

## CHAPTER-8

### TARIFF REVISION PROPOSAL

#### 8.1 REVENUE DEFICIT:

MESCOM has considered the Aggregate Revenue Requirement for FY-22 as follows;

Sl. No.	Particulars	Rs. In Cr.
a.	Total Expenses for FY-22	4763.02
b.	Return on Equity	181.78
c.	APR gap of FY-20	160.10
d.	Regulatory Asset as per TO-2020	61.47
e.	Other Income	(46.76)
<b>f.</b>	<b>Total ARR estimated for FY-22:</b>	<b>5119.61</b>

With the above effect Aggregate Revenue Requirement and revenue deficit indicated in the below table for proposing the tariff revision for the year FY-22.

Particulars	Rs. In Cr.
Aggregate Revenue Requirement for FY-22	5119.61
Energy Sales proposed for FY-22	5658.86 MU
<b>Avg. Cost of Supply (Rs./unit)</b>	<b>9.05</b>

Sl. No.	Particulars	Rs. In Cr.
a.	Aggregate Revenue Requirement for FY-22	5119.61
b.	Revenue from existing tariff, excluding GOK subsidy	3035.83
c.	Revenue Deficit before subsidy [a-b]	2083.78
d.	Estimated GoK Subsidy for FY-22 (@ existing tariff)	1140.52
<b>e.</b>	<b>Net Revenue Deficit for FY-22 [c-d]</b>	<b>943.26</b>

## 8.2 Tariff Revision Proposal:

With the present tariff charges, it is estimated that MESCOM can only realize revenue of Rs.4176.35 Cr in FY-22 against the estimated net Aggregate Annual Revenue Requirement of Rs.5354.30 Cr leaving a revenue deficit of Rs.1177.95 Cr. In order to bridge the gap, upward revision of tariff charges is inevitable.

Hence, MESCOM is proposing the revision of tariff, both fixed charges and energy charges, as detailed in the foregoing paragraphs.

### Fixed / Demand Charges:

In the year FY-20, status of recovery of fixed costs reveals the following position;

Activity	Total fixed costs to be incurred (Rs.in Cr)
Generation	532.65
KPTCL Transmission including SLDC Charges	260.41
PGCIL Transmission Charges & others	219.22
O&M costs	684.26
Depreciation	166.65
Interest & Finance costs	152.65
<b>Total:</b>	<b>2015.84</b>
<b>Total fixed / demand charges collected:</b>	<b>438.56</b>
<b>%</b>	<b>21.76%</b>

As against the total fixed cost of Rs.2015.84 Cr, it was able to recover only Rs.438.56 Cr which means MESCOM is realizing **only about 22%** of the fixed cost and remaining 78% of the fixed cost is inbuilt in the variable charges.

For the year FY-22, the estimated status of recovery of fixed costs will be as follows;

Activity	Total fixed costs to be incurred (Rs.in Cr)
Generation	885.58
KPTCL Transmission including SLDC Charges	317.42
PGCIL Transmission Charges & others	254.83
O&M costs	779.09
Depreciation	187.90
Interest & Finance costs	268.30
<b>Total:</b>	<b>2693.12</b>
<b>Total fixed / demand charges estimated to be collected at existing tariff:</b>	<b>550.69</b>
<b>%</b>	<b>20.45%</b>

In the projected ARR for FY-22, the fixed cost component is Rs.2693.12 Cr and the estimated recovery of fixed charges from the existing tariff is only about Rs.550.69 i.e. only 20.45%.

In view of the above, MESCOM is submitting before the Hon'ble Commission to consider increase in Fixed / Demand Charges indicated in the below table.

Sl. No.	Tariff Category	Load Unit	Fixed / Demand Charges (Rs./Month)		
			Existing	Proposed	Hike
1	LT-1	Minimum	50	90	40
2	LT-2 (a) i	kW	70	110	40
		kW	80	120	40
3	LT-2 (a) ii	kW	55	95	40
		kW	70	110	40
4	LT-2 (b) i	kW	85	125	40
		kW	110	150	40
5	LT-2 (b) ii	kW	75	115	40
		kW	95	135	40
6	LT-3 i	kW	80	130	40
7	LT-3 ii	kW	70	120	40
8	LT-4 (a)	HP	0	0	0
9	LT-4 (b)	HP	80	120	40
10	LT-4 (c) i	HP	70	110	40
11	LT-4 (c) ii	HP	80	120	40
12	LT-5 (a)	HP	65	105	40
		HP	70	110	40
		HP	90	130	40
		HP	150	190	40
13	LT-5 (b)	HP	55	95	40
		HP	65	105	40
		HP	85	125	40
		HP	135	175	40
14	LT-6 (a)	HP	85	125	40
15	LT-6 (b)	kW	100	140	40
16	LT-7(a)	kW	225	265	40
17	LT-7(b)	kW	100	140	40

