

**THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION,
SHIMLA**

Supplementary Order in

Petition No. 02 of 2022

Date of modification 05.07.2022

In the matter of: Approval of the Mid-Term Review for Fourth MYT Control Period (FY20-FY24), determination of tariff for FY 2023, True up of uncontrollable parameters of FY 2018-19, FY 2019-20 and FY 2020-21 and True-up of controllable parameters of Third MYT Control Period for HPSEBL under sections 62, 64 and 86 of the Electricity Act, 2003

Supplementary Order

Whereas this Commission, in the above Tariff Order for the Himachal Pradesh State Electricity Board Limited for the FY 2022-23 issued on 29th March, 2022, had determined the tariff for Domestic category of the Consumers, after considering HP Government subsidy, at the following rates:-

Table 1: Subsidized Effective Energy Charge for Domestic Consumers

| Particulars | Slabs | Units/month | Approved Energy Tariff for FY23 (Rs/kWh) | GoHP Subsidy for FY23 (Rs./kWh) | Effective Energy Tariff after subsidy (Rs/kWh) |
|--------------------|--------------------|-------------|------------------------------------------|---------------------------------|------------------------------------------------|
| Domestic Consumers | Lifeline Consumers | 0-60 | 3.50 | 3.50 | 0.00 |
| | 1st Slab | 0-125 | 4.15 | 3.15 | 1.00 |
| | | 126-300 | 5.05 | 1.10 | 3.95 |
| | 2nd Slab | 0-125 | 4.15 | 2.30 | 1.85 |
| | | 126-300 | 5.05 | 1.10 | 3.95 |
| | | Above 300 | 5.65 | 0.65 | 5.00 |

Table 2: Subsidized Effective Fixed Charge for Domestic Consumers

| Particulars | Slabs | Units/month | Approved Fixed Charges for FY23 (Rs/conn./month) | GoHP Subsidy for FY23 (Rs./conn./month) | Effective Fixed Charges after subsidy (Rs/kWh) |
|--------------------|--------------------|--------------------|---------------------------------------------------------|------------------------------------------------|-------------------------------------------------------|
| Domestic Consumers | Lifeline Consumers | 0-60 | 55 | 55 | 0.00 |

And whereas, the matter of providing Subsidy to the Domestic Consumers has been reviewed by the Govt. of HP afresh and has requested this Commission vide letters No. MPP-C010/5/2021-Loose dated 08-06-2022 and No. MPP-C010/5/2021-Loose dated 02.07.2022 to revise the tariff of the Domestic Category of the Consumers. Therefore, it has necessitated this Commission to issue this Supplementary Order.

- 1 The subsidized tariff fixed by the Commission in Tariff Order dated 29.03.2022 was based upon the provision of Rs. 500 Crore, for providing subsidy to electricity Consumers of Domestic categories during the year, by Govt. of Himachal Pradesh in the budget for financial year 2022-23. Further, the Govt. of Himachal Pradesh vide letter no. MPP-C010/5/2021 dated 26.03.2022 has committed to provide additional support as that will be required to keep the electricity tariff at the current level during the course of the next financial year. Subsequently, after issuance of the tariff order by the Commission, HPSEBL vide letter No. HPSEBL/ CE-(Comm.)/SERC-15/2022-23-3970 dated 15-06-2022 and Govt. of HP vide letter No. MPP-C010/5/2021-Loose dated 08-06-2022 informed that the Hon'ble Chief Minister of Himachal Pradesh has made an announcement on Himachal Day i.e. 15th April 2022, for giving free electricity to Consumers having monthly energy consumption of 61 to 125 units w.e.f 01.07.2022.
- 2 The Commission vide letter No. HPERC-F(1)-27/2021-654-655 dated 27.06.2022 requested GoHP to clarify as to whether the GoHP subsidy, as announced, will be applicable for all category of Consumers having consumption upto 125 units in a month. Further, requested to apprise the Commission whether this provision is only for the first 125 units consumed or also available if the consumption exceeds 125 units in a month. GoHP vide letter No. MPP-C010/5/2021-Loose dated 02.07.2022 has informed that the free electricity having monthly consumption between 61-125 units in a month is applicable to Domestic Consumers only. All Domestic Consumers having consumption upto 125 units per month, shall be billed zero charge w.e.f. 1.7.2022. However, if the consumption exceeds 125 units in a month then the billing will be done for entire consumption as per subsidized tariff approved by HPERC. The proposed subsidy shall be applicable only for the Domestic Consumers.

