

CHAPTER – 2

TARIFF APPLICATION PROCESS

2.1 BACKGROUND:

The Commission has approved the ARR and transmission tariff of KPTCL for FY19 in its MYT Order dated 30th March, 2016 and revision of transmission tariff for FY19 in its Tariff Order dated 14th May, 2018. The KPTCL in its application dated 27th November, 2019, has sought approval of the revised ARR under APR for FY19 and carry forward the deficit of FY19 to the ARR of FY21 and revision of the transmission tariff for FY21, accordingly.

2.2 Commission's Directives and Compliance by KPTCL:

The Commission, in its Tariff Order dated 30th May, 2019, has issued directives on various matters pertaining to transmission system maintained and operated by the KPTCL. The Commission has directed the KPTCL to ensure full compliance of the directives in a time bound manner.

The summary of the directives issued by the Commission and compliance by the KPTCL thereof, is appended vide Appendix, to this Order.

2.3 Public Hearing Process:

On receipt of the application of the KPTCL dated 27th November, 2019 the Commission communicated its preliminary observations on the application on 6th December, 2019. The KPTCL furnished its replies on 16th December, 2019.

The Commission in its letter dated 31st December, 2019 treated the application of the KPTCL as a petition in terms of the Tariff Regulations subject to further verification and validation. Accordingly, the KPTCL was

directed to publish a summary of the application in the newspapers within five days, in accordance with Clause 5(1) of the KERC (Tariff) Regulations, 2000, as amended from time to time.

In compliance of the above directions of the Commission, the KPTCL has published the summary of its application in the following newspapers on 4th January, 2020 and 5th January, 2020.

- Deccan Herald
- The Hindu
- Prajavani
- Udayavani

The KPTCL's Application for APR for FY19 and approval of revised ARR and determination of revised Transmission tariff for FY21 was also made available on the web-sites of the KPTCL and the Commission. In response to the notices published in the above newspapers calling for objections on the APR for FY19, and consequential revision of ARR and transmission tariff of the KPTCL for FY21, the Commission has received 2 numbers of written objections from BESCO and MESCOM.

The Commission held a Public Hearing on 10th February, 2020 in its Court Hall. Two persons raised objections during the public hearing.

2.4 Consultation with Advisory Committee of the Commission:

A meeting of the Advisory Committee of the Commission was held on 11th March, 2020. The various issues involved in the KPTCL's application were discussed in the meeting and the Members offered valuable suggestions. The Commission has taken note of these suggestions, while finalising this Order.