Sl. No.	Tariff Category	Load Unit	Fixed / Demand Charges (Rs./Month)		
			Existing	Proposed	Hike
18	HT-1	kVA	220	320	100
19	HT-2 (a)	kVA	220	320	100
20	HT-2 (b)	kVA	240	340	100
21	HT-2 (c) i	kVA	220	320	100
22	HT-2 (c) ii	kVA	220	320	100
23	HT-3(a)i	HP/Annum	1600	1700	100
24	HT-3(a)ii	HP	80	180	100
25	HT-3 (b)	HP/Annum	1600	1700	100
26	HT-4	kVA	140	240	100
27	HT-5	HP	275	375	100

With the above hike in Fixed/Demand Charges, MESCOM will be able to recover about Rs.816.75 Cr in FY-22 which will be around 30% of the fixed cost component.

### Energy Charges:

For FY-22, MESCOM is proposing different hike rates for different categories as indicated in the below table.

Sl. No.	Tariff Category	Energy Charges (Rs./Unit)		
		Existing	Proposed	Hike
1	LT-1	7.61	9.05	1.44
2	LT-2 (a) i	3.95	4.95	1.00
		5.45	6.45	1.00
		7.00	8.00	1.00
		8.05	9.05	1.00
3	LT-2 (a) ii	3.85	4.85	1.00
		5.15	6.15	1.00
		6.70	7.70	1.00
		7.55	8.55	1.00
4	LT-2 (b) i	7.15	8.15	1.00
		8.40	9.40	1.00
5	LT-2 (b) ii	6.60	7.60	1.00
		7.85	8.85	1.00
6	LT-3 i	8.25	9.25	1.00
		9.25	10.25	1.00
7	LT-3 ii	7.75	8.75	1.00
		8.75	9.75	1.00

Sl. No.	Tariff Category	Energy Charges (Rs./Unit)		
		Existing	Proposed	Hike
8	LT-4 (a)	5.81	7.38	1.57
9	LT-4 (b)	3.75	4.75	1.00
10	LT-4 (c) i	3.75	4.75	1.00
11	LT-4 (c) ii	3.75	4.75	1.00
12	LT-5 (a)	5.70	6.70	1.00
		6.70	7.70	1.00
		7.00	8.00	1.00
13	LT-5 (b)	5.60	6.60	1.00
		6.55	7.55	1.00
		6.85	7.85	1.00
14	LT-6 (a)	4.85	5.85	1.00
15	LT-6 (b)	6.50	7.50	1.00
16	LT-7(a)	11.00	12.00	1.00
17	LT-7(b)	11.00	12.00	1.00
18	HT-1	5.45	6.45	1.00
19	HT-2 (a)	7.20	8.20	1.00
		7.45	8.45	1.00
20	HT-2 (b)	8.90	9.90	1.00
		9.00	10.00	1.00
21	HT-2 (c) i	7.05	8.05	1.00
		7.45	8.45	1.00
22	HT-2 (c) ii	8.05	9.05	1.00
		8.45	9.45	1.00
23	HT-3(a)i	3.00	4.00	1.00
24	HT-3(a)ii	3.00	4.00	1.00
25	HT-3 (b)	5.00	6.00	1.00
26	HT-4	6.90	7.90	1.00
27	HT-5	11.00	12.00	1.00
28	SEZ	6.736	7.736	1.00

With the above proposed fixed charges & energy charges hike, it is estimated that MESCOM will realize additional revenue to the extent of **Rs.1177.95 Cr.**

