

PUBLIC NOTICE

Suggestions and Objections on Brihanmumbai Electric Supply & Transport Undertaking (BEST)'s Mid Term Review (MTR) Tariff Petition for Truing-up of FY 2019-20 to FY 2021-22, Provisional Truing-up of FY 2022-23 and Aggregate Revenue Requirement (ARR) and Tariff for FY 2023-24 and FY 2024-25 for its Distribution Business in accordance with Regulation 5.1 (b) of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019

(Case No. 212 of 2022)

- The Brihanmumbai Electric Supply & Transport Undertaking (BEST) has filed a Mid Term Review (MTR) Petition (Case No. 212 of 2022) for Truing-up of FY 2019-20 to FY 2021-22, Provisional Truing-up of FY 2022-23 and Aggregate Revenue Requirement (ARR) and Tariff for FY 2023-24 and FY 2024-25 for its Distribution Business in accordance with Regulation 5.1 (b) of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019.
- The Commission has admitted the Petition on 19 January 2023 and directed BEST to publish a Public Notice under Section 64(2) of the Electricity Act, 2003 inviting Suggestions/Objections from the public.
- The salient features of the Petition are provided below :

Table 1 : Combined ARR (Wires + Supply) of BEST (Rs. Crore)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Power Purchase Expenses	2,189.03	2,031.10	2,530.96	3,674.83	2,998.77	2,151.26
O&M Expenses	539.18	590.81	638.20	646.24	725.41	847.58
Depreciation	100.03	104.08	105.52	109.53	128.35	159.27
Interest on Loan Capital	41.24	36.60	31.76	-	16.18	44.74
Interest on Working Capital	8.88	10.57	9.93	7.24	8.07	9.40
Interest on CSD	37.69	17.13	15.65	18.79	19.31	19.84
Provision for bad and doubtful debts	5.09	3.91	4.59	10.53	9.18	7.58
Contribution to Contingency Reserves	-	7.12	7.40	7.59	7.90	10.25
Intra-State Transmission Charges	224.88	258.48	258.00	256.72	254.91	250.31
MSLDC Fees & Charges	1.13	1.29	1.20	1.27	1.35	1.36
Other Expenses	46.68	44.55	53.81	26.53	27.56	28.59
Total Revenue Expenditure	3,193.82	3,105.64	3,657.02	4,759.27	4,196.99	3,530.18
Add: Return on Equity Capital	141.71	140.83	146.90	139.44	153.03	176.31
Add: Return on Internal fund	5.28	5.28	5.28	5.28	5.28	5.28
Aggregate Revenue Requirement	3,340.81	3,251.75	3,809.20	4,903.99	4,355.31	3,711.77
Less: Non-Tariff Income	39.27	17.44	26.84	39.60	40.79	42.01
Total Aggregate Revenue Requirement	3,301.54	3,234.31	3,782.36	4,864.39	4,314.52	3,669.76
Add: Sharing of Gain/(Loss) of Distribution loss	7.33	1.75	(3.98)			
Add: Sharing of Gain & Loss on IoWC	-	-	-			
Add: O&M sharing gain and loss	25.79	26.95	(14.76)			
Recovery of gap/(surplus) of previous years approved in MYT Order	-	(771.50)	(340.93)	(206.65)	(172.70)	(103.35)
Total Aggregate Revenue Requirement from Distribution Business	3,334.66	2,491.51	3,422.69	4,657.74	4,141.82	3,566.41

Table 2 : Energy Sales for FY 2019-20 (Mus)

