

7. Tariff Principles and Design

7.1 Background

7.1.1 The Commission in determining the revenue requirement of MePDCL for the FY 2014-15 and the retail supply tariff has been guided by the provisions of the Electricity Act, 2003, the National Tariff Policy (NTP), Regulations on Terms and Conditions of Tariff issued by the Central Electricity Regulatory Commission (CERC) and Regulations on Terms and Conditions of Tariff notified by the MSERC. Section 61 of the Act lays down the broad principles, which shall guide determination of retail tariff. As per these principles the tariff should “Progressively reflect cost of supply” and also reduce cross subsidies “in the manner specified by the Commission”. The Act lays special emphasis on safeguarding consumer interests and also requires that the costs should be recovered in a reasonable manner. The Act mandates that the tariff determination shall be guided by the factors, which encourage competition, efficiency, economical use of resources, good performance and optimum investment.

The NTP notified by Government of India in January, 2006 provides comprehensive guidelines for determination of tariff and also in working out the revenue requirement of power utilities. The Commission has endeavored to follow these guidelines as far as possible.

7.1.2 NTP mandates that the Multi-Year-Tariff (MYT) framework be adopted for determination of tariff from 1st April 2006. However, the Commission is not in a position to introduce MYT Regime in the State mainly because of lack of requisite and reliable data. The present MIS and regulatory reporting system of the MePDCL is very inadequate for any such exercise at this stage. There has been no study to assess voltage wise losses in the absence of metering of all feeders, and distribution transformers. Technical and commercial losses are yet to be segregated and quantified voltage wise. The Commission has issued a directive to the MePDCL in the Tariff Order for FY 2013-14 to chalk out an action plan for reduction of T&D losses.

7.1.3 The mandate of the NTP is that tariff should be within plus / minus 20% of the average cost of supply by FY 2014-15. It is not possible for the Commission to lay down the road map for reduction of cross subsidy, mainly because of lack of data regarding cost of supply at various voltage levels. In view of the prevailing situation the Commission has gone on the basis of average cost of supply for working out consumer category-wise cost of supply. However in this tariff order an element of performance target has been indicated by setting target for T&D loss reduction for the FY 2015-16 to FY 2017-18. This better performance by reduction of loss level will result in substantial reduction in average cost of supply.

7.1.4 Section 8.3 of National Tariff Policy lays down the following principles for tariff design:

- (1) In accordance with the National Electricity Policy, consumers below poverty line who consume below a specified level, say 30 units per month, may receive a special support through cross subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply. This provision will be re-examined later.
- (2) For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the MSERC would notify the roadmap, within six months with a target that latest by the end of the FY 2014-15 tariffs are within $\pm 20\%$ of the average cost of supply. The road map would have intermediate milestones, based on the approach of a gradual reduction in cross subsidy.

For example, if the average cost of supply is Rs.3 per unit, at the end of FY 2011-12 the tariff for the cross subsidized categories excluding those referred to in para-1 above

should not be lower than Rs 2.40 per unit and that for any of the cross subsidizing categories should not go beyond Rs 3.60 per unit.

(3) While fixing tariff for agricultural use, the imperatives of the need of using ground water resources in a sustainable manner would also need to be kept in mind in addition to the average cost of supply. The tariff for agricultural use may be set at different levels for different parts of the State depending on the condition of the ground water Table to prevent excessive depletion of ground water.

7.1.5 The provisions of the Electricity Act, 2003, National Tariff Policy and the MSERC Tariff Regulations require that there should be a gradual movement towards reduction of cross subsidy. The Tariff aims at bringing down cross subsidy to $\pm 20\%$ of the average cost of supply by the FY 2014-15.

Regulation 16 of MSERC (Terms and Conditions for Determination of Tariff) Regulations, 2011 specifies –

Cross subsidy as:

1) Cross subsidy for a consumer category in the first phase (as defined in sub regulation 2 below) means the difference between the average realization per unit from that category and the combined average cost of supply per unit expressed in percentage terms as a proportion of the combined average cost of supply. In the second phase (as defined in sub-regulation 2 below) means the difference between the average realization per unit from that category and the combined per unit cost of supply for that category expressed in percentage terms as a proportion of the combined cost of supply of that category as detailed in table below:-

Table 7.1: Comparison of Average Cost of Supply v/s Average Realisation

Sl	Category	Average realization (Rs/kwh)	Average cost of supply (Rs/kwh)	(+)/(-) 20% average cost of supply
A	LT Supply			
	Domestic (DLT)	4.04	5.38	4.30 (-) 20%

	Commercial (CLT)	6.34	5.38	6.45 (+) 20%
	Public lighting	5.66	5.38	6.45 (+) 20%
	Water Supply	6.01	5.38	6.45 (+) 20%
	General Purpose	6.08	5.38	6.45 (+) 20%
	Agriculture/BPL	2.98/3.0	5.38	4.30 (-) 20%
B	HT Supply			
	Domestic	6.27	5.38	6.45 (+) 20%
	Commercial	6.42	5.38	6.45 (+) 20%
	Industrial	6.18	5.38	6.45 (+) 20%
	Water Supply	5.65	5.38	6.45 (+) 20%
	Bulk Supply	5.96	5.38	6.45 (+) 20%
C	EHT			
14	Industrial	5.81	5.38	6.45 (+) 20%

- 2) The Commission shall determine the tariff to progressively reflect the cost of supply of electricity and also reduce cross subsidies within a reasonable period. For this purpose, in the first phase the Commission shall determine tariff so that it progressively reflects combined average unit cost of supply in accordance with National Tariff Policy. In the second phase, the Commission shall consider moving towards the category-wise cost of supply as a basis for determination of tariff.

