



महाराष्ट्र विद्युत नियामक आयोग

Maharashtra Electricity Regulatory Commission

Ref. No. MERC/FAC/20172018/3866

Date: 3 July, 2017

To,
The Director
Reliance Infrastructure Limited,
Devidas Lane, Off SVP Road,
Near Devidas Telephone Exchange,
Borivali (W), Mumbai 400 092

Subject: Post facto approval of RInfra-D's Fuel Adjustment Charges (FAC) for the period of October, 2016 to March, 2017.

Reference: 1. RInfra-D's FAC submission vide letter dated 27 March, 2017 for post-facto approval of FAC for the period from October, 2016 to January, 2017
2. RInfra-D's FAC submission vide letter dated 18 May, 2017 for post-facto approval of FAC for the period from February, 2017 and March, 2017

Sir,

Upon vetting the FAC calculations for the months of October, 2016 to March, 2017 as mentioned in the above reference, the Commission has accorded post facto approval to RInfra-D for charging FAC to its consumers as shown in the table below:

Month		Oct. 2016	Nov. 2016	Dec. 2016	Jan. 2017	Feb. 2017	Mar. 2017
Standalone FAC (Rs. Crore)	A	(23.29)	35.44	25.04	19.28	48.31	50.14
1 st Instalment of unrecovered part of recalculated FAC for the period of April to September, 2016* (Rs. Crore)	B	(29.81)	(29.55)	(29.30)		(29.04)	(28.79)
Net FAC allowed for recovery (Rs. Crore)	C=A+B	(53.10)	5.89	14.04		19.27	21.36

*Allowed vide FAC Vetting Report dated 13 January, 2017.

The above approval of FAC is subject to final True up of FY 2016-17 under the MERC (Multi Year Tariff) Regulations, 2015.



Yours faithfully,

(Dr. Rajendra Ambekar)
Executive Director

Encl: Annexure A: Detailed Vetting Report for the period of October, 2016 to March, 2017.

Page 1 of 16

Cc as enclosed:

Names and Addresses of Institutional Consumer Representatives

Prayas Energy Group, Amrita Clinic, Athawale Corner, Lakdipool-Karve Road Junction, Deccan Gymkhana, Karve Road, Pune 411 004.	The President, Mumbai Grahak Panchayat, Grahak Bhavan, Sant Dynyaneshwar Marg, Behind Cooper Hospital, Vile Parle (West), Mumbai 400 056.
The General Secretary, Thane Belapur Industries Association, Plot No.P-14, MIDC, Rabale Village, PO Ghansoli, Navi Mumbai 400 7001	The President, Vidarbha Industries Association, 1st floor, Udyog Bhawan, Civil Lines, Nagpur 440 001.
Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12 K. Dubash Marg, Fort, Mumbai- 400 001, (Nashik Branch) E-mail: maccia.nsk@gmail.com	Chamber of Marathwada Industries and Agriculture, Bajaj Bhavan, P-2, MIDC Area, Station Road, Aurangabad - 431 005



**POST FACTO APPROVAL FOR FAC CHARGES FOR THE MONTHS OF OCTOBER,
2016 TO MARCH, 2017**

Subject: Post facto approval of RInfra-D's Fuel Adjustment Charges (FAC) for the period of October, 2016 to March, 2017.

Reference: 1. RInfra-D's FAC submission vide letter dated 27 March, 2017 for post-facto approval of FAC for the period from October, 2016 to January, 2017
2. RInfra-D's FAC submission vide letter dated 18 May, 2017 for post-facto approval of FAC for the period from February, 2017 and March, 2017

1. FAC submission by RInfra-D:

1.1 RInfra-D has submitted FAC submissions for the months of October, 2016 to March, 2017 as referred above. Upon vetting the FAC calculations, taking cognizance of all the submissions furnished by RInfra-D, the Commission has accorded post facto approval for the FAC amount to be charged in the billing months of January, 2017 to May, 2017.

2. Background

2.1 On 21 October, 2016, the Commission has issued Tariff Order for RInfra-D, (Case No. 34 of 2016) for True-up of FY 2014-15, provisional Truing-up for FY 2015-16, and Aggregate Revenue Requirement and Tariff for FY 2016-17 to FY 2019-20. Revised Tariff has been made applicable from 1 October, 2016.

