

Before the  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
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**CASE No. 86 of 2017**

**In the matter of**

**Petition of the Brihanmumbai Electric Supply & Transport Undertaking for revision in Service Connection Charges**

**Coram**

**Shri. Azeez M. Khan, Member**

**Shri. Deepak Lad, Member**

**ORDER**

**Date: 16 February, 2018**

1. Regulation 18 of the MERC (Supply Code and other Conditions of Supply) Regulations, 2005 ('Supply Code') require Distribution Licensees to obtain the approval of the Commission for their Schedule of Charges. The Brihanmumbai Electric Supply and Transport Undertaking (BEST), a Distribution Licensee in a part of Mumbai, had filed a Petition in Case No.90 of 2012 for approval of its Schedule of Charges payable by its consumers. The Commission approved the Schedule of Charges vide its Order dated 28.12.2012.

**Petition for approval of revision in Service Connection Charges**

2. BEST has now submitted a Petition (terming it a Miscellaneous Application) on 24.5.2017, and subsequently a modified Petition on 7.7.2017, for reduction in the Service Connection Charge (SCC) for certain Low Tension (LT) supply loads upto 150 kW. The Commission, in exercise of the powers vested in it under the provisions of the Electricity Act (EA), 2003, the Supply Code and all other powers enabling it in this behalf, and after taking into consideration the submissions made by BEST, the comments received during the public consultation process, the responses of BEST and other relevant material, now determines the revised SCC for LT connections of certain loads upto 150 kW applicable to BEST.

3. The prayers of BEST in its Petition (as modified) are as follows:-

- a) *“Admit the Miscellaneous Application of BEST in accordance with the Regulation No. 24 of the MERC (Electricity Supply Code and other Condition of Supply) Regulation, 2005.*
- b) *Approve the revised “Schedule of Charges” of BEST Undertaking for Electricity Connection for loads between 5 kW to 150 kW, in accordance with the MERC (Electricity Supply Code and other Condition of Supply) Regulation, 2005...”*

4. The Petition states as follows:

- 4.1. As per Regulation 18 of the Supply Code, BEST, as a Distribution Licensee, is required obtain the approval of the Commission for approval to its Schedule of Charges for the specified matters and for such other matters as are required by the Distribution Licensee to fulfil its obligation to supply electricity to its consumers under the EA, 2003 and other relevant Regulations.
- 4.2. Sections 45, 46 and 47 of the EA, 2003 and the Supply Code empowers BEST to recover charges/expenses reasonably incurred in providing electric supply to person requiring such supply.
- 4.3. Vide Order dated 28.12.2012 in Case No. 90 of 2012, the Commission had approved the Schedule of Charges applicable to BEST from 1.1.2013. That Order is still in force.
- 4.4. The Govt. of Maharashtra (GoM) is taking up various initiatives under the national mission of “Doing Business in India-Getting Electricity”.
- 4.5. One such relates to the SCC payable by an applicant for electricity connection up to 150 kW. During the meeting held on 9.5.2017 chaired by the Principal Secretary (Energy), GoM, it was pointed out that consumers seeking supply between 100 kW to 150 kW from BEST are required to pay SCC of Rs 60,000, which is considerably higher than the SCC of Rs. 22,000 levied by Reliance Infrastructure Ltd. (Distribution) (RInfra-D) [a Distribution Licensee in the adjacent area of Mumbai].
- 4.6. Thereafter, the Industry, Energy and Labour Department, GoM, vide letter dated 11.05.2017, asked BEST to reduce the charges for getting a new electricity connection (for loads upto 150 kW) to 25 % of the State per capita income.
- 4.7. In its Order dated 28.12.2012 in Case No.90 of 2012 [approving the existing Schedule of Charges], the Commission had ruled as follows:

*“2.1.2 Commission’s Ruling:*

*“.....The proposal of BEST to recover charges on normative basis is in line with the Regulation 3.3.1 of MERC Supply Code Regulations. However, BEST has proposed a variable component based on per metre cost of connection, for providing service connection of length more than 100 metres. By measurement-linked charges, the very purpose of providing normative charges would be defeated.*

