



KARNATAKA ELECTRICITY REGULATORY COMMISSION

TARIFF ORDER 201 4

OF

BESCOM

(*Under MYT Framework*)

ON

ANNUAL PERFORMANCE REVIEW FOR FY13
&
REVISED ARR & RETAIL SUPPLY TARIFF FOR FY15

12th May 2014

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CONTENTS

CHAPTER		PAGE NO.
1	Introduction	03
1.0	Brief History of BESCO	03
1.1	BESCO at a Glance	05
1.2	No. of consumers, Sales and Revenue Details for FY13	05
2	Summary of Filing & Tariff Determination Process	08
2.0	Background for Current Filing	08
2.1	Preliminary Observations of the Commission	08
2.2	Public Hearing Process	09
2.3	Consultation with the Advisory Committee of the Commission	10
3	Suggestions / Objections and Replies	11
3.1	General observations	11
3.2	General observations	12
3.3	List of persons who filed written objections	12
3.4	List of persons who made oral submissions during Public hearing on 21-4-2014.	14
3.5	Tariff related issues	14
3.6	Quality of Power Supply	30
3.7	Issues regarding Wheeling and Banking.	31
3.8	Specific request by the Objectors.	34
3.9	Specific request by the Objectors.	37
3.10	Specific request by the Objectors.	42
4	Annual Performance Review for FY13	58
4.0	General observations	58
4.1	General observations	58
4.2	General observations	60
5	Revised Annual Revenue Requirement for FY15	91
5.0	Revised ARR for FY15	91
5.1	APR for FY13 & FY14	92
5.2	Annual Revenue Requirement for FY15	92
5.2.1	Capital Investments for FY15	92
5.2.2	Sales Forecast for FY15	96
5.2.3	Distribution Losses for FY15	102
5.2.4	Power Purchase for FY15	103

5.2.5	O & M Expenses	107
5.2.6	Depreciation	109
5.2.7	Interest and Finance Charges	110
5.2.8	Interest on loans	111
5.2.9	Interest on Working Capital	112
5.2.10	Interest on Consumer Deposit	113
5.2.11	Other Interest and Finance Charges	114
5.2.12	Interest and other expenses Capitalized	114
5.2.13	Return on Equity	114
5.2.14	Other Income	115
5.2.15	Fund towards Consumer Relations / Consumer Education	115
5.3	Abstract of ARR for FY15	116
5.4	Segregation of ARR into ARR for Distribution Business and ARR for Retail Supply Business	117
5.5	Gap in Revenue for FY15	118
6.0	Determination of Tariff for FY15	121
6.1	Tariff Application	121
6.2	Statutory provisions guiding determination of Tariff	121
6.3	Consideration for Tariff setting	122
6.4	Revenue at existing Tariff and deficit for FY15	123
6.5	Other issues	154
6.6	Determination of wheeling charges	154
6.6.1	Wheeling within BESCO area	155
6.6.2	Wheeling of Energy using Transmission network or network of more than one licensee	156
6.6.3	Charges for Wheeling energy by RE sources(Non RECO route) to consumers in the State	157
6.6.4	Charges for Wheeling energy by RE sources Wheeling energy from the State to a consumer outside the State and for those opting for renewable energy certificate.	157
6.7	Other Tariff related issues	158
6.8	Effect of Revised Tariff	162
6.9	Summary of Tariff order 2014	162
6.10	Commissions Order	164