2.2 Vide its letter dated 15 November, 2016, the Commission communicated the excel formats for filing of FAC submissions to all Distribution Licensees. The Commission also directed all Distribution Licensees to submit FAC computations, including details pertaining to variation in fuel cost of generators for the approval of the Commission.

2.3 Vide FAC vetting Report dated 13 January, 2017, the Commission accorded prior approval to the FAC for the month of October, 2016.

2.4 In terms of MERC (MYT) Regulations, 2015 a Distribution Licensee is required to obtain post facto approval of the Commission on a quarterly basis for FAC charges. Accordingly, vide its letters dated 27 March, 2017 and 18 May, 2017, RInfra-D has filed FAC submissions for the months of October, 2016 to January, 2017 and February, 2017 to March, 2017, respectively for post facto approval. The Commission has scrutinized the



submissions provided by Rlnfra-D and has also verified the fuel and power purchase bills provided along with its submissions.

3. Energy Sales of the Licensee

3.1 The net energy sales within licence area as submitted by Rlnfra-D in the FAC submission and as approved by the Commission are as shown in the table below.

Consumer Category	Approved by the Commission (MU)	Monthly Approved (MU)	Actual Sales (MU)						
			Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	
			(I)	(II=I/12)	(III)	(IV)	(V)	(VI)	(VII)
LT Category									
LT I – BPL	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LT -I Residential (Single Phase)									
0-100	1646.18	137.18	137.41	129.53	125.61	122.75	127.42	154.95	
101-300	1070.32	89.19	87.63	71.30	61.02	54.00	63.31	76.73	
301-500	186.98	15.58	11.81	8.19	5.86	4.37	6.32	7.57	
500and above	70.49	5.87	3.32	2.19	1.60	1.17	1.60	1.84	
LT -I Residential (Three Phase)									
0-100	222.77	18.56	19.38	18.94	18.95	19.01	19.18	23.35	
101-300	334.48	27.87	28.50	26.70	25.61	24.62	25.99	31.51	
301-500	177.74	14.81	13.92	12.23	10.70	9.49	11.01	13.33	
500and above	338.75	28.23	26.67	23.38	21.61	20.46	21.47	26.03	
LT II- Commercial									
LT II (a) - 0-20 kW	1669.85	139.15	142.94	130.40	126.73	123.55	131.05	158.83	
LT II (b) - 20-50 kW	219.41	18.28	18.09	18.28	18.42	16.64	16.32	19.68	
LT II (c) - above 50 kW	468.58	39.05	39.80	41.50	40.35	37.71	36.97	44.28	
LT III (A)- LT Industrial upto 20 kW	159.62	13.30	13.54	11.13	11.41	12.17	13.33	16.18	
LT III(B) - LT Industrial above 20 kW	381.62	31.80	33.87	30.86	32.21	29.97	30.06	36.49	
LT IV - Public Water Works	2.94	0.25	0.62	1.06	1.02	1.01	0.92	1.12	
LT-V : LT- Advertisements and Hoardings	3.61	0.30	0.31	0.31	0.30	0.32	0.29	0.35	
LT VI: LT -Street Lights	64.16	5.35	5.84	4.79	5.85	5.44	4.63	5.62	
LT-VII (A): LT -	2.08	0.17	0.36	0.24	0.23	0.05	0.05	0.06	

