

GUJARAT ELECTRICITY REGULATORY COMMISSION

GANDHINAGAR

PRESS NOTE

Tariff Orders for the Electric Utilities

Date: 31st March 2018

The State Owned Generation, Transmission, Distribution Licensees including Torrent Power Limited (TPL) and State Load Despatch Centre had filed the petitions for trueing up of FY 2016-17 and determination of Tariff for FY 2018-19 in accordance with GERC (MYT) Regulations, 2016. These petitions were technically validated and registered in accordance with the Electricity Act, 2003 and the relevant Regulations to proceed with the Tariff Orders.

The licensees were directed to publish their applications in the newspapers to ensure public participation. Thus, an elaborate exercise was carried out for inviting comments/ suggestions from general public and stakeholders. The suggestions/ objections were examined and public hearings were held on 6th, 15th, 26th and 27th February, 2018 at the office of the Commission. Several stakeholders including individuals and organisations participated in the hearings.

The Commission issued the orders on these petitions on 31st March, 2018. Important highlights are as under-

- **No increase in existing Electricity Tariff**
- **Meter Rent is abolished effective from 1st April 2018**
- **Special tariff category introduced for exclusive use of electricity by Electric Vehicle Charging Stations**
- **Applicability and Criteria of LTMD tariff category is modified so as to enable small consumers to opt for demand based tariff**
- **To save ground water and reduce use of it by individual farmer for irrigation and to encourage irrigation from surface water on co-operative basis by group of farmers (Piyat Mandalies)- Fixed Charges applicable to 'Lift Irrigation' tariff categories reduced by 50%**

Gujarat State Electricity Corporation Limited (GSECL)

GSECL has decommissioned Gandhinagar 1 & 2 units and Utran Gas based stations during FY 2016-17. Further, GSECL also decommissioned Ukai 1 & 2 and Sikka 1 & 2 units effective from 1st April 2017.

The Commission directed GSECL to expedite the scrapping and disposal of all decommissioned generating stations/units. GSECL also directed to explore possibilities of procurement of gas from overseas suppliers.

Generation Tariff for Ukai 3-5 stations reduced from Rs. 2.86 per kWh to Rs. 2.77 for FY 2018-19 due to efficiency improvement.

Gujarat Energy Transmission Corporation Limited (GETCO)

The Commission determined transmission charges of Rs. 4207.17 / MW/Day for FY 2018-19 against Rs.4274.79 /MW/Day projected by GETCO.

The Commission approved transmission charges for short-term collective transactions at 36.92 Ps./kWh based on the proportionate energy input in transmission system.

State Load Despatch Centre (SLDC)

The Commission approved SLDC charges of Rs. 927 Lakh for FY 2018-19 as against Rs. 3236 Lakh for FY 2017-18.

DISCOM

The distribution losses in the distribution networks of the four State Owned distribution companies for the year 2016-17 are given below-

Distribution loss for FY 2016-17

	Approved	Actual
DGVCL	10.00%	8.02%
MGVCL	11.75%	11.23%
PGVCL	22.00%	20.89%
UGVCL	10.00%	8.15%

Total distribution losses of 13.82% is allowed for FY 2018-19.

The Commission approved the consolidated revenue surplus of the four DISCOMs at Rs. 363 Crore against the consolidated revenue gap of Rs. 225 Crore claimed by them. The main reason for surplus is non consideration of provision of employee cost on account of wage revision. Commission decided to consider the same at the time of truing up exercise of the financial year of actual payment.

The Commission decides to modify the existing tariff as detailed below-

1. Meter Rent-

The State owned Distribution Licensees have proposed merging of meter charges with the fixed charges/ demand charges. Some of the stakeholders have repeatedly suggested to abolish meter rent from the electricity bill. In view of this proposal and representations, Commission decides to abolish Meter Rent effective from 1st April 2018.

2. Tariff for Electric Vehicle (EV) charging facilities-

The Commission is aware about the initiative taken by the Government to encourage use of electric vehicles. One of the challenges in this regard is identified as lack of EV charging infrastructure. Commission would like to clarify that the consumers getting electricity supply under regular tariff categories may use electricity supply for EV charging under same consumer category.

Further, in order to promote creation of new EV charging facilities, Commission decided to introduce special tariff category for exclusive EV Charging infrastructure with Fixed Charges of Rs. 25 per month per installation and Energy Charges of Rs. 4.10 per kWh for LT consumers and Demand Charges of Rs. 25 per kVA per month and Energy Charges of Rs. 4.00 per kWh for HT Consumers. Such consumers are also required to pay the FPPPA charges as applicable from time to time.

3. Extending benefit of Optional Demand Based Tariff to small consumers-

At present consumers covered under 'Rate: Non-RGP' category can opt for demand based 'Rate: LTMD' tariff. Some of the stakeholders represented that in order to encourage small consumers to opt for demand based tariff, it is required to reduce minimum billing criteria of 15 kW in Billing Demand of 'Rate: LTMD' category to 6 kW. Commission agreed with the suggestion to extend option of demand based to small consumers and accordingly reduced the minimum billing criteria from existing 15 kW to 10 kW.

4. Reduction in Fixed Charges/Demand Charges for Lift Irrigation tariff-

Association of farmers; Piyat Mandalis represented that at present electricity supply for piyat mandalis for use of surface water in irrigation is covered under category created for 'Lift Irrigation'. However, tariff for this category is higher than the normal charges applicable to individual farmer for regular supply for irrigation. Discoms have replied that the special 'Lift Irrigation' category is created for 24 hour electricity supply to lift surface water for irrigation purpose and tariff is also determined accordingly. Commission observed that there is a need to encourage 'Piyat Mandalis' and use of surface water for irrigation purpose on co-operative basis and to reduce demand for separate connection of individual farmer. Accordingly the Commission decided to reduce fixed charges for 'LTP- Lift Irrigation' category from Rs. 45 per HP per month to Rs. 20 per HP per month and the Demand Charges for HTP-V category from Rs. 50 per kVA per month to Rs. 25 per kVA per month.

The Commission directed Discoms to implement promotional scheme for installation of Solar Pump by farmers, study for quantifying appropriate incentive for use of electricity at EHV level, economise short term power procurement through advance planning and submit action plan for introducing 'Demand Response' measures.

Torrent Power Limited

The distribution losses in the distribution networks of Ahmedabad and Surat area for the year 2016-17 are given below-

Distribution loss for FY 2016-17

	Approved	Actual
Ahmedabad	7.50%	6.81%
Surat	3.89%	3.92%

Total distribution losses for Ahmedabad area is allowed at 6.85% and for Surat area is allowed at 3.69% for FY 2018-19.

Commission also decided to modify the existing tariff schedule of TPL on similar lines of modifications approved for State owned Discoms.

The Commission directed TPL to submit action plan for introducing 'Demand Response' measures.