7.2 Tariffs proposed by MePDCL and approved by the Commission

7.2.1 The MePDCL in its tariff petition for FY 2014-15 has proposed revision of existing retail tariffs to various categories of consumers to earn additional revenue to meet the expenses to some extent.

MePDCL has proposed the following changes in billing structure.

1. Merging the MeECL officers and employees category with LT Domestic category (DLT) as per the decision of Board of Directors.
2. Reduction of slabs as detailed below:-

Existing slab	Proposed slab
Domestic (LT) First 100 units Next 100 units Above 200 units Commercial (CLT) First 100 unit Above 100 units	Domestic (LT) First 100 units Above 100 units Commercial (CLT) All units

3. KVAH billing to HT Domestic, HT Commercial and HT Bulk supply.

7.2.2 The category wise tariffs proposed by the MePDCL are indicated in Table below:

Table 7.2: Category-Wise Tariffs existing and proposed by MePDCL for FY 2014-15

Sl. No.	Category	Existing		Proposed	
		Fixed Charges (Rs. conn/kW)	Energy Charges (Ps./kWh)	Fixed Charges (Rs. conn)	Energy Charges (Ps./kWh)
1	Kutir Jyoti	80		200	
2	Domestic (DLT)	35		210	
	First 100 Units		260		413
	Next 100 Units		300		519
	Above 200 Units		375		519
3	Commercial (CLT)	70		250	
	First 100 units		450		608
	Above 100 units		490		608
4	Industrial (ILT)	70	420	230	521
5	Low tension public service LT (PSLT)				
6	Public Lighting (PL)	70	475	250	760
7	Public Lighting				
	Fixed charges for Public lighting (Unmetered)				
	Types of lamps				
	Incandascence lamp				
	40 w	85			
	60 w	135			
	100 w	215			
(i)	Fluorescent Lamp				
	Upto 40 w	135		242	
(ii)	Mercury Vapour Lamp				
(a)	80 W	185		331	
(b)	125 W	280		501	
(c)	250 W	585		1047	
(d)	500 W	1090		1951	
(iii)	Sodium vapour lamp				
(a)	150 W	625		761	
(b)	250 W	660		1181	
(c)	400 W	1100		1969	
(iv)	CFL Fittings				
(a)	Upto 45 W	135		424	
(b)	> 45 Upto 85 W	215		385	
(v)	LED Fittings (120 W)	415		743	
(vi)	Metal Halide (150W)	500		895	
8	Public Water supply/ sewage treatment plant (WSLT)	70	475	250	665

Sl. No.	Category	Existing		Proposed	
		Fixed Charges (Rs. conn/kW)	Energy Charges (Ps./kWh)	Fixed Charges (Rs. conn)	Energy Charges (Ps./kWh)
9	General Purpose (GP)	70	475	250	676
10	Agriculture (AP)	40	165	140	198
11	Crematorium	5200 (Conn)	300	18200 Conn)	540
12	Employees		340		
13	High Tension				
(a)	Domestic (DHT)	125	440	450	444
(b)	Commercial (CHT)	125	455	450	473
(c)	Industrial (IHT)	125	454	450	588
(d)	Public Service (PSHT)				
(e)	Public Water Supply	125	440	450	590
(f)	General Purpose/ Bulk Supply (BS)	125	440	450	589
(g)	Industrial EHT	125	439 (KVAH)	450	553 (KVAH)
(h)	Temp. Supply (LT & HT)				

Source: Table 4.1 of ARR

Commission Analysis

1. The Commission considers merging the MeECL officers and employees category with LT Domestic (DLT) as proposed by the MePDCL.
2. The MePDCL proposal of reduction of slabs under LT Domestic (DLT) and abolition of slabs in LT Commercial (CLT) are not agreed to.

The present system of 3 slabs under LT Domestic (DLT) and 2 slabs under LT Commercial (CLT) are being continued.

3. KVAH billing to HT Domestic (DHT) and HT Bulk Supply (BS) are not considered. However, the Commission considers KVAH billing to HT Commercial (CHT) category.