*Section 42(1) of the Act stipulates that ‘it shall be the duty of the distribution licensee to develop and maintain an efficient, co-ordinated and economical distribution system in his area of supply’.*

*Accordingly, BEST should extend their distribution network by providing adequate numbers of Auxiliary distribution pillars / Mini pillars to the load clusters such that the average length of service can be maintained minimum. The Commission has considered average service length of 20 metres while approving the normative charges for service connection. The cost of infrastructure expansion could be claimed through ARR.*

*Further, in order to simplify the procedure while releasing the connection and to avoid discretion and disputes at field level, the Commission has decided to dispense with the measurement linked variable charges. The normative Service Connection Charges as approved by the Commission are indicated in Annexure-2.”*

**4.8.** For releasing the loads between 50 kW to 150 kW, generally the service cables of size of 4C/70 sq.mm to 4C/300 sq.mm have been laid. In line with the above consideration by the Commission regarding the average length of service cable of 20 meters, the approximate material cost works out to between Rs. 22,000 to 25,000.

**4.9.** As per Regulation 24 of the Supply Code:

*“If any difficulty arises in giving effect to the provisions of these Regulations, the Commission may, by general or specific order, make such provision not in consistent with the provisions of that, as may appear to be necessary for removing the difficulty.”*

**4.10.** BEST has filed this Petition under Regulation 24 of the Supply Code to invoke the powers of the Commission to remove the difficulty.

**4.11.** BEST proposes the following revision in the SCC for electricity connections between 50 kW to 150 kW:

Sr. No.	Particulars	Existing SCC as per Order in Case No. 90 of 2012	Proposed SCC
1	Motive power above 67 HP but upto 134 HP or other loads above 50 kW but upto 100 kW.	Rs 40,000/-	Rs 22,000/-
2	Motive power above 134 HP but upto 201 HP or other loads above 100 kW but upto 150 kW.	Rs 60,000/-	Rs 25,000/-

### Admission of the Petition and Regulatory Process

The Commission held a Technical Validation Session (TVS) on 4.7.2017, to which RInfra-D was also invited. Considering the discussions at the TVS, the Commission directed BEST to submit an addendum Petition within a week. The Commission would initiate the public consultation process on BEST's proposal thereafter. The list of persons who participated in the TVS is at **Annexure-1**.

5. In its Revised Petition dated 7.7.2017 proposing revision ,BEST has added to its original Petition as follows:
  - 5.1. In the past, in 2012, the Commission had approved similar SCC for BEST and Tata Power Co. Ltd. (Distribution) (TPC-D) [the parallel Licensee in the BEST and RInfra-D areas] as follows:

Particulars	SCC in Case No. 90 of 2012 (Rs.)	SCC in Case No. 47 of 2012 (Rs.)
	BEST	TPC-D
<b>Service Connection Charges</b>		
<b>L.T. Supply</b>		
<b>Single Phase</b>		
For loads upto 5 kW	2000	2000
For loads above 5 kW and upto 10 kW	3000	3000
<b>Three Phase</b>		
Motive power upto 27 HP or other loads upto 20 kW	9000	9000
Motive power > 27 HP but <= 67 HP or other loads >20 kW but <= 50 kW	19500	19500
Motive power > 67 HP but <= 134 HP or other loads	40000	40000

>50 kW but <= 100 kW		
Motive power >134 HP but <= 201 HP or other loads > 100 kW but <= 150 kW	60000	60000

5.2. However, TPC-D has now filed a Petition (Case No. 82 of 2017) for revision of its SCC for certain LT loads so as to be on a level playing field with RInfra-D [the parallel Licensee in its area] and also considering the GoM directives.

