Before the MAHARASHTRA ELECTRICITY REGULATORY COMMISSION World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai - 400 005 Tel. No. 022 22163964/65/69 – Fax 022 22163976 E-mail mercindia@mercindia.org.in Website: www.mercindia.org.in / www.merc.gov.in

Case No. 90 of 2012

In the matter of

Petition of the Brihan-Mumbai Electric Supply and Transport Undertaking (BEST) for approval of Schedule of Charges as per Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005

> Shri. V.P. Raja, Chairman Shri. Vijay L. Sonavane, Member

<u>ORDER</u>

Dated: 28 December, 2012

Section 50 of the Electricity Act, 2003 (EA 2003) provides that the State Electricity Regulatory Commission shall specify an Electricity Supply Code to adhered to by the Distribution Licensees in the State. Accordingly, the Maharashtra Electricity Regulatory Commission (MERC or the Commission) has notified the MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005 (MERC MERC Supply Code Regulations) effective from January 20, 2005.

2. As per Regulation 18 of the MERC Supply Code Regulations, the Distribution Licensees are required to file with the Commission for approval, Schedule of Charges (SoC) for such matters required by the Distribution Licensee to fulfil its obligation to supply electricity to consumers under the EA 2003 and other relevant Regulations.

MERC Order dated 12 October, 2006 in Case No. 26 of 2006

3. The Brihan-Mumbai Electric Supply and Transport Undertaking (BEST) had proposed the SoC payable by its consumers vide letters dated March 18, 2005, April 15,

2005, and subsequently by another letter dated June 3, 2005, further proposed the Terms and Conditions of Supply, for the Commission's approval. The Commission approved the Schedule of Charges to be recovered from the consumers of BEST's licence area vide its Order dated 12 October, 2006 in Case No. 26 of 2006.

Petition for approval of Schedule of Charges

4. BEST submitted a Petition under affidavit, for approval of Schedule of Charges (SoC) under Section 50 of the Electricity Act, 2003 (EA 2003) and Regulation 18 of the MERC Supply Code Regulations. The Commission in exercise of the powers vested in it under the provisions of the MERC Supply Code Regulations and all other powers enabling it in this behalf, and after taking into consideration all the submissions made by BEST, all the objections/comments of the public, responses of BEST, issues raised during the Public Hearing, and all other relevant material, hereby determines the Schedule of Charges for various services provided by BEST.

5. BEST, in its Petition, stated that

- 1) The Brihan-Mumbai Electric Supply and Transport Undertaking (BEST) is a statutory Undertaking of a Local Authority, viz., the Municipal Corporation of Greater Mumbai, in the business of distribution of electricity and providing public road transport.
- 2) The Commission, vide its Order dated 12 October, 2006 in Case No. 26 of 2006, had approved the SoC to be effective from 12 October, 2006 and the same is in force till date. BEST submitted that over the years, the cost of material and manpower has increased tremendously and it has become necessary to revise the SoC. The present Petition has been filed for the approval to recover expenditure of various services offered by BEST to its consumers.
- 3) SoC proposed by BEST are classified under following categories:
 - (a) Application Registration and Processing Charges
 - (b) Service Connection Charges for New Connections & Extension of Load
 - (c) Miscellaneous and General Charges
- 4) BEST made the following prayers in its Petition:
 - (i) Admit the petition in accordance with the Regulations No. 18 of the MERC (Electricity Supply Code and other Condition of Supply) Regulation, 2005
 - (ii) Approve the revised "Schedule of Charge" of BEST Undertaking in accordance with the MERC (Electricity Supply Code and other Conditions of Supply) Regulations, 2005 as annexed in Annexure-13;

- (iii) Permit BEST to modify/revise the Schedule of Charges on yearly basis arising out of the trends in cost of material & labour that may unfold in future.
- (iv) Grant the liberty to add/change/modify/alter this petition and make further submissions as may be required at future date.
- (v) Condone any inadvertent omissions / errors /rounding off difference/ shortcomings.
- (vi)Pass such further and other orders, as the Hon'ble Commission may deem fit and propose keeping in view the facts and circumstance of the case."

Admission of the Petition and Regulatory Process

6. The Commission held a Technical Validation Session (TVS) on October 3, 2012, in the presence of the Consumer Representatives authorised under Section 94 of the EA 2003 to represent the interest of consumers in the proceedings before the Commission. During the TVS held on August 22, 2012, (in the similar matter filed by TPC-D and RInfra-D, and where BEST representatives were also present) the Commission had directed as under:

- a) To delink the proposal for approval of SoC from Tariff Petitions.
- b) BEST is directed to file its Petition for approval of Schedule of Charges by end of the month, i.e., 31st August
- c) BEST, TPC-D and RInfra-D to sit together and arrive at similar charge for various services offered by them.
- d) To complete the exercise in the next 15 days and apprise the Commission to decide the date of common Public Hearing.

The list of individuals, who participated in the TVS, is provided at Annexure-1.

7. The Commission forwarded the data gaps on September 18, 2012. The Commission forwarded additional data gaps on October 3, 2012. BEST submitted its replies to data gaps on September 28, 2012 and October 10, 2012, respectively.

8. The Commission directed BEST to submit the draft Public Notice in the format prescribed by the Commission. The Commission admitted the Petition of BEST on October 12, 2012.

9. In accordance with Section 64 of the EA 2003, the Commission directed BEST to publish its Petition in the prescribed abridged form and manner, to ensure public participation. The Commission also directed BEST to reply expeditiously to all the objections and/or comments from stakeholders on its Petition. BEST issued the public

notices in newspapers inviting objections/comments from stakeholders on its Petition. The Public Notice was published in Indian Express (English), Hindustan Times (English), Loksatta (Marathi), and Pudhari (Marathi), newspapers on October 19, 2012. The copies of BEST's Petition were made available for inspection/purchase to members of public at BEST's offices and on BEST's website (www.bestundertaking.com). The copy of Public Notice was also available on the website of the Commission (www.mercindia.org.in) in downloadable format. The Public Notice specified that the comments and suggestions, either in English or Marathi, may be filed along with proof of service on BEST.

10. The Combined Public Hearing on the Petitions filed by BEST (Case No. 90 of 2012), RInfra-D (Case No. 73 of 2012), and TPC-D (Case No. 47 of 2012), and for approval of Schedule of Charges was held on November 29, 2012 at 11.00 hours at CENTRUM HALL, 1st Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai. The list of individuals, who attended the Public Hearing, is provided in **Annexure-2**.

11. The Commission has ensured that the due process contemplated under law to ensure transparency and public participation has been followed at every stage meticulously and adequate opportunity was given to all the persons concerned to file their say in the matter.

- 12. The Order is organised in the following three Sections:
 - a) **Section I** of the Order provides a brief history of the quasi-judicial regulatory process undertaken by the Commission.
 - b) **Section II** of the Order provides the issue-wise summary of suggestions and objections received from the stakeholders, BEST's responses to the objections, and the Commission's ruling on the objections.
 - c) **Section III** of the Order provides the details of existing charges and charges proposed by BEST for each sub-head of service being provided by BEST, the Commission's analysis and decisions on the item-wise charges, and applicability and validity of the charges.

II. Issue-wise summary of objections received, BEST's replies and Commission's ruling

The BEST vide its letter dated December 19, 2012 submitted that, it has replied to all the objections/comments received by it upto the date of Public Hearing. For the sake of public interest and completeness, the Commission has summarised all objections received by the

Commission, irrespective of whether the same have been submitted before or after the stipulated deadline and in the stipulated format, in the following paragraphs:

1. Legality of the Petition and Order

Advocate Shri Shirish Deshpande, representing Mumbai Grahak Panchayat, an authorised Consumer Representative, submitted that any revision in SoC may impose avoidable cost burden on consumers and hence, he strongly opposes any such revision. Further, the present practice of the Commission to determine tariff for each of the four Distribution Licensees in Mumbai is illegal as per provisions of the EA 2003, since, the EA 2003 mandates the Commission to fix only the ceiling for the tariff and allow the Distribution Licensees to offer competitive rates, where more than one Distribution Licensee is supplying power in any licence area. He suggested that the Commission should seriously consider fixing such ceiling tariff in Mumbai and usher in competition.

Shri Raksh Pal Abrol representing Bharatiya Udhami Avam Upbhokta Sangh submitted that the Distribution Licensees have neither published the Petition as per Section 64(2) in the newspapers nor sent the details to the consumers along with the monthly bills raised. He further submitted that if the hearing is held despite the above lacuna, it would violate the MERC (Conduct of Business) Regulations, 2004.

Shri N. Ponrathnam submitted that Petitioners are not clear on the methodologies for framing the SoC. This methodology should be the same for all Distribution Licensees in the State including MSEDCL. He added that the Commission has violated Article 14 of the Constitution of India (equality before law) in providing different SoC for each Distribution Licensee in the same area of supply. The methodology has to be explained to the public for better understanding and hence, a fresh hearing is required. He also submitted that price revision should be done along with ARR so that the period of ARR will be reflected in Schedule of Charges. He further submitted that the Petition seems to have been filed in the name of the Municipal Corporation of Greater Mumbai instead of BEST, who has been authorised with a licence by MERC.

BEST's Response

BEST submitted that as directed by the Commission, the Commission approved Public Notice was published in the Indian Express (English), Hindustan Times (English), Loksatta (Marathi), and Pudhari (Marathi), newspapers on October 19, 2012. Further, the Public Notice and the Petition were made available on BEST Undertaking's website. BEST also submitted that a copy of the main Petition and CD of detailed

Petition were made available at offices of the Undertaking (Customer Care Dept. at Award (Colaba) and G-South ward (Dadar) for sale to the public. As regards the objection pertaining to clarity on the methodology, BEST replied that it has submitted the methodology adopted to work out Schedule of Charges considering the estimated cost of material and labour, in its Petition.

BEST clarified that it has filed the Petition in the name of:

'The Municipal Corporation of the Greater Mumbai, Being corporation and Local authority Constituted and carrying on its functions under the Mumbai Municipal Corporation Act, 1888, through the General Manager, BEST Undertaking having its Head Office at BEST Bhavan, BEST Marg, Colaba, Mumbai-400001'

Commission's Ruling

The charges that are submitted to the Commission for its approval in the present petition are under Section 45 of the 2003 Act. On the hand, maximum ceiling of tariff in the proviso to Section 62 (1) (d) of the EA 2003 pertains to retail tariff. However, the present process is undertaken for approval of Schedule of Charges for different services being provided by the Distribution Licensees. The proviso to Section 62 (1) (d) of the EA 2003 reads as under:

"Provided that in case of distribution of electricity in the same area by two or more distribution licensees, the Appropriate Commission **may**, for promoting competition among distribution licensees, fix only maximum ceiling of tariff **for retail sale of** *electricity*"(emphasis added)

Moreover, at the moment the Commission has not exercised its discretion of fixing ceiling retail tariffs. At an appropriate time, the Commission may have to exercise such a discretion.