With the above approvals and based on the approved Aggregate Revenue Requirement (ARR) the approved Tariffs for supply of Energy in respect of different categories of consumers for FY 2014-15 are as per Table below:

Table 7.3: Category of Consumer wise tariffs approved by the Commission

Sl. No.	Category	Approved	
		Fixed Charges (Rs. conn/kW)	Energy Charges (Ps./kWh)
1	Kutir Jyoti	90	2.25
2	Domestic (DLT)		
	First 100 Units	40	2.90

	Next 100 Units	40	3.40
	Above 200 Units	40	4.40
3	Commercial (CLT)		
	First 100 units	80	5.00
	Above 100 units	80	5.80
4	Industrial (ILT)	80	4.75
5	Low tension public service LT (PSLT)	80	5.40
6	Public Lighting (PL)	80	5.40
7	Fixed charges for Public Lighting (Unmetered)		
	Types of Lamps		
	Incandescent lamp		
	40 w	98	
	60 w	155	
	100 w	247	
(i)	Fluorescent Lamp		
	Upto 40 w	155	
(ii)	Mercury Vapour Lamp		
(a)	80 W	213	
(b)	125 W	322	
(c)	250 W	673	
(d)	500 W	1254	
(iii)	Sodium vapour lamp		
(a)	150 W	489	
(b)	250 W	759	
(c)	400 W	1265	
(iv)	CFL Fittings		
(a)	Upto 45 W	155	
(b)	> 45 Upto 85 W	247	
(v)	LED Fittings (120 W)	477	
(vi)	Metal Halide (150W)	575	
8	Public Water supply/ sewage treatment plant (WSLT)	80	5.40
9	General Purpose (GP)	80	5.40
10	Agriculture (AP)	50	2.00
11	Crematorium	5800	3.35
12	High Tension		
(a)	Domestic (DHT)	150	5.10
(b)	Commercial (CHT)	150	5.25/KVAH
(c)	Industrial (IHT)	150	5.24/KVAH
(e)	Public Water Supply (WS)	150	5.10/KVAH
(f)	General Purpose/ Bulk Supply (BS)	150	5.10/kWH
(g)	Industrial EHT	150	5.10/KVAH

7.2.3 Tariffs for various categories of consumers are given in tariff schedule annexed.

7.3 Cross Subsidy

The Commission would like to discuss about the provisions of MSERC (Terms and Conditions for Determination of Tariff) Regulations 2011 about the cross subsidy. The Regulation prescribes that cross subsidy for the consumer means the

difference between the average realisation per unit from that category and the combined average cost of supply per unit. It has also mentioned that in the first phase the Commission shall determine the Tariff so that it progressively reflects combined average unit cost of supply in accordance with the National Tariff Policy. The Commission has tried to adhere with the Regulations of the Commission while determining the Tariff. The tariff has been set in accordance with the Act and Regulations keeping in view the ground realities in the State.

The level of cross subsidy in 2014-15 has been given in the table below:

Cross subsidy in Meghalaya (%) in 2014-15

		2013-14	2014-15
Sl. No.	Category	Existing Cross Subsidy	Approved Cross Subsidy
1	Domestic	24%	24%
2	Non Domestic (Commercial)	-18%	-18%
4	Agriculture	52%	45%
5	Public Lighting	-7%	-5%
6	Water Supply	-13%	-12%
7	General purpose	-14%	-13%
8	Kutir Jyoti	44%	44%
9	Domestic	-15%	-15%
10	Water supply	-7%	-5%
11	General purpose including bulk supply	-9%	-8%
12	Commercial	-18%	-17%
13	Industrial	-17%	-15%
14	Industrial	-10%	-8%

8. Compliance of Directives

8.1 Compliance of earlier Directives

The Commission in Tariff Order for FY 2012-13 has given certain directives to MePDCL which has submitted the compliance report, which does not fully comply with directives given.

The Commission has issued fresh directives in the Tariff Order for FY 2013-14. The status of compliance of the directives given is discussed below:

8.2 Directives issued in FY 2012-13

Directive – 1

The Commission directs the licensee to send action taken report along with the status of compliance to each directive issued in the last Tariff Order. This report should reach the Commission by 30th April, 2013.

Compliance

The Petitioner has submitted that the compliance on the directives issued by the Commission in FY 2012-13 had been submitted to the Commission vide Letter No DD/T/-440/2013-14/25 dated 30th April, 2013.

8.3 Directives issued in the Tariff Order FY 2013-14

The Commission had issued the fresh directives in the Tariff Order for FY 2013-14 stating that the performance of MeECL has not been satisfactory as the T&D losses continue to be high. The Commission in the Tariff Order of FY 2011-12 and FY 2012-13 has provided a trajectory for reduction of losses in next four years. In order to improve the commercial losses and efficiency improvement of 1.5% is again targeted for FY 2013-14. This will thus enable the licensee to get additional revenue of about Rs. 10 Crore in FY 2013-14. Accordingly, the Commission directs the MeECL to follow the directives given in this regard.

Compliance

MePDCL has submitted that a report on the compliance of fresh directives have been submitted to the Commission vide letter no. DD/T-440/2013-14/41 dated 28th June 2013 and letter no. DD/T-440/2013-14/10 dated 31st October 2013. The abstract of these reports is submitted against each directive.

The fresh directives issued in Tariff Order for FY 2013-14 and the compliance are dealt below:

a) Directive-1

To submit the Commission a concrete action plan to be undertaken by it in reducing the T&D loss and the AT&C loss in each circle. The action plan should cover time bound targets in reducing the commercial losses as per the trajectory for FY 2013-14. MePDCL should nominate a nodal officer in each circle to send report on actual losses, revenue billed and revenue collected each month to the Commission. List of nomination of each circle should be send by 1.5.2013.

Compliance:

For the reduction of T & D loss and AT & C Loss, action is being taken with respect to energy audit, billing, testing & replacement of defective meters and vigilance activities.

