾವಳಿಗಳ ಪ್ರಕಾರ ಪರಿಶೀಲಿಸಿ ಕ್ರಮ ಕೈಗೊಳ್ಳಲಾಗುವುದು. ಎಲ್.ಟಿ.-5 ಸ್ವಾವರಗಳಿಗೆ "ವಿಶೇಷ ಪ್ರೋತ್ಸಾಹ ಯೋಜನೆ" ವಿಸ್ತರಿಸುವ ಬಗ್ಗೆ ಮತ್ತು TOD ಸವಲತ್ತನ್ನು ವರ್ಷವಿಡೀ ವಿಸ್ತರಿಸುವ ವಿಷಯವನ್ನು ಪುರಸ್ಕರಿಸುವ ವಿಷಯವು ಮಾನ್ಯ ಆಯೋಗದ ನಿರ್ಧಾರಕ್ಕೆ ಒಳಪಟ್ಟಿದೆ.

	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ವಿಶೇಷ ಪ್ರೋತ್ಸಾಹ ಧನ ಯೋಜನೆಯ ಬಗ್ಗೆ ಸಂಬಂಧಿತ ಅಧ್ಯಾಯದಲ್ಲಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	
	13. ಮೀನುಗಾರಿಕೆಯ ಮೇಲೆ ಅವಲಂಬಿತವಾಗಿರುವ ಸಮುದ್ರದಿಂದ 5 ಕಿ.ಮೀ. ವ್ಯಾಪ್ತಿಯೊಳಗೆ ಬಾರದ ಕರಾವಳಿಯ ಕುಂದಾಪುರ, ಬಂಟ್ವಾಳ ಮತ್ತು ಉಳ್ಳಾಲ ಗಳಲ್ಲಿರುವ ಮಂಜುಗಡ್ಡೆ ಸ್ವಾವರಗಳಿಗೂ 5 ಕಿ.ಮೀ ವ್ಯಾಪ್ತಿಯೊಳಗೆ ಬರುವ ಮಂಜುಗಡ್ಡೆ ಸ್ವಾವರಗಳಿಗೆ ನೀಡುತ್ತಿರುವ ವಿದ್ಯುತ್ ಬಳಕೆ ಶುಲ್ಕದ ಮೇಲಿನ ರೂ. 1/- ರ ರಿಯಾಯಿತಿಯನ್ನು ನೀಡಲು ಕೋರಿಕೆ.	ಸದರಿ ಮನವಿಯನ್ನು ಪುರಸ್ಕರಿಸುವ ವಿಷಯವು ಮಾನ್ಯ ಆಯೋಗದ ನಿರ್ಧಾರಕ್ಕೆ ಒಳಪಟ್ಟಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ಸದರಿ ವಿಷಯವನ್ನು ಆದೇಶದಲ್ಲಿ ಸೂಕ್ತವಾಗಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	
	14. ಮಂಜುಗಡ್ಡೆ ಸ್ವಾವರಗಳು ನಷ್ಟದಲ್ಲಿರುವಾಗ ನಿಗದಿತ ಶಲ್ಕ ಹೆಚ್ಚಳಕ್ಕೆ ಪ್ರಸ್ತಾಪಿಸಿರುವುದು ಸಾಮಾಜಿಕ ಮತ್ತು ಸಾಮಾನ್ಯ ನ್ಯಾಯಕ್ಕೆ ಸಾಧುವಾದುದಲ್ಲ.	ಮೆಸ್ಕಾಂ ತನ್ನ ಗ್ರಾಹಕರ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಬೇಡಿಕೆಯನ್ನು ಪೂರೈಸಲು ತಗಲುವ ಸಿಬ್ಬಂದಿ ವೆಚ್ಚ, ಸವಕಳಿ ಮತ್ತು ಆಡಳಿತಾತ್ಮಕ ವೆಚ್ಚಗಳು ಸೇರಿದಂತೆ ಪ್ರಮುಖವಾಗಿ ವಿದ್ಯುತ್ ಖರೀದಿ ವೆಚ್ಚದಲ್ಲಿ ಒಳಗೊಂಡಿರುವ ನಿಗದಿತ ವೆಚ್ಚಗಳನ್ನು ಸರಿದೂಗಿಸುವ ಸಲುವಾಗಿ ದರ ಪರಿಷ್ಕರಣೆಯ ಅರ್ಜಿಯನ್ನು ಸಲ್ಲಿಸಲಾಗಿದೆ.
	ಆಯೋಗದ ಅಭಿಪ್ರಾಯಗಳು: ಮ.ವಿ.ಸ.ಕಂ. ಯು ನೀಡಿರುವ ಉತ್ತರವನ್ನು ಆಯೋಗದ ವತಿಯಿಂದ ಗಮನಿಸಲಾಗಿದೆ. ನಿಗದಿತ ಶುಲ್ಕದ ಬಗ್ಗೆ ಆದೇಶದಲ್ಲಿ ಚರ್ಚಿಸಲಾಗಿದೆ.	
33	AEB-01: Sri. B.S.N. Shetty and Others, Kengeri satellite road, Bangalore- 560060	
	1. The objector has stated that, seeking hike in power tariff is not correct even though it is attributed to increase in power production and procurement since, the power tariff has been increased twice since April last year.	It is to be submitted that, MESCOM has proposed for the revision of tariff based on expected power purchase cost and also the O&M expenses, depreciation etc., that are expected to be incurred to meet the expected demand for electricity. The revision proposals are prepared within the framework of applicable provisions framed by the Commission and also by considering the interest of the consumers in general.
	Commission's Views: The Commission notes the reply provided by MESCOM. The increase in the tariff referred to by the objector pertains to Fuel Adjustment charges for the current year and not for FY24.	
	2. The objector insists to minimize the transmission losses and costs on other overheads including human resources.	In this regard it is submitted that, during 2021-22 efforts have been made by MESCOM to reduce the distribution loss level to the lowest possible level of 9.02% by taking up several system improvement works like establishing of new Sub-Stations, providing additional Transformers, creation of new Feeders, replacement of old conductors by new suitable

		conductors. Expenditures incurred on other overheads is only on need basis as per the requirements, that to within the limits.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	3. The objector suggested to look for other avenues/sources for raising the revenue and to balance the increase in cost.	A business plan has been prepared and a target has been fixed to raise annual revenue of Rs 68.01 Crs from other sources.
	Commission's Views: The Commission notes the reply provided by MESCOM.	
	4. The objector expressed Frequent power tariff increase is causing cascading effect to general public as they have to bear the burden passed by commercial and industrial establishment due increase in tariff.	In this regard it is submitted that, as electricity distribution companies are also a part of the industry falling under services. In order to sustain in the industry and to ensure quality power supply, the tariff revision is inevitable.
	Commission's Views: The Commission notes the reply provided by MESCOM. The frequent increase in the tariff referred to by the objector pertains to Fuel Adjustment charges for the current year and not for FY24.	
	5. The objector has stated that, increasing Power Tariffs continuously without any pre fixed period upsetting their monthly budget.	In this regard, it is to be submitted that, MESCOM is filing its application for tariff revision from time to time according to Section 61 & 62 of the Electricity Act, 2003 read with relevant provisions of KERC (Tariff) Regulations including KERC (Terms & Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006.
	Commission's Views: The revision of tariff is being done annually as per the Electricity Act and the recovery / refund of Fuel Adjustment charges is done quarterly/ monthly as per the MoP /KERC Regulations issued in terms of the Electricity Act. The Commission has to regulate the tariff as per the Electricity Act and has no discretion in the matter.	
	6. The objector has requested to fix the term 2/3 years for power tariff increase and forbid ESCOMS in recalibrating tariffs frequently.	In this regard, it is to be submitted that, MESCOM is filing its application for tariff revision from time to time according to Section 61 & 62 of the Electricity Act, 2003 read with relevant provisions of KERC (Tariff) Regulations including KERC (Terms & Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006.
	Commission's Views: The revision of tariff is being done annually as per the Electricity Act and the recovery / refund of Fuel Adjustment charges is done quarterly/ monthly as per the MoP/KERC Regulations issued in terms of the Electricity Act. The Commission has to regulate the tariff as per the Electricity Act and has no discretion to postpone the same.	
	7. The objector requested the State Govt. to bear increase in overhead and cost and also to absorb the losses.	As a part of activity of taking measures conducive to development of electricity industry, promoting competition therein, protecting interest of consumers and supply of electricity to all areas, rationalization of electricity tariff, ensuring transparent policies regarding subsidies etc., the ESCOMs are

		unbundled and are already kept out of grace cage of Govt. subsidization.
	Commission's Views: The objector is advised to take up the matter with the Government.	
	8. The objector requested to not to consider the proposal of tariff revision in the interest of larger public interest.	Annual Revenue requirement for FY 2024 is filed in line with the applicable provisions issued by the Hon'ble Commission. Accordingly, the Commission is requested to consider the proposals for tariff revision.
	Commission's Views: The revision of tariff is being done annually as per the Electricity Act and Regulations issued in terms of the Electricity Act. The Commission has to regulate the tariff as per the Electricity Act and has no discretion to not to consider the proposal submitted by the ESCOMs.	
34	AEB-02: Sri. Jogendra Behera, CRO & VP (Regulatory & Market Economics), Indian Energy Exchange Ltd., Plot No, C-001/A/1, 9th floor MAX Towers Sector 16 B, Noida, UP-201301	
	1. This has reference to public Notice Inviting comments on the Petition filed by BESCO on the subject matter.	The objector has not made any objections on Tariff Filing Proposal of MESCOM.
	Commission's Views: The Commission notes the reply provided by MESCOM.	

ESCOMS TOTAL POWER PURCHASE FOR FY24						Annexure-1	
SI No	NAME OF THE GENERATING STATION	Energy considered (MU)	Capacity Charges	Variable Charges		Total Cost	
			Amount in Crores	Amount in Crores	Cost/Unit in Rs	Amount in Crores	Cost/Unit in Rs
A	KPCL THERMAL						
1	RAICHUR THERMAL POWER STATION_RTPS 1-7 (7x210)	4934.88	868.00	2234.02	4.53	3102.02	6.29
2	RAICHUR THERMAL POWER STATION_RTPS 8 (1x250)	963.06	228.00	436.17	4.53	664.17	6.90
3	BELLARY THERMAL POWER STATIONS_BTPTS-1 (1x500)	1200.00	351.00	552.84	4.61	903.84	7.53
4	BELLARY THERMAL POWER STATIONS_BTPTS-2 (1x500)	1494.18	424.00	723.18	4.84	1147.18	7.68
5	BELLARY THERMAL POWER STATIONS_BTPTS-3 (1x700)	3234.79	743.00	1315.59	4.07	2058.59	6.36
6	YTPS	5020.71	2400.00	2103.18	4.19	4503.18	8.97
	TOTAL KPCL THERMAL	16847.62	5014.00	7364.98	4.3715	12378.98	7.3476
B	CGS SOURCES						
1	N.T.P.C-RSTP-I&II (3X200MW+3X500MW)	2923.69	214.33	1250.75	4.28	1465.08	5.01
2	N.T.P.C-RSTP-III (1X500MW)	767.69	65.23	299.71	3.90	364.94	4.75
3	NTPC-Talcher (4X500MW)	2667.39	188.00	492.13	1.85	680.13	2.55
4	Simhadri Unit -1 &2 (2X500MW)	1388.03	187.97	534.11	3.85	722.08	5.20
5	NTPC Tamilnadu Energy Company Ltd (NTECL)_Vallur TPS Stage I &2 &3 (3X500MW)	891.54	188.65	293.49	3.29	482.14	5.41
6	Neyveli Lignite Corporation_NLC TPS-II STAGE I (3X210MW)	798.17	65.61	219.74	2.75	285.35	3.58
7	Neyveli Lignite Corporation_NLC TPS-II STAGE 2 (4X210MW)	1083.21	91.70	298.21	2.75	389.91	3.60
8	Neyveli Lignite Corporation_NLC TPS I EXP (2X210MW)	701.39	70.17	171.70	2.45	241.87	3.45
9	Neyveli Lignite Corporation_NLC TPS2 EXP (2X250MW)	563.77	169.14	148.50	2.63	317.64	5.63

