

GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR

PRESS NOTE

The State Owned Generation and Transmission utilities filed the petitions for truing up of FY 2017-18 and determination of Tariff for FY 2019-20. Also, the State Owned Distribution Licensees, Torrent Power Limited (TPL) and State Load Despatch Centre filed the petitions for Mid-Term Review of Aggregate Revenue Requirement for FY 2019-20 and FY 2020-21, truing-up of FY 2017-18 and determination of tariff for FY 2019-20. All these utilities filed their petitions along with Annual Accounts under the GERC Multi-Year Tariff (MYT) Regulations, 2016. These petitions were registered in accordance with the Electricity Act, 2003 and the relevant Regulations to proceed with the Tariff Orders.

The licensees were directed to publish their applications in the newspapers to ensure public participation. Thus, an elaborate exercise was carried out for inviting comments/ suggestions from general public and stakeholders. The suggestions/ objections were examined and public hearings were held on 5th, 6th and 7th February, 2019 at the office of the Commission. Several stakeholders including individuals and organisations participated in the hearings.

The Commission issued the orders on these petitions on 24th April, 2019. Important highlights are as under-

- *No increase in power tariff for the consumers of State owned Discoms and Torrent Power Limited (Ahmedabad-Gandhinagar and Surat area)*
- *Number of slabs in Residential Tariff are reduced from 5 to 4 so as to simplify the present structure,*
- *Energy Charges for Agriculture Consumers using electricity for Lift Irrigation purpose reduced by 30 Paise/unit,*

- *Benefit of Optional Demand Based Tariff extended to small consumers upto 6 kW of contract demand.*

During FY 2017-18 all the Distribution Companies in the State exceeded the target of distribution losses reduction set by the Commission and achieved remarkable reduction in losses. The actual distribution losses against the target given by the Commission for FY 2017-18 is shown in the Table below;

DISCOM	Target given by the Commission	Actual achieved by DISCOM
DGVCL	10.00%	6.28%
MGVCL	11.70%	10.63%
PGVCL	21.00%	18.84%
UGVCL	9.90%	8.31%
TPL Ahmedabad	7.00%	6.31%
TPL Surat	3.74%	3.59%

For the FY 2018-19, the approved power purchase cost was Rs. 4.22 per unit and Base FPPPA charges was Rs. 1.49 per unit for State owned Distribution Licensees (UGVCL, DGVCL, MGVCL and PGVCL). Any increase in power purchase cost over Rs. 4.22 is considered as incremental FPPPA charges. For the FY 2019-20, now Commission has approved power purchase cost at Rs. 4.32 per unit and accordingly the Base FPPPA revised to Rs. 1.61 (4.32 minus 4.22= 0.10 + T & D Losses= 0.12 added to 1.49 = 1.61).

For Torrent Power Limited (Ahmedbaad- Gandhinagar and Surat area) for the FY 2018-19, the approved power purchase cost was Rs. 4.66 per unit and Base FPPPA charges was Rs. 1.23 per unit. Any increase in power

purchase cost over Rs. 4.66 is considered as incremental FPPPA charges. For the FY 2019-20, now Commission has approved power purchase cost at Rs. 4.80 per unit and accordingly the Base FPPPA revised to Rs. 1.38 (4.80 minus 4.66= 0.14 + T & D Losses= 0.15 added to 1.23 = 1.38).

Base FPPPA charge is integral part in the computation of the total FPPPA charge being charged in electricity bill of consumers and as there is no change in recovery mechanism for FPPPA charge, there will not be any increase in the electricity bill of the consumers due to change in Base FPPPA charge for FY 2019-20.

Following are the important changes in the Tariff Schedule of the State Owned Distribution Companies;

- In the process of simplification of tariff structure for Residential Category, the number of slabs are reduced from 5 to 4. Slab of 100-200 units and 200-250 units are merged into one slab of 100-250 units. Due to this, there will be reduction of 10 Paise/unit in energy charge for the consumption falling under earlier slab of 200-250 units; This change also carried out for the consumers of Torrent Power Limited- Surat area.
- Demand based tariff is now made feasible for small NREGP category consumers having aggregate load of 6 kW;
- In order to promote Lift Irrigation from surface water sources for agriculture purpose, energy charge is reduced from Rs. 1.80/unit to Rs. 1.50/unit.

Sd/-
Director
Gujarat Electricity Regulatory Commission
GANDHINAGAR