The Chief Executive Officers are the nodal officers in each Distribution Circle, and are responsible for monitoring and reporting the monthly revenue billed, revenue collected and actual loss to the higher authorities. The reports are being screened by the higher authorities for further improvement.

Commission's comments:

Compliance is noted. The current of the energy audit and the results, replacement of defective meters shall be submitted by September, 2014.

b) Directive-2

Reduction of losses can be done by using measures of change of defective meters, improvement in billing and collection and measures to check pilferages or thefts, conducting vigilances and inspection, changing from electro mechanical meters to

electronic meters etc. This action plan should cover the targets fixed for each and every division or circle of MeECL for collecting additional about Rs. 0.66 Crore per month over and above the normal sales target. This action plan should reach to the Commission by 01.05.2013.

Compliance:

The process for replacing defective meters is a continuous process. In the case of LT consumers, the meters are either procured by the office or by the consumer for replacement of the same. However, in the case of HT & EHT consumers, the meters are procured by the Corporation. The replacement of meters is carried out departmentally. Replacement of electro mechanical meters with static meters is also under process. It is targeted to change 20,000 meters by March 2014.

Commission's observation

The action taken is noted. The MePDCL is directed to submit quality report on the subject.

c) Directive-3

MePDCL shall start monitoring the performance of all six circles in distribution by getting information on sale, revenue and AT&C losses every month. MePDCL shall forward a monthly review report of all the circles to the Commission by 15th of every month.

Compliance:

Monthly reports were not submitted.

Commission's comment

The compliance of the above shall be reported by September, 2014.

d) Directive-4

MePDCL shall send an action plan for improvement in metering and billing for FY 2013-14. MePDCL shall forward a monthly report on target fixed for each circle for replacement of defective meters and compliance thereof. This report should reach the Commission every quarter.

Compliance:

Monthly reports are not being submitted regularly.

Commission's comment

The MePDCL is directed to submit monthly report regularly as directed.

e) Directive-5

MePDCL shall also forward a report to the Commission every quarter on the number of cases in each circle where meters are not read, or consumers are billed on nominative basis without meter reading and number of unmetered consumers. MePDCL shall also fixed target for monitoring such cases.

Compliance:

Monthly reports are not being submitted regularly.

Commission's comment

The report shall be reported every quarter as directed.

f) Directive-6

MePDCL shall forward within one month a report on the pilot study being done in Police Bazar on energy audit by metering distribution transformers. The Commission has already directed MePDCL to start this work w.e.f. 01.09.2012.

Compliance:

Compliance is being done. It is being monitored by the Commission's officer.

Commission's comment

The progress report on the pilot study to be submitted by September, 2014.

g) Directive-7

The Commission directs MePDCL to make serious efforts on the metering and energy audit of industries in the State so as to know the correct level of consumption and revenue from this category. A report on this exercise should be made available to the Commission within three months of this order.

Compliance:

Compliance report has not been submitted.

Commission's comment

This is an important item to assess the correct level of consumption of industrial consumers and corresponding revenue. The report shall be submitted by September, 2014.

h) Directive-8

Time of Day Tariff

MePDCL is directed to prepare time of day provisions in their existing meters for consumers of HT industrial load and furnish data of the same to the Commission for Implementation of time of day tariff from the date of issue of next tariff order. The Commission also directs the licensee to make a proposal to the Commission with regard to peak hours and off peak hours during winter and summer so that the new tariff shall be worked out.

Compliance:

The billing software for ToD billing is yet to be developed to the proposal for ToD tariff will be submitted after the billing software is developed.

Commission's comment:

The development of required software shall be expedited.

i) Directive-9

Computerised billing

The Commission directs MePDCL to introduce computerised data base of consumers so that the consumer can deposit their bills at any collection centre. A status report on this project may be submitted within one month time.

Compliance:

The computerized data base of consumers under R-APDRP in the nine towns, namely Shillong, Jowai, Nongpoh, Nongstoin, Cherrapunji, Mairang, Willaimnagar, Tura and Resubelpara are under preparation. Trial run of computerized billing at Nongpoh town had been taken up in October 2013.

Computerized billing data base in respect of the remaining 8 towns is expected to be completed by March 2014. It is further submitted that MePDCL is also replacing BRADMA billing system (manual) with D-BASE billing system (Computerized billing), the circle wise status of the same is mentioned below:

The status of computerized billing with the existing system circle- wise is as follows:

Sl. No.	Circle	Percentage Computerization
1	Eastern	100%
2	Shillong	100%
3	Central	51%
4	Western	59%
5	East Garo Hills	51%
6	West Garo Hills	67%

Commission's comments

Action taken is noted and the present status of implementation shall be reported by August, 2014.

j) Directive-10

Energy Audit

The Commission directs the management to look into this manner and take action on priority to start energy audit in at least those areas where consumption and revenue are highest. The action plan should be submitted to the Commission by 30th June 2013.

A report on metering status in all 33KV substations should be prepared to the Commission with plan for making them functional and reading of such meters are done on regular basis.

Compliance:

The energy audit in some parts of Shillong and Byrnihat area is being done. Similarly, the energy audit in other areas has also been initiated. Normally the billing is being done as per the billing schedule. In addition to conducting Energy

Audit internally, currently MePDCL is also assessing cost-benefit of conducting energy audit by third party.