SI no	NAME OF THE GENERATING STATION	Energy considered (MU)	Capacity Charges	Variable Charges		Total Cost	
			Amount in Crores	Amount in Crores	Cost/Unit in Rs	Amount in Crores	Cost/Unit in Rs
10	NLC TAMILNADU POWER LIMITED (NTPL) (TUTICORIN) (2X500MW)	721.68	215.67	320.86	4.45	536.53	7.43
11	MAPS (2X220MW)	87.79	0.00	22.77	2.59	22.77	2.59
12	Kaiga Unit 1&2 (2X220MW)	821.84	0.00	286.58	3.49	286.58	3.49
13	Kaiga Unit 3 &4 (2X200MW)	893.52	0.00	311.57	3.49	311.57	3.49
14	NPCIL-Kudankulam Atomic Power Generating Station (KKNPP U1 (1X1000MW)	1466.74	0.00	610.16	4.16	610.16	4.16
15	NPCIL-Kudankulam Atomic Power Generating Station (KKNPP) U2(1X1000MW)	1448.87	0.00	602.73	4.16	602.73	4.16
16	DVC-Unit-1 & 2 Meja TPS (2x500MW)	1354.78	203.84	426.35	3.15	630.19	4.65
17	DVC-Unit-7 & 8-KODERMA TPS (2x500MW)	1693.47	293.93	602.20	3.56	896.13	5.29
18	Kudgi	2051.25	1590.04	1094.75	5.34	2684.79	13.09
19	New NLC thermal Project	433.77	92.04	117.29	2.70	209.33	4.83
	TOTAL CGS Energy @ KPTCL periphery	22758.59	3636.32	8103.61	3.56	11739.93	5.16
C	MAJOR IPPS						
1	UDUPI POWER CORPORATION LIMITED_UPCL (2x600)	1500.00	1091.48	1620.00	10.80	2711.48	18.08
D	KPCL HYDEL STATIONS						
1	SHARAVATHI VALLEY PROJECT_SVP (10x103.5+2x27.5)	5049.99		301.38	0.60	301.38	0.60
2	MAHATMA GANDHI HYDRO ELECTRIC POWER HOUSE_MGHE (4x21.6+4x13.2)	346.50		25.04	0.72	25.04	0.72
3	GERUSOPPA_GPH (SHARAVATHI TAIL RACE_STR) (4x60)	542.52		97.12	1.79	97.12	1.79
4	KALI VALLEY PROJECT_KVP (2x50+5x150+1x135)	3371.94		283.18	0.84	283.18	0.84

SI no	NAME OF THE GENERATING STATION	Energy considered (MU)	Capacity Charges	Variable Charges		Total Cost	
			Amount in Crores	Amount in Crores	Cost/Unit in Rs	Amount in Crores	Cost/Unit in Rs
5	VARAHI VALLEY PROJECT_VVP (4x115+2x4.5)	1077.12		189.78	1.76	189.78	1.76
6	ALMATTI DAM POWER HOUSE_ADPH (1x15+5x55)	504.90		116.84	2.31	116.84	2.31
7	BHADRA HYDRO ELECTRIC POWER HOUSE_BHEP ((1x2+2x12)+(1x7.2+1x6))	59.40		29.08	4.90	29.08	4.90
8	KADRA POWER HOUSE_KPH (3x50)	396.00		90.81	2.29	90.81	2.29
9	KODASALLI DAM POWER HOUSE_KDPH (3x40)	396.00		63.85	1.61	63.85	1.61
10	GHATAPRABHA DAM POWER HOUSE_GDPH (2x16)	85.14		21.25	2.50	21.25	2.50
11	SHIVASAMUDRAM (4x4+6x3) & SHIMSHAPURA (2x8.6) HYDRO STATIONS.	279.18		37.33	1.34	37.33	1.34
12	MUNIRABAD POWER HOUSE (2x9+1x10)	95.04		9.21	0.97	9.21	0.97
	TOTAL KPCL HYDRO	12203.73	0.00	1264.87	1.04	1264.87	1.04
E	OTHER HYDRO						
1	PRIYADARSHINI JURALA HYDRO ESLECTRIC STATION (6x39)	162.43		61.40	3.78	61.40	3.78
2	TUNGABHADRA DAM POWER HOUSE_TBPH (4x9+4x9)	44.85		2.10	0.47	2.10	0.47
	TOTAL OTHER HYDRO	207.28		63.50	3.06	63.50	3.06
F	RE SOURCES						
1	WIND-IPPS	6263.80		2463.52	3.93	2463.52	3.93
2	KPCL-WIND (9x0.225+10x0.230)	6.95		2.67	3.84	2.67	3.84
3	MINI HYDEL-IPPS	1494.18		504.15	3.37	504.15	3.37
4	CO-GEN	719.71		465.43	6.47	465.43	6.47
5	CAPTIVE	18.57		5.71	3.07	5.71	3.07
6	Wind MOA	136.53		49.50	3.63	49.50	3.63
7	BIOMASS	146.66		81.50	5.56	81.50	5.56
8	Solar Existing /SRTPV	9428.46		3694.19	3.92	3694.19	3.92

SI no	NAME OF THE GENERATING STATION	Energy considered (MU)	Capacity Charges	Variable Charges		Total Cost	
			Amount in Crores	Amount in Crores	Cost/Unit in Rs	Amount in Crores	Cost/Unit in Rs
9	SOLAR-KPCL (YELESANDRA,ITNAL,YA PALDINNI,SHIMSHA) (3x1+3x1+1x3x1x5)	7.43		10.68	14.37	10.68	14.37
	TOTAL RE	18222.29		7277.35	3.99	7277.35	3.99
G	BUNDLED POWER						
1	Bundled power Coal	505.86		299.33	5.92	299.33	5.92
2	Bundled power Solar(OLD)	120.50		126.85	10.53	126.85	10.53
3	Bundled power Solar(NEW)	1380.80		843.25	6.11	843.25	6.11
	Total Bundled Power	2007.16		1269.43	6.32	1269.43	6.32
H	TOTAL TRANSMISSION & LDC CHARGES						
1	KPTCL TRANSMISSION CHARGES		5575.8505			5575.8505	
2	CTUIL CHARGES		2118.411			2118.411	
3	SLDC		27.740			27.740	
4	POSOCO CHARGES		4.340			4.340	
I	TOTAL INCLUDING TRANSMISSION & LDC CHARGES	73746.6760	17468.1410	26963.7395	3.656	44431.880	6.02493

MESCOMs APPROVED POWER PURCHASE FOR FY24						Annexure-2		
Sl no	Name of the Generating Station	% share of energy allowed	Energy considered (MU)	Capacity Charges	Variable Charges		Total Cost	
				Amount in Crores	Amount in Crores	Cost/Unit in Rs	Amount in Crores	Cost/Unit in Rs
A	KPCL THERMAL							
1	RAICHUR THERMAL POWER STATION RTPS 1-7 (7x210)	8.5654	422.69	74.35	191.35	4.53	265.70	6.29
2	RAICHUR THERMAL POWER STATION RTPS 8 (1x250)	8.5654	82.49	19.53	37.36	4.53	56.89	6.90
3	BELLARY THERMAL POWER STATIONS BTPS-1 (1x500)	8.5654	102.79	30.06	47.35	4.61	77.42	7.53
4	BELLARY THERMAL POWER STATIONS BTPS-2 (1x500)	8.5654	127.98	36.32	61.94	4.84	98.26	7.68
5	BELLARY THERMAL POWER STATIONS BTPS-3 (1x700)	8.5654	277.07	63.64	112.69	4.07	176.33	6.36
6	YTPS	8.5654	430.05	205.57	180.15	4.19	385.72	8.97
	TOTAL KPCL THERMAL		1443.07	429.47	630.84	4.37	1060.313	7.35
B	CGS SOURCES							
1	N.T.P.C-RSTP-I&II (3X200MW+3X500MW)	8.5654	250.43	18.36	107.13	4.28	125.49	5.01
2	N.T.P.C-RSTP-III (1X500MW)	8.5654	65.76	5.59	25.67	3.90	31.26	4.75
3	NTPC-Talcher (4X500MW)	8.5654	228.47	16.10	42.15	1.85	58.26	2.55
4	Simhadri Unit -1 &2 (2X500MW)	8.5654	118.89	16.10	45.75	3.85	61.85	5.20
5	NTPC Tamilnadu Energy Company Ltd (NTECL)_Vallur TPS Stage I &2 &3 (3X500MW)	8.5654	76.36	16.16	25.14	3.29	41.30	5.41
6	Neyveli Lignite Corporation_NLC TPS-II STAGE I (3X210MW)	8.5654	68.37	5.62	18.82	2.75	24.44	3.58
7	Neyveli Lignite Corporation_NLC TPS-II STAGE 2 (4X210MW)	8.5654	92.78	7.85	25.54	2.75	33.40	3.60
8	Neyveli Lignite Corporation_NLC TPS I EXP (2X210MW)	8.5654	60.08	6.01	14.71	2.45	20.72	3.45
9	Neyveli Lignite Corporation_NLC TPS2 EXP (2X250MW)	8.5654	48.29	14.49	12.72	2.63	27.21	5.63
10	NLC TAMILNADU POWER LIMITED (NTPL) (TUTICORIN) (2X500MW)	8.5654	61.81	18.47	27.48	4.45	45.96	7.43
11	MAPS (2X220MW)	8.5654	7.52	0.00	1.95	2.59	1.95	2.59
12	Kaiga Unit 1&2 (2X220MW)	8.5654	70.39	0.00	24.55	3.49	24.55	3.49

Sl no	Name of the Generating Station	% share of energy allowed	Energy considered (MU)	Variable Charges			Total Cost	
				Capacity Charges Amount in Crores	Amount in Crores	Cost/Unit in Rs	Amount in Crores	Cost/Unit in Rs
13	Kaiga Unit 3 & 4 (2X200MW)	8.5654	76.53	0.00	26.69	3.49	26.69	3.49
14	NPCIL-Kudankulam Atomic Power Generating Station (KKNPP U1 (1X1000MW))	8.5654	125.63	0.00	52.26	4.16	52.26	4.16
15	NPCIL-Kudankulam Atomic Power Generating Station (KKNPP) U2(1X1000MW)	8.5654	124.10	0.00	51.63	4.16	51.63	4.16
16	DVC-Unit-1 & 2 Meja TPS (2x500MW)	8.5654	116.04	17.46	36.52	3.15	53.98	4.65
17	DVC-Unit-7 & 8-KODERMA TPS (2x500MW)	8.5654	145.05	25.18	51.58	3.56	76.76	5.29
18	Kudgi	8.5654	175.70	136.19	93.77	5.34	229.96	13.09
19	New NLC thermal Project	8.5654	37.15	7.88	10.05	2.70	17.93	4.83
	TOTAL CGS Energy @ KPTCL periphery		1949.37	311.47	694.11	3.56	1005.58	5.16
C	MAJOR IPPS							
1	UDUPI POWER CORPORATION LIMITED_UPCL (2x600)	8.5654	128.48	93.49	138.76	10.80	232.25	18.08
D	KPCL HYDEL STATIONS							
1	SHARAVATHI VALLEY PROJECT_SVP (10x103.5+2x27.5)	12.1325	612.69	0.00	36.57	0.60	36.57	0.60
2	MAHATMA GANDHI HYDRO ELECTRIC POWER HOUSE_MGHE (4x21.6+4x13.2)	8.5654	29.68	0.00	2.14	0.72	2.14	0.72
3	GERUSOPPA_GPH (SHARAVATHI TAIL RACE_STR) (4x60)	8.5654	46.47	0.00	8.32	1.79	8.32	1.79
4	KALI VALLEY PROJECT_KVP (2x50+5x150+1x135)	8.5654	288.82	0.00	24.26	0.84	24.26	0.84
5	VARAHI VALLEY PROJECT_VVP (4x115+2x4.5)	8.5654	92.26	0.00	16.26	1.76	16.26	1.76
6	ALMATTI DAM POWER HOUSE_ADPH (1x15+5x55)	8.5654	43.25	0.00	10.01	2.31	10.01	2.31
7	BHADRA HYDRO ELECTRIC POWER HOUSE_BHEP ((1x2+2x12)+(1x7.2+1x6))	8.5654	5.09	0.00	2.49	4.90	2.49	4.90
8	KADRA POWER HOUSE_KPH (3x50)	8.5654	33.92	0.00	7.78	2.29	7.78	2.29

