

BEFORE
THE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION

In the matter of:

MeECL's petition on the Annual Revenue Requirement & Tariff Proposal for FY 2012-13.

AND

In the matter of:

Meghalaya Energy Corporation Limited (MeECL)
Lum Jingshai, Shillong

Petitioner

Coram

Shri Anand Kumar Chairman

Date of Order: 16th December, 2011

ORDER

This order relates to the petition filed on 8.12.2011 by the licensee Meghalaya Energy Corporation Ltd (MeECL) for fixing the Annual Revenue Requirement for Financial year 2012-13. Earlier, on 15.11.2011 MeECL requested the Commission to allow them time up to 29.2.2012 to file the petition for 2012-13 for generation and transmission. The Commission however, did not agree observing that according to regulation 17 of the MSERC (Terms and Conditions for Determination of Tariff), 2011, the petition for fixing the ARR and determining the tariff should be filed by 30.11.2011. Even though, the instant Tariff petition has been filed late, the petition is examined.

2. It is noted, that the petition dated 8.12.2011 did not contain any proposal for tariff for meeting the expenditure requirement during 2012-13. MeECL was directed to rectify it and also to file certain required information. On 15.12.2011, MeECL submitted the tariff proposal and the petition for fixing the ARR and determining the tariff. The petition was thus examined for the year 2012-13.

3. Be it mentioned that for the FY 2011-12, the petition for determination of the ARR and the tariff was, due to one reason or another causing the delay, was submitted on 15.9.2011 and was admitted by the Commission on 26.9.2011 after some gaps had been removed. The petition is now under process by the Commission and after the public hearing held on 25.11.2011 and other exercises, the determination of the ARR and tariff for 2011-12 could be passed by the Commission sometime in January 2012. If that be so, the tariff would virtually be operative for two or three months only in 2011-12 and another revision would then be due from 1.4.2012 onwards.

4. The Commission has anxiously considered the practical aspects of two ARR and tariffs being passed within such a short span of two or three months, say, in January 2012 for FY 2011-12 and in March or April 2012 for 2012-13, as such a course may create confusion in the minds of the consumers.

5. Considering the circumstances as such, it will be more prudent for the Commission while exercising its statutory powers and in the interests of consumers to combine the proceedings for FY 2011-12 and FY 2012-13 together and pass one tariff order which will then be operative till 31.3.2013. Adopting such a method, it is felt, will take care of the requirement of MeECL for 2011-12 and 2012-13, and of the consumers as well. This will also remove any possible uncertainty and confusion from the minds of the general public.

6. Accordingly, the petition of MeECL dated 8.12.2011 for the FY 2012-13 is hereby admitted subject to the condition that the information as required in the Commission's letter dated 9.12.11 is furnished latest by 19.12.11. MeECL will publish the petition in an abridged form in the local news papers inviting comments from the public as required under the regulations.

(Anand Kumar)