5.3. In order to have parity with the SCC now proposed by TPC-D, which is the other Distribution Licensee in its area of supply, BEST is now proposing the following revision in the SCC for electricity connections between 5 kW to 150 kW:

Particulars	SCC approved in Case No. 90 of 2012 (Rs.)	SCC proposed in this Petition(Rs.)
	BEST	BEST
<b>Service Connection Charges</b>		
<b>L.T. Supply</b>		
<b>Single Phase</b>		
For loads upto 5 kW	2000	2000
For loads above 5 kW and upto 10 kW	3000	2000
<b>Three Phase</b>		
Motive power upto 27 HP or other loads upto 20 kW	9000	3000
Motive power > 27 HP but <= 67 HP or other loads >20 kW but <= 50 kW	19500	6500
Motive power > 67 HP but <= 134 HP or other loads >50 kW but <= 100 kW	40000	12000
Motive power >134 HP but <= 201 HP or other loads > 100 kW but <= 150 kW	60000	12000

5.4. Due to this revision, the receipts from SCC will reduce by about Rs. 4.34 crore per annum. Accordingly, BEST has estimated the impact of the proposed SCC revision on its tariff as follows:

Estimated Impact on Electricity Tariff of BEST			
Increase in ARR due to reduction in Non-Tariff Income	a	(Rs Crore)	4.34
Increase in Return on Equity @ (15.5 % of 30% of a)	b	(Rs Crore)	0.20
Increase in	c	(Rs Crore)	0.20

Depreciation(4.7% of a)			
Total Increase in ARR (a+b+c)	d	(Rs Crore)	4.75
Approved Sales for FY 2018-19	e	(MU)	4869.3
Estimated increase in Tariff (f*10/e)	f	<b>(Rs/kWh)</b>	<b>0.01</b>

5.5. Regulation 24 of the Supply Code, 2005 [quoted earlier] provides the Commission with the power to remove any difficulty.

6. On 03.08.2017, the Commission forwarded additional data gaps asking BEST for the justification and detailed break-up of the cost estimate underlying the proposed SCC. In its reply dated 21.08.2017, BEST stated as follows.

6.1. The Commission in its Order in Case No. 90 of 2012 observed that:

*“Accordingly, BEST should extend their distribution network by providing adequate numbers of Auxiliary distribution pillars / Mini pillars to the load clusters such that the average length of service can be maintained minimum. The Commission has considered average service length of **20 meters** while approving the normative charges for service connection. The cost of infrastructure expansion could be claimed through ARR.”*

In line with the above, the cost involved in laying of service cables has been worked out considering the average length of 20 meters for releasing Service Connection of 5 kW to 150 kW as follows:

Particulars	Material Cost (Rs)	Labour Cost (Rs)	Total Cost (Rs.) (rounded to nearest hundred)
<b>L.T. Supply</b>			
<b>Single Phase</b>			
For loads upto 5 kW	2000	1300	3300
For Loads above 5 kW and upto 10 kW	2000	1300	3300
<b>Three Phase</b>			
Motive power upto 27 HP or other loads upto 20 kW	3200	2700	5900
Motive power > 27 HP but <= 67 HP or other loads > 20 kW but <= 50 kW	6700	2700	9400
Motive power > 67 HP but <=134 HP or other loads >50 kW but <= 100 kW	9900	8100	18000
Motive power > 134 HP but <=201 HP or other loads > 100 kW but <= 150 kW	23000	8100	31100

<b>Size of Service Cable</b>	<b>Capacity in kW</b>	<b>Material Cost (Rs.)</b>	<b>Labour Cost (Rs.)</b>	<b>Total Cost (Rs.)</b>
300Sqmm/4 Core	180	40914	11166	52080
120Sqmm/4 Core	100	18490	11167	29657
70Sqmm/4 Core	70	15713	12734	28447
25Sqmm/4 Core	40	9176	12734	21910
25Sqmm/4 Core	10	7411	12734	20145