SI no	Name of the Generating Station	% share of energy allowed	Energy considered (MU)	Capacity Charges	Variable Charges		Total Cost	
				Amount in Crores	Amount in Crores	Cost/Unit in Rs	Amount in Crores	Cost/Unit in Rs
9	KODASALLI DAM POWER HOUSE_KDPH (3x40)	8.5654	33.92	0.00	5.47	1.61	5.47	1.61
10	GHATAPRABHA DAM POWER HOUSE_GDPH (2x16)	8.5654	7.29	0.00	1.82	2.50	1.82	2.50
11	SHIVASAMUDRAM (4x4+6x3) & SHIMSHAPURA (2x8.6) HYDRO STATIONS.	8.5654	23.91	0.00	3.20	1.34	3.20	1.34
12	MUNIRABAD POWER HOUSE (2x9+1x10)	8.5654	8.14	0.00	0.79	0.97	0.79	0.97
	TOTAL KPCL HYDRO		1225.44	0.00	119.09	0.97	119.093	0.97
E	OTHER HYDRO							
1	PRIYADARSHINI JURALA HYDRO ESLECTRIC STATION (6x39)	8.5654	13.91	0.00	5.26	3.78	5.26	3.78
2	TUNGABHADRA DAM POWER HOUSE_TBPH (4x9+4x9)	8.5654	3.84	0.00	0.18	0.47	0.18	0.47
	TOTAL OTHER HYDRO		17.75		5.44	3.06	5.44	3.06
F	RE SOURCES							
1	WIND-IPPS		251.18	0.00	98.79	3.93	98.79	3.93
2	KPCL-WIND (9x0.225+10x0.230)			0.00	0.00	3.84	0.00	3.84
3	MINI HYDEL-IPPS		415.67	0.00	140.25	3.37	140.25	3.37
4	CO-GEN			0.00	0.00	6.47	0.00	6.47
5	CAPTIVE			0.00	0.00	3.07	0.00	3.07
6	Wind MOA			0.00	0.00	3.63	0.00	3.63
7	BIOMASS			0.00	0.00	5.56	0.00	5.56
8	Solar Existing /SRTPV		727.27	0.00	283.53	3.92	283.53	3.92
9	SOLAR-KPCL (YELESANDRA,ITNAL,YA PALDINNI,SHIMSHA) (3x1+3x1+1x3x1x5)			0.00	0.00	14.37	0.00	14.37
	TOTAL RE		1394.12	0.00	522.57	3.75	522.57	3.75
G	BUNDLED POWER							
1	Bundled power Coal	7.9087	40.01	0.00	23.67	5.92	23.67	5.92
2	Bundled power Solar(OLD)	7.9087	9.53	0.00	10.03	10.53	10.03	10.53
3	Bundled power Solar(NEW)	7.8896	108.94	0.00	66.53	6.11	66.53	6.11
	Total Bundled Power		158.48		100.23	6.32	100.23	6.32

SI no	Name of the Generating Station	% share of energy allowed	Energy considered (MU)	Capacity Charges	Variable Charges		Total Cost	
				Amount in Crores	Amount in Crores	Cost/Unit in Rs	Amount in Crores	Cost/Unit in Rs
H	TOTAL TRANSMISSION & LDC CHARGES							
1	KPTCL TRANSMISSION CHARGES			424.5323			424.5323	
2	CTUIL CHARGES			157.277			157.277	
3	SLDC			2.015			2.015	
4	POSO CO CHARGES			0.340			0.340	
I	TOTAL INCLUDING TRANSMISSION & LDC CHARGES		6316.7220	1418.5914	2211.0476	3.50	3629.639	5.7461

Proposed and Approved Revenue, Average Tariff and Level of Cross Subsidy for FY24.						ANNEXURE-3	8.61	8.19	7.87
MESCOM						Level of Cross Subsidy (%)			
Tariff	PARTICULARS	@ Proposed by MESCOM		@ Approved as per RST			W.R.T.	W.R.T.	W.R.T.
		Energy Sales (MU)	Revenue (Rs.in Crores)	Energy Sales (MU)	Revenue (Rs.in Crores)	Avg. Tariff (Rs./Unit)	ACS (Rs.8.61)	LT & HT Voltage (Rs.8.76 & Rs.8.19)	EHT Voltage (Rs.7.87)
LT-1 (Subsidized)	Bhagya Jyothi / Kutir Jyothi <=40 units (*1)	35.28	32.92	33.55	28.89	8.61	0.00%	-1.71%	
LT-1	Bhagya Jyothi / Kutir Jyothi >40 units	17.99	11.60	20.59	13.73	6.67	-22.53%	-23.86%	
LT-2(a)	Domestic Consumers, etc.	1709.60	1524.24	1698.67	1433.39	8.44	-1.97%	-3.65%	
LT-2(b)	Pvt. Educational Institutions and Hospitals, etc.	11.12	12.58	11.50	13.64	11.86	37.75%	35.39%	
LT-3	Commercial	390.43	462.38	399.16	457.89	11.47	33.22%	30.94%	
LT-4(a) (Subsidized)	Irrigation Pump Sets <=10 HP (*1)	1662.04	1497.26	1634.91	1090.20	6.67	-22.53%	-23.86%	
LT-4(b)	Irrigation Pump Sets >10 HP	0.64	0.99	0.66	1.04	15.76	83.04%	79.91%	
LT-4c	Pvt. Nurseries, Coffee / Tea Plantations, etc.	6.75	10.90	7.50	10.71	14.28	65.85%	63.01%	
LT-5	Industrial	139.00	147.45	152.54	172.23	11.29	31.13%	28.88%	
LT-6(a)	Water Supply	174.29	123.23	168.47	117.95	7.00	-18.70%	-20.09%	
LT-6(b)	Public Lighting	69.98	56.40	66.18	54.99	8.31	-3.48%	-5.14%	
LT-6(c)	EV Charging Stations	-	-	-	-	-	-	-	
LT-7	Temporary Power Supply	21.90	61.49	21.48	32.47	15.12	75.61%	72.60%	
LT-7(b)									
LT-Total		4239.02	3941.44	4215.21	3427.13	8.13	-5.57%	-7.19%	
HT-1	Water Supply & Sewerage pumping	114.91	80.70	114.91	80.44	7.00	-18.70%	-14.53%	-11.05%
HT-2(a)	Industrial	775.59	662.65	775.59	727.30	9.38	8.94%	14.53%	19.19%
HT-2(b)	Commercial	166.84	180.50	172.48	214.51	12.44	44.48%	51.89%	58.07%
HT-2c(i)	Govt. Educational Institutions and Hospitals, etc.	38.61	36.55	45.10	42.82	9.49	10.22%	15.87%	20.58%
HT-2c(ii)	Pvt. Educational Institutions and Hospitals, etc.	68.00	71.66	79.30	86.49	10.91	26.71%	33.21%	38.63%
HT-3(a)	Lift Irrigation consumers	90.68	67.84	104.34	44.34	4.25	-50.64%	-48.11%	-46.00%
HT-3(b)/HT-6	Agricultural Forms, Govt. Horticultural Forms, etc.	0.10	0.17	0.12	0.07	5.83	-32.29%	-28.82%	-25.92%
HT-4	Residential Apartments	24.66	21.01	24.99	22.02	8.81	2.32%	7.57%	11.94%
HT-5	Temporary Power Supply	2.75	4.33	2.75	4.44	16.15	87.57%	97.19%	105.21%
HT-Total		1282.14	1125.41	1319.58	1222.43	9.26	7.55%	13.06%	17.66%
	Miscellaneous	6.81	102.85	6.80	122.42				
	GRAND TOTAL	5527.97	5169.70	5541.59	4771.98	8.61			

(*1) These categories are subsidized by GoK. In case subsidy is not released by GoK in advance, MESCOM shall raise demand & collect CDT of Rs.8.61 by BJ/KJ and Rs.6.67 by IP set consumers.

(*2) Voltage class wise Cost of Supply per unit LT: Rs.8.76, HT: Rs.8.19, EHT: Rs.7.87 per unit

8.80

Karnataka Electricity Regulatory Commission, Bangalore.			Annexure-4
Calculations for surcharge payable by Open Access Customers -FY24			
Energy Input for FY24-MU		73746.68	
Power Purchase Cost(PPC) including RE sources and excluding KPTCL Transmission/SLDC charges -Rs. Crs.		38828.29	
PPC Paise/ unit(SI.No2/SI.No.1*1000)		526.51	
	Details of surcharge at 66 kv level-paise/unit	Details of surcharge at 33 kv/11 kv level-paise/unit	Details of surcharge at LT level-paise/unit
Power purchase cost /unit (=SI.No.3)	526.51	526.51	526.51
Transmission loss % including Comm. Losses	2.82	2.82	2.82
PPC after accounting for transmission loss (SI.No.4/(1-SI.no.5/100))	541.81	541.81	541.81
ESCOM's Loss at 33 kv/11kv level % including commercial losses	0.00	3.35	3.35
Power purchase cost after accounting for 33 kv/11kv loss(SI.No.6/(1-SI.no.7/100))	541.81	560.60	560.60
ESCOM's Loss at LT level % including commercial losses	0.00	0.00	7.04
Power purchase cost after accounting for LT loss(SI.No.8/(1-SI.no.11/100))	541.81	560.60	603.05
Overall Transmission charge per unit including carrying cost of Regulatory asset	87.49	87.49	87.49
ESCOM's Average Wheeling charge at 33 kv./11 kVlevel	0.00	37.52	37.52
ESCOM's Average Wheeling charge at LT kVlevel	0.00	0.00	87.54
Add carrying cost of Regulatory asset/unit	0.00	0.00	
Add cost of REC to meet RPO/unit	0.00	0.00	
Overall Cost of supply (SI.nos. 10+11+12+13+14+15)	629.30	685.60	815.59

	1	2	4	5	6	7	8	9	10
HT Category	HT-1	HT-2a	HT-2b	HT-2c(i)	HT-2c(ii)	HT-3	HT-4	HT-5	HT-6
Average Tariff- [Based on Annexure-3 of all ESCOMs]	699.00	1025.00	1399.00	930.00	1146.00	544.00	953.00	1657.00	549.00
Cross subsidy at 66 kv & above [SI.No.17-629.30]	69.70	395.70	769.70	300.70	516.70	-85.30	323.70	1027.70	-80.30
Cross subsidy at HT level [SI.No.17-685.60]	13.40	339.40	713.40	244.40	460.40	-141.60	267.40	971.40	-136.60
Cross subsidy at LT level [SI.No.17-815.58]	NA	NA	NA	NA	NA	NA	NA	NA	NA
20% of Tariff [20% of SI. No.17]	139.80	205.00	279.80	186.00	229.20	108.80	190.60	331.40	109.80
Applicable Cross subsidy at 66 kv & above [lower of SI.No.18 & SI.No.21]	70	205	280	186	229	-85	191	331	-80
Applicable Cross subsidy at HT level [lower of SI.No.19 & SI.No.21]	13	205	280	186	229	-142	191	331	-137
Applicable Cross subsidy at LT level [lower of SI.No.20 & SI.No.21]	NA	NA	NA	NA	NA	NA	NA	NA	NA