Consumer Category	FY 2019-20	Actual
HT Category		
HT - I Industry		178.86
HT - II Commercial		225.83
HT - III Group Housing		30.03
HT IV- PWW		37.34
HT V- Railways, Metro, Monorail		2.22
HT VI-(A) Public services (Govt. Hospitals and Educational Institutions)		25.84
HT VI-(B) Public services (Others)		159.87
HT-VII Temporary Supply		20.81
HT-IX EV charging		-
Sub-total HT		680.80
LT Category		
LT-I (A) Residential (BPL)		0.03
LT - I(B) Residential		
0 - 100 units		750.10
101 - 300 units		699.57
301 - 500 units		217.26
> 501 units		367.76
LT - II (a) Commercial		
0 - 500 units		885.74
> 500 units		
LT - II (b) Commercial >20 & <=50 kW		209.25
LT - II (c) Commercial >50		369.41
LT - III (A) Industry (upto 20 kW)		46.88
LT-III (b) Industrial above 20 kW		84.49
LT-IV PWW		5.45
LT - V Advertisement & Hoardings		1.43
LT - VI Street Lights		18.96
LT - VII (a) Temporary Supply Religious		0.17
LT - VII (b) Temporary Supply Others		10.75
LT - VIII Crematorium and Burial Grounds		1.47
LT - IX (A) Public Services -Govt. Hosp. & Edu. Institutions		56.79
LT - IX (B) Public Services -others		162.42
LT-X (A) Agriculture- Pumpsets		-
LT XI Vehicle Charging		0.62
Sub-total LT		3,888.54
Total		4,569.34

Table 3 : Energy Sales for FY 2020-21 to FY 2024-25

Consumer Category	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
	Actual	Estimated	Projection		
HT Category					
HT - I Industry	144.92	147.67	190.39	190.39	190.39
HT - II Commercial	162.09	193.68	208.45	208.45	208.45
HT - III Group Housing	29.01	26.53	32.12	32.12	32.12
HT IV- Railways, Metro, Monorail	1.82	2.52	2.57	2.57	2.57
HT V-(A) Public services, Govt. Hospitals and Educational Institutions	21.80	26.26	27.78	27.78	27.78
HT V-(B) Public services (Others)	184.75	184.87	186.01	186.01	186.01
HT-VI Electrical vehicle	-	-	-	-	-
Sub-total HT	544.39	581.54	647.33	647.33	647.33
LT Category					
LT-I (A) Residential (BPL)	0.02	0.01	0.04	0.04	0.04
LT - I(B) Residential					
0 - 100 units	725.88	729.87	749.71	759.84	770.09
101 - 300 units	639.38	680.51	721.10	730.83	740.70
301 - 500 units	189.19	216.88	237.62	240.83	244.08
> 501 units	348.98	360.46	395.33	400.66	406.07
LT - II (a) Commercial	533.85	676.08	826.49	833.68	840.93
LT - II (b) Commercial >20 & <=50 kW	151.07	144.39	170.76	172.24	173.74
LT - II (c) Commercial >50 kW	283.89	290.96	358.23	358.23	358.23
LT - III (A) Industry (upto 20 kW)	72.89	93.72	105.74	105.74	105.74
LT-III (b) Industrial (above 20 kW)	71.78	77.18	79.81	79.81	79.81
LT - IV (A) Public Services - Govt. Hosp. & Edu. Institutions	59.25	54.39	61.40	61.40	61.40
LT - IV (B) Public Services - Others	162.46	161.15	178.82	178.82	178.82
LT-V (A) Agriculture - Pumpsets	-	-	-	-	-
LT-V (B) Agriculture - Others	-	0.02	0.05	0.05	0.05
LT VI Vehicle Charging	2.42	11.25	18.17	22.72	28.40
Sub-total LT	3,241.05	3,496.89	3,903.27	3,944.89	3,988.10
Total Sales (HT in kVAh & LT in kWh)	3,785.44	4,078.43	4,550.60	4,592.22	4,635.43