BEST has submitted the proof of having published the Public Notice in the manner directed by the Commission, and the Commission finds no merit in the objection that the required publicity has not been given to the Proposal. The rationale followed by the Commission has been detailed under the initial paragraphs of Section III of this Order, where in the Commission has clarified the objective in directing all the Distribution Licensees to sit together while framing their Schedule of Charges. Further, all the Licensees were directed to publish the relevant documents, which explain the rationale followed by them while arriving at the proposed charges. The Commission has ensured that the stakeholders have had adequate time to study the documents and give their considered inputs on the same. The Commission has attempted to rationalise the SoC to the extent possible as elaborated in Section III irrespective of whether the methodologies followed by the Distribution Licensees are same or different. The present Petition has been dealt in accordance with the MERC Supply Code Regulations.

As regards the issue of revision in SoC along with the ARR, the Commission directed the Distribution Licensees to submit the Petition for approval of Schedule of Charges separately, in order to expedite the matter, since, the tariff determination based on the Multi Year Tariff Petitions filed/to be filed by the Distribution Licensees will take some more time.

2. Awareness of Public Hearing

Shri N. Ponrathnam submitted that most of the electricity consumers are not aware of the public hearing, hence, consumer representation is very poor. Further, the summary of the SoC should have been circulated along with the bills to the consumers. He further submitted that the link in most of the case could not be traced easily in internet. Further, the Commission's website should have a link between the detailed Petitions and the Public Notice.

Shri Kamlakar R Shenoy submitted that he strongly opposes BEST's Petition to increase SoC. He further submitted that it was the duty of BEST to furnish information in a consumer friendly way, disclosing in short the likely hike in tariffs, the reasons for hike in tariffs, etc. Further, BEST has shifted the responsibility for not giving a consumer friendly advertisement on the Commission, by stating that the advertisement has been approved by the Commission. He submitted that the Commission has failed to direct BEST to give information in a consumer friendly manner so that every citizen could understand it on plain reading. He also submitted that all of this further confirms that the Commission has not acted in the interest of public at large.

BEST's Response

BEST submitted that as directed by the Commission, the Commission approved Public Notice was published in the Indian Express (English), Hindustan Times (English), Loksatta (Marathi), and Pudhari (Marathi), newspapers on October 19, 2012. Further, the Public Notice and the Petition were made available on BEST Undertaking's website. BEST also submitted that a copy of the main Petition and CD of detailed Petition were made available at offices of the Undertaking (Customer Care Dept. at A-ward (Colaba) and G-South ward (Dadar) for sale to the public.

Commission's Ruling

The Public Notice approved by the Commission had a separate column against each item of the proposed SoC indicating percentage (%) hike. The Commission does not find merit in the objection that the Public Notice should have reasons for SoC percentage (%) hike. The detailed Petition can be studied by interested stakeholders before submitting their comments.

While the Commission has taken care to ensure that the due regulatory process has been followed, as elaborated under Section I of this Order, the Commission has noted the comments and suggestions regarding the website links. The Commission is in the process of upgrading and streamlining website to make it more user friendly and informative.

3. Other issues

Objections

Shri Y N Kulkarni referred to the Commercial Circular issued by BEST and submitted that the said Circular violates the SoC, wherein, in case of consumer extending its load from LT to HT, space has been demanded from consumers.

Shri D K Shetty submitted that a thorough cost and works audit by independent Consultants under the Commission's supervision is a must before approving the revision in SoC proposed by BEST.

Commission's Ruling

In case the objector has any grievance, he may either file a complaint under Section 142 of the EA 2003 before the Commission or approach the Consumer Grievance Redressal Forum, depending on the nature of the grievance.

4. Approach for Determination of Charges

Shri K K Chopra submitted that none of the Petitioners have provided the exact scientific basis for the proposed SoC. He suggested that an Expert Committee should be formed for formulating the Schedule of Charges. He added that the Licensees have proposed SoC for various services provided by them, however, there is a need for delivery of such services in a time-bound manner.

Shri George John submitted that while finalising the Order, the Commission should arrive at a competitive rate, and the lowest rate that proposed by the three Distribution Licensees should be approved. He further emphasized the need for time-bound delivery of services for which SoC are being collected.

Shri Sandeep Ohri submitted that BEST has sought for various levels of increase in various charges ranging from 50% to 1900% and in certain cases, fresh levy of charges, where earlier no charge was applicable. BEST need to explain the basis of such increase, which seems to unjustly high, especially in view of the following facts:

- The All India Consumer Price Index (CPI) (General) for Industrial Workers for September 2011 is 215, while the same for September 2006 is 12, i.e, an increase of 72%.
- The point to point Inflation in CPI for Industrial Workers for September 2012 is 9.14, while the same for September 2006 is 6.83, i.e., an increase of about 34%
- Though the standard prices appear to have risen, the increase is only 72% in case the All India CPI is considered and only 34% if the point to point rate of inflation in CPI is taken into consideration.

He further submitted that, while finalising the charges, the Commission should keep the above calculations in perspective.

Commission's Ruling

The Commission has noted the suggestions given by the objectors. The approach followed and the rationale adopted by the Commission while determining the Schedule of Charges has been elaborated in Section III of this Order. As regards delivery of services in time bound manner, the required framework has been stipulated under MERC (Standards of Performance of Distribution Licensee, Period of Giving Supply and Determination of Compensation) Regulations, 2005.

5. Other Heads

Shri Raksh Pal Abrol representing Bharatiya Udhami Avam Upbhokta Sangh raised certain queries and sought certain data from BEST, regarding the number of new LT and HT consumers added, amount collected from SoC, length of cable laid down, etc.

BEST's Response

BEST has provided the desired data in its reply to the objector.

Commission's Ruling

The Commission has considered all the relevant data and has accordingly approved the Schedule of Charges to be recovered by BEST in this Order.

6. Service Connection Charges

Shri P.V. Sujay Kumar submitted that SoC approved for different Distribution Licensees does not have a separate SoC for BPL category. For a BPL family the minimum charges of Rs. 1500 per connection and application fees are unaffordable. He requested the Commission to introduce and approve separate SoC and application charges for BPL category while finalising the Order.

Shri N. Ponrathnam enquired whether charges applicable for BPL category are the same as that applicable for other categories, or any cross-subsidy is envisaged for 100 watts connected load.

BEST's Response

BEST submitted that no separate Charges have been proposed for BPL category consumers.

Commission's Ruling

The Commission has not distinguished between BPL consumers and other consumers, while determining the SoC, and all Charges are either same across all categories or different depending on whether the consumer is a LT consumer or HT consumers, or has a single-phase or three-phase connection, etc.

7. Assumptions and Computations submitted by BEST

Shri N. Ponrathnam and others raised certain queries on the assumptions used by BEST as well as justification for increase sought vis-à-vis present charges, impact of doublecounting since employee expenses and Administration and General Expenses are already considered in the ARR.

Shri N. Ponrathnam also pointed that the concept of charging based on length of service cable in Rs. Per meter has been rejected by the Commission in the previous Order. Further, the proposed method of charging based on Rs. per kW needs to be considered, keeping in perspective the proposals submitted by RInfra-D and TPC-D.

BEST's Response

BEST submitted that the Application Processing Charges vary due to involvement of staff of different Grades to process the requisitions, and expressed difficulty to work out the cost involved in each activity separately. BEST also submitted that Charges recovered from consumers as per Schedule of Charges are accounted as Non-Tariff Income and the same are deducted from ARR, and as such there is no duplication of

recovery from the consumers. As regards charging method, BEST submitted that per kW charging method will avoid additional burden to the consumer and it will also be convenient to the Licensee's staff to sanction load as per service cable capacity.

Commission's Ruling

The Commission has noted the various comments and suggestions. The Commission independently goes into each aspect of the proposal before determining the Charges. The approach followed and rationale adopted by the Commission while determining the Schedule of Charges has been elaborated in Section III (2.1.2) of this Order.

8. Shifting of services

Shri. P.V. Sujay Kumar submitted that even though shifting is not routine, nothing has been mentioned about shifting of service for safety (e.g. flooding), as per requirement of the Licensee or request from Government authorities, and all such cases needed to be made free of cost.

Commission's Ruling

The Charges for shifting of Services/Meter approved by the Commission will be applicable only in cases where the shifting is to be done at the request of consumer. However, when BEST desires to get the services/meter shifted, then the cost of such shifting shall be entirely borne by BEST. The Commission' s detailed ruling in this regard is given under Section III(3.4.2) of this Order.

9. Temporary Supply

Shri. P.V. Sujay Kumar submitted that in line with Regulations 3.3.6 of the MERC Supply Code Regulations in order to receive credit for the depreciated value of work at the time of discontinuance of temporary supply and return of facilities to the Distribution Licensee, it is necessary to publish different material charges and, depreciation rates to be considered for working out credit and same should be approved by the Commission. He also submitted that as per Regulations 3.3.8, consumers are permitted to carry out work through Licensed Electrical Contractor by paying supervision charges.

BEST's Response

BEST has submitted that depreciated cost of the asset is calculated based on life of the asset and duration for which it is utilized. BEST added that retaining the asset with the consumer is like selling of BEST assets to third party, and in such cases, BEST

Committee's approval is required and the same is required to be informed to MCGM thereafter. Normally, such practice is not encouraged by BEST.

Commission's Ruling

In line with the earlier Order and based on the BEST proposal, the Commission has allowed BEST to charge 'at actuals' in case of temporary connections. Thus, the consumer would know the actual cost charged by the Licensee for various items. The depreciation rates towards the various items have already been specified under the 'Annexure-I' of the MERC (Multi Year Tariff) Regulations, 2011. Thus, the consumer can verify the amount of credit based on the actual cost paid and the depreciation rates specified in the MERC MYT Regulations. Further, publishing the material charges at the Commission's end may amount to micro managing the Licensees.

As regards carrying out work through Licensed Electrical Contractor (LEC), BEST in it reply to data gaps had submitted that BEST does not allow Parties to carry out the work on BEST's network considering the safety measures. In this context, MERC Supply Code Regulations has conferred the power of granting such permission of carrying out through LEC to the Distribution Licensee.

10. Charges for Meter and Metering Equipment

Shri. P.V. Sujay Kumar submitted that the definition of the 'Meter' in MERC Supply Code Regulations include metering equipments. As the metering equipments are to be provided by the Licensee, CT-PT units and other interconnecting cables being part of the metering equipment, same should not be chargeable.

Commission's Ruling

The Commission is of the view that this objection has been raised in connection with RInfra-D's proposed Service Connection Charge for HT Supply by interpreting the definition of the 'Meter'. In case of non-recovery of reasonable charge from the Applicant for such HT metering equipments, the same shall get recovered through the ARR from all consumers, which may unnecessarily burden the latter. Further, in case of LT supply there are no such charges. The approved Service Connection Charges have been elaborated under Section III (2.1.2).

11. Testing of Meter

Shri N. Ponrathnam submitted that there has to be routine check of the meter, however, no meter test/calibration is done for years. Even if any checking is made by the Licensee, there is no report issued to consumers. In this scenario, if the consumer

demands the basis for relying on the accuracy of the meter, the Licensee is bound to clarify.