Commission's comments:

The results of the energy audit in the areas where it is conducted shall be reported by September, 2014.

k) Directive-11

Revenue Audit

Commission directs MePDCL to get revenue audit of billing in each circle immediately from independent CAG approved auditors within three months of issue of this order. The auditor should check all industries and other revenue yielding consumers, domestic and commercial consumers in Shillong that they are being billed correctly on the basis of applied/allowed tariff and give their report to the Commission by 30th June 2013.

Compliance:

Revenue Audit is being carried out internally by the Internal Audit team of the Corporation. Similarly, the transaction audit which includes revenue audit is being done by the Comptroller Auditor General (CAG).

Commission's comments:

The results/observation of the revenue audit shall be reported by September, 2014.

l) Directive-12

Improvement in Supply

The Commission directs MePDCL to supply electricity to all parts of the State without discrimination as the first priority and in case of no existing demand or additional demand in the State this surplus energy should be sold outside either on bilateral or competitive basis. Monthly report on availability of energy, supply hours in all circles should be made available to the Commission starting from 1st June, 2013.

Compliance:

At present there is no power regulation by MePDCL.

Commission's comments:

The MePDCL is directed to submit monthly report as directed.

New Directives

m) Directive-13

The audited financial statement has not been furnished by MePDCL for the financial year 2012-13 which is mandatory under MSERC (Terms and conditions for determination of tariff) Regulations 2011. It may be mentioned that as per section 210 of the Companies Act, 1956 read with section 166, a company has to place the audited accounts within six months of the end of the financial year or such extended time granted by Registrar of Companies in the AGM for adoption. Thus MePDCL should have adopted the audited financial statement for the financial year 2012-13 by 30.09.2013. MePDCL has also not submitted unaudited financial statement for 2012-13 approved by the Board of Directors.

The MePDCL is directed to submit all the previous years audited accounts upto FY 2012-13 by 30.06.2014.

n) Directive- 14

MePDCL is directed to forward monthly report on energy purchase, energy sold, revenue bills and revenue collected to the Commission.

o) Directive-15

MePDCL should expedite the settlement of power purchase dues of the prior period by setting up a committee so as to restore the power regulation in the interest of the consumers. The State Government should also look into the matter and settle the previous liabilities towards power purchase payables pending prior to restructuring.

p) Directive-16

MePDCL is directed to implement the Energy conservation and Demand Side Management (DSM) as under:

- To initiate action to implement TOD measure at the earliest.

- To encourage use of CFL under Kutir Jyoti and RGGVY under Energy Conservation Plan/Assistance.
- To open “Awareness Cell” at headquarter level for implementing DSM plans/initiatives.
- Energy Audit at Power Intensive Industries should be implemented in association with Bureau of Energy Efficiency.

The compliance report on the above shall be submitted by 30th September, 2014.

Commission's Order

Having considered the Petition of MePDCL for approval of Aggregate Revenue Requirement (ARR) and determination of retail tariff for supply of energy for FY 2014-15, in exercise of power conferred by Section 62 of the Electricity Act, 2003, the Commission approves the aggregate revenue requirement (ARR) as detailed below:

(Rs. crore)

Sl. No.	Item of expenditure	Approved by the Commission
1	Cost of Power Purchase	554.50
2	Inter-State Transmission Charge	61.82
3	MePTCL Transmission Charge	72.79
4	Employee Costs	111
5	R&M Expenses	8.41
6	A&G Expenses	7.62
7	Depreciation	4.37
8	Interest on Loan Capital	12.40
9	Interest on Working capital	23.03
10	Return on equity	9.43
11	Income Tax	-
12	Provision for bad and doubtful debt	0.15
13	Cost of RPO obligation	3.86
14	Total Revenue Requirement	869.38
	Less: Sale of Surplus Power	184.74
15	Less: Non-Tariff Income	40.00
16	Less: Cross subsidy surcharge	5.77
17	Less: RE Subsidy	20.00
18	Net Revenue Requirement	618.87
19	Revenue from Revised Tariff	619.63
20	Net Revenue Surplus (Gap)	0.76

1. MePDCL shall be entitled to charge the tariff from consumers in its licensed area of supply in Meghalaya as approved in this tariff order.
2. The approved retail tariff for supply of energy shall be in accordance with the tariff schedule annexed.
3. The revised tariff shall come into effect from the 1st day of April 2014 and shall remain effective till 31st day of March 2015 or orders.
4. FPPPA determined under MSERC Order dated 02.12.2013 shall not be charged with the revised tariff for 2014-15.

5. The Petitioner shall forward a report on compliance of directions given in this order within prescribed time.
6. The Petitioner shall forward monthly report on energy purchased, energy sold, revenue billed and revenue collected to the Commission.

Date:12.04.2014.
Shillong (Meghalaya)

(Anand Kumar)
Chairman

APPROVED TARIFF FOR 2014-15.

A. LOW TENSION TARIFF:

(1) Domestic (Low Tension).

