

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005
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Case No. 4 of 2017

Date: 30 March, 2017

Coram: **Shri. Azeez M. Khan, Member**
 Shri. Deepak Lad, Member

Petition filed by BEST Undertaking seeking review of the MERC Order dated 28.10.2016 in Case No. 33 of 2016 in the matter of Truing up of the Aggregate Revenue Requirement (ARR) for FY 2012-13 to FY 2014-15, Provisional Truing Up of FY 2015-16 and approval of ARR and determination of MYT for the third Control Period FY 2016-17 to FY 2019-20.

BEST Undertaking (BEST)

... Petitioner

Appearance

Representative for the Petitioner:

Shri. S. S. Jadhav (Rep.)

Shri. Bilal Shaikh (Rep.)

Authorised Consumer Representative:

Dr. Ashok Pendse, TBIA

DAILY ORDER

Representative of BEST stated that, in the Multi – Year Tariff (MYT) Order dated 28 October, 2016 in Case No.33 of 2016, certain expenses/claims sought by BEST in its Petition have been disallowed. There seems to be an “error apparent on face of the record” in disallowing of those expenses/claims. Certain difficulties have arisen due to deduction of certain expenses, which is inconsistency with the earlier practice. Hence BEST has filed this review Petition on certain issues under the following Regulations:

- a. Regulation 85 (a) of the MERC (Conduct of Business) Regulations, 2004 for error apparent on face of the record.
- b. Regulation, 102 of MERC (MYT) Regulations, 2015 for power to remove difficulties.

Representative of BEST made a detailed presentation on the issues on which review has been sought. The issues are as follows:

1. Issues pertaining to Truing Up of FY 2012-13 to FY 2015-16:
 - a) Renewable power purchase
 - b) Depreciation
 - c) Operation and Maintenance Expenses
 - d) Property Insurance fund
 - e) Return on Equity
 - f) Delayed payment charges
 - g) Interest on account of accumulated FAC
2. Issues pertaining to Third MYT Control Period.
 - a) Power purchase from TPC-G
 - b) Wheeling charges
 - c) Refund of TDLR to temporary category
 - d) Interest on contribution to contingency Reserve
 - e) Distribution Loss Trajectory
 - f) Operation and Maintenance Expenses

Dr. Ashok Pendse of Thane-Belapur Industries Association (TBIA, an authorised Consumer Representative) stated that all Distribution Licensees in the State are seeking review on the Operation and Maintenance expenses approved by the Commission on different grounds. He stated that issue of delayed payment charges (DPC) need to be seen in the perspective of the intention and purpose of levy DPC. He also pointed out that the distribution loss is not only a function of capital expenditure, but also depends on several other factors.

The Case is reserved for Order.

Sd/-
(Deepak Lad)
Member

Sd/-
(Azeez M. Khan)
Member