MADHYA PRADESH ELECTRICITY REGULATIORY COMMISSION, BHOPAL

<u>Sub</u>:- In the matter of petition seeking to introduce a separate and reduced tariff schedule for single point HT bulk supply to MES/Air Force Station , Maharajpur , Gwalior

ORDER

(Date of motion hearing 09.08.2011) Date of order <u>12.08.2011</u>

<u>Petitioner -</u>

Military Engineering Services / Air Force Station, Maharajpur, Gwalior

Col. K.N. Singh, CWE (Air Force), Maharajpur, Gwalior appeared on behalf of the petitioner.

2. The petitioner has filed a petition before the Commission in the matter of seeking to introduce a separate and reduced tariff schedule for single point HT bulk supply to Military Engineering Services (MES)/Air Force Station at Maharajpur. The petitioner has made the following request -

- (a) A separate reduced tariff schedule should be introduced for MES, including Air Force Station Maharajpur being a deemed licensee under the Electricity Act, 2003 and should be commensurate with non-industrial, non-commercial rate and subjected to an appropriate rebate for the savings enjoyed by the MPMKVVCL (Central Discom) as the distribution network beyond HT bulk take over point is borne by MES/Air Force.
- (b) A new category of tariff for defence consumers getting supply from MPMKVVCL through the MES may be added in the tariff structure. Tariff under this category should be lower than the normal bulk supply rates.
- (c) To issue an interim order to the MPMKVVCL to apply the Air Force Station, Maharajpur at the tariff schedule of HV-6.1 for all HT connections till the petition is finalized.

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3. During the course of hearing, the petitioner submitted that at present the Air Force Station Maharajpur is being billed under tariff category HV-3.2 (Non-industrial) at par with railway station, hotels etc, which is not justified as the defense consumers are predominantly residential type consumers with most consumption of electricity on light, fan, water pumps, area lighting etc. required for residential accommodation and also office, technical, training accommodation. It is stated that the cantonment area normally comprises the accommodation for families, accommodation for the single persons (not keeping their families), hospitals, schools, training establishments, work-shops, stores for equipments and garages for vehicles, accommodation for welfares activities etc. It is further stated that electricity is predominantly consumed for the purpose which is not at all commercial or industrial in nature. It is also submitted that with the single point supply availed by the MES connection at Maharajpur Air Base, the Distribution Company is not required to incur distribution losses and distribution network cost, beyond the supply point.

4. On their contention of being a deemed licensee as per MoP's communication dated 26th July 2004, the Commission observed that, firstly, it may have to be examined in what context aforesaid communication was issued. It could well have been for the limited purpose of allowing them to distribute electricity within their area. Secondly, if they are a full-fledged deemed licensee they will be required to approach the Commission for tariff fixation, procurement of power etc. and produce relevant details including annual accounts etc. The Commission observed that they are unlikely to have wherewithal for these activities. In any case their being a deemed licensee does not entitle them to have a separate tariff category.

5. The Commission observed that the tariff category HV-6.1 is applicable for supply to industrial or any other township (e.g. University or academic institutions, hospitals, MES and Border villages etc.) for domestic purpose only such as lighting, fans, heating etc. provided that the connected load for essential common facilities such as Non-domestic supply in residential area, street lighting shall be within the limits specified hereunder :-

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(i) Water supply and Sewage pumping, Hospital	-	No limit
(ii) Non-domestic/Commercial and other General purpose put together	-	10% of total connected load.

In case their use of power under category (ii) above is less than 10%, they may approach the distribution company for appropriate reclassification of the connection availed by them.

6. The Commission also observed that in respect of the subject matter, petitioner was earlier advised by the Commission vide its Order dated 02.02.2011 in petition no. 83/2010 to make their submission during the process of determination of tariff for the year FY 2011-12 when the public notice was issued. The petitioner informed that they could not make any submission during the aforesaid period.

7. The Commission suggested that at this juncture it is not possible to review the tariff. However, the petitioner may make their submission/ representation before the Commission for its consideration, during the process of determination of ARR and retail supply tariff for the next financial year (i.e. 2012-13) after issuance of public notice for inviting comments/ suggestions of the stakeholders on tariff petitions filed by Distribution Companies of the state.

8. In view of the foregoing, the Commission holds that the above petition is not maintainable and decides to close the petition.

Ordered accordingly

sd/-

sd/-

(C.S. Sharma) Member (Economics) (K.K. Garg) Member (Engineering) sd/-

(Rakesh Sahni) Chairman