- 6.2.** The expenditure incurred on laying of service cable is recovered from the consumers when they apply for a connection of any load or for augmentation. Generally, a common service cable of appropriate size is laid to meet the requirement of all consumers located in a building/premises. These consumers apply for different quantum of requisitioned/connected load and SCC is recovered from them in accordance with the load demanded. Moreover, during the span of life of the service cable, some consumers may get disconnected and new consumers may apply for meter connection. As such, the recovery of SCC from the consumers fed from a service cable connection is a continuous phenomenon, till its removal, and thus the cost of laying of service cable gets recovered completely.
- 7.** The Commission admitted the Petition on 28.08.2017 for public consultation with the following documents:
- i) Main Petition dated 24.5.2017
  - ii) Revised Petition submitted vide letter dated 07.07.2017 with Annexures
  - iii) Replies to Data Gaps submitted vide letter dated 21.08.2017 with Annexures
- 8.** In accordance with Section 64 of the EA 2003, the Commission directed BEST to publish its Petition in an abridged form and manner, and make available the above documents for public consultation. BEST published a Public Notice on 1.9.2017 inviting suggestions and objections on its Petition in four daily newspapers (in English in Free Press Journal and Asian Age, and in Marathi in Loksatta and Lokmat). Copies of BEST's Petition and accompanying documents were made available for inspection/purchase at BEST's offices and on BEST's website ([www.bestundertaking.com](http://www.bestundertaking.com)). The Public Notice was also made available on the websites of the Commission ([www.mercindia.org.in](http://www.mercindia.org.in)/[www.merc.gov.in](http://www.merc.gov.in)) in downloadable format. The Public Notice stipulated that the suggestions and objections, in English or in Marathi, may be filed along with proof of service on BEST, and that a Public Hearing would be held on 4.10.2017.
- 9.** The Public Hearing was held on 4.10.2017 at 11:30 hours at Centrum Hall, 1<sup>st</sup> Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai. The list of persons who

submitted written responses or made oral submissions at the Public Hearing is at **Annexure 2**. The list of persons at the Public Hearing is at **Annexure 3**.

10. The Commission has ensured that the due process contemplated under law to ensure transparency and public participation has been followed and adequate opportunity was given to all to give their views.

## **Issue-wise summary of Suggestions and Objections received, BEST's Responses and Commission's Views**

### **11. Approach to Determination of Charges**

#### ***Suggestions/Objections***

Shri. Ulhas Choudhari stated that the SCC approved for RInfra-D cannot be the basis for determining the SCC of the other Distribution Licensees.

He also suggested that 70% of the expenses should be recovered from consumers through SCC in terms of Rs. per kVA, This would loading of such cost on BEST's ,Aggregate Revenue Requirement (ARR) and the tariffs of the consumers at large. Further, the SCC should be non-refundable as the consumer may migrate to the other parallel Distribution Licensee depending on the tariffs applicable at different times.

Shri. N. Ponrathnam stated his view that the SCC should be uniform considering the classification of the installation. In the context of Regulation 5.3 of the MERC (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2014 ('SoP Regulations'), he asked how the two categories of 5 kW and 10 kW installations were created since they are neither mentioned in the Tariff Orders nor in any of the Regulations. He also stated that 10 kW in single phase 240 V will exceed 40 Amps, which would amount to contravention of Regulation 5.3. BEST should also elaborate, for all categories, whether there is a differentiation based on fuse rating or on the cross-section of the wire installed. He questioned the differentiation between the installations of 20 kW, 50 kW, 100 kW and 150 kW, and where 'motive power' was defined.

#### ***BEST's Response***

BEST's proposal is in the context of the State and Central Govt.'s efforts for improving the ease of doing business. BEST has proposed to reduce the SCC to the level of RInfra-D for parity in the SCC for LT loads of all the three Mumbai Distribution Licensees.



As regards the comment that “10 kW in single phase 240V will exceed 40A”, 10 kW refers to connected load and not peak load. Hence, considering the Load Factor, the actual load would not exceed 40A.

