

## OFFICE OF THE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION

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### Record Note of 8<sup>th</sup> Meeting of the State Advisory Committee held at 12:00 Noon on 28.06.2012 at the MSERC's Conference Hall, Shillong.

#### Presents:

Following persons have attended the meeting:

- 1) Shri Anand Kumar, Chairman MSERC.
- 2) Shri J.B. Poon, Secretary, MSERC.
- 3) Shri L. Jyrwa, Legal Consultant, MSERC.
- 4) Shri K. Marbaniang, Director (T), MeECL.
- 5) Shri C. Karkrang, Director (HRD) MeECL.
- 6) Shri Macmillan Byrsat, Member Advisory Committee.
- 7) Shri Ramesh Bawri, Member Advisory Committee.
- 8) Shri S.K. Lato, Member Advisory Committee.
- 9) Shri Sanjeev Tambuli, RM-IEX, Member Advisory Committee.
- 10) Shri S.S. Panda, IEX.
- 11) Shri Rahul Bajaj, RNB Cement, Special Invitee-IEHT consumer.
- 12) Shri S.S. Agarwal, Pionner Carbide, representing BIA. Special Invitee- EHT consumer.
- 13) Shri L. Agarwal, Meghalaya Steel Ltd. Special Invitee.

The Chairman welcomed all the participants and explained salient points of the petition filed by MeECL for determination of transmission and wheeling charges for Open Access consumers for the FY 2012-13. He has also explained in the meeting that some of the industries have required extension of time for submission of comments on the Petition. After briefing them about the details, the Chairman invited suggestions from all the participants on the petition. The subject wise comments are given below:-

#### **(1) Additional information submitted by MeECL:**

MeECL has submitted a letter today to the Commission giving the revised ARR of distribution business due to change in amount of non tariff income. Since it is a material change from the original petition with regard to wheeling tariff, the Commission has directed the licensee/MeECL to put a Notice in the newspapers as well as on the website and inform the stakeholders about the change in the wheeling charges. To invite comments from the participant, photo copy of the said letter with annexure was distributed in the meeting.

#### **(2) Transmission and Distribution Losses:**

It was pointed out in the meeting that the losses taken by MeECL in determining the Tariff are not based on the actual findings. Since it has a cost to consumer as well as to the Licensee, the Commission may like to examine the matter in detail. Industrial consumers have objected to the figure of 4% given as transmission loss in the Petition. They have pointed out that the licensee should examine the actual meter reading at feeders and substations and give a correct figure to the Commission.

**(3) Extension of time:**

Industries have requested the Commission to grant them 30 days time to give their comments on the petition as they need more information and detailed examination of the petition. The Commission has explained them the importance of the charges which are necessary to be levied on existing consumers as well as to other prospective consumers so as to facilitate the open access process expeditiously. Shri Bajaj, the existing consumer of the open access has made a request for extension of time up to 30 days to the Commission with the submission that they have No Objection in paying charges for full financial year. It has decided in the meeting that the Commission shall take up the matter in the public hearing on 29.06.12 for extension of time.

**(4) Cross subsidy surcharge:**

The Commission has explained the objective of National Tariff Policy with regard to fixation of cross subsidy surcharge so as to compensate the licensee for the present level of cross subsidy from the consumer taking open access. It was explained to them that the Commission shall consider the MSERC Regulations for Open Access while determining the cross subsidy surcharge.

**(5) SLDC charges:**

It was pointed out that the SLDC charges should be based on the actual ARR of the SLDC and charges should be fixed on their expenditures and income. It was explained to them that till date SLDC is a part of transmission company and they have to submit an ARR separately for SLDC function. It is decided that till such time a separate ARR is file by SLDC, the Commission may agree to fix charges on per day basis for scheduling and operation as paid in other States.

**(6) Transmission and wheeling charges:**

It was explained to the participants that the Commission has already passed an ARR and Tariff Order for FY 2012-13 as a combined business on 20.01.2012 and now within that numbers the licensee has segregated its ARR for three businesses namely, Generation, Transmission and Distribution. The members have shown their concern about the preparation of accounts for three separate businesses and submit that to the Commission for validation of numbers. It was agreed that the licensee shall submit in the next Tariff filing the full details of wheeling and retail business in the Distribution Company as well as separate accounts for generation, transmission and distribution.

Summing up the discussions, the Chairman thanked everyone for their valuable suggestions.

Secretary