



**BEFORE THE TAMIL NADU ELECTRICITY REGULATORY COMMISSION
CHENNAI**

Order No. 5 of 2023, dated 06-04-2023

Present :	Thiru M. Chandrasekar Chairman
	Thiru K. Venkatesan Member
	Thiru B. Mohan Member (Legal)

**In the matter of : Provisional Tariff subsidy for FY 2023-24
by the Government of Tamil Nadu.**

The Government of Tamil Nadu (GoTN) had issued policy directions under sub-section (1) of section 108 of the Electricity Act, 2003, for extension of free supply / concessional tariff to different categories of consumers like Hut consumers, Agricultural consumers, Domestic consumers, Actual Places of Public Worship, Powerloom Consumers, Handloom Consumers and Lift Irrigation Co-operative Societies for Agriculture from 2004 onwards. The Government has also committed to provide subsidy to meet the shortfall in revenue to TANGEDCO u/s 65 of the Electricity Act, 2003.

(2) TANGEDCO in their letter dated 16-03-2023 has stated that the Government of Tamil Nadu has been requested to provide Rs.14,335.26 Crores in the Budget Estimate for FY 2023-24 towards tariff subsidy payable to TANGEDCO.

(3) TANGEDCO has also stated that the following are the list of policy directives along with commitment letters issued at various stages by the Government of Tamil Nadu:

Sl.No.	Category of consumers	Details of G.O's issued effective from	Details of Government's commitment letters issued
1.	a) Reduction in Tariff for Domestic Consumers b) Free electricity of 100 units bimonthly to all Domestic consumer in all slabs in the existing assessment system.	w.e.f:16-06-2004 G.O.(MS) No.36, Energy (A1) Department, dated 23-05-2016 (w.e.f:23-05-2016)	Letter MS.No.100, Energy (A1) Department, dated 07-06-2004. Letter (MS)No:37, Energy (A1) Department, Dated 23-05-2016.
2.	Free units of electricity to HUT consumer	w.e.f:01-04-2004	Letter (MS)No: 100, Energy (A1) Department, Dated 07-06-2004.
3.	a) Free electricity to Agricultural consumers	w.e.f:01-04-2004	Letter (MS)No: 100, Energy (A1) Department, Dated 07-06-2004.

	under Normal category b) Free electricity to Agricultural consumers under SFS category	w.e.f:01-04-2006	Letter (MS)No: 75/2006, Energy (C3) Department, Dated 11-08-2006.
4.	Reduction in Tariff for Actual Places of Public Worship	w.e.f:01-01-2006	Letter (MS)No: 15/2006, Energy (C3) Department, Dated 31-01-2006.
5.	Free Supply of electricity to HT Lift Irrigation consumers	w.e.f:01-12-2010	Govt: Letter (MS)No: 116, Energy (C3) Department, Dated 01-12-2010.
6.	Reduction of ToD Charges from 25% to 15% during peak hours for LT Industries consumers	G.O.(MS) No.79, MSME (D2) Department, dated 08-11-2022 (w.e.f:08-11-2022)	Lr.No.9863/C2/2022, Energy (C2), Department, dated 06-02-2023.
7.	Enhancement of ceiling for the supply of free electricity to all handloom consumers from 201 to 300 units bimonthly and reduction in tariff for remaining slabs.	G.O.(MS) No.40,Handlooms, Handicrafts, Textiles and Khadi (D2) Department, dated 03-03-2023 (w.e.f:03-03-2023)	Lr.No.1858/C2/2023, Energy (C2), Department, dated 27-03-2023.
8.	Enhancement of free	G.O.(MS) No.41,Handlooms,	Lr.No.1859/C2/2023, Energy (C2),

units from 750 units to 1000 units bimonthly to all Powerloom consumers and reduction in tariff for remaining slabs.	Handicrafts, Textiles and Khadi (D2) Department, dated 03-03-2023 (w.e.f:03-03-2023)	Department, dated 27-03-2023.
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(4) The Commission has considered the following facts while determining the Subsidy payable by GoTN:

(i) The subsidy rates as issued in the Government's Letter (Ms.) No. 6329/C2/2022-1, dated 07-09-2022 of Energy (C2) Department, GoTN are as follows:

Category	Slab	Subsidy/Unit
Domestic (IA)	Upto 500 units 0 – 100 units (bimonthly)	Rs.4.50/unit.
	101 – 200 units (bimonthly)	Rs.2.25/unit.
	Above 500 units 0-100 units (bimonthly)	Rs.4.50/unit.
Hut (IB)	No meter-Fixed charges	Rs.300/month/service
Places of Worship (IIC)	0-120 units	Rs.2.90/unit
Powerloom (IIIA2)	Upto 500 units	Rs.6.50/unit.
	501-750	Rs.7.50/unit.
	751-1000	Rs.4.50/unit.
	1001-1500	Rs.3.00/unit.
	Above 1500	Rs.1.50/unit.