Sl. No.	Particulars	Rs. In Cr.
1.	Addl. Revenue due to hike in Fixed Charges / Demand Charges	266.06
2.	Additional Revenue due to hike in energy Charges	677.20
<b>3.</b>	<b>Total addl. Rev. due to proposed revision (1+2)</b>	<b>943.26</b>
4.	ARR for FY-22	5119.61
5.	Revenue from existing tariff	4176.35
<b>6.</b>	<b>Net Revenue Deficit for FY-22 (4-5)</b>	<b>943.26</b>
7.	Energy Sales proposed for FY-22	5658.86 MU
<b>8.</b>	<b>Avg. Cost of Supply [4/7]</b>	<b>Rs.9.05/Unit</b>
<b>Avg. per unit tariff hike required to meet total gap of 1177.95 Cr</b>		<b>Rs.1.67Unit</b>

**8.3 LT-1a (Applicable to BJ/KJ):**

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	761 Ps/unit	905 Ps/unit

**8.3 LT-2a (Applicable to lighting/combined lighting, heating and motive Power installations of residential houses):**

Applicable in areas coming under City Municipal Corporations and all areas under Urban Local Bodies [LT-2a(i)]:

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For the first KW	Rs.70/- per KW	Rs.110/- per KW
For every additional KW	Rs.80/- per KW	Rs.120/- per KW

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first 30 units	395 Ps/unit	495 Ps/unit
For next 70 units	545 Ps /unit	645 Ps/unit
For next 100 units	700 Ps/unit	800 Ps/unit
For above 200 units	805 Ps/unit	905 Ps/unit

Applicable in areas under Village Panchayats [LT-2a(ii)]:

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For the first KW	Rs.55/- per KW	Rs.95/- per KW
For every additional KW	Rs.70/- per KW	Rs.110/- per KW

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first 30 units	385 Ps/unit	485 Ps/unit
For next 70 units	515 Ps /unit	615 Ps/unit
For next 100 units	670 Ps/unit	770 Ps/unit
For above 200 units	755 Ps/unit	855 Ps/unit

**8.4 LT-2b (Applicable to the installations of Private Professional and other private educational institutions including aided, unaided institutions having only lighting or combined lighting & heating, and motive power):**

Applicable in areas coming under City Municipal Corporations and all areas under Urban Local Bodies [LT-2b(i)]:

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KW	Rs.85/- per KW	Rs.125/- per KW
Subject to a minimum of	Rs.110/- per Month	Rs.150/- per Month

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first 200 units	715 Ps/unit	815 Ps/unit
For above 200 units	840 Ps/unit	940 Ps/unit

Applicable in areas under Village Panchayats [LT-2b(ii)]:

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KW	Rs.75/- per KW	Rs.115/- per KW
Subject to a minimum of	Rs.95/- per Month	Rs.135/- per Month

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first 200 units	660 Ps/unit	760 Ps/unit
For above 200 units	785 Ps/unit	885 Ps/unit

**8.5 LT-3 (Applicable to Commercial Lighting, Heating and Motive Power installations):**

Applicable in areas coming under City Municipal Corporations and all areas under Urban Local Bodies [LT-3(i)]:

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KW	Rs.80/- per KW	Rs.130/- per KW

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first 50 units	825 Ps/unit	925 Ps/unit
For above 50 units	925 Ps/unit	1025 Ps/unit

Applicable in areas under Village Panchayats [LT-3(ii):

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KW	Rs.70/- per KW	Rs.110/- per KW

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first 50 units	775 Ps/unit	875 Ps/unit
For above 50 units	875 Ps/unit	975 Ps/unit

**8.6 LT-4a (Applicable to IP sets 10HP & below):**

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	581 Ps/unit	738 Ps/unit

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

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every HP	Rs.80/- per HP	Rs.120/- per HP

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	375 Ps/unit	475 Ps/unit

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

Applicable to Private Horticultural Nurseries, Coffee and Tea plantations of sanctioned load of 10 HP & below (LT-4 (c)(i):

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every HP	Rs.70/- per HP	Rs.110/- per HP

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	375 Ps/unit	475 Ps/unit



Applicable to Private Horticultural Nurseries, Coffee and Tea plantations of sanctioned load above 10 HP (LT-4 (c)(ii):

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every HP	Rs.80/- per HP	Rs.120/- per HP

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	375 Ps/unit	475 Ps/unit

**8.8 LT-5 (Applicable to Heating & Motive power (including lighting) installations of industrial Units, etc.):**

Applicable to areas under Municipal Corporations [LT-5a]:

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For 5 HP & below	Rs.65/- per HP	Rs.105/- per HP
For above 5 HP & below 40 HP	Rs.70/- per HP	Rs.110/- per HP
For 40 HP & above but below 67 HP	Rs.90/- per HP	Rs.130/- per HP
For 67 HP & above	Rs.150/- per HP	Rs.190/- per HP

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first 500 units	570 Ps/unit	670 Ps/unit
For next 500 units	670 Ps/unit	770 Ps/unit
For above 1000 units	700 Ps/unit	800 Ps/unit

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

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For 5 HP & below	Rs.55/- per HP	Rs.95/- per HP
For above 5 HP & below 40 HP	Rs.65/- per HP	Rs.105/- per HP
For 40 HP & above but below 67 HP	Rs.85/- per HP	Rs.125/- per HP
For 67 HP & above	Rs.135/- per HP	Rs.175/- per HP

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first 500 units	560 Ps/unit	660 Ps/unit
For next 500 units	655 Ps/unit	755 Ps/unit
For above 1000 units	685 Ps/unit	785 Ps/unit

**8.9 LT-6a(Applicable to water supply and sewerage pumping installations):**

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every HP	Rs.85/- per HP	Rs.125/- per HP

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	485 Ps/unit	585 Ps/unit

**8.10 LT-6b (Applicable to Public Street lights/Park lights):**

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KW	Rs.100/- per KW	Rs.140/- per KW

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	650 Ps/unit	750 Ps/unit

**8.10(a) LT-6c (Applicable to Electric Vehicle Charging stations):**

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For LT installations	Rs.70/ KW/Month	Rs.110/ KW/Month
For HT installations	Rs.200/kVA/Month	Rs.300/kVA/Month

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	500 Ps/unit	600 Ps/unit

**8.11 LT-7 (Temporary Power Supply and permanent Supply to Advertising Hoardings):**

Applicable to Temporary Power Supply for all purposes LT-7(a):

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
Less than 67 HP:	1100 Ps/unit subject to a weekly minimum of Rs.225/ KW of sanctioned load	1200 Ps/unit subject to a weekly minimum of Rs.265 / KW of sanctioned load

Applicable to Hoardings and Advertisement boards on permanent connection basis LT-7(b):

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
Less than 67 HP:	Fixed Charges at Rs.100 per KW/month. Energy Charges at 1100 Ps/unit.	Fixed Charges at Rs.140 per KW/month. Energy Charges at 1200 Ps/unit.

**8.12 HT-1 (Applicable to Water Supply, Drainage / Sewerage water treatment plant and Sewerage Pumping installations):**

Demand charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KVA	Rs.220/- per KVA of billing demand	Rs.320/- per KVA of billing demand

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	545 Ps/unit	645 Ps/unit

**8.13 HT-2a (Applicable to Industries, Factories, Workshops, etc.):**

Demand charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KVA	Rs.220/- per KVA of billing demand	Rs.320/- per KVA of billing demand

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first one lakh units	720 Ps/unit	820 Ps/unit
For above one lakh units	745 Ps/unit	845 Ps/unit

**8.14 HT-2b (Applicable to Commercial Complexes, Cinemas, Hotels, Boarding & Lodging, etc.):**

Demand charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KVA	Rs.240/- per KVA of billing demand	Rs.340/- per KVA of billing demand

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For two one lakh units	890 Ps/unit	990 Ps/unit
For above two lakh units	900 Ps/unit	1000 Ps.unit

**8.14 HT-2c(i) (Applicable to Government Hospitals and Hospitals run by charitable institutions and ESI hospitals and Universities, Educational Institutions belonging to Government, Local Bodies, Aided Institutions and Hostels of all Educational Institutions.:**

Demand charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KVA	Rs.220/- per KVA of billing demand	Rs.320/- per KVA of billing demand

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first one lakh units	705 Ps/unit	805 Ps/unit
For above one lakh units	745 Ps/unit	845 Ps/unit

**9.14 HT-2c(ii) (Applicable to Hospitals and Educational Institutions other than those covered under HT-2c(i):**

Demand charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KVA	Rs.220/- per KVA of billing demand	Rs.320/- per KVA of billing demand

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For first one lakh units	805 Ps/unit	905 Ps/unit
For above one lakh units	845 Ps/unit	945 Ps/unit

**8.15 HT-3a (Applicable to Lift irrigation Schemes/ Lift irrigation societies):**

Applicable to LI schemes under Govt Departments/ Government owned Corporations [HT-3(a)(i)]:

Energy charges per unit:

EXISTING TARIFF	PROPOSED TARIFF
300 Ps/ unit subject to an annual min. of Rs.1600 per HP.	400 Ps/ unit subject to an annual min. of Rs.1700 per HP.