Shri. P. V. Sujay Kumar submitted that it is also possible to test the meter at site for accuracy, so separate charges for site testing and standard laboratory testing need to be specified. He also submitted that where the meter is found to be beyond the limits of accuracy, fine should be levied in such cases as consumer's time is wasted in making complaints and witnessing the testing.

BEST's Response

BEST submitted that in case of defective meter, amendment is done as per Regulation 15.4.1 of the MERC Supply Code Regulations. Further, in case of high bill complaints, BEST carries out meter testing using Accucheck meter testing equipment at site, free of cost. Such meter testing results are also informed to the consumers. When the meter is found beyond permissible error limits, it is replaced and the amendment is processed.

Commission's Ruling

The Commission has noted the comments and suggestions. The Commission has determined separate charges for site testing and standard laboratory testing of the meters. The Commission's detailed ruling in this regard is given under Section III (3.5.2, 3.6.2) of this Order.

12. Cost of meter

Shri N. Ponrathnam submitted that the quality of workmanship of meter/cable installed and material is the responsibility of the Licensee and change of burnt meter should be done free of cost if the same is on account of any manufacturing defects/defects due to aging.

Shri K K Chopra submitted that in case of replacement of defective meter, no charges should be recovered from the consumers as the same are being covered under the fixed charges in the monthly bill.

Shri. P. V. Sujay Kumar submitted various reasons mainly meter terminal getting burnt leading to burning of meters and requested the Commission to consider the nature of fault, depreciated value of meter, and cost of basic model while allowing recovery of cost of meter.

BEST's Response

BEST submitted that in case of any manufacturing defects in meters, BEST is replacing the meter free of cost.

Commission's Ruling

The Commission has noted the comments and suggestions. As regards various technical reasons cited by the objectors, the same may be mitigated by carrying out routine testing of meters, periodic testing and inspection of installation as explained under the detailed ruling under Section III (3.7.2). As regards the recovery of price of the meter in case the meter is found to be burnt, proviso to Regulation 14.2.3 of the MERC Supply Code Regulations specifies that the Distribution licensee may recover the price of the new meter from the consumer.

13. Photocopying Rate

Shri. P. V. Sujay Kumar submitted that he agrees that if the consumer requires a copy of records it should be made available at the rate approved by the Commission.

BEST's Response

BEST submitted that it has not proposed any charges for photo copies and printed copies are made available to the consumers as per request.

Commission's Ruling

As regards photocopying charges, the detailed ruling is given at Section III (3.9.2) of this Order.

14. Duplicate Bills

Shri. P. V. Sujay Kumar by referring to Regulation 15.5.3 of the MERC Supply Code Regulations, submitted that it is the duty of the Licensee to provide duplicate bills to the consumer. Hence, no such charges should be allowed. If more copies are required, nominal charges of Rs.1/- per page as approved by the Commission may be charged.

BEST's Response

BEST submitted that it issues duplicate bill to the consumers free of cost.

Commission's Ruling

The Commission's detailed ruling in this regard is given under Section III (3.10.2) of this Order.

III. BEST's detailed Proposal, Commission's analysis, and decision on head-wise Schedule of Charges.

All the Distribution Licensees in Mumbai, viz., RInfra-D, BEST and TPC-D, cited the increase in the cost of materials and services over the last six years, since the approval for the prevailing Schedule of Charges, as the main reason for seeking revision in SoC. The Commission agrees that after passing of the Order in the year 2006, there has been increase in the manpower and material cost. The Licensees have proposed revised charges on normative basis to recover the increase from the individual consumers. The Commission is of the view that the entire cost increase cannot be passed on to the consumers, since, it is not possible to identify the one-to-one correspondence of the cost incurred with each consumer, and also, the balance legitimate cost would be recovered through the Aggregate Revenue Requirement. Further, as compared to the total Aggregate Revenue Requirement, the amount collected from the SoC is minuscule in nature.

It is pertinent to mention that in the past as well as in the present proceedings, various stakeholders have raised concerns over the different electricity tariffs being charged by different Distribution Licensees in the same city and have suggested that retail tariff should be uniform across Mumbai, irrespective of which Licensee supplies the electricity. Further, during the past few years, consumers have been migrating from one Distribution Licensee to another Distribution Licensee. In this regard, the 'Report on Scientific Study of Implementing Uniform Retail tariffs in Mumbai' has concluded that the regulatory framework within which the business of generation, transmission and distribution of electricity presently operates, does not provides flexibility for the introduction or implementation of uniformity in the retail tariff charged by the Licensees. However, the Commission observes that such type of uniformity can be brought in to a great extent in the charges towards the various services provided by different Licensees in Mumbai. The previous Orders issued in the year 2006 for MSEDCL, BEST, RInfra-D, and TPC-D for Schedule of Charges, have also rationalised SoC to a certain extent.

With this objective in mind, the Commission had directed BEST, TPC-D and RInfra-D to sit together and arrive at similar charges for various services offered by them. The Licensees carried out such exercise and also submitted their comments/submissions/views on the proposals.

Having heard all the Parties and the authorised Consumer Representatives, objections/comments submitted by the Consumers, and after considering the materials

placed on record, the Commission hereby discusses BEST's head-wise proposal and the Commission's decision on the head-wise Schedule of Charges as under:

It is clarified that besides the Charges, the Commission has rationalised the heads of the Schedule of Charges between TPC-D, RInfra-D and BEST to the extent possible. The Commission also noted considerable difference in the methodology followed by the Licensees to arrive at proposed charges. While arriving at the reasonable Schedule of Charges, the Commission has considered the point to point inflation over Consumer Price Index (CPI) numbers for Industrial Workers (as per Labour Bureau, Government of India) for a period of 6 years, to escalate the previously approved charges. As regards the Service Connection Charges, the Commission has considered the point to point inflation over Wholesale Price Index (WPI) numbers (as per Office of Economic Advisor of Govt. of India) for a period of 6 years, to escalate the previously approved charges. This treatment shall help the Licensees to recover their costs, after factoring the increase in the costs over the past six years.

1) Application Registration and Processing Charges

1.1 BEST's Proposal

BEST submitted that application registration and processing charge is a normal cost for handing the applications for electric supply. There are various steps involved in processing the requisitions. For new connection or additional load, BEST proposed to charge Rs. 100/- per application for single phase and three phase connection (low voltage) and Rs. 200/- per application for HV consumers per connection. Further, for change of name activity, BEST proposed to charge Rs. 50/- per application for single phase and three phase and three phase connection (low voltage) and Rs. 200/- per application for single phase and three phase and three phase connection (low voltage) and Rs. 200/- per application for HV consumers per connection. The proposed Schedule of Charges for various processing of various applications are as below:

Sr. No.	Particulars	Existing Charges as per Order in Case No. 26 of 2006 (Rs.)	Proposed Charges (Rs.)
1	New connections/Reduction or addition of		
	Load/Shifting of service/Restoration of		
	Supply/Temporary connection		
	a) Single Phase	25	100
	b) Three Phase	50	100
	c) HT supply	100	200

Sr. No.	Particulars	Existing Charges as per Order in Case No. 26 of 2006 (Rs.)	Proposed Charges (Rs.)
2	Change of name		
	a) Single Phase	25	50
	b) Three Phase	50	50
	c) HT supply	50	200

1.2 Commission's Ruling

BEST submitted that the activity of processing the requisition for electricity supply involves staff and officers of various levels and time allocation varies from case to case, and it is difficult to work out the cost involved in each activity separately. In this context, in the Order dated 12 October , 2006 in Case No. 26 of 2006 the Commission had ruled as under:

"As per Supply Code regulation 4, in respect to the Application for supply, the applicant is required to submit various documents and details. Besides, as per Regulation no. 4.1(ix,) consumer is required to pay fee for processing the application or receipt thereof, based on the schedule of charges approved by the Commission under Regulation 18.

Following activities are involved in processing the application as mentioned in Regulation 5 of Supply Code:

- (i) study of technical requirements of giving supply,
- (ii) inspect the premises,
- *(iii)joint inspection along with an applicant to fix the position of service, mains, meters, sanction of load, etc.*

However, all the above activities fall under normal activities of the Licensee's staff. As the expenditure on the staff is covered under ARR, the Processing fee should not include the expenditure towards the staff employed for processing the application to avoid double accounting. At the same time there should be a minimum barrier to discourage frivolous or non serious consumers."

In accordance with the rationale stated above in the initial paragraphs of this Section, the Commission allows BEST to collect a token amount towards the application processing or receipt thereof, as indicated in the Table below:

Sr.	Particulars	Existing Charges (Case	Proposed Charges by	Approved by the
No.		No. 26 of 2006)	BEST (Rs.)	Commission
		(Rs.)		(Rs.)
	Application Regist	tration & Process	ing charges	
1	New connections / Reduction or a	addition of Load /	Shifting of service	e /Extension of
	service / Change of Tariff Categor	ry/Temporary conr	nection	
	a) Single phase	25	100	50
	b) Three phase	50	100	75
	c) HT. Supply	100	200	200
2	Change of name			
	a) Single phase	25	50	50
	b) Three phase	50	50	50
	c) HT. Supply	50	200	100

2) Service Connection Charges

2.1 Service Connection Charges for New Connection and Extension of Load

2.1.1 BEST's Proposal

a) Connection Fee for New connection

BEST submitted that for connection to new installation, the cost works out to a minimum of Rs. 147/- and a maximum of Rs. 590/-, depending upon the type of the meter, single phase or three phase connection. However, it is proposed to charge only a nominal fees of Rs. 100/-.

b) Charges for Regular Service Line for all classes of consumers

BEST submitted that this is a normative charge to recover the cost incurred in laying of service cable to the consumer's premises. BEST proposed to charge for the same on per kW basis instead of slab wise charge as per the Commission's approved SoC in force, since, when the Consumer applies for additional load to the extent of slab limit as such there will be additional burden to the consumer. Further, it also gives inflated loading of the cables.

BEST submitted that instead of charging the entire service laying cost to the service holder, BEST proposed to distribute the same amongst all the consumers taking supply from the same service. The average length of the service cable for different sizes has been considered. Based on the expenses incurred in laying the service cable and the maximum load that can be released on the service cable, the average cost per kW works out to Rs. 832/-. BEST proposed to round off these charges to Rs. 850/- per kW or part thereof. BEST stated that these charges are for a service line, which is less than 100 metres in length, since, normally the service line is not more than 100 metres in length. However, there are some consumers who need a specific position for the service to be laid in their premises and the additional length is laid due to the requirement of the consumer. BEST, therefore, proposed to charges for service cable beyond 100 metres in length, by considering different sizes of cables and the corresponding expenses incurred, and the average cost works out to Rs. 1387/- per meter. BEST further clarified that the above charges are excluding the Reinstatement charges (RI), as the same are included in Aggregate Revenue Requirement/capital expenditure. BEST proposed to round off these charges to Rs. 1300/- per metre beyond 100 metre length of service cable.

c) H.T. Supply

BEST submitted that in the approved SoC in force, the connection charges are recovered slab wise for single phase and three phase LT consumers and for load upto & above, 500 kVA in case of HV consumers. At present, there is a ceiling on the maximum service connection charges of Rs. 3 Lakh for the load above 500 kVA irrespective of connected load, and BEST is recovering expenses involved in above activity through its ARR, which results in increased tariff for all the consumers. Therefore, BEST proposed to charge service connection charges on per kW basis for all categories of consumers including HT (11kV, 33kV) consumers, which will minimize the undue burden on consumers.