LIST OF TABLES

TABLE NO.	CONTENT	PAGE NO.
4.1	ARR for FY13BESCC A Ñ g ` g i V a] g g] c b	59
4.2	Financial performance of BESCO for FY13	60
4.3	Category wise approved and Actual sales for FY13	62
4.4	ESCOs source wise power purchase for FY13	66
4.5	BESCOs source wise power purchase for FY13	66
4.6	Normative O&M Expenses\ BESCOs submission	67
4.7	Additional O&M expenses for FY13 BESCOs submission	68
4.8	Approved O&M expenses as per Tariff Order dtd. 30.4.2012	68
4.9	O&M expenses of BESCO as per Annual Audited Accounts for FY13	69
4.10	Approved uncontrollable O&M e xpenses	70
4.11	Allowable O&M expenses for FY13	70
4.12	Depreciation for FY13-6 9 G 7 C A Ñ g ` g i V a] g g] c b	71
4.13	Interest on Loans 6 9 G 7 C A Ñ g ` g i V a] g g] c b	78
4.14	Allowable interest on Loans\ FY13	79
4.15	Interest on working capital\ 6 9 G 7 C A Ñ g ` s o n V a] g	80
4.16	Allowable Interest on Working Capital for FY13	80
4.17	Interest on Consumer deposits for FY13 6 9 G 7 C A Submission	81
4.18	Allowable Interest and Finance Charges	82
4.19	Other debits-6 9 G 7 C A Ñ g ` G i V a] g g] c b	82
4.20	Allowable Other debits	83
4.21	Capitalisation of Other expenses-6 9 G 7 C A Ñ g ` G i V a]	83
4.22	Net prior Period Charges-6 9 G 7 C A Ñ g ` G i V a] g g] c	84
4.23	Return on Equity\6 9 G 7 C A Ñ g ` g i V a] g g] c b	84
4.24	Allowable return on equity	85
4.25	Other Incomes - 6 9 G 7 C A Ñ g ` G i V a] g g] c b	86
4.26	Approved ARR for FY13 as per APR	88
4.27	Additional subsidy for FY13	90
5.1	Proposed ARR for FY15	91
5.2	Approved retail sales for FY15	101
5.3	Approved and Actual distribution losses for FY09 to FY13	102
5.4	Approved distribution losses for FY15	103
5.5	Source wise power procurement proposal submitted by BESCO for FY15	103
5.6	Estimated energy requirement allowed for FY15	104

5.7	Approved power purchase for FY15	106
5.8	O&M expenses - 6 9 G 7 C A Ñ g ` d f c d c g U `	107
5.9	Computation of Inflation Index for Fy15	108
5.10	Approved O&M expenses for FY 15	109
5.11	Depreciation for FY 15 6 9 G 7 C A Ñ g ` D f c d c g U `	109
5.12	Approved depreciation for FY15	110
5.13	Proposed interest and finance charges for FY15	111
5.14	Interest on Loans 6 9 G 7 C A Ñ g ` D f c d c g U `	111
5.15	Approved Interest on Loans for FY15	112
5.16	Approved Interest on Working Capital for FY15	112
5.17	Approved Interest on Consumer Deposits for FY15	113
5.18	Approved interest on Finance charges for FY15	114
5.19	Computation of RoE for FY15	115
5.20	Revised Approved consolidated ARR for FY15	116
5.21	Segregation of ARR	117
5.22	Approved Revised ARR for Distribution Business	118
5.23	Approved ARR for Retail Supply Business	118
5.24	Revenue gap for FY15	119
6.1	Revenue Deficit for FY15	123
6.2	Wheeling Charges	155

LIST OF ANNEXURES

SL. NO.	DETAILS OF ANNEXURES	PAGE NO.
I	Approved energy and cost for FY15	184
II	Proposed and approved revenue for FY15	185
III	Electricity Tariff 2015	186

ABBREVIATIONS	
AAD	Advance Against Depreciation
AEH	All Electric Home
ABT	Availability Based Tariff
A&G	Administrative & General Expenses
AG	Accountant General
APDRP	Accelerated Power Development and Reforms Programme
APR	Annual Performance Review
APV	Above Poverty Line
ARR	Annual Revenue Requirement
ATE	Appellate Tribunal for Electricity
ATL	Anti Theft Law
BBMP	Bruhat Bangalore Mahanagara Palike
BEE	Bureau of Energy Efficiency
BJ	Bhagya Jyothi
BMAZ	Bangalore Metropolitan Area Zone
BESCOM	Bangalore Electricity Supply Company
BNC	Billing & Collection
BPL	Below Poverty Line
BRAZ	Bangalore Rural Area Zone
BWSSB	Bangalore Water Supply & Sewerage Board
CAG	Comptroller & Auditor General
CAGR	Compound Annual Growth Rate
CDT	Commission Determined Tariff
CERC	Central Electricity Regulatory Commission
CE	Chief Engineer
CEA	Central Electricity Authority
CESC	Chamundeshwari Electricity Supply Corporation
CGR	Consumer Growth Rate
CGS	Central Generating Stations
CKM	Circuit Kilometre
CMD	Chairman & Managing Director
CPI	Consumer Price Index
CPRI	Central Power Research Institute
CoS	Cost of Service
DA	Dearness Allowance
DC	Direct Connection