This category shall be applicable to domestic consumption, which includes consumption-

- a. For lighting, heating, cooling, fans and other household appliances in a private dwelling house;
- b. In temples, churches, mosques, gurudwaras and other places of religious worship;
- c. In hospitals, dispensaries, health centres run by Government or by charitable, religious or social organizations on a no-profit or non-commercial basis.
- d. In schools, colleges, hostels boarding houses for students run by Government or by charitable, religious or social organizations on a no-profit or non commercial basis; and
- e. In ashrams, dharamsalas, community halls and institutions run by recognized welfare organizations.
- f. MeECL officers and its employee's residences.

(1.1) Kutir Jyoti/BPL.

Kutir Jyoti connections have been covered under Domestic category with metered and unmetered sub categories.

(1.1.1) Unmetered Kutir Jyoti

The existing Tariff for this category of consumers is Rs.80 per connection per month. The MeECL has proposed a rate of Rs.200 per connection per month for this category. The Commission has approved Rs.90 per connection per month for all existing unmetered consumers.

Tariff for BPL (unmetered) for 2014-15			
Category	Existing Tariff (Rs/connection/ month)	Proposed Tariff (Rs/connection/ month)	Approved Tariff (Rs/connection/ month)
Kutir Jyoti (KJ-U)/ BPL U	80	200	90

This Tariff is applicable for existing unmetered consumer under Kutir Jyoti unmetered category until they are metered. No new connection should be given without meter.

(1.1.2) Metered Kutir Jyoti

The MeECL has proposed tariff of metered Kutir Jyoti consumers at Rs.3.00 per unit for monthly consumption within 0-30 units. They have also proposed that if the monthly consumption in any month exceeds the limits of 30 units then their excess consumption over and above 30 units shall be done on the Tariff as prescribed for normal domestic consumers. The Commission has allowed Rs.2.25 per unit for BPL metered category up to a consumption of 30 units. In case, they consumes more than 30 Units then the billing of excess unit shall be done on the Tariff prescribed for normal domestic consumers for appropriate slab rates.

Tariff for BPL (metered) for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KWH)	Approved Tariff* (Rs/KWH)
Kutir Jyoti (KJ-M)/ BPL M	2.00	3.00	2.25

** This rate is applicable if the consumers consumes up to 30 Units in a month. If he consumes more than 30 Units then this rate shall be applied up to 30 Units and over and above 30 Units the rates shall be charged on the appropriate slab level as approved for other domestic consumers.*

For example if BPL consumer consumes 30 KWH in a month he will be charged at the rate of Rs.2.25 per unit i.e. $2.25 \times 30 = \text{Rs. } 67.50$.

If he consumes more than 30 units, for example 100 units then his bill shall be determined as follows:

$$\text{Rs.}2.25 \times 30 \text{ units} = \text{Rs.}67.50$$

$$+ \text{Rs.}2.90 \times 70 \text{ units} = \text{Rs.}203.00.$$

$$\text{The total bill shall be Rs.}270.50.$$

(1.1) Domestic Consumers

The existing Tariff is 2 part Tariff. The fixed charge is levied on the basis of KW load per month and energy charges are applicable in 3 slabs with different rates for each slab. The Commission has not made any changes in the structure and approved the same. However, the Commission has revised rates for each slab and fixed charges per KW

which are given below in the Tariff. MeECL officers and employees hither to under a different category are now brought under this category.

Fixed Charges

Fixed charges for Domestic consumer for 2014-15			
Category	Existing Tariff (Rs/KW/Month)	Proposed Tariff (Rs/KW/Month)	Approved Tariff (Rs/KW/Month)
Domestic (DLT)	35	210	40

Energy Charges

Energy charges for Domestic consumer for 2014-15				
Category	Slabs	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KWH)	Approved Tariff (Rs/KWH)
Domestic (DLT)	First 100 units	2.60	4.16	2.90
	Next 100 units	3.00	5.19	3.40
	Above 200 units	3.75	5.19	4.40

(2) Non-Domestic (Low Tension)

The existing Tariff has a structure of 2 part Tariff. The fixed charges are levied on the basis of KW load per month and energy charges are applicable for two slabs with different rates for each slab. The Commission has not made any changes in the structure and approved the same. However, the Commission has approved different rate for each slab and fixed charges per KW which are given below in the Tariff.

Fixed charges

Fixed charges for Non domestic consumer for 2014-15			
Category	Existing Tariff (Rs/KW/Month)	Proposed Tariff (Rs/KW/Month)	Approved Tariff (Rs/KW/Month)
Non Domestic (CLT)	70	250	80

Energy charges

Energy charges for Non domestic consumer for 2014-15						
Category	Slabs	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KWH)	Slabs	Approved Tariff (Rs/KWH)	
Non Domestic (CLT)	First 100 Units	4.50	6.08	First 100 Units	5.00	
	Above 100 Units	4.90	6.08	Above 100 Units	5.80	

(3) Industrial Low Tension

This category is applicable for small and medium industrial consumer who is given supply on low tension wires. The Commission has approved the following two parts without changing the structure of the current tariff keeping in view the present cross subsidy adjustment.

