



MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION

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No. MPERC/2020 / 284

Bhopal, Dated: 13.02.2020

PUBLIC NOTICE

(Petition no. 49 / 2019)

Madhya Pradesh Electricity Regulatory Commission (MPERC) has notified “**The Madhya Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for supply and wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2015 (RG-35 (II) of 2015)**” (hereinafter referred to as regulations) on 17th December 2015 which were published in official gazette on 18th Dec’2015. The Commission has issued 2nd Amendment to these regulations vide order dated 14th Nov’2019 which were published in the Gazette notification dated 15th Nov’2019.

MP Poorv Kshetra Vidyut Vitaran Co. Ltd., Jabalpur, MP Paschim Kshetra Vidyut Vitaran Co. Ltd., Indore, MP Madhya Kshetra Vidyut Vitaran Co. Ltd., Bhopal and M.P. Power Management Company Ltd., Jabalpur (hereinafter referred to as the 'Petitioners or East Discom, West Discom and Central Discom and MPPMCL respectively'), are wholly owned Companies of the Government of Madhya Pradesh. MP Power Management Co. Ltd.(MPPMCL) is the holding Company of the above mentioned three electricity distribution companies (Discoms) of the State and have signed “Management and Corporate Functions Agreement” on 5th June 2012, with them. A petition has been filed by the aforementioned companies before the Commission on 29th Nov’2019 for consideration and approval of the Aggregate Revenue Requirement (ARR) and Tariff for FY 2020-21. The Commission held the motion hearing on 11th Dec’2019 and has admitted the said petition with the directions to comply the directives issued to the petitioners in Retail supply Tariff order for FY2019-20. During the hearing held on 03.01.2020, the petitioners have requested the Commission to grant two weeks time for fulfilment of compliance in the matter which was accepted by the Commission. The Commission has now decided to seek the stakeholders’ comments through this notice. Brief summary of the ARR for FY 2020-21 as filed by the petitioners is given in the table below:-

Table 1: Summary of ARR filed by petitioners for FY 2020-21

Particulars	All figures in Rs Crores			
	East Discom	Central Discom	West Discom	MP State
Power purchase cost (Ex-Bus, including MPPMCL costs allocated to Discoms)	8,318	8,912	12,157	29,387
Inter-State Transmission charges	543	560	671	1,774
Intra-State Transmission (MP Transco) Charges and SLDC Charges	845	900	1,083	2,828
R&M Expenses	220	263	193	676
Employee Expenses	1,386	1,331	1,480	4,197
A&G Expenses	206	120	171	497
Other Debits, Write-offs (Prior period and bad debts)	25	24	57	106
Depreciation	371	388	318	1,077
Interest & Finance Charges	281	376	289	946
Return on Equity (RoE)	387	332	290	1,009
Total Expenses Including RoE	12,582	13,206	16,709	42,497
less: Other income (excluding Delayed Payment Surcharge)	362	293	509	1,164

All figures in Rs Crores

Particulars	East Discom	Central Discom	West Discom	MP State
Total ARR	12,220	12,913	16,199	41,332
Impact of True-up of Transco	0	0	0	0
Impact of True-up of Genco	0	0	0	0
Impact of True-up of Discoms	0	0	0	0
Total ARR (including True up) (A)	12,220	12,913	16,199	41,332
Revenue from Sale of power at existing tariff (B)	11,624	12,286	15,422	39,332
Total Revenue Gap (including true up) (A-B)	596	627	777	2,000
Revenue from Sale of power at proposed tariff	12,220	12,913	16,199	41,332
Average Cost of Supply (Rs./kWh)	6.58	6.83	7.05	6.84

Petitioners have proposed to recover a gap of Rs 2000 Crore through revision of tariff for FY 2020-21. Petitioners have proposed the category-wise average increase in Tariff for FY 2020-21 by considering the gap of Rs 2000 Crore only as given below: -

Table 2: - Impact on Revenue due to proposed tariff for FY 2020-21 for the State.