	11	12	14	15	16	17	18	19	20	21	22	23
HT Category	LT-1 (SUBSIDISED)	LT-1 (unsubsidise d)	LT2b	LT3	LT-4a	LT-4b	LT-4c	LT-5	LT-6a	LT-6b	LT-6c	LT-7
Average Tariff- [Based on Annexure-3 of all ESCOMs]	892	638	1100	1199	647	899	1054	1137	748	840	458	2552
Cross subsidy at 66 kv & above [SI.No.17-629.30]	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Cross subsidy at HT level [SI.No.17-685.60]	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Cross subsidy at LT level [SI.No.17-815.58]	76.41	-177.59	284.41	383.41	-168.59	83.41	238.41	321.41	-67.59	24.41	-357.59	1736.41
20% of Tariff [20% of SI. No.17]	178.40	127.60	220.00	239.80	129.40	179.80	210.80	227.40	149.60	168.00	91.60	510.40
Applicable Cross subsidy at 66 kv & above [lower of SI.No.18 & SI.No.21]	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Applicable Cross subsidy at HT level [lower of SI.No.19 & SI.No.21]	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Applicable Cross subsidy at LT level [lower of SI.No.20 & SI.No.21]	76	-178	220	240	-169	83	211	227	-68	24	-358	510

ANNEXURE - 5

ELECTRICITY TARIFF - 2024

K.E.R.C. ORDER DATED: 12th MAY 2023

**Effective for the Electricity consumed from the first meter
reading date falling on or after 01.04.2023**

**Mangalore
Electricity Supply Company Ltd.,**

ELECTRICITY TARIFF-2024**GENERAL TERMS AND CONDITIONS OF TARIFF:****(APPLICABLE TO BOTH HT AND LT)**

1. The supply of power is subject to execution of agreement by the Consumer in the prescribed form, payment of prescribed deposits and compliance of terms and conditions as stipulated in the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka and Regulations issued under the Electricity Act, 2003 and compliance of all other Regulations issued / amended from time to time .
2. The tariffs are applicable to only single point of supply unless otherwise approved by the Licensee.
3. The Licensee does not bind himself to energize any installation, unless the Consumer guarantees the payment of minimum charges. The minimum charges are the power supply charges, in accordance with the tariff in force from time to time. This shall be payable by the Consumer until the power supply agreement is terminated, irrespective of the installation being in service or under disconnection.
4. The tariffs in the schedule are applicable to supply of power within the area of operation of the licensee.
5. The tariffs are subject to levy of Tax and Surcharges thereon as may be decided by the State Government, from time to time.
6. For the purpose of these tariffs, the following conversion factor would be used:
1 HP=0.746 KW. 1HP=0.878 KVA.
7. The bill amount will be rounded off to the nearest Rupee, i.e., the bill amount of 50 Paise and above will be rounded off to the next higher Rupee and the amount less than 50 Paise will be ignored.

8. Use of power for temporary illumination in the premises already having permanent power supply for marriages, exhibitions in hotels, sales promotions etc., is limited to sanctioned load at the applicable permanent power supply tariff rates. Temporary tariff rates will be applicable in case the load exceeds sanctioned load as per the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.
9. **LT power supply can be given where the requisitioned load is less than 150 kw / 201 HP.** The applicant is however at liberty to avail HT supply for lesser loads. The minimum contract demand for HT supply shall be 25 KVA or as amended from time to time by the Licensee with the approval of KERC.
10. The Consumer shall not resell electricity purchased from the Licensee to a third party except:
- Where the Consumer holds a sanction or a tariff provision for distribution and sale of energy,
 - Under special contract permitting the Consumer for resale of energy in accordance with the provisions of the contract.
11. Non-receipt of the bill by the Consumer is not a valid reason for non-payment of bills. If the bill is not received within 7 days from the meter reading date, the Consumer shall notify the licensees' office, which issues the bill. Otherwise, it will be deemed that the bills have reached the Consumer in due time.
12. The Licensee will levy the following charges for non-realization of each Cheque.

1	Cheque amount up to Rs. 10,000	5% of the amount subject to a minimum of Rs.100
2	Cheque amount of Rs. 10,001 and up to Rs. 1,00,000	3% of the amount subject to a minimum of Rs.500
3	Cheque amount above Rs. 1 Lakh:	2% of the amount subject to a minimum of Rs.3000

13. In respect of power supply charges paid by the Consumer through money order, Cheque /DD sent by post, receipt will be drawn and the Consumer has to collect the same.

14. In case of any belated payment, simple interest at the rate of 1 % per month will be levied on the actual No. of days of delay subject to a minimum of Re.1 for LT installation and Rs.100 for HT installation. No interest is however levied for arrears of Rs.10 and less.
15. All LT Consumers, except Bhagya Jyothi and Kutir Jyothi Consumers, shall provide current limiter/Circuit Breakers of capacity prescribed by the Licensee depending upon the sanctioned load.
16. All payments made by the Consumer will be adjusted in the following order of priority: -
 - (a) Interest on arrears of Electricity Tax
 - (b) Arrears of Electricity Tax
 - (c) Arrears of Interest on Electricity charges
 - (d) Arrears of Electricity charges
 - (e) Current month's dues
17. For the purpose of billing,
 - (i) the higher of the rated load or sanctioned load in respect of LT installations which are not provided with Electronic Tri-Vector meter,
 - (ii) sanctioned load or MD recorded, whichever is higher, in respect of installations provided with static meter or Electronic Tri-Vector meter or static meter, will be considered.

Penalty and other clauses shall apply if the sanctioned load is exceeded.
18. The bill amount shall be paid within 15 days from the date of presentation of the bill failing which the interest becomes payable.
19. For individual installations, more than one meter shall not be provided under the same tariff. Wherever two or more meters are existing for individual installation, the sum of the consumption recorded by the meters shall be taken for billing, till they are merged.
20. In case of multiple connections in a building, all the meters shall be provided at one easily accessible place in the ground floor.

21. **Reconnection charges:** The following reconnection charges shall be levied in case of disconnection and included in the monthly bill.

For reconnection of:

a	Single Phase Domestic installations under Tariff schedule LT 1 & LT2 (a)	Rs.20 per Installation.
b	Three Phase Domestic installations under Tariff schedule LT2 (a) and Single Phase Commercial & Power installations.	Rs.50 per Installation.
c	All LT installations with 3 Phase supply other than LT2 (a)	Rs.100 per Installation.
d	All HT& EHT installations	Rs.500 per Installation.

22. Revenue payments upto and inclusive of Rs.10, 000 shall be made by cash or cheque or D.D and payments above Rs.10, 000 shall be made by cheque or D.D only. Payments under other heads of account shall be made by cash or D.D, Bankers Cheque up to and inclusive of Rs. 10,000 and payment above Rs.10, 000 shall be by D.D or Bankers Cheque only.

Note: The Consumers can avail the facility of payment of monthly power supply bill through Electronic clearing system (ECS)/ Debit / Credit cards / RTGS/ NEFT/ Net Banking through ESCOMs/ Bank/ Bangalore One and Karnataka One website, on-line E-Payment / Digital mode of payments as per the guidelines issued by the RBI wherever such facility is provided by the Licensee in respect of revenue payments up to the limit prescribed by the RBI.

23. If any of installations is not covered under any Tariff schedule, the Licensee is permitted to classify such installations under appropriate Tariff schedule under intimation to the K.E.R.C and approval thereon.

24. **Seasonal Industries**

Applicable to all Seasonal Industries.

- i) The industries that intend to avail this benefit shall have Electronic Tri- Vector Meter installed to their installations.

ii) 'Working season' months and 'off-season' months shall be determined by an order issued by the Executive Engineer of the concerned O&M Division of the Licensee as per the request of the Consumer and will continue from year to year unless otherwise altered. The Consumer shall give a clear one month's notice in case he intends to change his 'working season'.

iii) **The consumption during any month of the declared off-season shall not be more than 25% of the average consumption of the previous working season.**

iv) The 'Working season' months and 'off-season' months shall be full-calendar months. If the power availed during a month exceeds the allotment for the 'off-season' month, it shall be taken for calculating the billing demand as if the month is the 'working season' month.

v) The Consumer can avail the facility of 'off-season' up to six months in a calendar year not exceeding in two spells in that year. During the 'off-season' period, the Consumer may use power for administrative offices etc., and for overhauling and repairing plant and machinery.

25. Whether an institution availing Power supply can be considered as charitable or not will be decided by the Licensee on the production of certificate **Form-10AC** from the Income Tax department.

26 **Time of the Tariff (ToD)**

The Commission as decided in the earlier tariff orders, decides to continue compulsory Time of Day Tariff for HT2 (a), HT2 (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), HT2 (b) and HT 2(C) consumers with contract demand of less than 500 KVA. Also the ToD for HT1 consumers on optional basis would continue as existing earlier. **The ToD tariff for the HT installations using the power for charging the Electric Motor Vehicle in the depots of BMTC / KSRTC/ NEKRTC / NWKRTC on optional basis is also applicable.** Details of ToD tariff are indicated under the respective tariff category. **The ToD tariff is not applicable to BMRCL and Railway Traction installations.**

The TOD tariff penalty / incentive in all the cases is applicable for the period specified by the Commission in the Tariff Order.

27. 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, has 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. In view of issue of the G.O No.CI2 BIF 2010, dated 21.10.2010, the Commission has accorded approval to ESCOMs 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).

28. Incentive for Prompt Payment / Advance Payment:

An incentive at the rate of 0.25% of such bill shall be given to the following Consumers by way of adjustment in the subsequent month's bill:

- (i) In the case of monthly bills exceeding Rs.1,00,000 (Rs. One lahs), if the payment is made 10 days in advance of the due date.
- (ii) Advance payment exceeding Rs.1000 made by the Consumers towards monthly bills.

Note: The incentive for payment through ECS is discontinued.

29. Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka and amendments issued thereon from time to time and Regulations issued under the Electricity Act, 2003 will prevail over the extract given in this tariff book in the event of any discrepancy.

30. Self-Reading of Meters:

The Commission has approved Self-Reading of Meters by Consumers and issue of bills by the Licensee based on such readings and the Licensee shall

take the reading at least once in six months and reconcile the difference, if any and raise the bills accordingly. This procedure may be implemented by the Licensee as stipulated under Clause 26.01 of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.

31. **Metering for 400 Voltas, 3 phase supply with requisition load above 50 kw to 150 kw:**

The accuracy class of metering for arranging power supply to consumers at Low Tension for loads between 50 KW to 150 KW shall be the same as prescribed for HT consumers.

The metering arrangement for consumers availing load between 50 KW to 150 KW at low tension shall be strictly arranged using a metering cubicle similar to that of a HT metering arrangement.