Consumer Category	Approved by the Commission (MU)	Monthly Approved (MU)	Actual Sales (MU)					
			Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
			(I)	(II=I/12)	(III)	(IV)	(V)	(VI)
Temporary Supply Religious								
LT-VII (B): LT - Temporary Supply Others	82.41	6.87	4.70	-2.78	2.00	1.16	1.38	1.68
LT VIII: LT - Crematorium & Burial Grounds	1.04	0.09	0.09	0.07	0.08	0.07	0.07	0.08
LT IX: LT -Public Service (A)	20	1.67	1.77	1.68	1.53	1.50	1.54	1.87
LT IX: LT -Public Service (B)	67.02	5.59	6.81	6.64	6.42	6.14	6.29	7.63
LT X (A) : LT - Agriculture Pump sets	0.09	0.01	0.00	0.00	0.00	0.01	0.01	0.02
HT Category								
HT I (Industrial)	309.45	25.79	25.57	23.45	23.53	21.87	21.12	25.63
HT II (Commercial.)	544.52	45.38	38.00	37.93	38.16	35.59	34.98	42.45
HT III (Group Housing Soc.)	47.6	3.97	3.33	2.99	3.20	2.96	2.76	3.35
HT VII (Temporary Supply)	12.26	1.02	1.10	-0.98	0.05	0.07	0.06	0.07
HT V - Railways	15.96	1.33	2.28	2.17	2.20	2.12	1.97	2.39
HT VI- Public Services (A)	9.4	0.78	0.56	0.46	0.36	0.47	0.46	0.56
HT VI- Public Services (B)	95.63	7.97	7.60	6.83	6.74	6.40	6.37	7.73
HT IV- Public Water works	6.45	0.54	0.60	0.51	0.52	0.52	0.48	0.58
TOTAL	8231.07	685.92	676.44	610.03	592.30	561.60	587.42	711.96

4. Cost of Power Purchase

4.1 Rlnfra-D purchase majority of its power from Rlnfra-G and VIPL. Further, Rlnfra-D also procures power from other sources in order to fulfil the demand of its consumers. The following are the list of sources from which Rlnfra-D procures power to meet its demand.

- a) Purchases from Rlnfra-G (DTPS)
- b) Purchase from other generating stations such as VIPL
- c) Renewable energy procurement(RPS)
- d) Bilateral contracts and decrements to the imbalance pool



4.2 The following tables show the variation in average power purchase cost (Rs/kWh) for the month of October, 2016 to March, 2017 as compared to average power purchase cost approved in Tariff Order dated 21 October, 2016:

Particulars	Tariff Order Dated 21.10.2016			Actual for October, 2016		
	Net Purchase	Cost	Average Power Purchase Cost	Net Purchase	Cost	Average Power Purchase Cost
	MU	Rs. Crore	Rs/kWh	MU	Rs. Crore	Rs/kWh
RInfra-G	3800.65	1537.29	4.04	287.86	115.11	4.00
RE Sources	275.00	296.54	10.78	16.10	11.10	6.89
VIPL-G	4059.71	1795.60	4.42	333.44	148.58	4.46
Bilateral/ Traders	1410.66	442.91	3.14	57.10	17.03	2.98
Others	-	55.53	-	81.48	20.43	2.51
Total	9546.02	4127.87	4.32	775.97	312.25	4.02

Particulars	Actual for November, 2016			Actual for December, 2016		
	Net Purchase	Cost	Average Power Purchase Cost	Net Purchase	Cost	Average Power Purchase Cost
	MU	Rs. Crore	Rs/kWh	MU	Rs. Crore	Rs/kWh
RInfra-G	277.08	116.57	4.21	294.78	125.52	4.26
RE Sources	11.00	8.19	7.44	13.70	9.53	6.96
VIPL-G	305.49	142.48	4.66	307.28	153.87	5.01
Bilateral/ Traders	33.17	9.37	2.83	43.26	12.93	2.99
Others	60.84	56.15	9.23	43.44	40.56	9.34
Total	687.59	332.76	4.84	702.45	342.42	4.87

Particulars	Actual for January, 2016			Actual for February, 2016		
	Net Purchase	Cost	Average Power Purchase Cost	Net Purchase	Cost	Average Power Purchase Cost
	MU	Rs. Crore	Rs/kWh	MU	Rs. Crore	Rs/kWh
RInfra-G	294.08	125.84	4.28	272.04	119.99	4.41
RE Sources	10.96	7.96	7.27	13.70	34.82	25.42 [#]



Particulars	Actual for January, 2016			Actual for February, 2016		
	Net Purchase	Cost	Average Power Purchase Cost	Net Purchase	Cost	Average Power Purchase Cost
	MU	Rs. Crore	Rs/kWh	MU	Rs. Crore	Rs/kWh
VIPL-G	179.71	115.05	6.40	168.22	112.55	6.69
Bilateral/ Traders	90.60	27.90	3.08	123.78	36.57	2.95
Others	69.00	20.39	2.96	69.26	24.15	3.49
Total	644.35	297.14	4.61	647.00	328.07	5.07