Agriculture (IV)	No meter	Rs.3250/HP/year.
HT Lift Irrigation	All units	Rs.7.00/unit.

In the aforesaid commitment letter, the Government of Tamil Nadu, has specified the subsidy (unit / SC/HP, as the case may be) to be payable to the subsidized categories. The fixation of tariff is within the purview of the Commission. As far as the subsidy is concerned, the Government has to decide the grant of subsidy to any consumer. The GoTN specified the subsidy amount per unit to the respective subsidy categories. Therefore, in the absence of the commitment letter from GoTN, the 4% hike claimed by the TANGEDCO is not considered now.

The Provisional Tariff Subsidy payable by GoTN to TANGEDCO for different category of consumers for FY 2023-24 is detailed below:

I. Domestic Consumers - LT Tariff I-A

a) The details of approved tariff, subsidy payable by the Government as per above revised directive and the tariff for energy charges payable by consumers with effect from 10-09-2022 in respect of Domestic consumers are as follows:

Consumption slabs – Range in kWh	Approved Tariff Rate	Subsidy payable by GoTN	Payable by consumer
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(units) and billing period (one or two months)	Energy Charges in paise per kWh	Energy Charges in paise per kWh	Energy Charges in paise per kWh
a) For consumers who consume up to 50 units per month (or) 100 units for two months			
From 0 to 50 units per month (or) 0 to 100 units for two months	450	450	Nil
b) For consumers who consume from 51 units to 100 units per month (or) 101 to 200 units for two months			
From 0 to 50 units per month (or) 0 to 100 units for two months	450	450	Nil
From 51 to 100 units per month (or) 101 to 200 units for two months.	450	225	225
c) For consumers who consume from 101 units to 250 units per month (or) 201 to 500 units for two months			
From 0 to 50 units per month (or) 0 to 100 units for two months	450	450	Nil
From 51 to 100 units per month (or) 101 to 200 units for two months.	450	225	225
From 101 to 200 units per month (or) 201 units to 400 units for two months	450	Nil	450
From 201 to 250 units per month (or) 401 units to 500 units for two months	600	Nil	600

Consumption slabs – Range in kWh (units) and billing period (one or two months)	Approved Tariff Rate	Subsidy payable by GoTN	Payable by consumer
	Energy Charges in paise per kWh	Energy Charges in paise per kWh	Energy Charges in paise per kWh
d) For consumers who consume 251 units and above per month (or) 501 units and above per month			
From 0 to 50 units per month (or) 0 to 100 units for two months	450	450	Nil
From 51 to 100 units per month (or) 101 to 200 units for two months.	450	Nil	450
From 101 to 200 units per month (or) 201 to 400 units for two months	450	Nil	450
From 201 units to 250 units per month (or) 401 units to 500 units for two months	600	Nil	600
From 251 to 300 units per month (or) 501 to 600 units for two months	800	Nil	800
From 301 units to 400 units per month (or) 601 units to 800 units for two months	900	Nil	900
From 401 to 500 units per month (or) 801 to 1000 units for two months	1000	Nil	1000
From 501 units and above per month (or) from 1001 units and above for two months	1100	Nil	1100

d) **True-up of subsidy of 2021-22:**

A provisional subsidy of Rs.3469.02 Crores was sanctioned for TANGEDCO for FY 2021-22 vide Commission's Order No. 7 of 2021, dated 30-09-2021. Subsequently, TANGEDCO submitted their actual slab-wise consumption and reconciliation statements for FY 2021-22 and claimed a revised subsidy of Rs.3414.31 Crores. **The Commission has approved the same and the excess subsidy of Rs.54.71 Crores has to be adjusted while approving the Provisional Subsidy for FY 2023-24.**

The provisional tariff subsidy payable by the Government for the FY 2023-24 has been estimated as follows:

Slab	Consumption (in MU)/ No. of services (in lakhs)	Subsidy payable by the Government (Rs./unit)	Estimated tariff subsidy (Rs. in Crs.)
I. Bi-Monthly Consumption upto 100 units			
0-100 units	2003.79	4.50	901.71
Fixed Charges	77	0.00	0.00
II. Bi-Monthly Consumption above 100 units and upto 200 units			
0-100 units	3615.03	4.50	1626.76
101-200 units	1991.30	2.25	448.04
Fixed Charges	60	0.00	0.00
III. Bi-Monthly Consumption above 200 units and upto 500 units			
0-100 units	4900.10	4.50	2205.04
101-200 units	4900.10	2.25	1102.52
201-300 units	4341.61	0.00	0.00
Above 300	1235.62	0.00	0.00
Fixed Charges	81	0.00	0.00
IV. Bi-Monthly Consumption above 500 units			

Slab	Consumption (in MU)/ No. of services (in lakhs)	Subsidy payable by the Government (Rs./unit)	Estimated tariff subsidy (Rs. in Crs.)
0-100 units	1118.66	4.50	503.40
101-200 units	1118.66	0.00	0.00
201-300 units	1118.66	0.00	0.00
Above 300 units	5480.67	0.00	0.00
Fixed Charges	18	0.00	0.00
Total (A)	31824.20/236		6787.47

Hence, a subsidy of Rs.6787.47 Crores is provisionally approved for FY 2023-24 for reduction in tariff to Domestic Consumers based on the above commitment letters of GoTN.

(II-A) Agricultural consumers under normal category:

(a) True up of subsidy for FY 2021-22: The Commission has approved a provisional subsidy of Rs.4019.00 Crores for FY 2021-22. TANGEDCO has subsequently submitted the actual load details as 1,52,44,719.46 HP for reconciling the subsidy for FY 2021-22. Therefore, the Commission approved a subsidy of Rs.4382.86 Crores for FY 2021-22 at the rate of Rs.2,875/HP/per annum. **Hence, the additional subsidy of Rs.363.86 Crores has to be provided while approving the Provisional Subsidy for FY 2023-24.**

(b) The details of approved tariff, subsidy payable by the Government and the tariff payable by consumers in respect of Agriculture consumers are as below;

Description	TNERC approved Tariff Rate		Subsidy payable by GoTN		Tariff Rate payable by Consumer	
	Fixed Charges (Rs. Per HP/annum)	Energy Charges (Paise / kWh)	Fixed Charges (Rs. Per HP/annum)	Energy Charges (Paise / kWh)	Fixed Charges (Rs. Per HP/annum)	Energy Charges (paise / kWh)
Till installation of Energy Meters	3550	Nil	3550	Nil	Nil	Nil
On installation of Energy Meters	Nil	446	Nil	446	Nil	Nil

(c) TANGEDCO has estimated the connected load for FY 2023-24 at 1,57,31,330 HP. Therefore the estimated subsidy for 1,57,31,330 HP for FY 2023-24 works out as under:

Connected Load (in HP)	Subsidy payable by the Government	Estimated Subsidy (Rs. in Crs.)
1,57,31,330	Rs.3550/HP/ Annum	5584.62
	Total (A)	5584.62

The Government of Tamil Nadu, in its letter dated 07-09-2022, has granted subsidy of Rs.3250/HP/Annum in respect of Agriculture consumers. Since it is a fully subsidized category, the Government of Tamil Nadu has to pay the tariff as fixed by the Commission.

(d) Therefore, a subsidy of Rs. 5,584.62 Crores for FY 2023-24 in respect of agricultural consumers under normal category is provisionally approved.

(II-B) Agricultural consumers under SFS category:

(a) True up of subsidy of FY 2021-22 : The Commission had approved a provisional subsidy of Rs.789.81 Crores for FY 2021-22. TANGEDCO has subsequently submitted the actual load details as 25,84,576.21 HP for reconciling the subsidy for FY 2021-22. Therefore, the Commission approved a subsidy of Rs.743.07 Crores for FY 2021-22. **Hence, the excess subsidy of Rs.46.74 Crores has to be adjusted while approving the Provisional Subsidy for FY 2023-24.**

(b) TANGEDCO has estimated the connected load for FY 2023-24 at 28,25,586 HP. Therefore, the estimated subsidy for 28,25,586 HP works out as under:

Connected Load (in HP)	Subsidy payable by the Government (Rs./HP)	Estimated Subsidy (Rs. in Crs.)
28,25,586	Rs.3550/HP/ Annum	1003.08
	Total (A)	1003.08

The Government of Tamil Nadu has, in its letter dated 07-09-2022, granted subsidy of Rs.3250/HP/Annum in respect of Agriculture consumers.