### ***Commission’s Ruling***

The issues raised are not relevant to the present proceedings, which are limited only to a proposed reduction in the SCC payable for certain levels of LT load upto 150 kW as stipulated in the existing Schedule of Charges. They may be raised when a wider review of the Schedule of Charges is undertaken.

## **12. Load-related Issues**

### ***Suggestions/Objections***

Bharatiya Udhami Avam Upbhokta Sangh (BUAUS) (Shri Rakshpal Abrol) stated that GoM had enhanced the voltage levels, such as low voltage from current on single phase to 40 A from 10 A in 1998, four wire system with one neutral for above 40 Amp of load and upto 100 kVA, and 11,000 V for above 100 kVA subject to mutual agreement between the consumer and the Licensee for Demand Charges. Power supply on 240 volts was for connected load of 8 kW for lighting, fans and for domestic appliances and on three phase 4 wire 400 V for load exceeding of 8 kW.

BUAUS stated that Motive Power above 20 kW or 50 kW or 100 kW has never been stipulated under the Indian Electricity Act, 1910, the Electricity (Supply) Act, 1948 or the EA, 2003. This needs to be amended from ‘Motive Power’ to three-phase supply above 50 kW and upto 150 kW.

Shri. Ulhas Choudhari stated that consumers are connecting much higher loads in their premises than sanctioned and mentioned in their bills. He suggested that that the Commission publish on its website the connected load as per the bills and the actual connected load. A roadmap may be provided for energy savings with regard to the loads of geysers, air-conditioners and other such installations for the consumers’ guidance also.

### ***BEST’s Response***

As regards differences between the load sanctioned and the load actually used by a consumer, action is taken by BEST under the provisions of the EA, 2003 when any unauthorised use of electricity is found.

### ***Commission’s Ruling***

Differences between the actual connected load and the sanctioned load and the categorisation of consumers, and the other points summarised above, are not relevant to the present limited proposal of revision in the SCC of certain LT loads in the existing approved slabs.

### **13. Service Connection Charges**

#### ***Suggestions/Objections***

BUAUS stated that it should be clarified that consumers should not be burdened with the cost of Sub-Stations, Miniature Circuit Breaker, SFU, meters and service line cables. Prior to the EA, 2003, consumers were permitted electricity supply from the Distribution Licensees with connected load upto 50 kW on service lines, without payment of charges.

On the subsequent response of BEST, BUAUS stated that the Commission had advised BEST to sit with RInfra-D to revise the reasonable charges made applicable to the consumers in Mumbai Licensed area. Instead BEST proposed different Schedule of Charges which are not in line with RInfra for supply on LT upto 150 kW. The Schedule of Charges approved for RInfra-D in Case No. 76 of 2012 is for 0-10 kW is Rs.2000, for 10-50 kW is Rs.4300, for 50-150 kW is Rs.7000. BUAUS is proposing this SCC also.

Shri N. Ponrathnam stated that, in respect of SCC for three-phase (above 150kW), the SoP Regulations, 2014 (as amended in 2017) provide the classification of installations as three phase, 230 / 240 V between phase wire and neutral or 400 / 415 V between the phases / lines and Contract Demand not exceeding 150 kW/ 187 kVA. In case of multiple consumers in the same building / premises with cumulative Contract Demand exceeding 150 kW/ 187 kVA, the limit would be 480 kW / 600 kVA. In this context, the Commission may clarify whether consumers can have a single meter for supply to several galas/flats in the same building / premises. Moreover, the size the cable/fuse should be specified in the Schedule of Charges as it determines the size of the installation, and the installation size which is capable of taking the load should be denoted in the consumer bill as the Sanctioned Load.

#### ***BEST's Response***

The Petition relates to the directions of GoM and the Central Govt, with regard to improving the ease of doing business. BEST has proposed a reduction in its SCC in line with RInfra-D's SCC so that the three Distribution Licensees in Mumbai have the same SCC.