Table 4 : Power Purchase details for FY 2020-21 to FY 2024-25

Particulars	Source	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25#
Power Purchase Quantum (MU)	TPC	3,446.56	3,085.23	3,284.74	3,247.94	2,661.00	743.00
	IPP	64.21	846.41	720.08	744.60	930.24	1,489.20
	Renewable	91.20	31.91	51.98	165.89	456.51	1,333.50
	Short Term (Traders / Power Exchange)	647.15	114.55	309.07	745.43	901.51	1,425.05
	Imbalance pool / DSM	699.61	(27.98)	41.33	5.55	-	-
	Others	-	-	-	-	-	-
	Total	4,948.73	4,050.12	4,407.20	4,909.42	4,949.26	4,990.74
Power Purchase Cost (Rs. Crore)	TPC	1,489.18	1,205.64	1,760.21	2,753.17	1,743.59	235.91
	IPP	25.46	330.92	294.01	314.05	404.62	660.10
	Renewable	67.84	26.77	35.19	84.98	210.57	491.95
	Short Term (Traders / Power Exchange)	249.98	43.35	145.36	421.98	480.36	666.52
	Imbalance pool / DSM	-	-	22.34	3.75	-	-
	Others	222.51	424.42	172.74	96.90	159.63	96.79
	REC Procurement-Solar	34.52	-	37.42	-	-	-
	REC Procurement-Non-Solar	99.54	-	63.69	-	-	-
	Total	2,189.03	2,031.10	2,530.96	3,674.84	2,998.77	2,151.26
	Average Power Purchase Cost (Rs. /kWh)	TPC	4.32	3.91	5.36	8.48	6.55
IPP		3.97	3.91	4.08	4.22	4.35	4.43
Renewable		7.44	8.39	6.77	5.12	4.61	3.69
Short Term (Traders / Power Exchange)		3.86	3.78	4.70	5.66	5.33	4.68
Imbalance pool / DSM		-	-	5.41	6.75	-	-
Others		-	-	-	-	-	-
REC Procurement-Solar		2.53	-	2.38	-	-	-
REC Procurement-Non-Solar		1.94	-	1.2	-	-	-
Total		4.42	5.01	5.74	7.49	6.06	4.31

*Others include Past Period FBSM Bills, Standby Charges, Rebate on Transmission & SLDC Charges, etc.

#There could be an additional impact on the ARR due to power purchase cost on account of Transmission constraints.

Table 5 : Distribution Loss FY 2019-20 to FY 2024-25

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Distribution Loss	4.65%	3.93%	4.63%	4.53%	4.43%	4.33%

Table 6 : Capitalisation for FY 2019-20 to FY 2024-25 (Rs. Crore)

Category	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Capitalisation						
Wire Business	225.53	124.35	108.35	132.59	598.03	781.72
Supply Business	17.93	11.95	14.63	10.84	362.62	46.33

Table 7 : Total Revenue Gap (Rs. Crore)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
	Actual	Estimated	Projection			
ARR for Distribution Wires Business	633.60	668.81	666.60	660.33	725.63	824.97
ARR for Retail Supply Business	2,701.06	2,594.20	3,097.02	4,204.06	3,588.89	2,844.79
ARR for Combined Wires & Retail Supply Business	3,334.66	3,263.01	3,763.62	4,864.39	4,314.52	3,669.76
Past Revenue Gap/(Surplus) approved in MYT Order		(771.50)	(340.93)	(206.65)	(172.70)	(103.35)
Add: True-up Gap/(Surplus) of FY 2019-20	-				(132.02)	
Add: True-up Gap/(Surplus) of FY 2020-21					(301.23)	
Add: True-up Gap/(Surplus) of FY 2021-22					427.50	
Add: Provisional True-up Gap/(Surplus) of FY 2022-23					989.76	
Add: Carrying/(Holding) Cost for Revenue Gap/ (Surplus) of FY2019-20 to FY 2021-22					(50.09)	
Total Revenue Requirement	3,334.66	2,491.51	3,422.69	4,657.74	5,075.74	3,566.41
Revenue from existing tariff	3,466.68	2,792.74	2,995.19	3,667.98	3,508.80	3,562.86
Revenue Gap/(Surplus) of Licensed Business	(132.02)	(301.23)	427.50	989.76	1,566.94	3.55

Table 8 : Revenue Recovery (Rs. Crore) and Average percentage increase/decrease (%)

Financial Year	FY 2023-24	FY 2024-25
Revenue at Existing Tariff	3,508.80	3,562.86
Revenue at Proposed Tariff	4,224.36	4,417.51
Sales (MU)	4,592.22	4,635.43
Average Cost of Supply (ACoS) (Rs./kWh)	11.05	9.53
% Increase/(Decrease)	20.39%	23.99%

Note : Tariff Increase computed based on existing Tariff approved by Hon'ble Commission in MYT Order & doesn't account existing FAC charges.

