

Delhi Electricity Regulatory Commission
Viniyamak Bhawan, C-Block, Shivalik, Malviya Nagar, New Delhi-110017

Press Note

22nd October, 2012

1. The Commission issued the Tariff schedule for FY 2012-13 on 26.06.2012 which formed an integral part of the detailed Tariff Order issued on 13.7.2012 for the FY 2012-13 in respect of the distribution licensees in Delhi.
2. The issue regarding restoration of tariff slab for the energy charges for Domestic Consumers has been raised by various stakeholders / consumers.
3. While examining these representations, the Commission observed that under the new slab structure introduced in the tariff schedule dated 26.6.2012 for FY 2012-13, some consumers who were consuming slightly more than 200 units experienced a disproportionately higher tariff increase as compared to other consumers. This disproportionate increase persists though to a decreasing degree till consumption upto 400 units.
4. In order to rectify this apparently unintended increase in tariff on primarily middle class consumers, the Commission proposed to revise / rationalize the tariff structure as follows:

Existing Tariff Structure (Dated 26.06.2012)		Revised Tariff Structure	
Slabs	Energy Rate/Unit	Slabs	Energy Rate/Unit
0-200	3.70	0-200	3.70
0-400	4.80	201-400	5.70
Above 400	6.40	Above 400	6.40

5. In order to hear the concerns of stakeholders on the above proposal, the Commission issued a Public Notice regarding public hearing for rationalization of tariff slabs for domestic consumers on 27/28.9.2012 in various newspapers.
6. Through this Public Notice, the Commission, invited comments / suggestions from the stakeholders / consumers on the above proposal in order to restore the earlier tariff slabs for the domestic consumers.
7. The Commission heard a few stakeholders at length during the public hearing on 8.10.2012. The Commission has also perused the written comments of various stakeholders and the distribution licensees. Further, the Commission has examined the relevant provisions of the Electricity Act, 2003 / rules and regulations made thereunder.
8. The Commission *prima facie* felt it was not intended to impose this disproportionate increase at a consumption level which corresponds to the average middle class consumption pattern. Accordingly, it has been decided to rationalize the tariff for the domestic consumers (specified under Category 1.1 of the "Tariff Schedule") as given below:

Existing Tariff Structure (Dated 26.06.2012)*		Revised Tariff Structure*	
Slabs	Energy Rate/Unit	Slabs	Energy Rate/Unit
0-200	3.70	0-200	3.70
0-400	4.80	201-400	5.50
Above 400	6.40	Above 400	6.50

*- These tariff rates shall continue to be subject to an additional surcharge of 8% on fixed and energy charges (excluding LPSC, Arrears & E-Tax).

9. The Commission has observed that the proposed rationalization would definitely benefit the consumers in the range of 200 to 400 units where the percentage increase in bills would come down on an average by approx. 15%

10. A comparative chart indicating the decrease in energy charges for consumption level 200-400 units per month with the revised tariff slab structure is given below.

Sl. No.	Units Consumed in a month	Energy Charges as per Existing Tariff (in Rs.)	Energy Charges as per Revised Tariff (in Rs.)	Difference (in Rs.)	% Decrease
1	201	964.80	745.50	219.30	22.73
2	250	1200.00	1015.00	185.00	15.42
3	300	1440.00	1290.00	150.00	10.42
4	350	1680.00	1565.00	115.00	6.85
5	400	1920.00	1840.00	80.00	4.17
6	450	2240.00	2165.00	75.00	3.35
7	500	2560.00	2490.00	70.00	2.73
8	600	3200.00	3140.00	60.00	1.88
9	800	4480.00	4440.00	40.00	0.89

11. The above changes will be made effective from 1.7.2012. The distribution licensees i.e. BRPL, BYPL & TPDDL will make suitable adjustments in the next bill to be raised by them.

Sd/-
(Jayshree Raghuraman)
Secretary
Delhi Electricity Regulatory Commission