Particulars	Actual for March, 2017		
	Net Purchase	Cost	Average Power Purchase Cost
	MU	Rs. Crore	Rs/kWh
RInfra-G	300.52	131.83	4.39
RE Sources	15.76	52.19	33.11 [#]
VIPL-G	291.71	151.81	5.20
Bilateral/ Traders	108.22	32.34	2.99
Others	61.90	19.29	3.12
Total	778.11	387.46	4.98

#Higher per Unit cost of RE sources is on account of purchase of Renewable Energy certificates by RInfra-D.

5. FAC on account of fuel and power purchase cost (F)

5.1 The Commission has worked out the average power purchase costs for the months as shown in above tables. The same has been compared with the average power purchase cost approved by the Commission in Tariff Order dated 21 October, 2016 and arrived at differential per unit rate at which Z_{FAC} is to be passed on to the consumers.

5.2 The following table shows the Z_{FAC} worked out by the Commission on account of difference in fuel and power purchase cost for the months of October, 2016 to March, 2017.

S. No.	Particulars	Units	Oct. 2016	Nov. 2016	Dec. 2016	Jan. 2017	Feb. 2017	Mar. 2017
1	Average power purchase cost approved by the Commission	Rs./kWh	4.32	4.32	4.32	4.32	4.32	4.32



S. No.	Particulars	Units	Oct. 2016	Nov. 2016	Dec. 2016	Jan. 2017	Feb. 2017	Mar. 2017
2	Actual average power purchase cost	Rs./kWh	4.02	4.84	4.87	4.61	5.07	4.98
3	Change in average power purchase cost (=2 -1)	Rs./kWh	(0.30)	0.52	0.55	0.29	0.75	0.66
4	Net Power Purchase	MU	775.97	687.59	702.45	644.35	647.00	778.11
5	Change in fuel and power purchase cost (=3 x 4/10)	Rs. Crore	(23.29)	35.44	38.67	18.51	48.30	51.00

6. Adjustment for over recovery/under recovery (B)

6.1 After adjustment for over-recovery/under recovery (B), the adjustment factor to be added / reduced is as below:

S. No.	Particulars	Units	Oct. 2016	Nov. 2016	Dec. 2016	Jan. 2017	Feb. 2017	Mar. 2017
1.1	Incremental cost allowed to be recovered in Month n-4	Rs. Crore	0.00	0.00	0.00	(53.10)	5.89	14.04
1.2	Incremental cost in Month n-4 actually recovered in month n-2	Rs. Crore	2.53	(2.84)	0.04	(39.46)	5.13	14.88
1.3	Adjustment factor for over-recovery/under-recovery (1.2 - 1.1)	Rs. Crore	(2.53)	2.84	(0.04)	(13.65)	0.75	(0.84)

6.2 RInfra-D has levied/refunded minor FAC amounts during October to December, 2017. However, the Commission vide its prior Approval Report dated 13 January, 2017 had directed RInfra-D to levy FAC for October in the month of January, 2017. Accordingly, no FAC should have been levied during the months of October to December, 2017. RInfra-D was asked to submit detailed justification in this regards. RInfra-D in its response submitted that the Commission in its MYT Order dated 21 October, 2016 had directed RInfra-D to seek prior approval of FAC for the month of October, 2016 before charging it to consumers. Hence, the FAC already charged to consumers in October, 2016 (before issuance of MYT Order) was reversed. RInfra-D further submitted that FAC charged to consumers of last 10 billing cycles in October, 2016 could not be reversed and so, the revenue from FAC in October, 2016 is stated as Rs. 2.53 Crore. This FAC amount was refunded to the consumers in the month of November 2016 (Rs. 2.84 Crore).

6.3 Further, RInfra-D in its FAC Formats has submitted that it has inadvertently considered the adjustment factor for the month of February, 2017 in the month of January, 2017. Accordingly, adjustment factor has not been considered for determining the final category wise FAC for February, 2017.