Applicable to Private LI schemes and Lift Irrigation societies: Connected to Urban/Express feeders [HT-3(a)(ii)]:

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every HP	Rs.80/- per HP of sanctioned load	Rs.180/- per HP of sanctioned load

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	300 Ps/unit	400 Ps/unit

Applicable to Private LI schemes and Lift Irrigation societies other than those covered under (ii) above [HT-3(a)(iii)]:

Fixed charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every HP	Rs.60/- per HP of sanctioned load	Rs.160/- per HP of sanctioned load

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	300 Ps/unit	400 Ps/unit

**8.16 HT-3b (Applicable to Irrigation and Agricultural Farms, Government Horticultural Farms, Private Horticulture nurseries, Coffee, Tea, Coconut & Arecanut Plantations):**

Energy charges per unit:

EXISTING TARIFF	PROPOSED TARIFF
500 Ps/unit subject to an annual min. of Rs.1600 per HP.	600 Ps/unit subject to an annual min. of Rs.1700 per HP.

**8.17 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):**

Demand charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KVA	Rs.140/- per KVA of billing demand	Rs.240/- per KVA of billing demand

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	690 Ps/unit	790 Ps/unit

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

Demand charges per month:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For every KVA	Rs.275/- per HP of sanctioned load	Rs.375/- per HP of sanctioned load

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	1100 Ps/unit	1200 Ps/unit

**8.19 MSEZ TARIFF:**

Energy charges per unit:

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
For all units consumed	Rs.6.736 /unit	Rs.7.736 /unit

8.20 The proposed Tariff schedule for FY-22 along with GENERAL TERMS & CONDITIONS is detailed in Chapter-9. Further, it is submitted that classification of consumer categories and all other General Terms & Conditions of Tariff are same as approved by Hon'ble Commission in Tariff Order-2020.

8.21 In the below table, category wise revenue as per existing tariff and proposed tariff is outlined.

Particulars	FY-22 (Rs. In Cr.)	
	@ Existing Tariff as per T.O.-2020	@ Proposed Tariff
LT-1: BJ/KJ (=< 40 units)	26.37	31.36
LT-2a: Domestic	7.97	10.18
LT-2b: Private Edu. Institutions	1080.53	1372.48
LT-3: Commercial	14.36	16.97
LT-4a: IP Sets-10HP & below	436.36	501.62
LT-4b: IP Sets-Above 10HP	1114.15	1416.00
LT-4c: Nurseries/Coffee/Tea	0.80	1.13
LT-5: Industrial	7.66	10.80
LT-6: Water Supply	124.31	157.61
LT-6: Street Lights	78.75	97.83
LT-7 (a): Temporary	49.40	58.52
LT-7 (b): Temporary	50.13	57.16
<b>LT-Total:</b>	<b>2990.79</b>	<b>3731.66</b>
HT-1: Water Supply	62.97	76.45
HT-2a: Industrial	579.99	693.79
HT-2b: Commercial	227.04	262.44
HT-2c: Edu.Inst. & Hospitals	124.64	145.37
HT-3a: LI Schemes	49.18	57.90
HT-3b: LI Schemes	0.18	0.20
HT-4: Residential Apartments	18.07	21.53
HT-5: Temporary Supply	4.81	5.54
Supply to MSEZ	39.66	45.70
<b>HT-Total:</b>	<b>1106.53</b>	<b>1308.92</b>
Miscellaneous	79.03	79.03
<b>GRAND TOTAL:</b>	<b>4176.35</b>	<b>5119.61</b>

The detailed calculations are in Format-D21 & D-2.

**8.22 Open Access / Wheeling charges:**

8.22.1 Wheeling Charges in Cash: The allocation of the distribution network costs to HT and LT networks for determining the wheeling changes in Cash is computed in the ratio 30:70 as per the norms adopted by the Hon'ble Commission in the earlier tariff orders.

Distribution ARR	854.13	Cr.
Energy Sales	5658.86	MU
Wheeling charges	151	Paise/unit
Wheeling charges for HT Net work (30%)	45	Paise/unit
Wheeling charges for LT Net work (70%)	106	Paise/unit

Accordingly, MESCOM proposes wheeling charges in cash for HT network and LT network as 45 paise/unit and 106 paise/unit, respectively, for FY-22.