DC LINES	Double Circuit Lines
DCB	Demand Collection & Balance
DG PLANT	Diesel Generating Plant
DMS	Distribution Management System
DPR	Detailed Project Report
DRUM	Distribution Reforms, Upgrade & Management
DSM	Demand Side Management
DTC	Distribution Transformer Centre
EC	Energy Charges
EHT	Extra High Tension
EHV	Extra High Voltage
EOU	Export Oriented Units
ERC	Expected Revenue From Charges
ES&D CODE	Electricity Supply & Distribution Code
ESCO	Electricity Service Companies
ESCOMs	Electricity Supply Companies
FC	Fixed Charges
FDSC	Foreign Debt Service Charges
FEC	Fuel Escalation Charges
FAC	Fuel Adjustment Cost
FY	Financial Year
FEV	Foreign Exchange Variation
GESCOM	Gulbarga Electricity Supply Company
GFA	Gross Fixed Assets
GIS	Geographical Information System
GoI	Government of India
GoK	Government of Karnataka
HESCOM	Hubli Electricity Supply Company
HP	Horse Power
HT	High Tension
HV	High Voltage
Hz	Hertz
IDC	Interest During Construction
IP SETS	Irrigation Pump Sets
IPPs	Independent Power Projects/ Producers
KEB	Karnataka Electricity Board
KER Act	Karnataka Electricity Reform Act
KERC	Karnataka Electricity Regulatory Commission

KJ	Kutira Jyothi
KM/Km	Kilometre
KPCL	Karnataka Power Corporation Limited
KPTCL	Karnataka Power Transmission Corporation Limited
KV	Kilo Volts
KVA	Kilo Volt Ampere
KW	Kilo Watt
KWH	Kilo Watt Hour
LDC	Load Despatch Centre
LT	Low Tension
MAT	Minimum Alternate Tax
MD	Managing Director
MESCOM	Mangalore Electricity Supply Company
MFA	Miscellaneous First Appeal
MGHE Station	Mahatma Gandhi Hydro Electric Station
MIS	Management Information System
MNR	Meter Not Recording
MoP	Ministry of Power
MU	Million Units
MUSS	Master Unit Sub Station
MVA	Mega Volt Ampere
MVAR	Mega Volt Ampere Reactive
MW	Mega Watt
MYT	Multi Year Tariff
NFA	Net Fixed Assets
NTPC	National Thermal Power Corporation
O&M	Operation & Maintenance
PCKL	Power Corporation of Karnataka Ltd.,
PFC	Power Finance Corporation Limited
PGCIL	Power Grid Corporation Of India Limited
PKCL	Power Corporation of Karnataka Ltd.,
PLF	Plant Load Factor
POCA	Power Purchase & Other Cost Adjustment
PPA	Power Purchase Agreement
PPCA	Power Purchase Cost Adjustment
PRDC	Power Research & Development Consultants
PTC	Power Trading Corporation
RE	Rural Electrification

RGGVY	Rajiv Gandhi Grameena Vidyuth Yojana
R&M	Repair and Maintenance
RLMS	Rural Load Management System
ROE	Return on Equity
ROR	Rate of Return
RTPS	Raichur Thermal Power Station
SC & ST	Schedule Caste & Schedule Tribe
SC LINE	Single Circuit Line
SEB	State Electricity Board
SERCs	State Electricity Regulatory Commissions
SLDC	State Load Despatch Centre
SPV	Special Purpose Vehicle
T&D	Transmission & Distribution
TCs	Transformer Centres
TERI	The Energy & Resource Institute
TPC	Tanirbavi Power Company
TRL	Total Revenue Management
UG CABLES	Underground Cables
VC	Variable Charges
VVNL	Visvesvaraya Vidyuth Nigama Limited
WPI	Wholesale Price Index
YOY	Year on Year