Fixed charges

Fixed charges for Industrial (LT) consumer for 2014-15			
Category	Existing Tariff (Rs/KW/Month)	Proposed Tariff (Rs/KW/Month)	Approved Tariff (Rs/KW/Month)
Industrial (ILT)	70	230	80

Energy charges

Energy charges for Industrial (LT) consumer for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KWH)	Approved Tariff (Rs/KWH)
Industrial (ILT)	4.20	5.21	4.75

(4) Public Service Low Tension

This category comes under Public Service connections given supply through LT lines. The public lamps are generally unmetered and their Tariff is based on the fixed charges per KW per month. However, since no connection under the Act can be given

without meters, the Licensee is required to install meters on all new connections and progressively shall place meters on the existing connections. The approved Tariff for metered connections and unmetered connections is decided in a way to encourage metering at public lamps. The rates are given below:

(5) Public Lighting (Metered)

Fixed charges

Fixed charges for Public Lighting (metered) for 2014-15			
Category	Existing Tariff (Rs/KW/Month)	Proposed Tariff (Rs/KW/Month)	Approved Tariff (Rs/KW/Month)
Public Lighting (PL)	70	250	80

Energy Charges

Energy charges for Public Lighting (metered) for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KWH)	Approved Tariff (Rs/KWH)
Public Lighting (PL)	4.75	7.60	5.40

(6) Public Lighting (Unmetered)

Fixed charges for Public Lighting (unmetered) for 2014-15			
Type of lamp	Existing Tariff (Rs/Lamp/Point/Month)	Proposed Tariff (Rs/Lamp/Point/Month)	Approved Tariff (Rs/Lamp/Point/Month)
Incandescent lamps			
• 40 Watts	85.00		98.00
• 60 Watts	135.00		155.00
• 100 Watts	215.00		247.00
Florescent lamps			
• Up to 40 Watts	135.00	242.00	155.00

Mercury vapour lamp			
• 80 Watts	185.00	331.00	213.00
• 125 Watts	280.00	501.00	322.00
• 250 Watts	585.00	1047.00	673.00
• 500 Watts	1090.00	1951.00	1254.00
Sodium vapour lamp			
• Up to 150 Watts	425.00	761.00	489.00
• 250 Watts	660.00	1181.00	759.00
• 400 watts	1100.00	1969.00	1265.00
CFL fittings			
• Up to 45 Watts	135.00	242.00	155.00
• Above 45 Watts & Up to 85 Watts	215.00	385.00	247.00
LED fittings	415.00	743.00	477.00
Metal halide	500.00	895.00	575.00

(7) Public Water Supply /Sewage Treatment Plants

This category is related to Public Water Supply and Sewage Treatment plants and comes under public consumption. The following rates are approved for water supply and sewage treatment plants. These rates are decided keeping their nature of use and cross subsidy level,

Fixed charges

Fixed charges for Public Water Supply for 2014-15			
Category	Existing Tariff (Rs/KW/ Month)	Proposed Tariff (Rs/KW/Month)	Approved Tariff (Rs/KW/Month)
Public Water Supply (WSLT)/Sewage Treatment Plants	70	250	80

Energy Charges

Energy charges for Public Water Supply for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KWH)	Approved Tariff (Rs/KWH)
Public Water Supply (WSLT)/Sewage Treatment Plants	4.75	6.65	5.40

(8) General Purpose

This Tariff is made for Government connections which are not covered under any other category of Public connections. The approved Tariff for this category is as follows:

Fixed charges

Fixed charges for General purpose for 2014-15			
Category	Existing Tariff (Rs/KW/Month)	Proposed Tariff (Rs/KW/Month)	Approved Tariff (Rs/KW/Month)
General purpose (GP)	70	250	80

Energy Charges

Energy charges for Public Water Supply for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KWH)	Approved Tariff (Rs/KWH)
General Purpose (GP)	4.75	6.76	5.40

(9) Agriculture

There are only 34 consumers in the State and annual consumption in this category is only 0.17MU.

Fixed charges

Fixed charges for Agriculture for 2014-15			
Category	Existing Tariff (Rs/KW/Month)	Proposed Tariff (Rs/KW/Month)	Approved Tariff (Rs/KW/Month)
Agriculture (AP)	40	140	45

Energy Charges

Energy charges for Agriculture for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KWH)	Approved Tariff (Rs/KWH)
Agriculture (AP)	1.65	1.98	2.00

(10) Crematorium

This category is meant for crematorium using electricity for their day to day operation. As per the proposal there is only one consumer in this category. In the last Tariff Order the Commission has considered the nature and purpose of this crematorium which is meant for service to the society and operating on no profit no loss basis. The commission has held that on the basis of their nature of job their rates are considered equivalent to domestic consumers. The similar treatment has been given this year to this category with fixed charges on per connection basis and energy charges on metered consumption.

Fixed charges

Fixed charges for Crematorium for 2014-15			
Category	Existing Tariff (Rs/Connection/ Month)	Proposed Tariff (Rs/KW/Month)	Approved Tariff (Rs/Connection/ Month)
Crematorium (CRM)	5200	18200	5800

Energy Charges

Energy charges for Crematorium for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KWH)	Approved Tariff (Rs/KWH)
Crematorium (CRM)	3.00	5.40	3.35

B High Tension Supply

As per the supply code this category is meant for those consumers who get supply from HT wires. The billing of this type of consumers is being done on the basis of provision of supply code.