7. **Carrying Cost for over recovery/under recovery (B)**

7.1 Carrying/ Holding cost for under/ over recovery has been granted at approved interest rate for the eligible amount viz. the difference between the normative actual variable cost of power procurement and approved cost of power procurement for the respective months. The following Table shows the month wise interest rate and amount worked out as Carrying/ Holding cost for under/ over recovery for the months of October, 2016 to March, 2017.

Month	Oct. 2016	Nov. 2016	Dec. 2016	Jan. 2017	Feb. 2017	Mar. 2017
Adjustment Factor (Rs. Crore)	(2.53)	2.84	(0.04)	(13.65)	0.75	(0.84)
Applicable Interest Rate	10.80%	10.80%	10.80%	10.80%	10.80%	10.80%
Carrying/ Holding cost for under/ over recovery (Rs. Crore)	(0.05)	0.05	(0.00)	(0.25)	0.01	(0.02)

8. **Disallowance due to excess Distribution Loss**

8.1 Regulation 10.8 of MYT Regulations, 2015 provides for FAC amount to be reduced in case the actual distribution loss for the month exceeds the approved distribution loss. The relevant extract is reproduced as follows.

“10.8 The total ZFAC recoverable as per the formula specified above shall be recovered from the actual sales in terms of “Rupees per kilowatt-hour”:

Provided that, in case of unmetered consumers, the ZFAC shall be recoverable based on estimated sales to such consumers, computed in accordance with such methodology as may be stipulated by the Commission:

Provided further that, where the actual distribution losses of the Distribution Licensee exceed the level approved by the Commission, the amount of ZFAC corresponding to the excess distribution losses (in kWh terms) shall be deducted from the total ZFAC recoverable”

8.2 The following table provides the comparison of approved and actual distribution loss and disallowance due to excess distribution loss if any.



S. No.	Particulars	Units	Approved in Tariff Order	Actual up to					
				Oct. 2016	Nov. 2016	Dec. 2016	Jan. 2017	Feb. 2017	Mar. 2017
1	Net Energy input at Distribution Voltages for own sales*	MU	9172.24	5438.71	6109.50	6793.96	7422.54	8052.94	8814.01
2	Own Energy sales at Distribution voltages	MU	8231.07	4905.72	5516.37	6108.67	6670.27	7257.70	7969.66
3	Distribution Loss (=1-2)	MU	941.17	533.00	593.13	685.29	752.27	795.25	844.35
4	Distribution Loss as % of net energy input (=3/1)	%	10.26%	9.79%	9.71%	10.09%	10.13%	9.88%	9.58%
5	Excess Distribution Loss =[Distribution Loss (4) - Distribution loss approved] x Net Energy Input (1)	MU	-	-	-	-	-	-	-
6	Disallowance of FAC due to excess Distribution Loss	Rs. Crore	-	-	-	-	-	-	-

Net energy input at Distribution Voltage for own sales as approved by the Commission is obtained by reducing the approved "energy injected by TPC-D for change-over consumers (2258.85 MU)" from the approved "total energy input at T<>D (11431.09 MU)"

8.3 As seen from the above table, cumulative distribution loss for the months of October, 2016 to March, 2017 is lower than the approved distribution loss of 10.26%. Accordingly, there is no deduction on account of excess distribution loss for the month of October, 2016 to March, 2017.

9. Recalculation of FAC based for the period April to September 2016:

9.1 In its vetting report dated 26 December 2016 for the month of July to September, 2016, the Commission has directed Rlnfra-D as follows:

"10.3 Since, FAC for the period of April 2016 to September 2016 has been calculated based on the power purchase cost approved for FY 2015-16 in the prevailing Tariff Order dated 26 June, 2015, Rlnfra is directed to recalculate FAC for this period after considering the power purchase cost approved for FY 2016-17 in Tariff Order dated 21 October, 2016. Rlnfra shall adjust the resultant FAC amount which remains to be recovered / refunded in next FAC billing process..."