As regards Shri. Ponrathnam's suggestions, slab-wise SCC were approved in Case No. 90 of 2012. In this Petition, BEST has proposed to rationalise the SCC for the existing slabs to maintain parity with the SCC of other Distribution Licensees. Generally, requisitions/applications for various levels of loads are received from several applicants in the same premises. The number and size of the service cable(s) laid by BEST for such premises depends on the collective load requirement of all such applicants/consumers. The SCC are recovered from those applicants depending on their respective load requirements in accordance with the approved SCC, and thereby the cost of laying of service cable(s) for such premises is reasonably recovered.

### ***Commission's Ruling***

The comparative SCC for the LT load slabs of RInfra-D as approved in 2012, and the existing and proposed SCC of BEST are shown in the Table set out subsequently in this Order.

There is no option of clubbing of consumers for supply on a single meter to all the galas/flats in the same building/premises. Ordinarily, the galas/flats in a building taken together cannot be supplied on a single meter except in cases covered by the Electricity (Removal of Difficulties) (Eighth) Order, 2005 notified by the Central Govt. Even so, the provisions of the Commission's SoP (1st Amendment) Regulations, 2017 would apply.

## **14. Other issues**

### ***Suggestions/Objections***

BUAUS stated that consumers are paying Wheeling Charges for supply of electricity as per the Order of the Supreme Court for using the distribution system along with service lines as defined under Section 61 of the EA, 2003. For new connections, SCC may be sought but not for extension of load upto 50 kW in case of either BEST or RInfra-D.

Further to the response of BEST, BUAUS stated that the issue of Wheeling Charges or Tariff has no concern with the Schedule of Charges. Any increase in expenditure thereafter is taken care of by the Commission while approving the ARR of the Distribution Licensee.

### ***BEST's Response***

The levy of Wheeling Charge is against the recovery of the ARR of the Wires Business of the Distribution Licensee. The Wheeling Charge is a part of the tariff approved by the Commission and is applicable to all consumers on the number of units consumed by them irrespective of their load demand.

The extension of load for an existing consumer involves augmentation of the distribution network. As per Regulation 3.3 of the Supply Code, a Distribution Licensee shall recover the expenses based on the rates contained in the Schedule of Charges approved by the Commission.

### ***Commission's Ruling***

Regulation 3.3 of the Supply Code specifies that a Distribution Licensee shall recover the expenses based on the rates contained in the Schedule of Charges approved by the Commission. The issue of levy of Wheeling Charges is not relevant to the proposal for revision of the SCC contained in the approved Schedule of Charges.

### **Commission's Analysis and Ruling**

**15. Section 46 of the EA, 2003 provides that the State Commission may, by Regulations, authorize the Distribution Licensee to charge from a person requiring supply of electricity any expenses reasonably incurred in providing any electricity line or electricity plant used for the purpose of giving such supply. In this context, the Supply Code specifies as follows:**

***“3.2 The charges that a Distribution Licensee is authorized to recover under these Regulations include-***

***(a) recovery of such expenses as may be reasonably incurred by the Distribution Licensee in providing electric line or electrical plant used for the purpose of giving supply, in accordance with Regulation 3.3 below;***

***(b) charges for electricity supplied by the Distribution Licensee in accordance with Regulation 3.4 below.***

#### ***3.3 Recovery of expenses for giving supply***

***3.3.1 The Distribution Licensee shall recover the expenses referred to in Regulation 3.2(a) above, in accordance with the principles contained in this Regulation 3.3 and based on the rates contained in the schedule of charges approved by the Commission under Regulation 18:***

***Provided that the Distribution Licensee may, with the approval of the Commission, in case of any category of consumers, recover such expenses on the basis of an average or normative rate for providing the electric line or electrical plant for the purpose of giving supply.***

***3.3.2 Where the provision of supply to an applicant entails works of laying of service line from the distributing main to the applicant's premises, the Distribution Licensee shall be authorized to recover all expenses reasonably***

*incurred on such works from the applicant, based on the schedule of charges approved by the Commission under Regulation 18:*

*Provided that the Distribution Licensee shall be entitled to use such serviceline to supply electricity to any other person, notwithstanding that all expenses reasonably incurred have been recovered in accordance with this Regulation 3.3.2, except if such supply is detrimental to the supply to the consumer already connected therewith.”*

16. BEST levies SCC to its consumers based on the Schedule of Charges which were approved by the Commission in Case No. 90 of 2012 in pursuance of these provisions.