BEST submitted that in line with Regulation 3.3.4 of MERC Supply Code Regulations, BEST proposed to recover connection charges of Rs. 100/- plus normative charges of Rs. 850/- per kW from HT (11kV, 33kV) consumers. Also, HT consumers shall bear the cost of consumer feeder breaker/s installed by BEST for giving supply in the particular Substation, in addition to above mentioned connection charges.

Sr. No.	Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
1	L.T. Supply		
	Single Phase		a) Connection Fee for
	For loads upto 5 KW	1500	new connection Rs.

Sr.	Particulars	Existing	Proposed Charges
No.		Charges (Case	(Rs.)
		No. 26 of 2006)	
		(Rs.)	
	Loads above 5kw and upto 10 KW	2500	100/- per connection
	Three Phase		plus
	Motive power upto 27 HP or other	6000	
	loads upto 20 kW		b) Normative charges of
	Motive power above 27 HP but upto	13000	Rs. 850/- per KW or
	67 HP or other loads above 20 KW but		part thereof
	upto 50 KW.		plus
	Motive power above 67 HP but upto	27000	
	134 HP or other loads above 50 KW		c) Rs.1300/- per metre
	but upto 100 KW.		for service length
	Motive power above 134 HP but upto	45000	exceeding 100 meters.
	201 HP or other loads above 100 KW		
	but upto 150 KW.		
2	H.T. Supply		
	For loads upto 500 kVA	275000	a) Connection Fee for
	For Loads above 500 KVA	300000	new connection- Rs.
			100/- per connection,
			plus
			b) Normative charges of
			Rs. 850/- per KW,
			plus
			c) The cost of consumer
			feeder breaker/s
			installed by BEST for
			giving supply in the
			particular Substation.

2.1.2 Commission's Ruling

In this context, in the Order dated 12 October, 2006 in Case No. 26 of 2006, the Commission had ruled as under:

"Section 46 of EA, 2003 provides that the State Commission may by Regulation; authorize the Distribution Licensee to charge from a person requiring supply of electricity, any expenses reasonably incurred in providing any electricity line or electricity plant used for the purpose of giving that supply.

Thus as per the Act, powers are vested with the Commission to formulate Regulations specifying the principles for recovering the expenses involved in releasing the connections, which are set out in Regulation 3 of MERC (Supply Code and Other Conditions of Supply) Regulations, 2005.

Regulation 3.3.2 of Electricity Supply Code authorizes the Distribution licensee to recover all expenses reasonably incurred in laying down service line from the distribution mains to applicant's premises, from the applicant. Thus the applicant is required to pay the entire cost of Service connection from the distributing main to his premise.

BEST has proposed to recover charges for new connection and extension of load at normative rates based on the sanctioned load (kW)/Contract Demand (kVA). The rates are worked out on the basis of average cost involved in releasing the connection to the consumer.

The proposal of BEST to recover charges on normative basis is in line with the Regulation 3.3.1 of MERC Supply Code Regulations. However, BEST has proposed a variable component based on per metre cost of connection, for providing service connection of length more than 100 metres. By measurement-linked charges, the very purpose of providing normative charges would be defeated.

Section 42(1) of the Act stipulates that 'it shall be the duty of the distribution licensee to develop and maintain an efficient, co-ordinated and economical distribution system in his area of supply'.

Accordingly, BEST should extend their distribution network by providing adequate numbers of Auxiliary distribution pillars / Mini pillars to the load clusters such that the average length of service can be maintained minimum. The Commission has considered average service length of 20 metres while approving the normative charges for service connection. The cost of infrastructure expansion could be claimed through ARR.

Further, in order to simplify the procedure while releasing the connection and to avoid discretion and disputes at field level, the Commission has decided to dispense with the measurement linked variable charges. The normative Service Connection Charges as approved by the Commission are indicated in Annexure-2.

Further, in case of non regular service such as fire fighting service, BEST has proposed the charges in two parts, namely, a) Fixed normative charges and b)Variable charges based on per metre length of service line. For a consumer, usage of fire fighting service is like a dedicated distribution facility. In view of above, the Commission rejects BEST's proposal of charging in two parts for a fire fighting service and directs BEST to charge actual cost involved in giving fire fighting service connection.

In case a consumer applies for an additional load/contract demand i.e. extension of load and if the release of additional load/contract demand entails any new works, the Commission allows BEST to recover the normative charges for the total load/contract demand (existing as well as additional load) as per the applicable load slabs indicated in Annexure-2."(emphasis added)

The Commission observed that in case of BEST, the existing as well as proposed schedule of charges does not include service connection charges for loads above 150 kW under LT supply and for the applicants seeking dedicated distribution facility under HT supply. Accordingly, for the Applicants seeking dedicated distribution facility, BEST is entitled to recover charges in accordance with Regulation 3.3.3 of the MERC Supply Code Regulations. It is clarified that such charges shall not include further additional normative Service Line Charges.

Considering the different approaches followed by the Licensees, in order to arrive at reasonable cost involved in providing service lines for catering to different slabs of load, the Commission has relied upon the Wholesale Price Index (WPI) numbers (as per Office of Economic Advisor of Govt. of India) to escalate earlier approved charges. In accordance with the rationale stated in the initial paragraphs of this Section, the approved normative Service Connection Charges are indicated in the table below:

Sr.	Particulars	Existing	Proposed	Approved by
No.		Charges	Charges by	the
		(Case No. 26	BEST (Rs.)	Commission
		of 2006) (Rs.)		(Rs.)
Serv	vice Connection Charges	L	1	
1	L.T. Supply			
	Single Phase		a) Connection Fee	
	For loads upto 5 KW	1500	for new	2000
	For Loads above 5kw and upto	2500	connection Rs.	3000
	10 KW		100/- per	
	Three Phase		connection	
	Motive power upto 27 HP or	6000	plus	9000
	other loads upto 20 kW		b) Normative	
	Motive power > 27 HP but <=	13000	charges of Rs.	19500
	67 HP or other loads > 20 kW		850/- per KW or	
	but <= 50 kW		part thereof	
	Motive power > 67 HP but <=	27000	plus	40000
	134 HP or other loads >50 kW		c) Rs.1300/- per	
	but <= 100 kW		metre for service	
	Motive power > 134 HP but <=	45000	length exceeding	60000
	201 HP or other loads $> 100 \text{ kW}$		100 meters.	
	but <= 150 kW			
	*loads above 150kW	-	-	250000
2	H.T. Supply			
	For loads upto 500 kVA	275000	a) Connection Fee	350000
	For Loads above 500 kVA	300000	for new	400000
			connection- Rs.	
			100/- per	
			connection,	
			plus	
			b) Normative	
			charges of Rs.	
			850/- per KW,	
			plus	
			c) The cost of	
			consumer feeder	
			breaker/s installed	

Sr.	Particulars	Existing	Proposed	Approved by
No.		Charges	Charges by	the
		(Case No. 26	BEST (Rs.)	Commission
		of 2006) (Rs.)		(Rs.)
			by BEST for	
			giving supply in	
			the particular	
			Substation.	
	Provision of dedicated	-	-	At actual
	distribution facility for power			
	supply to HT consumer			

Note: * - For loads above 150 kW - As and when the amendment to MERC SoP Regulations are notified to include 'loads above 150kW upto certain specified limit' under L.T. Supply; else these will be covered under approved H.T. rates.

2.2 Charges for non-regular service such as fire fighting/Temporary Service

2.2.1 BEST's Proposal

a) Fire Fighting Supply Service

BEST submitted that the cost of providing fire fighting service has been worked out based on the material charges and labour charges, and the average of expenses incurred for laying different sizes of cable has been considered. BEST added that it is charging the actual cost involved in providing fire fighting service connection, in line with the Commission's approved SoC in Case No. 26 of 2006 and as per draft quotation considering obligatory rates specified in BEST's 'Schedule of Estimate & Schedule of Services' for the year 2012-13. BEST proposed to charge fire fighting supply service on actual basis.

b) Temporary supply service

BEST submitted that in line with the fire fighting supply service, charges for temporary service lines are divided into Material charges and Labour charges. BEST added that it is charging actual cost involved in giving temporary supply service connection, in line with the Commission's approved SoC in Case No. 26 of 2006 and as per draft quotation considering obligatory rates specified in BEST's 'Schedule of Estimate & Schedule of Services' for the year 2012-13. BEST proposed to charge temporary supply service on actual basis.

Particulars	Existing Charges	Proposed Charges (Rs.)
	(Case No. 26 of 2006)	
	(Rs.)	
Charges for non-regular	Actual	Actual cost involved in giving
service such as Fire fighting or		fire fighting service/ Temporary
Temporary		service connection as per draft
		quotation considering obligatory
		rates given in BEST's "Schedule
		of Estimate & Schedule of
		Services" applicable for the
		year.

2.2.2 Commission's Ruling

In this context, in the Order dated 12 October, 2006 in Case No. 26 of 2006, the Commission had ruled as under:

"2) Charges for Sanctioned Load

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Further, in case of non regular service such as fire fighting service, BEST has proposed the charges in two parts, namely, a) Fixed normative charges and b) Variable charges based on per metre length of service line. For a consumer, usage of fire fighting service is like a dedicated distribution facility. In view of above, the Commission rejects BEST's proposal of charging in two parts for a fire fighting service and directs BEST to charge actual cost involved in giving fire fighting service connection.

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3) Charges for Temporary Sanctioned Load

Regulation 3.3.6 of Supply Code authorizes the licensee to recover all expenses reasonably incurred for the purpose of giving temporary supply & for the purpose of discontinuance of such temporary supply. Where the works relating to such temporary supply are carried out by the licensee and paid for by the person requiring such temporary supply, then such person shall receive credit for the depreciated value of such works at the time of discontinuance of such temporary supply and return of facilities to the licensee. In view of above, the Commission rejects BEST's proposed charges for temporary connection and directs BEST to charge the actual cost involved in giving temporary supply." (emphasis added)

In view of the above, the Commission allows BEST to charge the actual cost involved in giving fire fighting service connection. As regards temporary connections, in line with Regulation 3.3.6 of the MERC Supply Code Regulations, BEST is entitled to recover all expenses reasonably incurred for the purpose of giving temporary supply and for the purposed of discontinuance of such temporary supply. The approved charges are as under:

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
Charges for non- regular service such as Fire fighting or Temporary Connection	Actual	Actual cost involved in giving fire fighting service/ Temporary service connection as per draft quotation considering obligatory rates given in BEST's "Schedule of Estimate & Schedule of Services" applicable for the year.	At actual

2.3 Extension of Load

2.3.1 BEST's Proposal

BEST submitted that in line with Regulation 3.3.4 of MERC Supply Code Regulations, where the provision of supply to an applicant entails work for augmentation of distribution system, the Distribution Licensee shall be authorised to recover from the Applicant such proportion of the expenses reasonable incurred on such works as the load applied for bears to the incremental capacity that will be created by augmentation of the distribution system.