However, as it is fully subsidized category, the Government of Tamil Nadu has to pay the tariff as fixed by the Commission.

Therefore, a subsidy of Rs. 1003.08 Crores for FY 2023-24 for agricultural consumers under SFS category is provisionally approved.

III. Hut Consumers

(a) True up of subsidy of FY 2021-22: The Commission had approved a provisional subsidy of Rs.181.38 Crores for FY 2021-22. Subsequently, the TANGEDCO furnished the average number of Hut consumers for FY 2021-22 as 10,18,022.50. Based on this, the Commission approved a subsidy of Rs.177.14 Crores and **the excess subsidy of Rs.4.24 Crores has to be adjusted while approving the Provisional Subsidy for FY 2023-24.**

(b) The details of approved tariff, subsidy payable by the Government and the tariff payable by consumers in respect of Hut consumers are as under:

Description	TNERC approved Tariff Rate		Subsidy payable by GoTN		Tariff Rate payable by Consumer	
	Fixed Charges	Energy Charges	Fixed Charges	Energy Charges	Fixed Charges	Energy Charges

	(Rs. /Service / Month)	(Paise / kWh)	(Rs. /Service /Month)	(Paise / kWh)	(Rs./ month)	(paise / kWh)
Till installation of Energy Meters	300	Nil	300	Nil	Nil	Nil
On installation of Energy Meters	Nil	913	Nil	913	Nil	Nil

c) The number of hut consumers for FY 2023-24 has been estimated as 8,34,975 nos.

No. of consumers	Subsidy payable by the Government (Rs./Service/Month)	Estimated Subsidy (Rs. in Crs.)
8,34,975	Rs.300/Month/Service	300.59
	Total (A)	300.59

d) Therefore, a subsidy of Rs.300.59 Crores for FY 2023-24 in respect of Hut consumers is provisionally approved.

IV. Reduction in Tariff rate to Actual Places of Public Worship

a) True up of subsidy of FY 2021-22: The Commission had approved a provisional subsidy of Rs.15.80 Crores. Subsequently, the TANGEDCO furnished the actual consumption units details of Actual Places of Public Worship consumers for FY 2021-22 as 11,93,99,773 units and claimed the actual subsidy of Rs.15.30 Crores. **The Commission has approved the subsidy of Rs.15.30 Crores FY 2021-22 and the excess subsidy of**

Rs.0.50 Crores has to be adjusted while approving the provisional subsidy for FY 2023-24.

b) The details of approved tariff, subsidy payable by the Government and the tariff payable by the consumers in respect of Actual Places of Public Worship are as under:

Description	TNERC approved Tariff Rate		Subsidy payable by GoTN		Tariff Rate payable by Consumer	
	Fixed Charges (Rs./kW /month)	Energy Charges (paise / kWh)	Fixed Charges (Rs./kW /month)	Energy Charges (paise / kWh)	Fixed Charges (Rs./kW /month)	Energy Charges (paise / kWh)
0 to 120 units for two months	100	575	Nil	290	100	285
Above 120 units for two months		700		Nil		700

c) The tariff subsidy payable by the Government for the FY 2023-24 has been calculated on the estimated energy consumption as 145.05 MUs and TANGEDCO has claimed a subsidy of Rs.16.55 Crores as follows:

Slab	Consumption (in MU)	Subsidy payable by the Government (Rs./unit)	Estimated tariff subsidy (Rs. in Crs.)
<i>I. Bi-Monthly Consumption upto 120 units</i>			
0-120 units	28.67	2.90	8.31
<i>II. Bi-Monthly Consumption above 120 units</i>			
First 120 Units	28.41	2.90	8.24
Above 120 units	87.97	Nil	Nil

Total (A)	145.05		16.55
Total (A)			16.55

d) Therefore, subsidy of Rs.16.55 Crores is approved for FY 2023-24 for reduction in tariff rate to Actual Places of Public Worship.