- 9.2 In compliance of above, RInfra-D vide email dated 9 January, 2017 submitted recomputed FAC for the month of April to September, 2016 after comparing actual power purchase expenses with approved expenses for FY 2016-17 in Tariff Order dated 21 October, 2016. As per this submission FAC of Rs 109.04 Crore is to be refunded to the consumers for this period. RInfra-D has proposed to refund this amount in six equal instalments with holding cost.
- 9.3 The Commission has scrutinised submission of RInfra-D and found that FAC of Rs 170.41 Crore is to be refunded to the consumers for the period of April to September, 2016. The Commission vide its FAC Report dated 13 January, 2017 has directed RInfra-D to refund Rs. 170.41 Crore to its consumers in six equal instalments with holding cost.
- 9.4 The Commission has considered Rs. 28.40 Crore (1/6th) of the total amount for the each of the months of October, 2016 to March, 2017 along with holding cost of Rs. 1.41 Crore, Rs. 1.15 Crore, Rs. 0.89 Crore, Rs. 0.64 Crore, Rs. 0.38 Crore and Rs. 0.13 Crore for month of October, 2016 to March, 2017 respectively.

10. Summary of Allowable Z_{FAC}

- 10.1 The summary of the FAC amount as approved by the Commission for the month of October, 2016 to March, 2017 which is allowed to be recovered in the billing month of January, 2017 to May, 2017 is as shown in the Table below.

S. No.	Particulars	Units	Oct-16	Nov-16	Dec-16	Jan-17	Feb. 17	Mar. 17
1.0	Calculation of ZFAC							
1.1	Change in cost of generation and power purchase attributable to Sales within the License Area (F)	Rs. Crore	(23.29)	35.44	38.67	18.51	48.30	51.00
1.2	Carrying cost for over-recovery/under-recovery (C)	Rs. Crore	0.00	0.00	(0.24)	0.01	0.01	(0.02)
1.3	Adjustment factor for over-recovery/under-recovery (B)	Rs. Crore	0.00	0.00	(13.39)	0.75	0.00*	(0.84)
1.4	ZFAC = F+C+B	Rs. Crore	(23.29)	35.44	25.04	19.28	48.31	50.14
1.5	Instalments of recalculated net FAC amount of Rs. 170.41 Crore for April to Sept-2016 (with holding cost)	Rs. Crore	(29.81)	(29.55)	-	(29.30)	(29.04)	(28.79)
1.6	Net ZFAC for the	Rs. Crore	(53.10)	5.89	25.04	(10.02)	19.27	21.36

S. No.	Particulars	Units	Oct-16	Nov-16	Dec-16	Jan-17	Feb. 17	Mar. 17
	months of Oct, 2016 to Mar, 2017							
2.0	Calculation of FAC Charge							
2.1	Energy Sales within the License Area	MU	676.44	610.03	592.30	561.60	587.42	711.96
2.2	Excess Distribution Loss	MU	0.00	0.00	0.00	0.00	0.00	0.00
2.3	ZFAC per kWh	Rs./kWh	(0.79)	0.10	-	0.25	0.33	0.30
3.0	Recovery of FAC							
3.1	Allowable FAC [(2.1 x 2.5)/10]	Rs. Crore	(53.10)	5.89	0.00	15.02	19.27	21.36
3.2	FAC disallowed corresponding to excess Distribution Loss [(2.2 x 2.5)/10]	Rs. Crore	0.00	0.00	0.00	0.00	0.00	0.00
4.0	Total FAC based on category wise and slab wise allowed to be recovered	Rs. Crore	(53.10)	5.89	0.00	15.02	19.27	21.36
4.1	Carried forward FAC for recovery during future period (3.1-3.2-4.0)	Rs. Crore	0.00	0.00	0.00	0.00	0.00	0.00

* RInfra-D in its FAC Formats has submitted that it has inadvertently considered the adjustment factor for the month of February, 2016 in the month of January, 2017. Accordingly, adjustment factor has not been considered for determining the final category wise FAC for February, 2017.

11. Recovery from Consumers:

11.1 Regulation 10.9 of MERC MYT Regulations, 2015 provides for methodology of recovery of FAC charge from each category of consumers. The relevant extract is reproduced as below.