2.3.2 Commission's Ruling

In this context, the Order dated October 12, 2006 in Case No. 26 of 2006 stated as under:

"In case a consumer applies for an additional load/contract demand i.e. extension of load and if the release of additional load/contract demand entails any new works, the Commission allows BEST to recover the normative charges for the total load/contract demand (existing as well as additional load) as per the applicable load slabs indicated in Annexure-2."

Accordingly, in case a consumer applies for additional load/contract demand, i.e., extension of load and if the release of the additional load/contract demand entails any new works, the Commission allows BEST to recover the normative charges for the total load/contract demand (existing as well as additional load) as per the applicable charges against load slabs approved above under 2.1.2, 2.2.2.

2.4 Security Deposit

2.4.1 BEST's Proposal

a) Permanent Connection

BEST submitted that as per Regulation 11.3 of the MERC Supply Code Regulations, the proposed security deposit for the consumer at the time of commencement of the service has been estimated based on the tariff category, contract demand/sanctioned load, load factor, diversity factor and number of working shifts of the consumer. BEST proposed to charge security deposit of Rs. 500/- per kW for residential category and Rs. 1000/- per kW for other consumers having permanent connection.

b) Temporary Connection

BEST submitted that security deposit for temporary connections has been estimated by considering the applied load and keeping in view the existing tariff for temporary connections. BEST further submitted that adjustment will be made, if and when there is any variation in tariff, electricity duty and taxes, etc. BEST also proposed to charge security deposit of Rs. 100/- per kW per day for religious temporary supply and Rs. 200/- per kW per day for other purpose temporary supply.

Sr. No.	Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
	Security Deposit		
1	Permanent Supply		
a	Residential Consumers (new	-	Rs. 500/- per kW or part
	connection/additional sanctioned load)		thereof
b	Other Consumers (new	-	Rs. 1000/- per kW or

Sr. No.	Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
	connection/additional sanctioned load)		part thereof
2	Temporary Supply		
a	Religious Supply	-	Rs. 100/- per kW or part thereof per day
b	Other Consumers (new connection/ additional sanctioned load)	-	Rs. 200/- per kW or part thereof per day

2.4.2 Commission's Ruling

In this context, in the Order dated 12 October, 2006 in Case No. 26 of 2006, the Commission had ruled as under:

"7) Security deposit against regular payment of energy

As per Section 47 (1) of the Act, 'a distribution licensee may require any person, who requires a supply of electricity, to give him reasonable security, as may be determined by regulations, for the payment to him of all monies which may become due to him-

(a) in respect of the electricity supplied to such person; or'

Under Section 181(2)(v) of the Act, powers are vested with the Commission to make Regulations regarding security payable to the distribution licensee under subsection (1) of Section 47. Accordingly appropriate provision has been incorporated in MERC Supply Code Regulations.

As per Regulation 11.3 of Supply Code, where the distribution licensee requires security from a consumer at the time of commencement of service, the amount of such security shall be estimated by the distribution licensee based on the tariff category and contract demand/sanctioned load, load factor, diversity factor and number of working shifts of the consumer.

As the Security deposit against regular payment of energy is a tariff related issue, the Commission directs BEST to collect security deposit for regular electricity

consumption as per the directives given in the tariff order, from time to time. "(emphasis added)

The Commission observed that proposed per kW security deposit amount is approximately 10 times the existing charges of security deposit being recovered. In reply to the Commission's query seeking justification for such proposal, BEST clarified that at present it is recovering the normative security deposit of Rs. 50/- per kW for residential consumers and Rs. 150/- per kW for non-residential consumers at the time of commencement of services. In response to a separate query, BEST clarified that it has considered average load of 50 kW for temporary supply based on requisitions received in past.

As clarified in the earlier Order, the Security Deposit against regular payment of energy is a tariff related issue, accordingly, the Commission directs BEST to collect security deposit for regular electricity consumption as per the directives given in the Tariff Order from time to time. Further, BEST is at liberty to submit its proposal in this regard in its Tariff Petition.

Sr. No.	Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
	Security Deposit			
1	Permanent Supply			
a	Residential Consumers (new connection/additional sanctioned load)	-	Rs. 500/- per kW or part thereof	-
b	Other Consumers (new connection/additional sanctioned load)	-	Rs. 1000/- per kW or part thereof	-
2	Temporary Supply			
a	Religious Supply	_	Rs. 100/- per kW or part thereof per day	-
b	Other Consumers (new connection/ additional sanctioned load)	-	Rs. 200/- per kW or part thereof per day	-

3) Miscellaneous and General Charges

3.1 Restoration of Supply

3.1.1 BEST's Proposal

a) Where meter is not removed

BEST submitted that the cost for restoration of electricity supply for an activity of 'Attending to branch cutout & removing the same, where meter is not removed' works out to Rs. 187/-, which has been rounded off to Rs. 200/-.

b) Where meter is removed

BEST submitted that these charges have been worked out considering the cost of removal of meter at the time of disconnection as well as cost of fixing of meter at the time of reconnection. The cost of fixing of meter and removal of meter varies from Rs. 147/- to Rs. 590/- for different types of meters. Further, for reconnection cases where the meter is removed BEST proposed to charges Rs. 400/- per installation.

c) Reconnection of underground mains (service cable)

BEST submitted that the cost of reconnection of underground mains (service cable) works out to Rs. 1590/-, and proposed to charge Rs. 1500/- per installation.

d) Reconnection of H.T. Supply

BEST submitted that for reconnection of supply for HV consumers, manpower of four departments (i.e., Operation and Maintenance, Customer Care, Meters and System Protection) are utilized. The reconnection charges have been calculated on the basis of expenditure incurred in the activity. BEST further submitted that BEST's representatives like Deputy Engineer, Charge Engineer, Meter Inspectors, Nawghany and Motor Vehicle drivers perform this activity which involves visits, administrative work, switching ON operation of H.V. Breaker, initial/final reading of energy meter, etc. Thus, for HV consumer, the reconnection charge works out to Rs. 1182/-, and BEST proposed to charge Rs.1200/- for reconnection/restoration to H.V. consumer.

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
Reconnection charges		
L.T. Service at cut-outs:-		
a) where meter is not removed	50	200

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
b) where meter is removed	200	400
c) At underground mains service	1000	1500
H.T. Supply	200	1200

3.2 Service Disconnection

3.2.1 BEST's Proposal

BEST submitted that many requests are received from consumers to remove the service cable permanently from their premises. Further, charges for removal of service were not included earlier, and now it is proposed to charge for the activity of removal of service as per actual basis and the actual cost will be based on quotation considering obligatory rates given in BEST's 'Schedule of Estimate and Schedule of Services for the year 2012-2013'.

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
Service disconnection	_	To be charged on actual based on draft
		quotation considering obligatory rates
		given in BEST's "Schedule of Estimate
		and Schedule of Services" applicable
		for the year.

3.2.2 Commission's Ruling

The Commission observed that the Licensees have considered different sub-heads for the reconnection services provided by BEST, TPC-D and RInfra-D. The Commission is of the view that though the nomenclature may be different, activities carried out in the field are more or less the same in nature. In order to remove the ambiguities, the Commission has rationalised the activities to be charged. Further, all charges are to be levied only at the time of reconnection, irrespective of whether disconnection has been necessitated on the request of the consumer or on account of non-payment of dues by the consumer. In accordance with the rationale stated in the initial paragraphs of this Section, the approved normative Reconnection Charges (including charges for Disconnection) are indicated in the table below:

	Particulars	Existing Charges (Case No. 30 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
	Reconnection Charges			
1	Re-installation of fuse cutout	50	200	100
2	Re-installation of meter	200	400	300
3	HT Supply	200	1200	500
4	Re-connection of Service Cable	1000	1500	750

3.3 Service Call charges

3.3.1 BEST's Proposal

BEST submitted that the cost for an activity of 'attending to branch cutout & removing the same, where meter is not removed', i.e., removal of fuse cutouts works out to Rs. 187/- and the same has been rounded to Rs. 200/- per call. BEST submitted that the cost of its representatives to remain on standby at consumers' premises during any function, works out to Rs. 1946/- for upto 3 hours on consumer's request, and proposed to charge Rs. 2000/- per call, extended upto3 hours. BEST clarified that the charges proposed are on the higher side, as this practice is required to be discouraged as the staff is kept standby at the cost of other regular work. Further, in case of service calls extending beyond 3 hours, additional charges at the rate of Rs. 400/- per hour or part thereof per person are proposed to be charged.

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
Service call charges/ per call		
i)Temporarily removal of the fuses	-	200
ii)Attendance of BEST representative	-	
at consumer's premises during any		2000
function (upto 3 hours)		
iii) In case of Service Call extending		2000 plus additional charges @
beyond 3 hours		Rs. 400/- per hour per person
		and fraction thereof

3.3.2 Commission's Ruling

In this context, in the Order dated 12 October, 2006 in Case No. 26 of 2006, the Commission had ruled as under:

"5.1 BEST's Proposal

BEST has proposed a charge of Rs. 50/- per call for temporary removal of fuses to enable consumer's Licensed Electrical Contractor (LEC) to work on consumer's installation and replacing the same thereafter.

BEST has further proposed a charge of Rs. 1000/- per call per person for attendance of BEST's representative at consumer's premises during any function (upto 3 hours) on consumer's request. In case the service call extends beyond 3 hours, an additional charge @ Rs. 300/- per hour per person has been proposed.

5.2 Objections

ECAM submitted that till date BEST was not levying any charges for removal of fuses to enable consumer's LEC to work on his installation and replacing the same thereafter. If the consumer's LEC needs to carry out any work, he can isolate the installation using the main switch next to the meter. He further suggested that since no such charges exist as on date, the same status should be maintained.

Regarding charges for attendance of BEST's representative at consumer's premises during any function (upto 3 hours), he stated that such payment should be refunded to the consumer upon receipt in writing of any deficiency in service and behaviour of such representative.

5.3 BEST's response

BEST has stated that the present rate of Rs. 4/- for temporary removal of fuses to enable consumer's LEC to work on consumer's installation and replacing the same thereafter is arbitrary and being increased to realistic & reasonable figure of Rs. 50/-. Regarding ECAM's objection on refund of charges to the consumer upon receipt in writing of any deficiency in service and behaviour of such representative, BEST has accepted the suggestion.