ELECTRICITY TARIFF-2024

PART-I

LOW TENSION SUPPLY

**(400 Volts Three Phase and
230 Volts Single Phase Supply)**

CONDITIONS APPLICABLE TO BILLING OF LT INSTALLATIONS:

1. In the case of LT Industrial / Commercial Consumers, **Demand Based Tariff** at the option of the Consumer, can be adopted. The Consumer is permitted to have more connected load than the sanctioned load. The billing demand will be the sanctioned load, or Maximum Demand recorded in the Tri-Vector Meter during the month, whichever is higher. If the Maximum Demand recorded is more than the sanctioned load, penal charges at two times the normal rate shall apply.
2. Use of power within the Consumer premises for bonafide temporary purpose is permitted, subject to the conditions that, total load of the installation on the system does not exceed the sanctioned load.
3. Where it is intended to use power supply temporarily, for floor polishing and such other portable equipment, in a premises having permanent power supply, such equipment shall be provided with earth leakage circuit breakers of adequate capacity.
4. The laboratory installations in educational institutions are allowed to install connected machineries up to 4 times the sanctioned load. The fixed charges shall however be on the basis of sanctioned load.
5. Besides combined lighting and heating, electricity supply under tariff schedules LT2 (a) & LT2 (b), can be used for Fans, Televisions, Radios, Refrigerators and other household appliances, including domestic water pumps and air conditioners, provided, they are under single meter connection. If a separate meter is provided for Air-conditioner load, the Consumer shall be served with a notice to merge this load, and to have a single meter for the entire load. Till such time, the air conditioner load will be billed under Commercial Tariff.
6. **Bulk LT supply:**
If power supply for lighting / combined lighting & heating {LT 2(a)}, is availed through a bulk Meter for group of houses belonging to one Consumer, (i.e. where bulk LT supply is availed), the billing for energy shall be done at the slab

rate for energy charges matching the consumption obtained, by dividing the bulk consumption by number of houses. In addition, fixed charges for the entire sanctioned load shall be charged as per Tariff schedule.

7. A rebate of 25 Paise per unit will be given for the House/ School/Hostels meant for Handicapped, Aged, Destitute and Orphans, Rehabilitation Centres under Tariff schedule LT 2(a).
8. **SOLAR REBATE: The Solar Rebate of 50 Paise per unit of electricity consumed subject to a maximum of Rs.50/- per installation per month hitherto allowed to tariff schedule LT-2(a) is now discontinued.**
9. A rebate of 20% on fixed charges and energy charges will be allowed in the monthly bill in respect of public Telephone booths having STD/ISD/ FAX facility run by handicapped people, under Tariff schedule LT 3.
10. A rebate of 2 paise per unit will be allowed if capacitors are installed as per Clause 23 of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka in respect of all metered IP Set Installations.
11. **Power Factor (PF):**

Capacitors of appropriate capacity shall be installed in accordance with Clause 23 of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka, in the case of installations covered under Tariff category LT 3, LT4, LT 5, & LT 6, where motive power is involved.

 - (i) The specified P.F. is 0.85. If the PF is found to be less than 0.85 Lag, a surcharge of 2 Paise per unit consumed will be levied for every reduction of P.F. by 0.01 below 0.85 Lag. In respect of LT installations, however, this is subject to a maximum surcharge of 30 Paise per unit.
 - (ii) The power factor when computed as the ratio of KWh/KVAH will be determined up to 3 decimals (ignoring figures in the other decimal places) and then rounded off to the nearest second decimal as illustrated below:

- (a) 0.8449 to be rounded off to 0.84
 - (b) 0.8451 to be rounded off to 0.85
- (iii) In respect of Electronic Tri-Vector meters, the recorded average PF over the billing period shall be considered for billing purposes.
- (iv) During inspection, if the capacity of capacitors provided is found to be less than what is stipulated in Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka, a surcharge of 30 Paise/unit will be levied in the case of installations covered under Tariff categories LT 3, LT 5, & LT 6 where motive power is involved.
- (v) In the case of installations without electronic Tri-vector meters even after providing capacitors as recommended in Clause 23.01 and 23.03 of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka, if during any periodical or other testing / rating of the installation by the Licensee, the PF of the installation is found to be lesser than 0.85, a surcharge determined as above shall be levied from the billing month following the expiry of Three months' notice given by the Licensee, till such time, the additional capacitors are installed and informed to the Licensee in writing by the Consumer. This is also applicable for LT installations provided with electronic Tri-vector meters.
12. All new IP set applicants shall fix capacitors of adequate capacity in accordance with Clause 23 of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka before taking service.
13. All the existing IP set Consumers shall also fix capacitors of adequate capacity in accordance with Clause 23 of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka, failing which, PF **surcharge at the rate of Rs.100 per HP/ year** shall be levied. If the capacitors are found to be removed / not installed, a penalty at the same rate as above (Rs. 100/-per HP / Year) shall be levied.

14. The Semi-permanent cinemas having Semi-permanent structure, with permanent wiring and licence of not less than one year, will be billed under commercial tariff schedule i.e., LT 3.
15. Touring cinemas having an outfit comprising cinema apparatus and accessories, taken from place to place for exhibition of cinematography films and also outdoor shooting units, will be billed under Temporary Tariff schedule i.e., LT 7.
16. The Consumers under IP set tariff schedule, shall use the energy only for pumping water to irrigate their own land as stated in the IP set application / water right certificate and for bonafide agriculture use. Otherwise, such installations shall be billed under appropriate Industrial / Commercial tariff, based on the recorded consumption, if available, or on the consumption computed as per the Table given under Clause 42.06 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.
17. The water pumped for agricultural purposes may also be used by the Consumer for his bonafide drinking purposes and for supplying water to animals, birds, Poultry farms, Dairy farms and fish farms maintained by the Consumer in addition to agriculture.
18. The motor of IP set installations can be used with an alternative drive for other agricultural operations like sugar cane crusher, coffee pulping, **arecanut cutting** etc., with the approval of the Licensee. The energy used for such operation shall be metered separately by providing alternate switch and charged at LT Industrial Tariff (Only Energy charges) during the period of alternative use. However, if the energy used both for IP Set and alternative operation, is measured together by one energy meter, the energy used for alternate drive shall be estimated by deducting the average IP Set consumption for that month, as per the IP sample meter readings for the sub division, as certified by the sub-divisional Officer.
19. The IP Consumer is permitted to use energy for lighting the pump house and well limited to two lighting points of 40 Watts each.

20. Billing shall be made at least once in a quarter year for all IP sets.
21. In the case of welding transformers, the connected load shall be taken as:
 - a) Half the maximum capacity in KVA as per the nameplate specified under IS: 1851

OR

- b) Half the maximum capacity in KVA as recorded during the rating by the Licensee, whichever is higher.
22. Electricity under Tariff LT 3 / LT 5 can also be used for Lighting, Heating and Air-conditioning, Yard-Lighting, water supply in the respective of premises of Commercial / Industrial Units.
23. **LED fittings** shall be provided by the Licensee for the Streetlights in the case of villages covered under the Licensee's electrification programme for initial installation.

In all other cases, the entire cost of fittings including Brackets, Clamps, etc., and labour for replacement, additions and modifications shall be met by the organizations making such a request. Labour charges shall be paid at the standard rates fixed by the Licensee for each type of fitting.

24. Lamps, fittings and replacements for defective components of fittings shall be supplied by the concerned Village Panchayaths, Town Panchayaths or Municipalities for replacement.
25. Fraction of KW / HP shall be rounded off to the nearest quarter KW / HP for purpose of billing and the minimum billing being for 1 KW / 1HP in respect of all categories of LT installations including I.P. sets. **In the case of street lighting installations, fraction of KW shall be rounded off to nearest quarter KW for the purpose of billing and the minimum billing shall be quarter KW.**

26. Seasonal Industries.

- a) The industries which intend to utilize seasonal industry benefit, shall comply with the conditionality specified under Para no. 24 of the General terms and conditions of tariff (applicable to both HT & LT).

- b) The industries that intend to avail this benefit shall have Electronic Tri-Vector Meter fitted to their installation.
- c) **Monthly charges during the seasonal months shall be fixed charges and energy charges. The monthly charges during the off seasonal months shall be the energy charges plus 25% of the applicable fixed charges.**

TARIFF SCHEDULE LT-1

LT-1: Applicable to installations serviced under Bhagya Jyothi and Kutira Jyothi (BJ/KJ) schemes.

LT-1: RATE SCHEDULE Applicable for MESCOM Area	
Fixed Charges & Energy Charges:	
Commission Determined Tariff (CTD)	861 paise / Unit subject to a monthly minimum of Rs.100 per installation per month [CDT comprises of fixed charge component of Rs.4.62 and variable charge component of Rs.3.99 per unit]
NOTE:	
(i) GOK is meeting the full cost of supply to BJ / KJ installations. However, if the GOK does not release the subsidy in advance, a Tariff of Rs.8.61 per unit subject to a monthly minimum of Rs.100 per installation per month, shall be demanded and collected from these consumers by MESCOM.	
(ii) If the consumption exceeds 40 units per month or any BJ/KJ installation is found to have more than one out let, it shall be billed as per Tariff Schedule LT 2(a).	

TARIFF SCHEDULE LT-2(a)

LT-2(a): Applicable to lighting/combined lighting, heating and motive Power installations of residential houses and also to such houses where a portion is used by the occupant for (a) Handloom weaving (b) Silk rearing and reeling and artisans using motors up to 200 watts (c) Consultancy in - (i) Engineering (ii) Architecture (iii) Medicine (iv) Astrology (v) Legal matters (vi) Income Tax (vii) Chartered Accountants (d) Job typing (e) Tailoring (f) Post Office (g) Gold smithy (h) Chawki rearing (i) Paying guests/Home stay guests (j) personal Computers (k) Dhobis (l) Hand operated printing press (m) Beauty Parlours (n) Water Supply installations, Lift which is independently serviced for bonafide use of residential complexes/residence, (o) Farm Houses and yard lighting limiting to 120 Watts, (p) Fodder Choppers & Milking Machines with a connected load upto 1 HP.

Also applicable to the installations of (i) Hospitals, Dispensaries, Health Centres run by State/Central Govt. and local bodies; (ii) Houses, schools and Hostels meant for handicapped, aged, destitute and orphans; (iii) Rehabilitation Centres run by charitable institutions, AIDS and drug addicts Rehabilitation Centres; (iv) Railway staff Quarters with single meter (v) fire service stations.

It is also applicable to the installations of (a) Temples, Mosques, Churches, Gurudwaras, Ashrams, Mutts and religious/Charitable institutions; (b) Hospitals, Dispensaries and Health Centres run by Charitable institutions including X-ray units; (c) Jails and Prisons (d) Schools, Colleges, Educational institutions run by State/Central Govt./Local Bodies; (e) Seminaries; (f) Hostels run by the Government, Educational Institutions, Cultural, Scientific and Charitable Institutions (g) Guest Houses/Travellers Bungalows run in Government buildings or by State/Central Govt./Religious/Charitable institutions; (h) Public libraries; (i) Museums; (j) Installations of Historical Monuments of Archaeology Departments;(k) Public Telephone Booths without STD/ISD/FAX facility run by handicapped people; (l) Sulabh / Nirmal Souchalayas; (m) Viswa Sheds having Lighting Loads only; (n) Gaushalas.

LT-2(a): RATE SCHEDULE Applicable for all areas	
Fixed Charges / KW /Month:	
Per KW Upto 50 KW	Rs.110/-
For every additional KW above 50 KW	Rs.210/-
Energy Charges per kWh:	
0 to 100 Units	475 paise
0 to All Units [if the total consumption exceeds 100 units]	700 paise
Note:	
(i) Consequent to the merger of rural category under urban category, a rebate of 30 paise per unit shall be allowed to the consumers falling under village panchayat areas.	
(ii) Temples, Church's, Mosques, Gurudwaras, Ashrams, Mutts and Religious / Charitable Institution availing the power supply for religious activities under LT supply, shall be categorized and billed under this Tariff schedule. If these institutions use the power for Kalyana Mantapas / Marriage hall, Restaurant or for any other commercial activity, not related to religious activities, such energy consumption shall be billed under LT-3 tariff schedule.	

TARIFF SCHEDULE LT-2(b)

LT-2(b): Applicable to the installations of Private Professional and other Private Educational Institutions including aided, unaided institutions, Nursing Homes and Private Hospitals having only lighting or combined lighting & heating, and motive power.