KARNATAKA ELECTRICITY REGULATORY COMMISSION,
BANGALORE - 560 001

Dated this 12 day of May, 2014

C f X Y f i c b : Annual Performance Review for FY13 and Revised ARR &
Retail Supply Tariff for FY15

In the matter of:

Application of BESCOM in respect of the Annual Performance Review for FY13
and Revised ARR & Retail Supply Tariff for FY15 under Multi Year Tariff framework.

Present: Shri M.R. Seenivasa Murthry Chairman
 Shri H.D. Arun Kumar Member
 Shri D.B. Manival Raju Member

O R D E R

The Bangalore Electricity Supply Company Ltd., (hereinafter referred to as BESCOM) is a Distribution Licensee under the provisions of the Electricity Act 2003, and has on 13.12.2013 filed the following applications for consideration and orders:

- a) Approval of the Annual Performance Review for the financial year FY13 and Revision of ARR for FY15.
- b) Approval of the revised distribution and Retail Supply Tariff for the financial year 201415 (FY15).

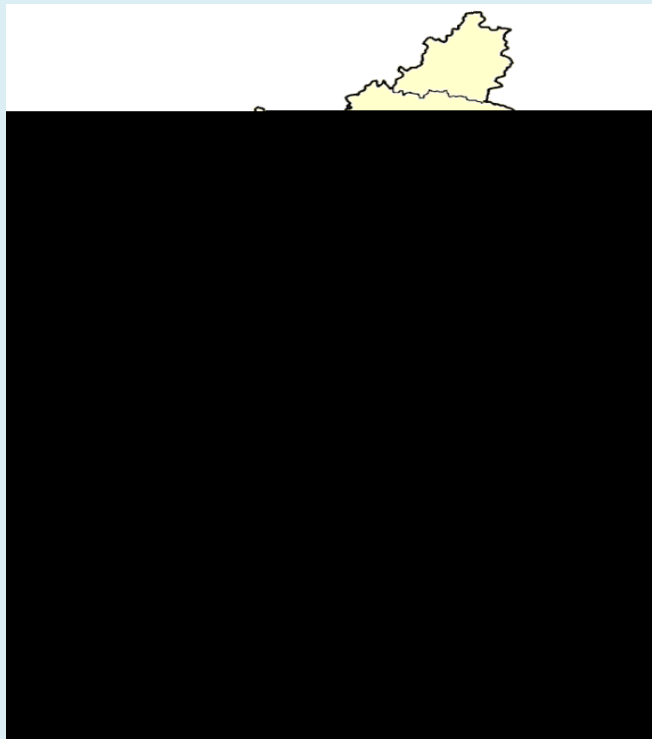
In exercise of the powers conferred under Sections 62, 64 and other provisions of the Electricity Act, 2003, read with KERC (Terms and conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations 2006, and other enabling Regulations the Commission has carefully considered the applications and the views and objections submitted by the consumers and other stakeholders. The order, Chapter wise, is given below.

CHAPTER 1

INTRODUCTION

1.0 Brief History of BESCOM:

Bangalore Electricity Supply Company Ltd., (BESCOM) is a Distribution Licensee under Section 14 of the Electricity Act, 2003 (herein after referred to as the Act). BESCOM is responsible for purchase of power, distribution and retail supply of electricity to its consumers and also providing infrastructure for open access, Wheeling and Banking in its area of operation which includes eight Districts of the State as indicated below:



1. Bangalore Rural
2. Bangalore Urban
3. Chikkaballapura
4. Chitradurga
5. Davanagere
6. Kolar
7. Ramanagara
8. Tumkur

BESCOM is a registered company under the Companies Act, 1956, incorporated on 30th April, 2002. BESCOM commenced its operations on 1st June, 2002.