

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005
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Case No. 47 of 2017

Dated: 4 May, 2017

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

In the matter of

Petition of Nidar Utilities Panvel LLP for approval of a provisional tariff for the operation to be commenced in the SEZ area at Panvel, District Raigad.

Nidar Utilities Panvel LLP (NUPL)

.....Petitioner

Appearance:

For the Petitioner:

Shri. Anirban Guva (Rep)

Shri. Jitendra Bhanushali (Rep)

Daily Order

1. Heard the representatives of the Petitioner.
2. NUPL stated that:
 - i. An important objective of the Special Economic Zones (SEZ) Act is to give better service to the Units in the SEZ area. In order to achieve this objective, MUPL is proposing a uniform tariff of Rs. 8.51 per kWh for most categories of consumers. For Temporary supply, tariff of Rs. 13.48 per kWh has been proposed. The tariff of Rs 8.51 per kWh is lower than the Tariff approved for MSEDCL, which is the parallel Distribution Licensee in that area. Having a uniform tariff at the time of inception itself will eliminate the issue of cross-subsidy. If MSEDCL's Tariff is used as a ceiling Tariff, then the issue of cross-subsidy would arise.
 - ii. Temporary tariff of Rs. 13.48 per kWh is proposed at par with MSEDCL's Tariff for that category. The high rate of Temporary tariff will keep pressure on the consumers to take permanent supply as early as possible.

- iii. For arriving at the tariff of Rs. 8.51 per kWh for residential consumers, MSEDCL's tariff for the consumption slab of 101 to 300 units has been considered. Considering the nature of the SEZ and the infrastructure facilities being provided in the SEZ area, it is expected that average consumption of residential consumers will be in the range of 101-300 units per month.
- iv. NUPL is proposing a single part Tariff (Rs/kWh) for its consumers. However, in order to recover its fixed cost, it proposed levying of fixed charges (as approved for MSEDCL) for the premises which are vacant. It is clarified that NUPL will recover the fixed charge or the provisional tariff (based on consumption), whichever is higher.
- v. In compliance of the Commission's directions in Order dated 10 February, 2017, NUPL has taken steps for fulfilling its obligations as Distribution Licensee. Timelines for compliance of these obligations have been set out in the Petition.
- vi. NUPL is expecting to start its operation from 1 August, 2017. First phase of network development will be completed by July, 2017. DPR for in-principle approval of capex has been submitted to the Commission, and NUPL will shortly file its replies to the queries raised on the DPR. Further, NUPL is in discussion with suppliers for procuring power and will shortly file detailed submission for approval of the Commission.
- vii. NUPL requested to allow it to adopt the 'Electricity Consumer's Rights Statement' of the Commission and also to issue authorization to its officers under the provision of Section 135 (1A) of the Electricity Act, 2003.

The Case is reserved for Order.

**Sd/-
(Deepak Lad)
Member**

**Sd/-
(Azeez M. Khan)
Member**