4. Tariff Philosophy

- BEST proposes to continue with the prevailing Time of Day Tariff for the FY 2023-24 and FY 2024-25.
- BEST proposed to continue the existing Green Power Tariff of Rs. 0.66/kWh for the consumer opting for meeting its 100% of power requirement through RE sources.
- BEST proposed the Grid Support Charges/Concessional Grid Support Charges as outlined below (Rs./kWh) :

Financial Year	FY 2023-24		FY 2024-25	
	LT	HT	LT	HT
Total Grid Support Charges	4.32	3.11	4.87	3.42
Concessional Grid Support Charges	2.16	1.56	2.44	1.71

5. Tariff Proposal

Table 11 : Energy Charges Sub-Category-wise Existing and Proposed- LT Category

Customer Category	Existing* (Rs./kWh)	FY 2023-24		FY 2024-25	
		Proposed (Rs./kWh)	% hike (y-o-y)	Proposed (Rs./kWh)	% hike (y-o-y)
LT-I (A) Residential (BPL)	1.47	1.22	-17.01%	1.23	0.82%
LT - I(B) Residential					
0 – 100 units	2.07	1.90	-8.30%	1.92	1.25%
101 – 300 units	5.20	4.77	-8.19%	4.81	0.75%
301 - 500 units	8.39	7.83	-6.72%	7.88	0.75%
> 501 units	10.15	9.53	-6.14%	9.60	0.75%
LT - II (a) Commercial	5.92	5.25	-11.25%	5.29	0.75%
LT - II (b) Commercial >20 & <=50 kW	5.96	5.01	-16.01%	5.03	0.50%
LT - II (c) Commercial >50 kW	6.36	5.36	-15.79%	5.38	0.50%
LT - III (A) Industry (upto 20 kW)	5.51	4.78	-13.24%	4.83	1.00%
LT-III (b) Industrial (above 20 kW)	5.88	5.07	-13.83%	5.12	1.00%
LT - IV (A) Public Services - Govt. Hosp. & Edu. Institutions	5.92	5.47	-7.65%	5.58	2.00%
LT - IV (B) Public Services - Others	5.93	5.47	-7.72%	5.53	1.00%
LT-V (A) Agriculture - Pumpsets	2.21	2.34	6.02%	2.37	1.00%
LT-V (B) Agriculture- Others	4.39	3.76	-14.36%	3.80	1.00%
LT VI Vehicle Charging	4.79	4.03	-15.87%	4.03	0.00%

Note : The existing Energy Charge rate of FY 2022-23 are including the existing Fuel Adjustment Charges approved by the Hon'ble Commission in September 2022 FAC Order. The same is considered for comparison with FY 2023-24. Proposed charges for FY 2023-24 are considered as base for projection of FY 2024-25 energy charges for comparison.

Table 12 : Fixed Charges Sub-Category-wise Existing and Proposed- HT Category ((Rs./KVA/month)

Customer Category	Existing	FY 2023-24		FY 2024-25	
		Proposed	% hike (y-o-y)	Proposed	% hike (y-o-y)
HT - I Industry	355.00	470.00	32.39%	480.00	2.13%
HT - II Commercial	355.00	470.00	32.39%	480.00	2.13%
HT - III Group Housing	355.00	470.00	32.39%	480.00	2.13%
HT IV- Railways, Metro, Monorail	355.00	470.00	32.39%	480.00	2.13%
HT V-(A) Public services, Govt. Hospitals and Educational Institutions	355.00	470.00	32.39%	480.00	2.13%
HT V-(B) Public services (Others)	355.00	470.00	32.39%	480.00	2.13%
HT-VI Electrical vehicle	70.00	70.00	0.00%	70.00	0.00%

Table 13 : Fixed Charges Sub-Category-wise Existing and Proposed- LT Category (Rs/month or Rs/kVA/month)