17. The approved SCC (in Rupees) of the Mumbai Distribution Licensees BEST, RInfra-D and TPC-D (including the latest revision) and the revised SCC now proposed by BEST is as follows:

Particulars	Case No. 47 of 2012, 18 of 2015 and 82 of 2017]	Case No. 73 of 2012	Case No. 90 of 2012	Now proposed by BEST
	TPC-D	RInfra-D	BEST	BEST
<i>Service Connection Charges</i>				
<b>L.T. Supply</b>				
<b>Single Phase</b>				
- For loads upto 5 kW	2000	2000	2000	No change
- For loads above 5 kW and upto 10 kW	2000	2000	3000	2000
<b>Three Phase</b>				
- Motive power upto 27 HP or other loads upto 20 kW	3000	4500	9000	3000
- Motive power > 27 HP but <= 67 HP or other loads >20 kW but <= 50 kW	6500	6500	19500	6500
- Motive power > 67 HP but <= 134 HP or other loads > 50 kW but <=	12000	12000	40000	12000

<b>100 kW</b>				
<b>- Motive power &gt;134 HP but &lt;= 201 HP or other loads &gt; 100 kW but &lt;= 150 kW</b>	<b>12000</b>	<b>12000</b>	<b>60000</b>	<b>12000</b>

18. Thus, the present SCC of BEST for certain lower load levels is significantly higher than that of RInfra-D, a Distribution Licensee in the adjacent Mumbai area. The Commission notes that there were similar disparities between the SCC of TPC-D, another Mumbai Licensee whose area overlaps that of both BEST and RInfra-D, and the corresponding SCC for RInfra-D consumers; and that TPC-D had also sought a reduction of its SCC for certain LT loads upto 150 kW. TPC-D's proposal has been approved by the Commission vide its Order dated 9.2.2018 in Case No. 82 of 2017. The revised SCC proposed by BEST is along the lines recently proposed by TPC-D and approved by the Commission.

19. The present SCC disparity is to the disadvantage of lower-load LT consumers of BEST in comparison with similarly placed consumers of TPC-D in the common supply area. It may also be an entry barrier to such consumers to opt for power supply from BEST, thus affecting its competitive position and the objective of a level playing field.

20. Considering a typical or average cable length of 20 m., BEST has set out the SCC based on the stand-alone estimated costs as shown below.

<b>Particulars</b>	<b>Approved in Case No. 90 of 2012 (Rs.)</b>	<b>Now proposed by BEST(Rs.)</b>	<b>With average cable length of 20 meters (Rs.)</b>
	<b>BEST</b>	<b>BEST</b>	<b>BEST</b>
<i>Service Connection Charges</i>			
<b>L.T. Supply</b>			
<b>Single Phase</b>			
- For loads upto 5 kW	<b>2000</b>	<b>No change</b>	<b>3300</b>
- For loads above 5 kW and upto 10 kW	<b>3000</b>	<b>2000</b>	<b>3300</b>
<b>Three Phase</b>			
- Motive power upto 27 HP or other loads upto 20 kW	<b>9000</b>	<b>3000</b>	<b>5900</b>
- Motive power > 27 HP	<b>19500</b>	<b>6500</b>	<b>9400</b>

Particulars	Approved in Case No. 90 of 2012 (Rs.)	Now proposed by BEST(Rs.)	With average cable length of 20 meters (Rs.)
	<b>BEST</b>	<b>BEST</b>	<b>BEST</b>
but <= 67 HP or other loads >20 kW but <= 50 kW			
- Motive power > 67 HP but <= 134 HP or other loads > 50 kW but <= 100 kW	40000	12000	18000
- Motive power >134 HP but <= 201 HP or other loads > 100 kW but <= 150 kW	60000	12000	31100