8.22.2 Wheeling Charges in Kind (Technical Loss compensation): The proposed distribution loss for MESCOM for FY-22 is 10.15%. Hence, as per the norms adopted by the Hon'ble Commission in the earlier tariff orders, MESCOM proposes for wheeling charges in kind i.e. technical loss compensation for HT network and LT network as 3.78% and 6.31%, respectively.

**8.22.3 Cross Subsidy Surcharge:**

In line with GOI notified revised Tariff Policy dated 28-01-2016 MESCOM is proposing the Cross Subsidy Surcharge for different voltage levels for FY-22 as follows.

**FY-22 (Projections @ proposed tariff)**

**Rs./Unit**

Voltage Class	HT-1	HT-2a	HT-2b	HT-2c	HT-3b	HT-4	HT-5
11 kV	-	1.84	2.42	1.66	1.80	0.23	3.26
33 kV	-	2.05	2.42	1.87	2.01	0.44	3.26
66 kV & above	-	2.11	2.42	1.97	2.11	0.54	3.26

Note: Cross subsidy surcharge limited 20% of the average tariff.

Calculation Sheet enclosed as **Annexure-4.**

**8.23 Green Tariff:**

In the Tariff Order 2020, Hon'ble Commission has continued the Green Tariff at Ps.50 per unit as the additional tariff over & above the normal tariff which is optional for HT consumers.



**8.24 Cross Subsidy as per existing tariff:**

Calculation Sheet enclosed as **Annexure-5(a)**.

**8.25 Cross Subsidy as per proposed tariff:**

Calculation Sheet enclosed as **Annexure-5(b)**.

**8.26 Additional Surcharge proposed:**

In line with methodology adopted by the Hon'ble Commission in the Tariff Order 2020, MESCOM is proposing the additional surcharge to be recovered from HT consumers for the energy catering from open access / wheeling & banking arrangement as Rs.1.12 per unit.

Calculation Sheet enclosed as **Annexure-6**.

**8.27 Wheeling & Banking Charges for RE sources:**

MESCOM is submitting before the Hon'ble Commission to apply all the relevant charges as is being made applicable to OA / wheeling transactions of other than RE sources for the wheeling transactions of RE sources also.

In this regard, it is to be submitted that wheeling transactions of RE sources is increasing year-on-year. The details of RE consumption through wheeling & banking arrangement in past three years are given below;

Nature	Source	FY-17	FY-18	FY-19	FY-20
Captive	Solar	-	3.41	85.80	114.25
	Wind	20.65	18.78	17.16	16.92
	Mini-Hydel	-	-	-	-
	<b>sub-total:</b>	<b>20.65</b>	<b>22.19</b>	<b>102.96</b>	<b>131.17</b>
Group Captive	Solar	-	-	-	-
	Wind	24.12	22.14	30.04	32.41
	Mini-Hydel	-	23.58	35.37	30.80
	<b>sub-total:</b>	<b>24.12</b>	<b>45.72</b>	<b>65.41</b>	<b>63.21</b>
Non-Captive	Solar	2.95	40.63	58.97	82.52
	Wind	30.06	3.03	5.45	26.87
	Mini-Hydel	4.95	11.53	33.27	19.21
	<b>sub-total:</b>	<b>37.96</b>	<b>55.19</b>	<b>97.69</b>	<b>128.60</b>
<b>GRAND TOTAL</b>		<b>82.73</b>	<b>123.10</b>	<b>266.06</b>	<b>322.98</b>

**Transmission & Wheeling Charges:**

It is the fact 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.

**Hence, the Hon'ble Commission is requested to consider approving all the relevant charges as is being made applicable to OA / wheeling transactions of other than RE sources for the wheeling transactions of RE sources also.**

**Banking Charges:**

Hon'ble Commission in the order dated 09-01-2018 has reduced the banking period from one year to six months. In the order, it has also ordered that energy banked during the peak TOD hours only can be drawn during peak hours and not otherwise. MESCOM is in concurrence with this order of the Hon'ble Commission.

**Cross Subsidy Surcharge & Additional Surcharge:**

Levy of Cross Subsidy Surcharge and Additional Surcharge is continued to be levied as determined by the Hon'ble Commission from time to time.

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