Tariff Category		Sale	Revenue at Current Tariff	Revenue at Proposed Tariff	Additional Revenue at proposed Tariff	Proposed average increase in Tariff category
		MU	Rs. Cr	Rs. Cr	Rs. Cr	%
LV 1	Domestic	15609	9808	10326	518	5.28%
LV 2	Non-Domestic	3525	3101	3139	38	1.23%
LV 3	Public Water Works 7t& Street Light	1346	861	918	57	6.62%
LV 4	LT Industrial	1437	1213	1247	34	2.80%
LV 5	Agriculture and Allied Activities	23916	13261	14138	877	6.61%
LV 6	E Vehicle /E-Rickshaws Charging Stations	3	2	2	0	0.00%
	Total (LT)	45837	28245	29771	1526	5.40%
HV 1	Railway Traction	111	54	54	0	0.00%
HV 2	Coal Mines	494	426	442	16	3.76%
HV 3.1	Industrial	7922	6213	6512	299	4.81%
HV 3.2	Non-Industrial	1137	1058	1075	17	1.61%
HV 3.3	Shopping Mall	114	95	98	3	3.16%
HV 3.4	Power Intensive Industries	2990	1972	2067	95	4.82%
HV 4	Seasonal	27	25	26	1	4.00%
HV 5	Irrigations, Public Water Works and other than Agricultural	1291	918	951	33	3.59%
HV 6	Bulk Residential Users	451	304	314	10	3.29%
HV 7	Synchronization of Power for Generators connected to the Grid	18	16	17	1	6.25%
HV 8	E Vehicle /E-Rickshaws Charging Stations	9	5	5	0	0.00%
	Total (HT)	14563	11087	11562	475	4.28%
	TOTAL LT+HT	60400	39332	41332	2000	5.09%

The aforesaid proposed tariff hike also includes some changes in Tariff structure and General Terms & Conditions, which are discussed in detail in petition along with the reasons. Prominent changes proposed are as below:-

1. **Domestic:** Tariff for Supply through DTR meter as specified in schedule LV1.2 has been proposed to be abolished.
2. **Non-Domestic:** Tariff for Temporary supply (including point connection) at LT for Mela as specified in schedule LV2.2 has been proposed to be abolished.
3. **General Terms & Conditions of LT Tariff:** For clarity in billing additional conditions of Temporary supply at LT has been proposed to be amended.
4. **HT Industrial, Non-Industrial and Shopping Malls:** Rebate for supply through feeders feeding supply to predominantly rural area to be abolished
5. **General Terms & Conditions of HT Tariff:** Clause for Tripartite agreement in the HV-6, category has been proposed to be amended.
6. All Temporary connections at LT shall be at 1.25 times of normal tariff of respective category.

In addition to above, vide letter dated 23.01.2020, the petitioners have made additional submission as per following details

7. Tariff sub category LV5.2 under Tariff schedule LV5 (Agricultural & Allied Activities) is proposed to be applicable to Nurseries and Farms growing mushrooms only.
8. ToD tariff shall be applicable for LT - E Vehicle /E-Rickshaws Charging Stations under Tariff schedule LV6.

Interested persons may file their objections / comments / suggestions relating to the ARR and Tariff proposals in three copies to the **Secretary, Madhya Pradesh Electricity Regulatory Commission, 5th Floor “Metro Plaza” E-5 Arera Colony, Bittan Market Bhopal- 462 016** so as to reach the Commission’s office latest by **7th March 2020**. Advance copy of the objections / comments / suggestions can also be sent by “e-mail at secmperc@sancharnet.in” followed by its hard copy which should reach the Commission’s Office latest by **7th March 2020**. Objections / comments / suggestions received after **7th March 2020** shall not be considered.

Copy of main petition along with Tariff proposal (in English /Hindi version) may be obtained on any working day between 11:00 AM and 4:00 PM from **14th February 2020** onwards from the Commission’s office or Headquarters of MPPMCL at Block No. 15, Shakti Bhawan, Rampur, Jabalpur–482008 or Headquarters of M.P. Poorv Kshetra Vidyut Vitaran Co. Ltd. at Block No. 7, Shakti Bhawan, Rampur, Jabalpur or M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd. at GPH Compound, Polo Ground, Indore or M.P. Madhya Kshetra Vidyut Vitaran Co. Ltd. at Nishtha Parisar, Govindpura, Bhopal on payment of **Rs.1000** for one copy in cash or demand draft drawn in favor of “DGM (Accounts) MPPMCL, Jabalpur” or “RAO JC MPPKVVCL, Jabalpur” or “RAO MPPKVVCL, Indore” or “RAO MPMKVVCL, Bhopal” respectively. Copy of petition can also be obtained by post on additional payment of Rs.100 towards postage expenses. Copy of petition & Tariff proposal along with summary of the petition can also be downloaded free of charge from Commission’s website-www.mperc.in and from petitioners’ website viz. www.mppmcl.com, www.mpez.co.in, www.mpwz.co.in and www.mpcz.co.in respectively.

By Order of the Commission

Secretary