

HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION

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Press Note Electricity Tariff for 2021-22 (31.05.2021)

- 1. The Himachal Pradesh Electricity Regulatory Commission (HPERC) has issued the Tariff Order containing tariff/charges for Himachal Pradesh State Electricity Board Limited (HPSEBL) for FY 2021-22 vide its Order dated 31st May 2021. In the Order, the Commission has determined the provisional true-up of financial years 2018-19 and 2019-20, and Aggregate Revenue Requirement (ARR) of HPSEBL along with the tariff/charges applicable for 2021-22.
- 2. The Commission has estimated the Annual Revenue Requirement (ARR) of Rs. 6080.88 Crore of HPSEBL for FY 2021-22. Further, Govt. of HP (GoHP) has made a provision of Rs. 424.74 crore towards the subsidy for electricity consumption by Domestic and Agriculture consumers in the State.

Electricity rates prevailing at present shall remain unchanged for domestic and agriculture consumers on account of subsidy of Rs. 424.74 crore provided by the Govt. of HP.

3. Electricity Tariff rates for domestic consumers with effect from 01.06.2021 shall be as follows:-

Subsidized tariff for domestic category

Particulars	Slabs	Units/month	Approved Tariff for FY22 (Rs/kWh)	GoHP Subsidy for FY22 (Rs./kWh)	Effective Tariff after subsidy (Rs/kWh)
Domestic consumers	Lifeline Consumers	0-60	3.30	2.30	1.00
	1 st Slab	0-125	3.95	2.40	1.55
	2 nd Slab	0-125	3.95	2.10	1.85
		126-300	4.85	0.90	3.95
	3 rd Slab	0-125	3.95	2.10	1.85
		126-300	4.85	0.90	3.95
		Above 300	5.45	0.45	5.00
		Prepaid consumers	4.85	0.90	3.95

4. With a view to boost industrial consumption in the State, the Commission has decided to decrease the Night-time charges across all the categories of industrial consumers by 30 paisa per unit over and above the existing night-time rates. Also,

there would be reduction of peak hour charges by 50 paisa per unit to the industrial consumers.

The Commission is of the view that Industrial consumption is key to growth of the 5. power sector in the State as industries constitute around 60% of the total sales of HPSEBL. Currently industries in the State are under stress due to COVID-19 pandemics and there is an urgent need to provide thrust to industrialisation in the Pradesh to boost electricity consumption. This can be done by giving them certain incentives as has also been talked about in the Industrial Policy of Govt. of HP. Keeping this aspect in mind, the Commission has decided that for new industries coming into production on or after 01.06.2021, the energy charges shall be 15% lower than the approved energy charges for the respective category for a period of 3 years. Also, for existing industries which shall be undergoing expansion on or after 01.06 2021, the energy charges shall be 15% lower than the approved energy charges for the respective category for a period of 3 years for quantum of energy consumption corresponding to proportionate increase in contract demand. The above-mentioned rebate on energy charges shall be applicable during normal and peak hours. In case of night hours, night-time concession shall only apply.

The Commission believes that by not increasing electricity rates for domestic consumers during COVID-19 pandemic and by providing rebate in energy charges for industries would provide relief to the common man and would also help in increasing the attractiveness of the State for setting up new industries. This would also help to generate more employment opportunities in the State.

Sd/-(Er. Pankaj Singh Kishtwaria) Executive Director (Tariff)