"10.9 The ZFAC per kWh for a particular Tariff category/sub-category/consumption slab shall be computed as per the following formula:—

$$ZFAC \text{ Cat (Rs/kWh)} = [ZFAC / (\text{Metered sales} + \text{Unmetered consumption estimates} + \text{Excess distribution losses})] * k * 10,$$

Where:

ZFAC Cat = ZFAC component for a particular Tariff category/sub-category/consumption slab in 'Rupees per kWh' terms;



$k = \text{Average Billing Rate} / \text{ACOS};$

Average Billing Rate = Average Billing Rate for a particular Tariff category/sub-category/ consumption slab under consideration in 'Rupees per kWh' as approved by the Commission in the Tariff Order:

Provided that the Average Billing Rate for the unmetered consumers shall be based on the estimated sales to such consumers, computed in accordance with such methodology as may be stipulated by the Commission:

ACOS = Average Cost of Supply in 'Rupees per kWh' as approved for recovery by the Commission in the Tariff Order:

Provided that the monthly ZFAC shall not exceed 20% of the variable component of Tariff or such other ceiling as may be stipulated by the Commission from time to time:

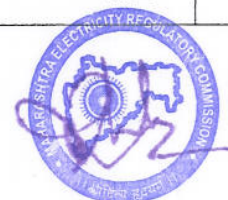
Provided further that any under-recovery in the ZFAC on account of such ceiling shall be carried forward and shall be recovered by the Distribution Licensee over such future period as may be directed by the Commission....”

- 11.2 FAC per Unit for each category of consumer has been worked out based on the formula provided in the above Regulations. The Commission observed that there is an under recovery of Z_{FAC} in absolute terms on considering category wise per unit FAC worked out and category wise actual sales for the months of October, 2016 to March, 2017.
- 11.3 The variation in FAC in absolute terms is due to formula error of Z_{FAC} computed on per unit basis. The variation however is taken care in the adjustment factor of subsequent months.
- 11.4 On account of delay in submission of proposal for prior approval of FAC for the first month of Tariff Order, the Commission vide its prior Vetting of FAC dated 13 January, 2017 has directed RInfra-D to levy FAC for October, 2016 in January, 2017 i.e. lag of three months in recovery of FAC. Accordingly, RInfra-D has levied FAC for October, 2016 and November, 2016 in January 2017 and February 2017.
- 11.5 However, in order to reduce such time lag of three months to two months as envisage in MYT Regulations, 2015, RInfra-D has combine FAC for the months of December, 2016 & January, 2017, and levied it to the consumers in March 2017. Thereafter, FAC for February and March 2017 is levied to the consumers in the month of April and May, 2017 i.e. after two months time lag as per Regulations. As levy of two months FAC in March, 2017 was with objective of reducing the time lag from 3 month to 2 months as envisage in Regulations, the same is allowed.
- 11.6 The following table shows per unit Z_{FAC} to be charged to the consumers of RInfra-D for the billing month of January, 2017 to May, 2017.



FAC for Billing Month of January 2017 to March 2017

S. No.	Consumer Category	Slabs	ZFAC to be levied in billing month of Jan'17 (Rs./kWh)	ZFAC to be levied in billing month of Feb'17 (Rs./kWh)	ZFAC to be levied in billing month of Mar'17 (Rs./kWh)
(A)	LT Category				
1	LT - I – BPL	0 – 30	(0.42)	0.05	0.12
2	LT - I Residential (Single Phase)	0 – 100	(0.32)	0.04	0.10
		101 - 300	(0.70)	0.09	0.21
		301 - 500	(0.80)	0.10	0.24
		> 501	(0.95)	0.12	0.28
3	LT - I Residential (Three Phase)	0 – 100	(0.32)	0.04	0.09
		101 - 300	(0.66)	0.08	0.19
		301 - 500	(0.79)	0.10	0.23
		> 501	(0.93)	0.11	0.27
4	LT - II Commercial	0-20 kW	(0.86)	0.11	0.25
		20-50 kW	(0.91)	0.11	0.27
		>50kW	(0.96)	0.12	0.28
7	LT - III (A) Industrial	0-20 kW	(0.77)	0.10	0.23
8	LT - III (B) Industrial	>20 kW	(0.81)	0.10	0.24
9	LT - IV Public Water Works	all units	(0.70)	0.09	0.21
10	LT-V Advertisements and Hoardings	all units	(1.13)	0.14	0.33
11	LT – VI Street Lights	all units	(0.74)	0.09	0.22
12	LT-VII (A) -Temporary Supply Religious	all units	(0.63)	0.08	0.18
13	LT-VII (B) Temporary Supply Others	all units	(0.96)	0.12	0.28
14	LT VIII - Crematorium & Burial Grounds	all units	(0.60)	0.07	0.18
15	LT IX -Public Service (A)	all units	(0.70)	0.09	0.21
16	LT IX -Public Service (B)	all units	(0.76)	0.09	0.22
17	LT X (A) - Agriculture Pumpsets	all units	(0.39)	0.05	0.12
18	LT X (B) - Agriculture Others	all units	(0.58)	0.07	0.17



