



महाराष्ट्र विद्युत नियामक आयोग

Maharashtra Electricity Regulatory Commission

Order No. MERC/FAA/2018/APPEAL/05 OF 2018/0284

02 October, 2018

Date of RTI Application filed: 11.07.2018
Date of Reply of PIO : 09.08.2018
Date of receipt of First Appeal: 10.09.2018
Date of Order of First Appeal: 02.10.2018

BEFORE THE APPELLATE AUTHORITY
(Under the Right to Information Act, 2005)
Maharashtra Electricity Regulatory Commission, Mumbai

Appeal No. 05 of 2018

Dr. Ashok T. Wagle **Appellant**

Vs.

PIO, MERC, Mumbai **Respondent**

In exercise of the power, conferred upon the Appellate Authority by Section 19 (6) of Right to Information Act, 2005, the Appellate Authority makes the following decision:

Facts of the Appeal

- 1) The Appellant had filed an application dated 11.07.2018, under the Right to Information Act, 2005, (hereinafter referred to as "RTI Act"). The Respondent vide letter dated 09.08.2018 responded to the Appellant's Application. The Appellant has filed this Appeal on 10.09.2018, against the said response.
- 2) Before passing an Order, the First Appellate Authority has given the Appellant an opportunity of personal hearing on 25.09.2018 by serving upon him a notice of hearing dated 11.09.2018. The Appellant was absent in the hearing, the Respondent PIO was present and made his oral submission.
- 3) I have carefully considered the application, the response and the Appeal and find that the matter can be decided based on the material available on record.
- 4) Upon perusal of the Appellant's request for information as made through his application, I find that Appellant has raised his two queries, as stated by the Appellant that PIO have not provided answer/information that (i) what are the regulatory Asset Charges and (ii) tariff of BSES before take over by Reliance, and tariff granted by MERC to Reliance after take over.

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The Grounds of the Appeal:

Refusal by / failure of the Information officer.

- 5) Without prejudice to the foregoing, upon a consideration of the Appellant's request for information as contained in his application in light of his Appeal, it would appear that Appellant has sought information, which is related with the other public authorities i.e. BSES, Reliance and Tata Power.
- 6) Whereas, the Respondent PIO, has provided the information to the Appellant excepting on the two queries raised in the Appeal.
- 7) As, the Appellant has raised two queries for not providing information regarding the Point No. II of his application, the following information is being furnished to the Appellant vide **Annexure 'A'**
- 8) It is submitted that with respect to query raised in Point No. IV. The PIO has provided information stating that tariff Order in Case No. 18 of 2013 dated 01 January, 2004. The information is provided with respect to Point No. IV hence it need not to be interfere.
- 9) In the light of the above facts and circumstance by providing the available information to the Appellant (**Annexure 'A'**), allowed this Appeal partly and disposed off accordingly.
- 10) Even though the Appellant was absent, in the hearing held on 25.09.2018, this Appeal has been disposed off on the merits .
- 11) In case, the appellant is not satisfied with decision, he may prefer Second Appeal under RTI Act, 2005, within 90 days from the issue of this decision before the State Information Commissioner, 13th Floor, New Administrative Building, Madam Cama Road, Opposite Mantralaya, Mumbai- 400 032.

Decision

The Appeal is partly allowed and disposed off accordingly.

 2/10/18

(Anilkumar Ukey)

**First Appellate Authority & Dy. Director (Legal)
Maharashtra Electricity Regulatory Commission**

To
Dr. Ashok T. Wagale,
Vitthal Bhavan, 2nd Floor,
25 Turner Road,
Bandra(w), Mumbai – 400 050.

Copy to:
PIO, MERC, Mumbai.

 2/10/18

(Anilkumar Ukey)

**First Appellate Authority & Dy. Director (Legal)
Maharashtra Electricity Regulatory Commission**

Enclosure :- Annexure 'A'

Reply:-

The Regulatory Asset is created in case the revenue from Revised Tariff does not meet the Annual Revenue Requirement for the particular year. The amount is deferred in the particular year to avoid tariff shock to the Consumers. Regulatory Asset Charges is the Charge for past recoveries of the Distribution Licensee which could not be recovered since, the approved Tariff was not sufficient to recover the costs incurred.

Clause 8.2.2 of Tariff Policy, 2006 provides for such dispensation:

"8.2.2. The facility of a regulatory asset has been adopted by some Regulatory Commissions in the past to limit tariff impact in a particular year. This should be done only as exception, and subject to the following guidelines:

a. The circumstances should be clearly defined through regulations, and should only include natural causes or force majeure conditions. Under business as usual conditions, the opening balances of uncovered gap must be covered through transition financing arrangement or capital restructuring;

b. Carrying cost of Regulatory Asset should be allowed to the utilities; c. Recovery of Regulatory Asset should be time-bound and within a period not exceeding three years at the most and preferably within control period;

d. The use of the facility of Regulatory Asset should not be repetitive.

e. In cases where regulatory asset is proposed to be adopted, it should be ensured that the return on equity should not become unreasonably low in any year so that the capability of the licensee to borrow is not adversely affected."

Wheeling Charges is the cost incurred on network to supply to the consumers. It is mainly the cost of wire to supply to the consumers. The Commission has earlier used to have one bundled tariff consisting of Fixed Charge and Energy Charge in which Wheeling Charges were subsumed. Later the Commission has segregated the Wire cost and Supply cost for better understanding to the consumers.

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R.T.I. ACT VIDE APPLICATION
DTD. 11/7/18


(P. D. MOHARE)