LT-2(b): RATE SCHEDULE Applicable for all areas	
Fixed Charges / KW / Month:	
Per KW Upto 50 KW	Rs.180/-
For every additional KW above 50 KW	Rs.250/-
Energy Charges per kWh:	
For entire consumption	775 paise / Unit
Note: Consequent to the merger of rural category under urban category, a rebate of 30 paise per unit shall be allowed to the consumers falling under village panchayat areas.	

Note: [Applicable to LT-2 (a), LT-2 (b) Tariff Schedules]

1. A rebate of 25 paise per unit shall be given for installation of a house/ School/ Hostels meant for Handicapped, Aged, Destitute and Orphans, Rehabilitation Centres run by Charitable Institutions.
2. (a) Use of power within the consumer's premises for temporary purposes for bonafide use is permitted subject to the condition that, the total load of the installation on the system does not exceed the sanctioned load.

(b) Where it is intended to use floor polishing and such other portable equipment temporarily, in the premises having permanent supply, such equipment shall be provided with an earth leakage circuit breaker of adequate capacity.
3. The laboratory installations in educational institutions are allowed to install connected machinery up to 4 times the sanctioned load. The fixed charges shall however be on the basis of sanctioned load.
4. Besides lighting and heating, electricity supply under this schedule can be used for fans, Televisions, Radios, Refrigerators and other house-hold appliances including domestic water pump and air conditioners, provided, they are under single meter connection. If a separate meter is provided for Air Conditioner Load, the consumption shall be under commercial tariff till it is merged with the main meter.
5. **SOLAR REBATE: The Solar Rebate of 50 Paise per unit of electricity consumed subject to a maximum of Rs.50/- per installation per month hitherto allowed to tariff schedule LT-2(a) is now discontinued.**

TARIFF SCHEDULE LT-3(a)

LT-3(a): Applicable to Commercial Lighting, Heating and Motive Power installations of Clinics, Diagnostic Centres, X-Ray units, Shops, Stores, Hotels / Restaurants / Boarding and Lodging Homes, Bars, Private guest Houses, Mess, Clubs, Kalyan Mantaps / Choultry, permanent Cinemas/ Semi Permanent Cinemas, Theatres, Petrol Bunks, Petrol, Diesel and oil Storage Plants, Service Stations/ Garages, Banks, Telephone Exchanges. T.V. Stations, Microwave Stations, All India Radio, Dish Antenna, Public Telephone Booths/ STD, ISD, FAX Communication Centers, Stud Farms, Race Course, Ice Cream Parlours, Computer Centres, Photo Studio / colour Laboratory, Photo Copiers, Railway Installation excepting Railway workshop, BMTc / KSRTC Bus Stations excepting Workshop, All offices, Police Stations, Commercial Complexes, Lifts of Commercial Complexes, Battery Charging units, Tyre Vulcanizing Centres, Post Offices, Bakery shops, Beauty Parlours, Stadiums other than those maintained by Govt. and Local Bodies. It is also applicable to water supply pumps and street lights not covered under LT 6, Cyber cafés, Internet surfing cafes, Call centres, BPO / KPO, Telecom, I.T. based medical transcription centres, Private Hostels not covered under LT -2 (a), Home Stay / Paying guests accommodation provided in an independent / exclusive premises, concrete mixtures (Ready Mix Concrete) units..

LT-3(a): RATE SCHEDULE Applicable for all areas	
Fixed Charges / KW / Month:	
Per KW Upto 50 KW	Rs.200/-
For every additional KW above 50 KW	Rs.300/-
Energy Charges per kWh:	
For entire consumption	850 paise

LT-3(a): RATE SCHEDULE [Applicable for all areas] DEMAND BASED TARIFF (optional) where sanctioned load is above 5 KW but below 150 KW	
Fixed Charges / KW / Month:	
Per KW Upto 50 KW	Rs.220/-
For every additional KW above 50 KW	Rs.320/-
Energy Charges per kWh:	
For entire consumption	850 paise

Note: [Applicable to LT-3(a)]

1. **Consequent to the merger of rural category under urban category, a rebate of 30 paise per unit shall be allowed to the consumers falling under village panchayat areas.**
2. Besides Lighting, Heating and Motive power, electricity supply under this Tariff can also be used for Yard lighting/ air Conditioning/water supply in the premises.
3. The semi-permanent Cinemas should have semi-Permanent Structure with permanent wiring and licence for duration of not less than one year.
4. Touring Cinemas having an outfit comprising Cinema apparatus and accessories taken from place to place for exhibition of cinematography film and also outdoor shooting units shall be billed under LT- 7 Tariff.
5. A rebate of 20% on fixed charges and energy charges shall be allowed in the monthly bill in respect of telephone Booths having STD / ISD/FAX facility run **by handicapped people.**
6. **Demand based Tariff** at the option of the consumer can be adopted as per Para 1 of the conditions applicable to LT installations.

TARIFF SCHEDULE LT-3(b)

LT-3(b): Applicable 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-3(b): RATE SCHEDULE	
Applicable for all areas	
Fixed Charges / KW / Month:	
Less than 67 HP only	Rs.200/-
Energy Charges per kWh:	
For entire consumption	1050 paise

TARIFF SCHEDULE LT-4 (a), LT-4 (b) & LT-4(c)

LT-4: Applicable to (a) Agricultural Pump Sets including Sprinklers (b) Pump sets used in; (i) Nurseries of forest and Horticultural Departments; (ii) Grass Farms and Gardens; (iii) Plantations other than Coffee, Tea, Rubber and Private Horticulture Nurseries.

LT-4(a): RATE SCHEDULE Applicable to I.P. Sets up to and inclusive of 10 HP Applicable for MESCOM Area	
Fixed Charges & Energy Charges:	
Commission Determined Tariff (CTD)	667 paise / Unit [CDT comprises of fixed charge component of Rs.3.58 and variable charge component of Rs.3.09 per unit]
NOTE:	
(i) In case the GoK does not release the subsidy in advance, in the manner specified by the Commission in Clause 6.1 of the KERC (Manner of Payment of Subsidy) Regulations, 2008, CDT of Rs.6.67 per unit shall be demanded and collected from these consumers.	
(ii) This Tariff is applicable for Coconut and Arecanut plantations also.	

LT-4(b): RATE SCHEDULE Applicable to IP sets above 10 HP Applicable for all areas	
Fixed Charges / HP / Month:	
Per HP	Rs.135/-
Energy Charges per kWh:	
For entire consumption	410 paise

LT-4(c): RATE SCHEDULE Applicable to Private Horticultural Nurseries, Coffee, Nurseries of forest and Horticultural Departments, Grass Farms and Gardens, Tea and Rubber plantations Applicable for all areas	
Fixed Charges / HP / Month:	
Per HP	Rs.135/-
Energy Charges per kWh:	
For entire consumption	425 paise

Note: [Applicable to LT-4]

- The energy supplied under this tariff shall be used by the consumers only for pumping water to irrigate their own land as stated in the I.P. Set application / water right certificate and for bonafide agriculture use. Otherwise, such

installations shall be billed under the appropriate Tariff (LT-3/ LT-5) based on the recorded consumption if available, or on the consumption computed as per the Table given under Clause 42.06 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.

2. The motor of IP set installations can be used with an alternative drive for other agricultural operations like sugar cane crusher, coffee pulping, arecanut cutting etc., with the approval of the Licensee. The energy used for such operation shall be metered separately by providing alternate switch and charged at LT Industrial Tariff (Only Energy charges) during the period of alternative use. If the energy used both for IP Set and alternative operation, is however measured together by one energy meter, the energy used for alternate drive shall be estimated by deducting the average IP Set consumption for that month as per the IP sample meter readings for the sub division as certified by the sub-divisional Officer.
3. The Consumer is permitted to use the energy for lighting the pump house and well limited to 2 lighting points of 40 W each.
4. The water pumped for agricultural purposes may also be used by the Consumer for his bonafide drinking purposes and for supplying water to animals, birds, Poultry farms, Dairy farms and fish farms maintained by the Consumer in addition to agriculture.
5. Billing shall be made at least once in a quarter year for all IP sets.
6. A rebate of 2 paise per unit will be allowed if capacitors are installed as per Clause 23 of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka in respect of all metered IP Set Installations.
7. Only fixed charges as in Tariff Schedule for Metered IP Set Installations shall be collected during the disconnection period of IP Sets under LT 4(a), LT 4(b) and LT 4(c) categories irrespective of whether the IP Sets are provided with Meters or not.

TARIFF SCHEDULE LT-5

LT-5: Applicable to Heating & Motive power (including lighting) installations of industrial Units, Industrial Workshops, Poultry Farms, Sugarcane Crushers, Coffee Pulping, Cardamom drying, Mushroom raising installations, Flour, Huller & Rice Mills, Wet Grinders, Milk dairies, Ironing, Dry Cleaners and Laundries having washing, Drying, Ironing etc., Tailoring shop, Bulk Ice Cream and Ice manufacturing Units, Coffee Roasting and Grinding Works, Cold Storage Plants, Bakery

Product Mfg. Units, BMTC/ KSRTC workshops/Depots, Railway workshops, Drug manufacturing units and Testing laboratories, Printing Presses, Garment manufacturing units, Bulk Milk vending Booths, Swimming Pools of local Bodies, Tyre retreading units, Stone crushers, Stone cutting, Chilly Grinders, Phova Mills, pulverizing Mills, Decorticators, Iron & Red-Oxide crushing units, crematoriums, hatcheries, Tissue culture, Saw Mills, Toy/wood industries, Viswa Sheds with mixed load sanctioned under Viswa Scheme, Cinematic activities such as Processing, Printing, Developing, Recording theatres, Dubbing Theatres and film studios, Agarbathi manufacturing unit., Water supply installations of KIADB & industrial units, Gem & Diamond cutting Units, Floriculture, Green House, Biotech Labs., Hybrid seed processing units. Information Technology industries engaged in development of hardware & Software, Information Technology (IT) enabled Services / Start-ups (As defined in GOI notification dated 17.04.2015)/ Animation / Gaming / Computer Graphics as certified by the IT & BT Department of GOK/GOI, Silk rearing, Silk filature units, Aqua Culture, Prawn Culture, Brick manufacturing units, Silk / Cotton colour dyeing, Stadiums maintained by Govt. and local bodies, Fire service stations, Gold / Silver ornament manufacturing units, Effluent treatment plants and Drainage water treatment plants independently serviced outside the premises of the installation for which the power supply is availed, LPG bottling plants and petroleum pipeline projects, Piggery farms, Analytical Lab. for analysis of ore metals, Satellite communication centres, Mineral water processing plants / drinking water bottling plants soda fountain units and Solid Waste Processing Plant, Animal husbandry activities, Transformer Repair Centres, Data Centres (on production of necessary certificate issued by Department of Electronics, Information Technology & Biotechnology and Science & Technology).

LT-5: RATE SCHEDULE Applicable for all areas	
Fixed Charges / HP / Month:	
Below 100 HP	Rs.140/-
100 HP and above	Rs.250/-
Energy Charges per kWh:	
0 to 500 Units	610 paise
Above 500 Units	710 paise

LT-5: RATE SCHEDULE DEMAND BASED TARIFF (Optional) [Applicable for all areas]	
Fixed Charges / HP / Month:	
Below 100 HP	Rs.190/-
100 HP and above	Rs.300/-
Energy Charges per kWh:	
0 to 500 Units	610 paise
Above 500 Units	710 paise

Note: [Applicable to LT-5]

1. Consequent to the merger of rural category under urban category, a rebate of 30 paise per unit shall be allowed to the consumers falling under village panchayat and Town Municipal Council areas.
2. Rebate of 50 paise per unit in Energy Charges shall be extended to Micro & Small scale industries as certified by the Government of Karnataka/ Government of India, until further orders.
3. Rebate of Re.1/- per unit in Energy Charges shall be extended to Ice Manufacturing Units / Cold Storage plants used for fisheries purpose that are situated in the coastal belt area of Karnataka State within radius of 5 Kms from Sea. In case these plants are situated beyond the radius of 5 Kms from Sea, such consumers are also eligible to avail the rebate benefit, provided that such consumers have to submit a certification from the authorities of Fisheries Department that their activities are actually meant for fisheries purpose only.