S. No.	Consumer Category	Slabs	ZFAC to be levied in billing month of Jan'17 (Rs./kWh)	ZFAC to be levied in billing month of Feb'17 (Rs./kWh)	ZFAC to be levied in billing month of Mar'17 (Rs./kWh)
(B)	HT Category				
16	HT I (Industrial)	all units	(0.84)	0.10	0.25
17	HT II (Commercial.)	all units	(0.89)	0.11	0.26
18	HT III (Group Housing Soc)	all units	(0.75)	0.09	0.22
19	HT VII (Temporary Supply)	all units	(0.90)	0.11	0.26
20	HT – V Railways	all units	(0.66)	0.08	0.20
21	HT – VI Public Services (A)	all units	(0.78)	0.10	0.23
22	HT – VI Public Services (B)	all units	(0.87)	0.11	0.26
23	HT IV - Public Water works	all units	(0.72)	0.10	0.24



FAC for Billing Month of April 2017 to May 2017

S. No.	Consumer Category	Slabs	ZFAC to be levied in billing month of Apr'17 (Rs./kWh)	ZFAC to be levied in billing month of May'17 (Rs./kWh)
(A)	LT Category			
1	LT - I – BPL	0 – 30	0.18	0.16
2	LT - I Residential (Single Phase)	0 – 100	0.15	0.13
		101 - 300	0.30	0.27
		301 - 500	0.34	0.31
		> 501	0.41	0.37
3	LT - I Residential (Three Phase)	0 – 100	0.14	0.13
		101 - 300	0.28	0.26
		301 - 500	0.34	0.31
		> 501	0.40	0.37
4	LT - II Commercial	0-20 kW	0.36	0.33
		20-50 kW	0.37	0.33
		>50kW	0.38	0.35
7	LT - III (A) Industrial	0-20 kW	0.31	0.28
8	LT - III (B) Industrial	>20 kW	0.33	0.30
9	LT - IV Public Water Works	all units	0.30	0.28
10	LT-V Advertisements and Hoardings	all units	0.45	0.41
11	LT – VI Street Lights	all units	0.31	0.28
12	LT-VII (A) -Temporary Supply Religious	all units	0.27	0.25
13	LT-VII (B) Temporary Supply Others	all units	0.39	0.35
14	LT VIII - Crematorium & Burial Grounds	all units	0.25	0.23
15	LT IX -Public Service (A)	all units	0.29	0.27
16	LT IX -Public Service (B)	all units	0.30	0.27
17	LT X (A) - Agriculture Pumpsets	all units	0.17	0.16
18	LT X (B) - Agriculture Others	all units	0.25	0.23
(B)	HT Category			
16	HT I (Industrial)	all units	0.34	0.32
17	HT II (Commercial.)	all units	0.36	0.33
18	HT III (Group Housing Soc.)	all units	0.32	0.29
19	HT VII (Temporary Supply)	all units	0.36	0.33
20	HT V - Railways	all units	0.28	0.26
21	HT VI- Public Services (A)	all units	0.32	0.30
22	HT VI - Public Services (B)	all units	0.36	0.33
23	HT IV- Public Water works	all units	0.34	0.31