Customer Category	Existing	FY 2023-24		FY 2024-25	
		Proposed	% hike (y-o-y)	Proposed	% hike (y-o-y)
LT-I (A) Residential (BPL)	10.00	11.00	10.00%	12.00	9.09%
LT - I(B) Residential					
0 – 100 units	80.00	110.00	37.50%	120.00	9.09%
101 – 300 units	120.00	160.00	33.33%	170.00	6.25%
301 - 500 units	120.00	160.00	33.33%	170.00	6.25%
> 501 units	145.00	200.00	37.93%	210.00	5.00%
LT - II (a) Commercial	425.00	560.00	31.76%	580.00	3.57%
LT - II (b) Commercial >20 & <=50 kW	355.00	470.00	32.39%	480.00	2.13%
LT - II (c) Commercial >50 kW	355.00	470.00	32.39%	480.00	2.13%
LT - III (A) Industry (upto 20 kW)	425.00	560.00	31.76%	580.00	3.57%
LT-III (b) Industrial (above 20 kW)	355.00	470.00	32.39%	480.00	2.13%
LT - IV (A) Public Services - Govt. Hosp. & Edu. Institutions	425.00	560.00	31.76%	580.00	3.57%
LT - IV (B) Public Services - Others	425.00	560.00	31.76%	580.00	3.57%
LT-V (A) Agriculture - Pumpsets	40.00	50.00	25.00%	60.00	20.00%
LT-V (B) Agriculture- Others	90.00	120.00	33.33%	130.00	8.33%
LT VI Vehicle Charging	70.00	70.00	0.00%	80.00	14.29%

Note: The existing Fixed Charges FY 2022-23 are considered for comparison with FY 2023-24. Proposed charges for FY 2023-24 are considered as Existing charges for FY 2024-25 for comparison

7. Proposed Category-wise Cross Subsidy Tariffs for FY 2023-24 and FY 2024-25

Table 14 : Category wise Cross-Subsidy Percentage for FY 2023-24 and FY 2024-25 (%)

Customer Category	Existing	FY 2023-24	FY 2024-25
HT Category			
HT - I Industry	70.43%	78.59%	93.14%
HT - II Commercial	82.15%	91.25%	108.34%
HT - III Group Housing	69.29%	79.00%	93.80%
HT IV- Railways, Metro, Monorail	96.40%	117.38%	140.38%
HT V-(A) Public services, Govt. Hospitals and Educational Institutions)	68.21%	76.69%	91.40%
HT V-(B) Public services (Others)	74.56%	85.10%	100.92%
HT-VI Electrical vehicle	0.00%	0.00%	0.00%
LT Category			
LT-I (A) Residential (BPL)	32.62%	33.46%	41.45%
LT - I(B) Residential			
0 – 100 units		42.75%	52.63%
101 – 300 units		72.28%	87.05%
301 - 500 units	65.06%	95.06%	113.40%
> 501 units		108.30%	128.73%
LT - II (a) Commercial	78.64%	86.49%	103.71%
LT - II (b) Commercial >20 & <=50 kW	99.55%	129.74%	158.27%
LT - II (c) Commercial >50 kW	101.18%	131.26%	159.12%
LT - III (A) Industry (upto 20 kW)	64.80%	68.50%	82.62%
LT-III (b) Industrial (above 20 kW)	85.97%	106.95%	130.02%
LT - IV (A) Public Services - Govt. Hosp. & Edu. Institutions	65.32%	70.57%	85.34%
LT - IV (B) Public Services - Others	66.57%	72.34%	86.90%
LT-V (A) Agriculture - Pumpsets	0.00%	0.00%	0.00%
LT-V (B) Agriculture- Others	53.50%	54.71%	65.86%
LT VI Vehicle Charging	55.95%	56.92%	68.31%

8. BEST has not proposed any revision in its existing Schedule of Charges in the present Petition except the charges for Lost/Burnt Meter Charges.

9. Additional Surcharge: No additional surcharge is proposed by BEST.

10. Cross Subsidy Surcharge: No Cross Subsidy Surcharge is proposed by BEST.

11. The detailed Petition document and the Executive Summary are available on BEST's website www.bestundertaking.com and the Executive Summary is also available on the website of the Commission, www.merc.gov.in in downloadable format (free of cost).