In the last tariff order, the Commission has directed the licensee to give data on time of day tariff for HT category of consumer so that it is applied from 2014-15 onwards. The National Electricity Policy and National Tariff Policy have also mandated the Commission to introduce time of day Tariff in large consumers. Since proposals of the licensee do not contain time of day tariff for any category and no public consultation has been made so far on the subject, the Commission has decided to defer this tariff up to the next filing. In the meantime licensee is directed to prepare time of day provisions in their existing meters for consumers of HT industrial load and furnish data of the same to the Commission for implementation of time of day tariff from the date of issue of next tariff order. The Commission also directs the licensee to make a proposal to the Commission with regard to peak hours and off peak hours during winter and summer so that the new tariff shall be worked out. MePDCL has proposed KVAH tariff for all remaining consumers in HT category other than industry and water works. The Commission has accepted the proposal of MePDCL to implement KVAH billing for HT Commercial category only.

(11) Domestic High Tension

This tariff is applicable to domestic consumer having supply from HT system of the licensee. Their tariff is approved as follows.

Fixed charges

Fixed charges for Domestic (HT) for 2014-15			
Category	Existing Tariff (Rs/KVA/Month)	Proposed Tariff (Rs/KVA/Month)	Approved Tariff (Rs/KVA/Month)
Domestic HT (DHT)	125	450	150

Energy Charges

Energy charges for Domestic (HT) for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KVAH)	Approved Tariff (Rs/KWH)
Domestic HT (DHT)	4.40	4.44	5.10

(12) Non Domestic High Tension

This tariff is applicable to Commercial consumer having supply from HT system of the licensee. Their tariff is revised keeping in view of their present level of cross subsidy and its suitable correction. The Commission has approved their tariff as follows

Fixed charges

Fixed charges for Non Domestic (HT) for 2014-15			
Category	Existing Tariff (Rs/KVA/Month)	Proposed Tariff (Rs/KVA/Month)	Approved Tariff (Rs/KVA/Month)
Non Domestic HT (CHT)	125	450	150

Energy Charges

Energy charges for Non Domestic (HT) for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KVAH)	Approved Tariff (Rs/KVAH)
Non Domestic HT (CHT)	4.55	4.73	5.25

(13) Industrial High Tension

These are industrial consumers taking supply on HT. These consumers are charged on KVAh basis. This tariff was introduced so as to improve the power factor in the system. This tariff cares for the power factor of the industries and reward those performs efficiently. However in case of leading power factor suitable correction should be made. This matter shall be dealt with separately after a proper hearing. The tariff is revised as follows.

Fixed charges

Fixed charges for Industrial (HT) for 2014-15			
Category	Existing Tariff (Rs/KVA/Month)	Proposed Tariff (Rs/KVA/Month)	Approved Tariff (Rs/KVA/Month)
Industrial High Tension (IHT)	125	450	150

Energy Charges

Energy charges for Industrial (HT) for 2014-15			
Category	Existing Tariff (Rs/KVAH)	Proposed Tariff (Rs/KVAH)	Approved Tariff (Rs/KVAH)
Industrial High Tension (IHT)	4.54	5.88	5.24

(14) General Purpose Bulk Supply (BS)**Fixed charges**

Fixed charges for General Purpose Bulk (HT) for 2014-15			
Category	Existing Tariff (Rs/KVA/Month)	Proposed Tariff (Rs/KVA/Month)	Approved Tariff (Rs/KVA/Month)
General Purpose Bulk Supply (BS)	125	450	150

Energy Charges

Energy charges for General Purpose Bulk (HT) for 2014-15			
Category	Existing Tariff (Rs/KWH)	Proposed Tariff (Rs/KVAH)	Approved Tariff (Rs/KWH)
General Purpose Bulk Supply (BS)	4.40	5.90	5.10

(15) Public Water Supply/Sewage Treatment Plant**Fixed charges**

Fixed charges for Public Water Supply (HT) for 2014-15			
Category	Existing Tariff (Rs/KVA/Month)	Proposed Tariff (Rs/KVA/Month)	Approved Tariff (Rs/KVA/Month)
Public Water Supply (WSHT)	125	450	150

Energy Charges

Energy charges for Public Water Supply (HT) for 2014-15			
Category	Existing Tariff (Rs/KVAH)	Proposed Tariff (Rs/KVAH)	Approved Tariff (Rs/KVAH)
Public Water Supply (WSHT)	4.40	5.90	5.10

C Extra High Tension Supply

(16) Industrial Extra High Tension

Fixed charges

Fixed charges for Industrial (EHT) for 2014-15			
Category	Existing Tariff (Rs/KVA/Month)	Proposed Tariff (Rs/KVA/Month)	Approved Tariff (Rs/KVA/Month)
Industrial (IEHT)	125	450	150

Energy Charges

Energy charges for Industrial (EHT) for 2014-15			
Category	Existing Tariff (Rs/KVAH)	Proposed Tariff (Rs/KVAH)	Approved Tariff (Rs/KVAH)
Industrial (IEHT)	4.39	5.53	5.10

D Others.

(17) Temporary supply (HT & LT)

MeECL has proposed to continue their existing arrangement where the fixed and energy charges shall continue to be double of the normal applicable rates for all categories. The Commission has agreed to their proposal. Remaining terms and conditions of the tariff rate schedule shall be same as approved last year.