BEFORE THE HON'BLE GUJARAT ELECTRICITY REGULATORY COMMISSION AT AHMEDABAD

3rd July, 2002

CORAM : Shri B.M. Oza, Member
Shri R.K. Sharma, Member

PETIOTION NO. 78/2002

ORAL ORDER

We have before us Mr. A.J. Buch and Mr. V.C. Shah, representing the Gujarat Electricity Board. The Board has approached the Commission with a prayer to approve the HT incentive scheme detailed in the petition.

2) At the outset Mr. Buch prayed for the permission to amend the last line of the prayer clause replacing the para numbers mentioned therein with a single para 3. The permission is granted. Mr Buch detailed the logic behind the scheme which is to give a boost to the HT consumption thereby improving the revenue of the Board. The discount was proposed to be allowed to HT consumers under the category Tariff Rate HTP-I and HTP-II(A) on their incremental consumption calculated on yearly basis. Mr Buch mentioned that on account of idle capacity available and its cost effectiveness in the present circumstances, if the additional power is generated/purchased and sold at discount to the targeted group of consumers, the Board's revenues are likely to be augmented. It was confirmed by Mr Buch in response to a querry that no additional revenue requirement is being sought by the Board in order to give benefit of discount to the above stated consumers.

3) There is hardly any dispute that there is a need to bring down the prices of electricity and the beginning should be made with the consumers paying the highest prices. The effort of the Board in this direction is, therefore, commendable. Shri Navinbhai Jobanputra from the Surendranagar Small Industries Association and Shri Kaushik Kapadia from M/s. Maradia

Chemicals, who were present, did not oppose the scheme, but mentioned that they wanted full information about the scheme. Shri Jobanputra also mentioned that similar scheme should be made extending benefits to the consumers under other tariff categories as well. We feel that it will be a good idea for the Board to examine feasibility to extend similar benefits to other consumers on the basis of cost effectiveness of the purchase of additional power and net gain to the Board.

4) In view of the circumstances detailed above, we approve the HT incentive scheme submitted by the Board in para 3 of their petition alongwith the methodology and terms and conditions laid down. We would desire that the scheme may be widely circulated well in advance among all the consumers, organizations etc. and the copies so circulated may be filed before the Commission. The scheme so circulated may include clear definition regarding incremental consumption and such related terms alongwith example, if necessary, to make it clear to the consumers the benefit of discount that they are likely to get as a result of incremental consumption.

We order accordingly. With these orders, the petition stands disposed of.

Sd/-
(B.M. OZA)
MEMBER

Sd/-
(R.K. SHARMA)
MEMBER

Place : Ahmedabad
Date : 3rd July, 2002