3 Now, in accordance with provisions of Section 65 of the Electricity Act, 2003, the Commission in terms of sub-regulation (5) of Regulation 42 of the Himachal Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2011 in giving effect to the revised subsidy hereby makes the following provisions:

- a. There has been no change in the tariff of Domestic category of the electricity Consumers as determined by this Commission in its Order dated 29.03.2022 for the period 1st April 2022 to 30th June, 2022. The effective energy charges for Domestic Supply category, as proposed by the GoHP after accounting for Government subsidy, with effect from 1st July, 2022 shall be as given in the table below:-

| Particulars | Slabs | Units/month | Approved Energy Tariff for FY23 (Rs/kWh) | GoHP Subsidy for FY23 (Rs./kWh) | Effective Energy Tariff after subsidy (Rs/kWh) |
|--------------------|--------------------|-------------|------------------------------------------|---------------------------------|------------------------------------------------|
| Domestic Consumers | Lifeline Consumers | 0-60 | 3.50 | 3.50 | 0.00 |
| | 1st Slab | 0-125 | 4.15 | 4.15 | 0.00 |
| | 2nd Slab | 0-125 | 4.15 | 2.30 | 1.85 |
| | | 126-300 | 5.05 | 1.10 | 3.95 |
| | 3rd Slab | 0-125 | 4.15 | 2.30 | 1.85 |
| | | 126-300 | 5.05 | 1.10 | 3.95 |
| | | Above 300 | 5.65 | 0.65 | 5.00 |

Table 316 of the Tariff Order dated 29.03.2022 shall be considered deemed modified to incorporate the above changes.

- b. The effective fixed charges for Domestic Supply category, as proposed by the GoHP after accounting for Government subsidy, with effect from 1st July, 2022 shall be as given in the table below:-

| Particulars | Slabs | Units/month | Approved Fixed Charges for FY23 (Rs./connection/month) | GoHP Subsidy for FY23 (Rs./connection/month) | Effective Fixed Charges after subsidy (Rs./connection/month) |
|--------------------|--------------------|-------------|--------------------------------------------------------|----------------------------------------------|--------------------------------------------------------------|
| Domestic Consumers | Lifeline Consumers | 0-60 | 55 | 55 | Nil |
| | 1st Slab | 0-125 | 85 | 85 | Nil |

| Particulars | Slabs | Units/month | Approved Fixed Charges for FY23 (Rs./connection/month) | GoHP Subsidy for FY23 (Rs./connection/month) | Effective Fixed Charges after subsidy (Rs./connection/month) |
|-------------|----------|-------------|--------------------------------------------------------|----------------------------------------------|--------------------------------------------------------------|
| | 2nd Slab | 126-300 | 85 | - | 85 |
| | 3rd Slab | Above 300 | 85 | - | 85 |

Table 317 of the Tariff Order dated 29.03.2022 shall be considered deemed modified to incorporate the above changes.

- c. In case the GoHP/ HPSEBL want to change the level of subsidy provided to above classes/ categories of Consumers, they shall inform the Commission accordingly for necessary changes.
- d. The above revised tariff in respect of Domestic category shall be effective retrospectively from 1st July, 2022.
- e. The Commission further orders that subsidy amount shall be paid in advance to the HPSEBL, as per provisions of Section 65 of the Electricity Act, 2003 and reconciled after every quarter. HPSEBL is directed to submit quarterly report regarding the payment of subsidy as well as the outstanding amount, if any, to the Commission.
- f. All other conditions in Order dated 29.03.2022 shall remain unchanged.

**Sd/-
(YASHWANT SINGH
CHOGAL)**

Member

**Sd/-
(BHANU PRATAP SINGH)**

Member

**Sd/-
(DEVENDRA KUMAR
SHARMA)**

Chairman

Shimla

Dated: July 05, 2022