LT-5: ToD Tariff (Optional)		
Time of Day	From July to November (monsoon period) (paise / unit)	From December to June (paise / unit)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100
22.00 Hrs to 06.00 Hrs	0	(-)100

Note: [Applicable to LT-5 DEMAND BASED TARIFF]

1. In the case of LT Industrial Consumers, **Demand based Tariff** at the option of the Consumer can be adopted. The Consumer is permitted to have more connected load than the sanctioned load. The billing demand will be the sanctioned load or Maximum Demand recorded in the Tri-Vector Meter during the month whichever is higher. If the Maximum Demand recorded is more than the sanctioned load, penal charges at two times the normal rate shall apply.
2. **Seasonal Industries:** The industries which intend to utilize seasonal industry benefit shall comply with the conditionalities under para no. 26 of general terms and conditions applicable to LT.
3. Electricity can also be used for lighting, heating, and air-conditioning in the premises.
4. In the case of welding transformers, the connected load shall be taken as, (a) Half the maximum capacity in KVA as per the name plate specified under IS1851, or (b) Half the maximum capacity in KVA as recorded during rating by the Licensee, whichever is higher.

TARIFF SCHEDULE LT-6

LT-6: **Applicable to water supply and sewerage pumping installations and also applicable to water purifying plants maintained by Government and Urban Local Bodies/ Grama Panchayats for supplying pure drinking water to residential areas Public Street lights/Park lights of village Panchayat, Town Panchayat, Town Municipalities, City Municipalities / Corporations / State and Central Govt. / APMC, Traffic signals, Surveillance Cameras at traffic locations belonging to Government Department, subways, water fountains of local bodies. Also applicable to Streetlights of residential Campus of universities, other educational institutions, housing colonies approved by local bodies/development authority, religious institutions, organizations run on charitable basis, industrial area / estate and notified areas, also applicable to water supply installations in residential Layouts, Street lights along with signal lights including the gateman's shed with associated equipment provided at the Railway level crossing, high mast street lights, Lifts/ Escalators installed in pedestrian road crossing maintained by Government and Urban local bodies/ Grama Panchayats independently serviced and Electric Vehicle Charging Station.**

LT-6(a): RATE SCHEDULE WATER SUPPLY - Applicable for all areas	
Fixed Charges / HP / Month:	
Upto and inclusive of 67 HP	Rs.175/-
For every additional HP above 67 HP	Rs.275/-
Energy Charges per kWh:	
For entire consumption	550 paise

LT-6(b): RATE SCHEDULE PUBLIC LIGHTING - Applicable for all areas	
Fixed Charges / KW / Month:	
Per KW	Rs.175/-
Energy Charges per kWh:	
For entire consumption	700 paise
Energy charges for LED / Induction Lighting	600 paise

LT-6(c): RATE SCHEDULE Electric Vehicle Charging Stations/ Battery Swapping Stations (for Both LT & HT) -Applicable to all areas	
Fixed Charges / KW / Month:	
LT: Upto and inclusive of 50 KW	Rs.70/-
LT: For every additional KW above 50 KW	Rs.170/-
HT: (per KVA / Month of billing demand)	Rs.200/-
Energy Charges per kWh:	
For entire consumption	450 paise

LT-6(c): ToD Tariff for the EV charging stations in the Depots of BMTC / KSRTC / NEKRTC / NWKRTC who have availed HT power supply for charging the Electric Motor Vehicles		
Time of Day	From July to November (monsoon period) (paise / unit)	From December to June (paise / unit)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100
22.00 Hrs to 06.00 Hrs	0	(-)100

TARIFF SCHEDULE LT-7

LT-7: Temporary Supply

LT-7: RATE SCHEDULE Applicable for all areas	
Fixed Charges / HP / Month:	
Less than 67 HP	Rs.200/-
Energy Charges per kWh:	
For entire consumption	1150 paise

Note: [Applicable to LT-7]

1. **Billing of LT-7 installations shall be on monthly basis, similar to other category of consumers, however, subject to the provisions of the Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka (CoS) (Eleventh Amendment), 2023.**
2. Temporary power supply with or without extension of distribution main shall be arranged through a pre-paid energy meter duly observing the provisions of Clause 12 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.
3. This Tariff is also applicable to touring cinemas having licence for duration less than one year.
4. All the conditions regarding temporary power supply as stipulated in Clause 12 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka shall be complied with before service.

ELECTRICITY TARIFF - 2024

PART-II

HIGH TENSION SUPPLY

Applicable to Bulk Power Supply of Voltages at 11KV (including 2.3/4.6 KV) and above at Standard High Voltage or Extra High Voltages when the Contract Demand is 50 KW / 67 HP and above.

CONDITIONS APPLICABLE TO BILLING OF HT INSTALLATIONS:**1. Billing Demand**

- A) The billing demand during unrestricted period shall be the maximum demand recorded during the month or 85% of the CD, whichever is higher.**
- B) When the Licensee has imposed demand cut of 25% or less, the conditions stipulated in (A) shall apply.
- C) When the demand cut is in excess of 25%, the billing demand shall be the maximum demand recorded or 85% of the restricted demand, whichever is higher.
- D) If at any time the maximum demand recorded exceeds the CD or the demand entitlement, or opted demand entitlement during the period of restrictions, if any, the Consumer shall pay for the quantum of excess demand at two times the normal rate per KVA per month as deterrent charges as per Section 126(6) of the Electricity Act, 2003. For over-drawal during the billing period, the penalty shall be two times the normal rate.
- E) During the periods of disconnection, the billing demand shall be 85% of CD, or 85% of the demand entitlement that would have been applicable, had the installation been in service, whichever is less. This provision is applicable only, if the installation is under disconnection for the entire billing month.
- F) During the period of energy cut, the Consumer may get his demand entitlement lowered, but not below the percentage of energy entitlement, (For example, in case the energy entitlement is 40% and the demand entitlement is 80%, the re-fixation of demand entitlement cannot be lower than 40% of the CD). The benefit of lower demand entitlement will be given effect to from the meter reading date of the same month, if the option is exercised on or before 15th of the month. If the option is exercised on or after 16th of the month, the benefit will be given effect to from the next meter reading date. The Consumer shall register such option by paying a processing fee of Rs.100 at the Jurisdictional sub-division office.

- (i) The billing demand in such cases, shall be the "Revised (Opted) Demand Entitlement" or, the recorded demand, whichever is higher. Such option for reduction of demand entitlement, is allowed only once during the entire span of that particular "Energy Cut Period". The Consumer, can however, opt for a higher demand entitlement upto the level permissible under the demand cut notification, and the benefit will be given effect to from the next meter reading date. Once the Consumer opts for enhancement of demand, which has been reduced under Clause (F), no further revision is permitted during that particular energy cut period.
- (ii) The opted reduced demand entitlement will automatically cease to be effective, when the energy cut is revised. The facility for reduction and enhancement can however be exercised afresh by the Consumer as indicated in the previous paras.
- G) For the purpose of billing, the billing demand of 0.5 KVA and above will be rounded off to the next higher KVA, and billing demand of less than 0.5 KVA shall be ignored.

2. Power factor (PF)

It shall be the responsibility of the HT Consumer to determine the capacity of PF correction apparatus and maintain an average PF of not less than 0.90.

- (i) The specified P.F. is 0.90. If the power factor goes below 0.90 Lag, a surcharge of 3 Paise per unit consumed will be levied for every reduction of P.F. by 0.01 below 0.90 Lag.
- (ii) The power factor when computed as the ratio of KWh / KVAh will be determined up to 3 decimals (ignoring figures in the other decimal places), and then rounded off to the nearest second decimal as illustrated below:
- (a) 0.8949 to be rounded off to 0.89
(b) 0.8951 to be rounded off to 0.90

In respect of Electronic Tri-Vector meters, the recorded average PF over the billing period shall be considered for billing purposes. If the same is not available, the ratio of KWh to KVAh consumed in the billing month shall be considered.

3. **Rebate for supply at high voltage:**

If the Consumer is availing power at voltage higher than 13.2 KV, then consumer will be entitled to a rebate as indicated below:

Supply Voltage: Rebate

- | | |
|-------------|---------------------------------|
| A) 33/66 KV | 2 Paise/unit of energy consumed |
| B) 110 KV | 3 Paise/unit of energy consumed |
| C) 220 KV | 5 Paise/unit of energy consumed |

The above rebate will be allowed in respect of all the installations of the above voltage class, including the existing installations, and also for installations converted from 13.2 KV and below to 33 KV and above and also for installations converted from 33/66 KV to 110/220 KV, from the next meter reading date after conversion / service / date of notification of this Tariff order, as the case may be. The above rebate is applicable only on the normal energy consumed by the Consumer including the consumption under TOD Tariff, and is not applicable on any other energy allotted and consumed, if any, viz.,

- i) Wheeled Energy.
- ii) Any energy, including the special energy allotted over and above normal entitlement.
- iii) Energy drawal under special incentive scheme, if any.

The above rebate is not applicable for BMRCL and Railway Traction.

4. In respect of Residential Quarters / Colonies availing Bulk power supply by tapping the main HT supply, the energy consumed by such Colony loads, metered at single point, shall be billed under HT-4 tariff schedule. No reduction in demand recorded in the main HT meter will be allowed.

5. Energy supplied may be utilized for all purposes associated with the working of the installations, such as, Office, Stores, Canteens, Yard Lighting, Water Supply and Advertisements within the premises.
6. Energy can also be used for construction, modification and expansion purposes within the premises.
7. Power supply under HT-4 tariff schedule may be used for Commercial and other purposes inside the colony for installations such as Canteen, Club, Shop, Auditorium etc., provided, this load is less than 10% of the CD.
8. In respect of Residential Apartments, availing HT Power supply under HT-4 tariff schedule, the supply availed for Commercial and other purposes like Shops, Hotels, etc., will be billed under appropriate tariff schedule (Only Energy charges) duly deducting such consumption in the main HT supply bill. No reduction in the recorded demand of the main HT meter is allowed. Common areas shall be billed at Tariff applicable to that of the predominant Consumer category.

9. Seasonal Industries

- a. The industries, which intend to utilize seasonal industry benefit, shall conform to the conditionality's under Para no. 24 of the General terms and conditions of tariff (applicable to both HT & LT).
- b. The industries that intend to avail this benefit shall have Electronic Tri-Vector Meter fitted to the installation.
- c. Monthly charges during the working season, shall be the demand charges on **85%** of the contract demand, or the recorded maximum demand during the month, whichever is higher, plus the energy charges for the energy consumed.
- d. Monthly charges during **the off season** shall be demand charges on the maximum demand recorded during the month **or 50% of the Contract Demand whichever is higher plus the energy charges** for the energy consumed.

- e. Monthly charges during off season period to the installation of Ice Manufacturing units / Cold Storage Plants used for fisheries purpose situated in the coastal belt of Karnataka State within the radius of 5 Kms from Sea only, shall be the demand charges on the maximum demand recorded during the month or 85% of the contract demand whichever is higher at 50% of the normal demand charges plus energy charge for the energy consumed.
- f. *In addition to the concession in the Demand Charges, a rebate in the energy charges by Re.1 per unit for the energy consumed during the year shall be allowed to the installations of Ice manufacturing units / cold storage plants used for fisheries purpose, situated in the coastal belt area of Karnataka State within a radius of 5 Kms. from Sea and also to extend the similar benefit to such plants which are situated beyond the radius of 5 Kms from Sea provided that such consumers have to submit a certification from the authorities of Fisheries Department that their activities are actually meant for fisheries purpose only.*
10. The reduction of Re.1 per unit in the ToD tariff for the energy consumed between 22.00 Hrs to 06.00 Hrs next day is not applicable to HT consumers who opt for the Special Incentive Scheme.
11. The increase in energy charges under ToD tariff at (+) Re.1 per unit for the energy consumed during evening peak period i.e. between 18.00 Hrs to 22.00 Hrs during December to June period is applicable to all the HT consumers including the consumers opted under special incentive scheme.
12. The ToD tariff approved by the Commission in this Tariff Order is not applicable to the extent of the energy consumed and billed under the new 'Discounted Energy Rate Scheme'. However, ToD tariff shall be applicable up to the base monthly average consumption, as computed by the licensee.