12. Copies of the following documents can be obtained on written request from the office of BEST.

a. Executive Summary of the proposals (free of cost, in Marathi/English).

b. Detailed Petition documents along with CD (in English) (on payment of Rs. 250/- by Cash/DD) drawn on "BEST Undertaking" Payable at "Mumbai".

c. Detailed Petition documents (in English) (on payment of Rs. 200/-)

d. CD of detailed Petition document (in English) (on payment of Rs. 100/-).

Head Office :

Office	Address	Tele / Fax No.	Email
Registered Office	BEST Undertaking, BEST Bhavan, BEST Marg, Colaba, Mumbai – 400 001	22856262 Ext 314/ Fax-22851244	dcemerc@bestundertaking.com
Head Office	Public Relations Officer, BEST Undertaking, BEST Bhavan, BEST Marg, Colaba, Mumbai - 400 001	22856262 Ext. 395 Fax- 22851244	probestundertaking@gmail.com
Divisional Office 1	BEST Undertaking, Customer Care ('A' Ward), Electric House, 1st Floor, BEST Marg, Colaba, Mumbai 400001.	22799523 / 22799513	deccaward@bestundertaking.com
Divisional Office 2	BEST Undertaking, Customer Care ('G' South), 2nd Floor, Transportation Engineering Bldg., Gate No 3, Tilak Road, Dadar, Mumbai 400014.	24194551 / 24190703	deccgsward@bestundertaking.com

13. The Commission has directed BEST to invite Suggestions/Objections from the Public on its Petition through this Notice. In response to the Public Notice published, every person who intends to file suggestions/ objections can submit the same in English or Marathi language in writing by uploading it through 'E-Public Consultation' Tab on MERC Website (www.merc.gov.in / e-public-consultation). In case of any difficulty in accessing this feature, concerned stakeholders can contact the MERC Office on Mobile No.: 8928071522 or on email id: suggestions@merc.gov.in between 10.00 AM to 6.00 PM on all the working days.

14. A Person who has uploaded suggestion and objection on 'E-Public Consultation' Tab need not to file any hard copy of its submission. Person who do not have access to electronic media can file their suggestion and objection in a hard copy addressed to **The Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005 along with proof of service on General Manager, Brihanmumbai Electric Supply and Transport Undertaking, BEST Bhavan, BEST Marg, Colaba, Mumbai 400 001 [Fax: 022 22851244, Email ID: dcemerc@bestundertaking.com]**. Suggestions and/or objections received after 5 PM on **13 February 2023** shall not be considered. Suggestions/Objections filed through any other mode shall not be considered.

15. BEST shall reply to each of the objections /comments received within three days of the receipt of the same but not later than **16 February, 2023** for all the objections/comments received till **13 February, 2023**. Stakeholders can submit their rejoinders on replies provided by BEST either during the e-public hearing or latest by **23 February, 2023**.

16. If the sender/objector who has submitted his comments/suggestions as per para 13 above and wants to be heard in person in e-Public Hearing, then he/ she should specifically mention the same at the time of filing of suggestions /objections. In such cases, submission of valid email ID and Mobile Number would be mandatory. The Commission at its sole discretion, may permit such sender/objector to be heard in the e-Public Hearing to be held through video conference on **20 February, 2023 at 10:30 Hrs.**, for which no separate notice will be given. Person having difficulty in accessing electronic media can attend e-Public Hearing by visiting e-facilitation centre at Centrum Hall, 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai.

17. All participants attending the e-Public Hearing shall follow the Practice Directions on 'Operational procedure and protocol to be followed for e-hearing of the Petition before the Commission' issued by the Commission on 14 November, 2022.

Place: Mumbai, Maharashtra

Date: 23 January 2023

PRO/AGM(ES)/159/2023

**Signature
General Manager**

BRIHAN MUMBAI ELECTRIC SUPPLY AND TRANSPORT UNDERTAKING