21. The above SCC based on the estimated costs are generally lower than the present rates, but are higher than the SCC now proposed for certain load levels. BEST has stated that, generally, a common service cable of appropriate size is laid to meet the requirements of all consumers located in a building/premises. These consumers apply for different levels of requisitioned/connected load, and SCC is recovered from each in proportion to the load demanded. During the lifetime of the service cable, some consumers may be disconnected and other consumers would apply for connection. As such, the recovery of SCC from consumers fed from a service cable connection is a continuous and ongoing process till its removal. Thus, the service cable-related cost would be fully recovered ultimately.

22. BEST has estimated that the proposed reduction in SCC would have a marginal impact of Rs. 4.34 crore on its ARR, which shall be recovered through the consumer tariffs.

23. In view of the foregoing discussion, the Commission considers the proposal of BEST to be reasonable and justified. Accordingly, the Commission approves the revised normative SCC for consumers of BEST as set out in the Table below, from the date of this Order:

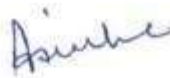
Sr. No	Particulars	Existing Approved SCC (Rs.)	SCC now proposed by BEST (Rs.)	SCC approved by Commission in this Order (Rs.)
<b>Service Connection Charges</b>				
<b>A</b>	<b>L.T. Supply</b>			
<b>1</b>	<b>Single Phase</b>			
<b>i</b>	<b>For loads upto 5 kW</b>	<b>2000</b>	<b>No change</b>	<b>No change</b>

ii	For loads above 5 kW and upto 10 kW	3000	2000	2000
2	Three Phase			
i	Motive power upto 27 HP or other loads upto 20 kW	9000	3000	3000
ii	Motive power > 27 HP but <= 67 HP or other loads > 20 kW but <= 50 kW	19500	6500	6500
iii	Motive power > 67 HP but <= 134 HP or other loads >50 kW but <= 100 kW	40000	12000	12000
iv	Motive power > 134 HP but <= 201 HP or other loads > 100 kW but <= 150 kW	60000	12000	12000

The Petition of the Brihanmumbai Electric Supply and Transport Undertaking in Case No.86 of 2017 stands disposed of accordingly.

Sd/-  
(Deepak Lad)  
Member

Sd/-  
(Azeez M. Khan)  
Member

  
(Ashwani Kumar Sinha)  
Secretary





**Annexure 1**

**List of persons who attended the TVS on 4.7.2017**

<b>Sr. No.</b>	<b>Name</b>	<b>Organisation</b>
1.	Shri. S.S. Jadhav	BEST
2.	Shri. V.Y. Vajandar	BEST
3.	Shri. Bilal Shaikh	BEST
4.	Shri. V.K. Rokade	BEST
5.	Shri. S.U.Kank	BEST
6.	Shri. S.S.Adlinge	BEST
7.	Shri. Kishor Patil	RInfra-D

**Annexure 2**

**List of persons who provided written responses or made oral submissions at the Public Hearing**

<b>Sr. No.</b>	<b>Name</b>
1	Shri. Ulhas Choudhari
2	Shri. N. Ponrathnam
3	Shri. Rakshpal Abrol, Bharatiya Udhami Avam Upbhokta Sangh

**Annexure 3**

**List of Persons who attended the Public Hearing on 4.10.2017**

<b>Sr. No.</b>	<b>Name</b>
1	Shri. Rakshpal Abrol, President, Bharatiya Udhami Avam Upbhokta Sangh
2	Shri. N. Ponratham
3	Shri. Shantilal Patel
4	Shri. V.K. Rokade, BEST
5	Shri. S.S. Jadhav, BEST
6	Shri. Bilal Shaikh, BEST
7	Shri. S.U. Kank, BEST
8	Shri. S.S. Adlinge, BEST
9	Shri. N.N. Chougule, BEST