5.4 Commission's Ruling

The Commission does not consider these services i.e. temporary removal of fuses to enable consumer's LEC to work on consumer's installation and replacing the same thereafter and attendance of BEST's representative at consumer's premises during any function as a part of Schedule of Charges as these services fall under nonregulatory services resulting in 'other income' for the Licensee. [For detailed ruling refer Section-III (5)]

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5) Service Call Charges

The charges proposed by BEST will be presumably applicable only when any consumer opts to avail these services from BEST. Though providing these services i.e. temporary removal of fuses to enable consumer's LEC to work on consumer's installation and replacing the same thereafter and attendance of BEST's representative at consumer's premises during any function on consumer's request would be beneficial to both i.e. consumer and the licensee, these items are matters of mutual consent of BEST and consumer. The Commission therefore does not consider these services as a part of Schedule of Charges as these services fall under nonregulatory services resulting in 'other income' for the Licensee."

BEST, in its presentation during the TVS, indicated that such charges are newly introduced. In reply to a specific query from the Commission regarding meaning of the term 'newly introduced', BEST clarified that it is presently recovering such charges from consumers, and is requesting for approval for the same as part of the proposed Schedule of Charges.

During the scrutiny of the Petition, the Commission required BEST to justify its proposal to levy 'Service Call Charges' in view of the above ruling. BEST in its reply stated that the charges proposed by BEST are applicable only when any consumer opts to avail specific services from BEST like posting of supply restoration crew as standby during the events like Assembly sessions at Vidhan Bhavan, international matches at cricket stadium, political functions, marriage ceremonies, etc. Further, BEST is charging to consumer by preparing actual cost sheet for this service and accounted for the same in Other Income of the Licensee. BEST is performing this activity in addition to its regular work, which disturbs day-to-day routine. Therefore, it is proposed to consider these charges in Schedule of Charges so that common charges will be levied whenever there is a service call from consumer.

The Commission feels that the issues raised in the present Petition have already been clarified vide Order dated 12 October, 2006 in Case No. 26 of 2006. In line with the earlier Order, the Commission therefore does not consider such services proposed by BEST as a part of Schedule of Charges, as these services fall under non regulatory services resulting in 'other income' for the Licensee.

Particulars	Existing Charges (Case No. 26 of 2006)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
	(Rs.)		
Service call charges/ per call			
i)Temporarily removal of the	-	200	-
fuses		200	
ii)Attendance of our	-		-
representative at consumer's		2000	
premises during any function		2000	
(upto 3 hours)			
iii) In case of Service Call		2000 plus additional	-
extending beyond 3 hours		charges @ of Rs.	
		400/- per hour per	
		person and fraction	
		thereof	

3.4 Charges related to the Meter position shifting

3.4.1 BEST's Proposal

BEST submitted that for the activity of changing the position of the meter at the request of the consumer, the amounts are proposed to be charged considering the expenses incurred on the staff required per activity, i.e., removal and then fixing. In this case, the expenses incurred are between Rs. 147/- to Rs. 590/- each for the activity of removal and fixing, respectively. However, BEST proposed to charge only Rs. 300/-, Rs. 400/- Rs. 1000/- per activity as per meter category for changing the position of the meter at the request of the consumer (removal/fixing).

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
Changing the position of meter on	50	
consumer's request at same service		-
position		
Single phase meter	-	300
Three phase meter	-	400
Three phase C.T. operated meter	-	1000

3.4.2 Commission's Ruling

In this context, in the Order dated 12 October, 2006 in Case No. 26 of 2006, the Commission had ruled as under:

"i) Changing the position of the meter at consumer's request

Considering the average cost of material and labour involved in shifting of meter, the Commission approves the normative charges of Rs. 50/- proposed by BEST with the condition that this would cover the total cost including the cost of material, labour, all other costs etc. required for changing the location of the meter and no other charges be added on it.

The charges for changing the location of meter within the premise will be applicable only in cases where the shifting is to be done at the request of the consumer. However, when BEST desires to have the location changed, then the cost of such shifting shall be entirely borne by BEST."

The Commission observed that the Licensees have considered different sub-heads for the services provided by RInfra-D, BEST, and TPC-D. The Commission is of the view that though the nomenclature may be different, activities carried out in the field are more or less the same in nature. In order to remove the ambiguities, the Commission has rationalised the activities to be charged.

In accordance with the rationale stated in the initial paragraphs of this Section, the approved normative Charges for shifting of services are indicated in the Table below. It is clarified that such charges will be applicable only in cases where shifting is done at the request of the consumer. However, when BEST desires to get the service shifted, then the cost of such shifting shall be entirely borne by BEST.

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
Shifting of services/ Meter, if carried out only on consumer's request	50	-	
Single Phase	-	300	100
Three Phase	-	400	200
3.5 Testing of Installation on Consumer's request

3.5.1 BEST's Proposal

BEST submitted that the proposed charges have been calculated considering the expenses incurred on the staff per activity. For the activities of checking and testing of installation at the consumer's request, the expenses incurred are between Rs. 147/- to Rs. 236/-. BEST proposed to charge Rs. 150/- for single phase, Rs. 200/- for three phase, and Rs. 600/- for CT meter for checking and testing of installation at the consumer's request.

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
Testing of Installation on consumer's request	50	
Single phase meter	-	150
Three phase meter	-	200
Three phase C. T. meter	-	600

3.5.2 Commission's Ruling

The Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 stipulates:

"30. Periodical Inspection and testing of Installations. – (1) Where an installation is already connected to the supply system of the supplier or trader, every such installation shall be periodically inspected and tested at intervals not exceeding five years either by the Electrical Inspector or by the supplier as may be directed by directed by the State Government, and in the case of installation in mines, oilfields and railways, by the Central Government.

(2) The periodical inspection and testing of installations of voltage above 650V belonging to the supplier, shall also be carried out in intervals not exceeding five years by the Electrical Inspector;

(3) Where the supplier is directed by the Central or the State Government, as the case may be, to inspect and test the installation, he shall report on the condition of the installation to the consumer concerned in the Forms I, II and III as specified in Schedule-IV and shall submit a copy of such report to the Electrical Inspector;

(4) The Electrical Inspector may, on receipt of such report, accept the report submitted by the supplier or record variations as the circumstances of each case may require and may recommend that the defects may be rectified as per report;

••••

31. Testing of consumer's installation.- (1) Upon receipt of an application for a new or additional supply of electricity and before connecting the supply or reconnecting the same after a period of six months, the supplier shall either test the installation himself or accept the test results submitted by the consumer when the same has been duly signed by the licensed Electrical Contractor.

(2) The Supplier shall maintain a record of test results obtained at each supply point to a consumer, in a Schedule-V.

(3) If a result of such inspection and test, the supplier is satisfied that the installation is likely to be dangerous, he shall serve on the applicant a notice in writing requiring him to male such modification as are necessary to render the installation safe and may refuse or reconnect the supply until the required modifications have been completed."

Above provisions assume importance especially in view of the unfortunate fire incidents occurring in the Mumbai Metropolitan Region and safety measures to be taken by the distribution licensees."

As regards BEST's proposal, the Order dated October 12, 2006 in Case No. 26 of 2006 stated as under:

"Regulation 9 of Supply Code provides that the wiring of consumer's premises shall conform to the standards specified in the Indian Electricity Rules, 1956. As per Rule 47, it is the duty of the supplier to inspect & test applicant's installation before connecting the supply. As per Rule 53(1), the cost of first inspection & testing of a consumer's installation carried out in pursuance of the provisions of Rule 47 shall be borne by the supplier & the cost of every subsequent inspection & test shall be borne by the consumer.

In view of above, the Commission approves the charges proposed by BEST for installation testing on consumer's request. Further, BEST should provide copy of the report of Installation testing to the concerned consumer."

The Commission observes that BEST has adopted the terminology 'Testing of meter installation on consumer's request' for 'meter testing at site', though, the meaning of the same as construed in the existing approved Schedule of Charges for RInfra-D and TPC-D is for 'the activities required for testing of installation prior to new connection (including temporary connection) or in case of additional supply request.' As the activities being carried out by the BEST are the same, the Commission in the present approved Schedule of Charges has changed the terminology to 'Meter Testing at site on Consumer's request'. However, this does not relieve BEST to perform relevant duties as discussed above that are required to be carried out by the Distribution Licensees pertaining to testing of installation. It is obligatory for the Licensee to perform the testing and installation before connecting the supply. Accordingly, the Commission feels it appropriate to introduce the visit charges of Rs. 100/- (only for new connection or additional supply request or temporary connection) that too only in case of subsequent visit for inspection and test of consumer installation and not for the first visit. It is clarified that such charges are not applicable for the periodical testing and inspection of the installations.

As regard site testing of the meters, the CEA (Installation and Operation of Meters) Regulations, 2006 specifies as under:

"18. Calibration and periodical testing of meters.-

•••

(2) Consumers meter

The testing of consumer meters shall be done at site at least once in five years. The licensee may instead of testing the meter at site can remove the meter and replace the same by a tested meter duly tested in an accredited test laboratory. In addition, meters installed in the circuit shall be tested if study of consumption pattern changes drastically from the similar months or season of the previous years or if there is consumer's complaint pertaining to a meter. The standard reference meter of better accuracy class than the meter under test shall be used for site testing of consumer meters up to 650 volts. The testing for consumers meters above 650 volts should cover the entire metering system including CTs, VTs. Testing may be carried out through NABL accredited mobile laboratory using secondary injection kit, measuring unit and phantom loading or at any accredited test laboratory and recalibrated if required at manufacturer's works.

(3) Energy accounting and audit meters

Energy accounting and audit meters shall be tested at site at least once in five years or whenever the accuracy is suspected or whenever the readings are inconsistent with the readings of other meters, e.g., check meters, standby meters. The testing must be carried out without removing the CTs and VTs connection. Testing may be carried out through NABL accredited mobile laboratory using secondary injection kit, measuring unit and phantom loading or at any accredited test laboratory and recalibrated if required at manufacturer's works."(emphasis added)

In view of the above, the Commission hereby approves the following charges:

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
Testing of Installation on	50		
consumer's request			
Single phase meter	-	150	-
Three phase meter	-	200	-
Three phase C. T. meter	-	600	-
Meter Testing at site on	50		
Consumer's request			
Single Phase	-	150	100
Three Phase	-	200/600	350
Visit Charges (Only for new	50	-	100
connection or additional supply			
request)			
(only in case of subsequent visit			
for Inspection and test of			
Installation and not the first visit)			

3.6 Testing of Meters in Laboratories

3.6.1 BEST's Proposal

BEST submitted that the proposed charges for testing of meters in the Undertaking's laboratory have been calculated by considering the labour rates and other charges plus the removal of meter from the site and transporting it to the Undertaking's laboratory. BEST

proposed to charge Rs. 500/- for single phase meters and Rs.1000/- to Rs. 4000/- depending upon the type of three phase meters, respectively, whereas for HT meter BEST proposed to charge Rs. 4000/- as testing charges.