TARIFF SCHEDULE HT-1

HT-1: Applicable to Water Supply, Drainage / Sewerage water treatment plant and Sewerage Pumping installations, belonging to Bangalore Water Supply and Sewerage Board, Karnataka Urban Water Supply and Sewerage Board, other local bodies, State and Central Government..

HT-1: RATE SCHEDULE	
Applicable for all areas	
Demand Charges per KVA of billing demand / month:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	600 paise

HT-1: ToD Tariff (Optional)		
Time of Day	From July to November (monsoon period) (paise / unit)	From December to June (paise / unit)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100
22.00 Hrs to 06.00 Hrs	0	(-)100

Note: [Applicable to HT-1]

Energy supplied to residential quarters availing bulk supply by the above category of Consumer, shall be metered separately at a single point, and the energy consumed shall be billed at HT-4 Tariff. No reduction in the demand recorded in the main HT meter will be allowed.

TARIFF SCHEDULE HT-2(a)

HT-2(a): Applicable to Industries, Factories, Industrial Workshops, Research & Development Centres, Industrial Estates, Milk dairies, Rice Mills, Poha Mills, Roller Flour Mills, News Papers, Printing Press, Railway Workshops/KSRTC Workshops/ Depots, Crematoriums, Cold Storage, Ice & Ice-cream mfg. Units, Swimming Pools of local bodies, Water Supply Installations of KIADB and other industries, all Defence Establishments, Hatcheries, Poultry Farm, Museum, Floriculture, Green

House, Bio Technical Laboratory, Hybrid Seeds processing Units, Stone Crushers, Stone cutting, Bakery Product Manufacturing Units, Mysore Palace illumination, Film Studios, Dubbing Theatres, Processing, Printing, Developing and Recording Theatres, Tissue Culture, Aqua Culture, Prawn Culture, Information Technology Industries engaged in development of Hardware & Software, Information Technology (IT) enabled Services / Start-ups(As defined in GOI notification dated 17.04.2015)/ Animation / Gaming / Computer Graphics as certified by the IT & BT Department of GOK/GOI, Drug Mfg. Units, Garment Mfg. Units, Tyre retreading units, Nuclear Power Projects, Stadiums maintained by Government and local bodies, Railway Traction, Effluent treatment plants and Drainage water treatment plants owned other than by the local bodies, independently serviced outside the premises of industries/ Buildings for which the HT power supply is availed. LPG bottling plants, petroleum pipeline projects, Piggery farms, Analytical Lab for analysis of ore metals, Saw Mills, Toy/wood industries, Satellite communication centres, Mineral water processing plants / drinking water bottling plants and Solid Waste Processing Plant, Data Centres (on production of necessary certificate issued by Department of Electronics, Information Technology & Biotechnology and Science & Technology.

HT-2(a): RATE SCHEDULE [Applicable for all areas]	
Demand Charges per KVA of Billing Demand / month:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	740 paise

HT-2(a) – Bangalore Metropolitan Railway Corporation Limited (BMRCCL) RATE SCHEDULE	
Demand Charges per KVA of Billing Demand / month:	
Per KVA	Rs.300/-
Energy Charges per kWh:	
For entire consumption	525 paise
Note: Special Incentive scheme and ToD Tariff is not applicable to BMRCCL installations.	

HT-2(a) – Railway Traction: RATE SCHEDULE Applicable for all areas	
Demand Charges per KVA of Billing Demand / month:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	700 paise
Note: The ToD tariff is applicable to these installations if the Special Incentive Scheme is not opted. However, they are eligible to avail the “Discounted Energy Rate Scheme”.	

HT2(a): Effluent Treatment Plants independently serviced outside the premises of any installation: RATE SCHEDULE Applicable for all areas	
Demand Charges per KVA of Billing Demand / month:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	700 paise
Note: The ToD tariff is applicable to these installations if the Special Incentive Scheme is not opted.	

TARIFF SCHEDULE HT-2(b)

HT-2(b): Applicable to Commercial Complexes, Cinemas, Hotels, Boarding & Lodging, Amusement Parks, Telephone Exchanges, Race Course, All Clubs, T.V. Station, All India Radio, Railway Stations, Air Port, BMTC,KSRTC bus stations, All offices, Banks, Commercial Multi-storied buildings, APMC Yards, Stadiums other than those maintained by Government and Local Bodies, Construction power for irrigation, Power Projects and Konkan Railway Project, Petrol / Diesel and Oil storage plants, I.T. based medical transcription centers, telecom, call centres / BPO / KPO, Diagnostic centres, concrete mixture (Ready Mix Concrete) units, Private Guest Houses / Travelers Bungalows.

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.

HT-2(b): RATE SCHEDULE Applicable for all areas	
Demand Charges per KVA of Billing Demand / month:	
Per KVA	Rs.375/-
Energy Charges per kWh:	
For entire consumption	925 paise

TARIFF SCHEDULE HT-2(c)(i)

HT-2(c)(i): Applicable to Government Hospitals, Hospitals run by Charitable Institutions, ESI hospitals, Universities and Educational Institutions belonging to Government and Local bodies, Aided Educational Institutions and Hostels of all Educational Institutions.

HT-2(c)(i): RATE SCHEDULE Applicable for all areas	
Demand Charges per KVA of Billing Demand / month:	
Per KVA	Rs.300/-
Energy Charges per kWh:	
For entire consumption	750 paise

TARIFF SCHEDULE HT-2(c)(ii)

HT-2(c)(ii): Applicable to Hospitals and Educational Institutions other than those covered under HT-2 (c) (i).

HT-2(c)(ii): RATE SCHEDULE Applicable for all areas	
Demand Charges per KVA of Billing Demand / month:	
Per KVA	Rs.350/-
Energy Charges per kWh:	
For entire consumption	850 paise

Note: [Applicable to HT-2a, HT-2b, HT-2c(i) and HT-2c(ii) tariff category]

1. Energy supplied may be utilized for all purposes associated with the working of the installation such as offices, stores, canteens, yard lighting, water pumping and advertisement within the premises.
2. Energy can be used for construction, modification and expansion purposes within the premises.

3. The tariff HT-2(b) is not applicable for construction of new industries. Such power supply shall be availed only under the temporary category HT-5.
4. In respect of consumer availing HT power supply, the energy used for Effluent Treatment Plant and Drainage water treatment plants situated within the premises of the installation from the main meter or by fixing the separate sub-meter, the electricity consumed by such Effluent Treatment Plant and Drainage Water Treatment Plants shall be billed at the respective applicable tariff schedule for which the power supply is availed for the installation.

HT-2(a), HT-2(b), HT-2c(i) & HT-2c(ii): ToD Tariff		
Time of Day	From July to November (monsoon period) (paise / unit)	From December to June (paise / unit)
06.00 Hrs to 10.00 Hrs	0	0
10.00 Hrs to 18.00 Hrs	0	0
18.00 Hrs to 22.00 hrs	0	(+)100
22.00 Hrs to 06.00 Hrs	0	(-)100
Note: The ToD tariff is not applicable to BMRCL & Railway Traction installations.		

TARIFF SCHEDULE HT-3

HT-3: Applicable to all Lift Irrigation schemes and Lift Irrigation Societies

HT-3: RATE SCHEDULE Applicable for all areas	
Fixed Charges per HP / month:	
Per HP	Rs.150/-
Energy Charges per kWh:	
For entire consumption	350 paise

TARIFF SCHEDULE HT-4

HT-4: Applicable to Residential apartments and colonies (whether situated outside or inside the premises of the main HT Installation) availing power supply independently or by tapping the main H.T. line. Power supply can be used for residences, theatres, shopping facility, club, hospital, guest house, yard/street lighting, canteen located within the colony and Temple, Church's, Mosques, Gurudwaras, Ashrams, Mutts and Religious /Charitable institutions using power for religious activities.

HT-4: RATE SCHEDULE Applicable for all areas	
Fixed Charges per HP / month:	
Per KVA	Rs.300/-
Energy Charges per kWh:	
For entire consumption	725 paise

Note: [Applicable to HT-4 category]

1. In respect of residential colonies availing power supply by tapping the main H.T. supply, the energy consumed by such colony loads metered at a single point, is to be billed at the above energy rate. No reduction in the recorded demand of the main H.T. supply is allowed.
2. Energy under this tariff may be used for commercial and other purposes inside the colonies, for installations such as, Canteens, Clubs, Shops, Auditorium etc., provided, this commercial load is less than 10% of the Contract demand.
3. In respect of Residential Apartments, availing HT Power supply under HT-4 tariff schedule, the supply availed for Commercial and other purposes like Shops, Hotels, etc., will be billed under appropriate tariff schedule (Only Energy charges), duly deducting such consumption in the main HT supply bill. No reduction in the recorded demand of the main HT meter is allowed. Common areas shall be billed at Tariff applicable to the predominant Consumer category.
4. Temples, Church's, Mosques, Gurudwaras, Ashrams, Mutts and Religious / Charitable Institution availing the power supply for religious activities under HT supply, shall be categorized and billed under HT-4 Tariff schedule. If these institutions use the power for Kalyana Mantapas / Marriage hall, Restaurant or for any other commercial activity, not related to religious activities, such energy consumption shall be billed under HT-2(b) tariff schedule (only energy charges) duly deducting such consumption recorded in the main HT meter. However, no reduction in the demand charges towards the recorded demand in the main HT meter shall be allowed. In all such cases, it shall be ensured that sub-meters are provided to record such commercial consumption separately.

TARIFF SCHEDULE HT-5**HT-5: Temporary Power Supply:**

Tariff applicable to sanctioned load of 67 HP and above for hoardings and advertisement boards and construction power for industries excluding those category of consumers covered under HT2(b) Tariff schedule availing power supply for construction power for irrigation and power projects and also applicable to power supply availed on temporary basis with the contract demand of 67

HP and above of all categories.

HT-5: RATE SCHEDULE Applicable for all areas	
Fixed Charges per HP / month:	
Per HP for the entire contract demand	Rs.400/-
Energy Charges per kWh:	
For entire consumption	1150 paise
<u>Tariff applicable to Bangalore International Exhibition Centre, for power supply availed on temporary basis with the contract demand of 67 HP and above:</u>	
Fixed / Demand Charges	Energy Charges
Nil	1300 paise per unit

Note: [Applicable to HT-5 category]

1. Temporary power supply with or without extension of distribution main shall be **arranged through a pre-paid energy meter** duly observing the provisions of Clause 12 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.
2. This Tariff is also applicable to touring cinemas having licence for duration less than one year.
3. All the conditions regarding temporary power supply as stipulated in Clause 12 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka shall be complied with before service.

TARIFF SCHEDULE HT-6

HT-6: **Applicable to Irrigation and Agricultural Farms, Government Horticultural Farms, Private Horticultural Nurseries, Coffee, Tea, Rubber, Coconut & Arecanut plantations.**

HT-6: RATE SCHEDULE Applicable for all areas	
Fixed Charges per HP / month:	
Per HP of the sanctioned load	Rs.150/-
Energy Charges per kWh:	
For entire consumption	550 paise
Note: These installations are to be billed on monthly basis.	