Sr. No.	Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
	Testing of meter at BEST's laboratory on consumer's request		
a	Single phase meter	100	500
b	Three phase whole current meter		1000
c	Three phase CT meter	300	4000
d	Three phase CT/PT meter		4000
e	Single phase Prepaid meter	-	500
f	Three phase Prepaid meter	-	1000
g	H.T. meter	-	4000

3.6.2 Commission's Ruling

In this context, in the Order dated 12 October, 2006 in Case No. 26 of 2006, the Commission had ruled as under:

"iii) Testing of Meters

Supply Code Regulation 14.4 covers testing & maintenance of meters. As per regulation 14.4.1, the distribution licensee shall be responsible for periodic testing & maintenance of all consumers' meters.

As per regulation 14.4.2, the consumer may, upon payment of such testing charges as may be approved by the Commission under regulation 18, request the distribution licensee to test accuracy of the meter.

As per regulation 14.4.3, the distribution licensee shall provide a copy of meter test report within a period of two months from the date of request for the testing of the meter by the consumer.

As per regulation 14.4.4, in the event of the meter being tested & found beyond the limits of accuracy as prescribed under Regulation 8 of CEA (Installation & Operation of Meters) Regulation, 2006 under section 55 of the Act, the distribution licensee shall refund the testing charges paid by the consumer & adjust the amount of bill in accordance with the results of the test. Subject to the above provisions in the MERC Supply Code Regulations, the Commission approves the charges (Annexure-3) for testing of meters as proposed by BEST. The testing charges approved shall be applicable only in case the consumer requests BEST to test the meter."

In this context, the CEA (Installation and Operation of Meters) Regulations, 2006 specifies as under:

"17. Quality assurance of meters.-

•••

(2) The licensee shall set up appropriate number of accredited testing laboratories or utilize the services of other accredited testing laboratories. **The licensee shall** take immediate action to get the accreditations of their existing meter testing laboratories from NABL, if not already done."(emphasis added)

Therefore, in line with the CEA Regulations, BEST should take immediate action to get accreditation for their existing meter testing laboratories from NABL, if not already done.

As per Regulation 14.4.2 of the MERC Supply Code Regulations, the consumer may, upon payment of such testing charges as may be approved by the Commission under Regulation 18, request the Distribution Licensee to test the accuracy of the meter. Further, as per proviso to the aforementioned Regulations, the consumer may require the Distribution Licensee to get the meter tested at such facility as may be approved by the Commission. Accordingly, the Commission, vide its Notice dated May 31, 2011, notified as under:

"... the Commission hereby notifies that all the meter testing laboratories, in India, which have been accredited by the, National Accreditation Board for Testing and Calibration Laboratories" ("NABL"), set up by the Govt. of India, and whose accreditation remains valid at the time of the meter testing (as per the NABL website), shall be considered as being on the list of the Testing Laboratories approved by the Commission. Providing a list of such Laboratories to the concerned consumer, shall be the responsibility of the concerned Distribution Licensee."

As per Regulation 14.4.3, the Distribution Licensee should provide a copy of meter test report within a period of two months from the date of request for the testing of the meter by the consumer.

As per Regulation 14.4.4, in the event of the meter being tested and found beyond the limits of accuracy as prescribed under Regulation 8 of CEA (Installation & Operation of Meters) Regulation, 2006 under Section 55 of the Act, the Distribution Licensee shall refund the testing charges paid by the consumer and adjust the amount of bill in accordance with the results of the test.

While approving the following Charges, the Commission has also kept in mind that testing charges should be commensurate with the cost of the meter, and should not create any hindrance to consumers exercising option of the meter testing, especially when the entire testing facility established by the Distribution Licensee is for servicing its own consumers. In line with the earlier Order the testing charges shall be applicable only in case the consumer request BEST to test the meter:

Sr.	Particulars	Existing	Proposed	Approved by
No.		Charges	Charges by	the
		(Case No. 26	BEST (Rs.)	Commission
		of 2006) (Rs.)		(Rs.)
1	Meter Testing at BEST's			
	laboratory on consumer's			
	request			
	a) Single phase meter	100	500	200
	b) Three phase whole current		1000	500
	meter	300	1000	
	c) Three phase CT meter	500	4000	1000
	d) H.T. Meter		4000	1000
	e) Single phase Prepaid meter	-	500	200
	f) Three phase Prepaid meter	-	1000	500
2	Meter testing at Government	-	_	At actual
	approved laboratory		-	

3.7 Lost/Burnt meter charges

3.7.1 BEST's Proposal

BEST submitted that at present, meters are provided by the BEST free of charge, however, if the meter is lost or burnt or damaged, the meter is replaced after the consumer pays cost of the meter as per Regulation 14 of MERC Supply Code Regulations. BEST also submitted that the meter cost to be charged is the prevailing market price of the respective meter.

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
Cost of meter (applicable in case		
consumer opts to purchase the meter		
from BEST Undertaking & in case of		
Lost and Burnt / Damaged meter)		
Single phase meter	700	1300
Three phase whole current meter	3000	7300
Three phase C.T. operated meter	5500	7900
Three phase CT/PT meter	-	22000
Single phase Prepaid meter	-	7400
Three phase Prepaid meter	-	21300
H.T. meter	-	22000

3.7.2 Commission's Ruling

In this context, in the Order dated 12 October, 2006 in Case No. 26 of 2006, the Commission had ruled as under:

"iv) Lost/Burnt meters

As per Section 55 of the Act, it is the responsibility of licensee to supply electricity through installation of correct meter in accordance with the regulations made in this regard by the Authority i.e. CEA.

The Government of India has notified CEA (Installation & Operation of Meters) Regulation, 2006 on 17th March 2006. As per Regulation 6(2)(a) of CEA (Installation & Operation of Meters) Regulation, 2006, 'consumer meters shall generally be owned by the licensee'. The above provision implies that meter for new connection should be provided by the licensee and the cost of meter shall be borne by the licensee, except where a consumer elects to purchase the meter from licensee.

Further, as per Regulation 14.2 of Supply Code, the Distribution licensee may recover the price of new meter from the consumer towards replacement of Lost/ Burnt meters.

BEST has not furnished any supporting documents to establish reasonability of cost of meters, proposed for replacement against lost/burnt meters. Based on the market rates of static meters, the Commission approves the rates as indicated in Annexure-3, which would be applicable only in case of a burnt or a lost meter or where a consumer opts to purchase the meter from BEST."

During scrutiny of the Petition, it was observed that cost of the meters is different in the Petition and DPR's submitted to the Commission. In response to the Commission's query in this regard, BEST replied that the DPRs submitted to the Commission were prepared based on old estimates, whereas the cost of the meter given in the revised Schedule of Charges Petition is based on the recent tender/estimates.

Based on the Commission' assessment of the market rates, and in accordance with the rationale stated in the initial paragraphs of this Section, the Commission approves the following rates, which would be applicable only in case of a burnt or lost meter or where a consumer opts to purchase the meter from BEST.

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
Cost of meter (applicable in case consumer opts to purchase the meter from BEST Undertaking & in case of Lost and Burnt meter)			
Single phase meter	700	1300	1000
Three phase whole current meter	3000	7300	3000
Three phase C.T. operated meter	5500	7900	4000
H.T. meter	-	22000	4500
Single phase Prepaid meter	-	7400	3300

	Three phase Prepaid meter	-	21300	6000
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3.8 Charges for dishonour of Cheque

3.8.1 BEST's Proposal

BEST proposed that the charges for dishonour of cheques will be levied as per RBI's administrative charges irrespective of number of accounts as mentioned in Clause 23.9 of Terms and Conditions of Supply of BEST Undertaking.

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges (Rs.)
Charges for Dishonoured Cheques	-	Charges will be levied as per RBI's administrative charges, irrespective of no. of accounts.

3.8.2 Commission's Ruling

Clause 23.9 of Terms and Conditions of Supply of BEST Undertaking's states as under:

"23.9 Cheques for current consumption bills are received from consumers in good faith and receipts issued, subject to realization in the bank. But if the bank returns the cheque for any reasons whatsoever, the Undertaking will charge the consumer the administrative charges that might be imposed by the Bank for belated payment. Further, if the cheques issued by a consumer in favour of the Undertaking happen to be returned by the bank unrealized, more than twice, the Undertaking will not accept any further cheques from such a consumer and it reserves the right to disconnect supply after giving a fifteen (15) clear working days notice."

When a cheque is dishonoured, it is considered to be a serious offence as per Section 138 of the Negotiable Instruments Act. In accordance with the rationale stated in initial paragraphs of this Section, the Commission therefore, approves the charges towards compensation of bank charges and other costs as Rs. 250/- per instance towards dishonoured cheques from all consumer categories. The treatment for dishonoured cheques shall be as per Rules and Regulations framed under the EA 2003.

Particulars	Existing Charges (Case No. 26 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
Charges for	-	Charges will be levied as	250
Dishonoured Cheques		per RBI's administrative	
(irrespective of cheque		charges, irrespective of no.	
amounts)		of accounts.	

3.9 Photocopying Charges

3.9.1 BEST's Proposal

BEST has not proposed any such charges.

3.9.2 Commission's Ruling

Many a times the consumer needs copy of his records or copies of Regulatory Orders from the Distribution Licensee, which involve cost. In accordance with the rationale stated in initial paragraphs of this Section, the Commission allows BEST to charge copies of consumer records to copies of Regulatory Orders at Rs.1/- per page.

Particulars	Existing	Proposed	Approved by
	Charges	Charges by	the
	(Case No. 26	BEST (Rs.)	Commission
	of 2006) (Rs.)		(Rs.)
Photocopying of Regulatory	-		1
Orders etc. (Rs./Page)		-	

3.10 Duplicate Bill Charges

3.10.1 BEST's Proposal

BEST has not proposed any such charges.

3.10.2 Commission's Ruling

In accordance with the rationale stated in initial paragraphs of this Section, the Commission allows BEST to charge consumers for issue of duplicate bill, and in case consumer asks for duplicate copy of each monthly bill, same should be made available at Rs. 2/- per Bill.

Particulars	Existing	Proposed	Approved by
	Charges	Charges by	the
	(Case No. 26	BEST (Rs.)	Commission
	of 2006) (Rs.)		(Rs.)
Duplicate copy of each monthly	-	-	2
bill (Rs./Bill)			

3.11 Statement of Accounts

3.11.1 BEST's Proposal

BEST has not proposed any such charges.

3.11.2 Commission's Ruling

During the Public Hearing, it has been observed that there are several instances wherein consumer requires the statement of account specifying details like bill amount, Cr/Dr adjustments, payment made, etc. In accordance with the rationale stated in the initial paragraphs of this Section, the Commission hereby approves charges of Rs. 2/- page for such statement of accounts.

Particulars	Existing	Proposed	Approved by
	Charges	Charges by	the
	(Case No. 26	BEST (Rs.)	Commission
	of 2006) (Rs.)		(Rs.)
Statement of consumer accounts	-	-	2
(Rs./Page)			

BEST in the Petition also prayed as under:

"Permit BEST to modify/revise the Schedule of Charges on yearly basis arising out of the trends in cost of material & labour that may unfold in future."

In this context, Regulation 18.3 of the MERC Supply Code Regulations specifies that '*Any deviation from the approved schedule of charges shall be only with the prior approval of the Commission*.'. Accordingly, BEST will have to seek the Commission's approval as and when it desires to revise its Schedule of Charges.

Further, in case any taxes are made applicable or introduced by any Competent Authority in future on the services rendered by BEST, BEST shall be allowed to recover such charges from the respective consumers for services for which schedule of charges are approved in

this Order, subject to BEST producing such relevant documents issued by Competent Authority.

Applicability & Validity

The entire Schedule of Charges as approved by the Commission shall be applicable with effect from 1 January, 2013 and will continue to remain in force till further Orders.

Sd/-(Vijay L. Sonavane) Member Sd/-(V. P. Raja) Chairman

Annexure I

List of individuals who attended the Technical Validation Session held on 22 August, 2012

Sr.	Name
No.	
1	Shri. Ashok Pendse, TBIA (Consumer Representative)
2	Shri. Kapil Sharma, RInfra-D
3	Shri. Kishore Patil, RInfra-D
4	Shri. Dilip Shah, RInfra-D
5	Shri. P S Panona, RInfra-D
6	Ms. Shradha Kaley, RInfra-D
7	Shri. Mangesh Inamdar, RInfra-D
8	Shri. Sameer Mayekar, RInfra-D
9	Shri. Pramod Deore, RInfra-D
10	Shri. Manoj Chouhan, RInfra-D
11	Smt. S. R. Mehendale, TPC-D
12	Shri. H.I. Inamdar, TPC-D
13	Shri.D.S. Khalap, BEST
14	Shri. V.M. Kamat, BEST
15	Shri. A.R. Talegaonkar, BEST
16	Shri. S.S. Patil, BEST
17	Shri. M.C. Potphode, TPC-D
18	Shri. Pillai, TPC-D
19	Shri. Chintamani Chitnis, TPC-D
20	Shri. M. D.Salvi, TPC-D
21	Shri. H.C.Gokarn, TPC-D
22	Shri. G.M. Gautem, TPC-D

Sr. No.	Name
1	Shri. K Vinodraj, BEST
2	Shri.D.S.Khalap, BEST
3	Shri.G.G.Chandankar, BEST
4	Shri.V.M.Kamat, BEST
5	Shri.M.M.Davare, BEST
6	Shri.R.M.Pradhan, BEST
7	Shri.S.S.Patil, BEST
8	Shri.A.V.Kadam, BEST
9	Shri.S.D.Pawar, BEST
10	Shri. Palaniappan, ABPS Infra
11	Shri.Bhaskar Kulkarni, ABPS Infra
12	Smt.Swati Mehendale, TPC D
13	Shri.Hawwa Inamdar, TPC D
14	Shri.R.D.Patsute, BEST
15	Shri.K.R.Patil, RInfra D

List of individuals who attended the Technical Validation Session held on 3 October, 2012

List of Individuals who attended the Public Hearing held on 29 November, 2012

Sr. No.	Name
1	Shri. N. Ponarthnam (Vel Induction)
2	Shri. P.V.Sujay Kumar (Individual)
3	Shri. Balkrishnan (Cuffe Parade Residents Association)
4	Shri. Y. N. Kulkarni (Individual)
5	Shri. George John (Individual)
6	Shri. K.K.Chopra (Individual)
7	Shri. R. Shenoy (AHAR)
8	Shri. Abhijit Dhandhe (IPPAI)
9	Shri. Santosh Balgi (AHAR)
10	Shri. D.K.Shetty (Individual)
11	Shri. Rajendra Shirdhaval
12	Shri. Nitin Shetty
13	Shri. V C Bethi
14	Shri. Surendra Shetty
15	Shri. Shashidar Shetty (AHAR)
16	Shri. Prajkta Kasale (Maharashtra Times)
17	Shri. Chetan (AAP)
18	Shri. Bhavesh Paneja (AAP)
19	Shri. Hakeem Dasir (AAP)
20	Shri. Diler
21	Shri. Dinesh Sahu (M M M A)
22	Shri. Davendra Kaushik
23	Shri. Ashish Kaushik
24	Shri. Kishor kaushik
25	Shri. Kiran karande (Sakal)
26	Shri. Uday Jadhav (IBN Lokmat)
27	Shri. S. Shetty (Indian Hotel)
28	Shri. Nikhil Agrawal (PMAA)
29	Shri. Sachin (AHAR)
30	Shri. Sulekh(AHAR)
31	Shri. Visu(AHAR)
32	Shri. Alok(AHAR)
33	Shri. R. H. Hariharan
34	Shri. Rajendra Grover
35	Shri. Dinesh
36	Shri. Guruposal Shey (AHAR)

Sr.	
No.	Name
37	Shri. Shashank Rao (Mid Day)
38	Shri. Bharti Bhardare
39	Shri. Mirza Husain
40	Shri. Adnan Nagarwala
41	Shri. Prakash Shetty
42	Shri. Farook
43	Shri. Arun
44	Shri. Rajendra
45	Shri. Kumar C. Ashu
46	Shri. Pradip Sahoo (Bala V. Shetty)
47	Shri. Ajit Maity(Bala V. Shetty)
48	Shri. Avnish D

				Annexure -3
Sr. No	Particulars	Existing Charges (Case No. 25 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
	Application Registra	tion & Processii	ng Charges	
1	New connections / Reduction or addi service / Change of Tariff Category/T		U	e /Extension of
	a) Single phase	25	100	50
	b) Three phase	50	100	75
	c) HT. supply	100	200	200
2	Change of name			
	a) Single phase	25	50	50
	b) Three phase	50	50	50
	c) HT. supply	50	200	100

Note: 1. All the charges are excluding taxes, if any

				Annexure -4
Sr. No	Particulars	Existing Charges (Case No. 25 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
Serv	vice Connection Charges			
1	L.T. Supply			
	Single Phase		a) Connection Fee	
	For loads upto 5 KW	1500	for new	2000
	For loads above 5kw and upto 10 KW	2500	connection Rs. 100/- per connection	3000
	Three Phase		plus	
	Motive power upto 27 HP or other loads upto 20 kW	6000	b) Normative charges of Rs.	9000
	Motive power > 27 HP but <= 67 HP or other loads > 20 kW but <= 50 kW	13000	850/- per kW or part thereof plus c) Rs.1300/- per metre for service length exceeding 100 meters.	19500
	Motive power > 67 HP but <= 134 HP or other loads >50 kW but <= 100 kW	27000		40000
	Motive power > 134 HP but <= 201 HP or other loads > 100 kW but <= 150 kW	45000		60000
	*loads above 150kW	-		250000
2	H.T. Supply			
	Provision of distribution facility for power supply from BEST distribution network			
	For loads upto 500 kVA	275000	a) Connection Fee	350000
	For loads above 500 kVA	300000	for new connection- Rs. 100/- per connection, plus b) Normative charges of Rs. 850/- per kW, plus c) The cost of consumer feeder	400000

				Annexure -4
Sr. No	Particulars	Existing Charges (Case No. 25 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
			by BEST for giving supply in the particular Substation.	
	Provision of dedicated distribution facility for power supply to HT consumer	-	_	At actual
3	Charges for non-regular service such as Fire fighting or Temporary Connection	At actual	It is proposed to charge actual cost involved in giving fire fighting service/ Temporary service connection as per draft quotation considering obligatory rates given in BEST's "Schedule of Estimate & Schedule of Services" applicable for the year.	At actual
5	Extension of Load : the charges will be applicable on the total load (existing as well as additional load demanded)	As in Sr. No.1 & 2 above	As in Sr. No.1 & 2 above	As in Sr. No.1, 2, & 3 above
6	Security Deposit			
	1) Permanent Supply			
	a) Residential Consumers (new connection/additional sanctioned load)	-	Rs. 500/- per kW or part thereof	-
	b) Other Consumers (new connection/additional sanctioned load)	-	Rs. 1000/- per kW or part thereof	-
	2) Temporary Supply			

				Annexure -4
Sr. No	Particulars	Existing Charges (Case No. 25 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
	a) Religious Supply	-	Rs. 100/- per kW or part thereof per day	-
	b) Other Consumers (new connection/ additional sanctioned load)	-	Rs. 200/- per kW or part thereof per day	-

Note: 1. All the charges are excluding taxes, if any

2. * - For loads above 150 kW - As and when the amendment to MERC SoP Regulations are notified to include 'loads above 150kW upto certain specified limit' under L.T. Supply; else these will be covered under approved H.T. rates.

				Annexure -5
Sr. No	Particulars	Existing Charges (Case No. 25 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
Mis	cellaneous and General Charges			
1	Reconnection Charges			
	a) Re-installation fuse cutout	50	200	100
	b) Re-installation of meter	200	400	300
	c) HT Supply	200	1200	500
	d) Re-connection of Service Cable	1000	1500	750
2	Shifting of services/Meter, if carried out only on consumer's request	50	-	
	Single Phase	-	300	100
	Three Phase	-	400	200
3	Meter Testing on site on Consumer's request	50		
	Single Phase	-	150	100
	Three Phase	-	200/600	350
4	Meter Testing at BEST's laboratory on consumer's request			
	a) Single Phase meter	100	500	200
	b) Three Phase whole current meter		1000	500
	c) Three Phase CT meter		4000	1000
	d) H.T. Meter	300	4000	1000
	e) Single Phase Prepaid meter	-	500	200
	f) Three Phase Prepaid meter	-	1000	500
5	Meter testing at Government approved laboratory	-	-	At actual
6	Cost of meter (applicable in case consumer opts to purchase the meter from BEST Undertaking & in case of Lost and Burnt meter)			
	Single phase meter	700	1300	1000
	Three phase whole current meter	3000	7300	3000

				Annexure -5
Sr. No	Particulars	Existing Charges (Case No. 25 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
	Three phase C.T. operated meter	5500	7900	4000
	H.T. meter	-	22000	4500
	Single phase Prepaid meter	-	7400	3300
	Three phase Prepaid meter	-	21300	6000
7	Visit Charges (Only for new connection or additional supply request) (only in case of subsequent visit for Inspection and test of Installation and not for the first visit)	50	_	100
8	Service call charges/ per call			
	i)Temporarily removal of the fuses	-	200	-
	ii)Attendanceofourrepresentativeatconsumer'spremisesduringanyfunction(upto 3 hours)	-	2000	-
	iii) In case of Service Call		2000 plus	-
	extending beyond 3 hours		additional charges	
			@ of Rs. 400/-	
			per hour per	
			person and	
			fraction thereof	
9	Charges for dishonored cheque	_	Charges will be levied as per RBI's administrative charges, irrespective of no. of accounts.	250
10	Photocopying of Regulatory Order etc, (Rs./Page)	-	-	1

				Annexure -5
Sr. No	Particulars	Existing Charges (Case No. 25 of 2006) (Rs.)	Proposed Charges by BEST (Rs.)	Approved by the Commission (Rs.)
11	Duplicate copy of each monthly bill (Rs./Bill)	-	-	2
12	Statement of Accounts (Rs./Page)	-	5	2

Note: 1. All the charges are excluding taxes, if any