V. Reduction in tariff and Fixed Charges to Power Loom consumers and extended free supply upto 1000 units:

a) True up of subsidy for FY 2021-22: The Commission has provisionally approved a subsidy of Rs.378.24 Crores towards extension of free supply to power loom consumers. However, on reconciliation, the amount of subsidy is determined as Rs.340.09 Crores. **Hence, the Commission has approved the subsidy of Rs.340.09 Crores for FY 2021-22 and the excess subsidy of Rs.38.15 Crores has to be adjusted while approving the provisional subsidy for FY 2023-24.**

b) The details of approved tariff, subsidy payable by the Government and the tariff payable by consumers in respect of Power loom consumers are as follows:

Consumption slabs – Range	TNERC approved Tariff Rate	Subsidy payable by GoTN	Tariff payable by consumer
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in KWH (units) and billing period two months	Fixed Charges (Rs. / kW / month)	Energy Charges (paise / kWh)	Fixed Charges (Rs. / kW / month)	Energy Charges (paise / kWh)	Fixed Charges (Rs. / kW / month)	Energy Charges (paise / kWh)
a. For consumers who consume up to 500 units for two months						
0 to 500 units for two months	100	650	100	650	Nil	Nil
b. For consumers who consume 501 units and above for two months						
First 500 units	100	650	100	650	Nil	Nil
501 units to 1000 units		750		750		Nil
1001 units to 1500 units		750	50	335	50	415
1501 units and above		750		220		530

c. The tariff subsidy payable by the Government for the FY 2023-24 has been estimated as follows:

Slab	Consumption (in MU)/ Connected load (in kW)	Subsidy payable by the Government (Rs./unit)	Estimated tariff subsidy (Rs. in Crs.)
I. Consumption upto 500 units for two months			
0-500 units	119.78	6.50	77.86
Fixed Charges	2,85,348	Rs.100 per kW/month	34.24
II. Consumption above 500 units and upto 750 units for two months			
First 500 units	73.64	6.50	47.87
501-750 units	19.35	7.50	14.51
Fixed Charges	90,909	Rs.100 per kW/month	10.91
III. Consumption above 750 units and upto 1000 units for two months			

Slab	Consumption (in MU)/ Connected load (in kW)	Subsidy payable by the Government (Rs./unit)	Estimated tariff subsidy (Rs. in Crs.)
First 500 units	33.73	6.50	21.92
501-750 units	16.86	7.50	12.65
751-1000 units	9.15	7.50	6.86
Fixed Charges	50,671	Rs.100 per kW/month	6.08
<i>IV. Consumption above 1000 units and upto 1500 units for two months</i>			
First 500 units	34.03	6.50	22.12
501-750 units	17.02	7.50	12.77
751-1000 units	17.02	7.50	12.77
1001-1500 units	16.91	3.35	5.66
Fixed Charges	60,936	Rs.50 per kW/month	3.66
<i>V. Consumption above 1500 units for two months</i>			
First 500 units	83.63	6.50	54.36
501-750 units	41.81	7.50	31.36
751-1000 units	41.81	7.50	31.36
1001-1500 units	83.63	3.35	28.02
1501 units & above	380.34	2.20	83.67
Fixed Charges	2,10,798	Rs.50 per kW/month	12.65
Total	988.71/698662		531.30

d) Therefore, subsidy of Rs.531.30 Crores is provisionally approved for FY 2023-24 towards free supply, reduction in tariff and Fixed charges to power loom consumers.

VI. Free supply to Hand Loom consumers upto 300 units bi-monthly

a) The Handloom consumers are categorized under Domestic category. All the Handloom weavers are to be extended with free electricity of 300 units (bi-monthly) in addition to reduction in tariff rate applicable to domestic consumers. The Government has committed to provide tariff subsidy for the consumption of first 300 units at entire tariff rate in respective slabs by Handloom weavers.

b) True up of subsidy for FY 2021-22: The provisional subsidy approved by the Commission for 2021-22 was Rs.6.28 Crores based on the estimated consumption of this category of consumers. Subsequently, based on the actual consumption of handloom consumers, the subsidy for FY 2021-22 has been reconciled at Rs.5.69 Crores. **Hence, the Commission has ordered for recovery of Rs.0.59 Crores while approving the provisional subsidy for FY 2023-24.**

c) Now, TANGEDCO has sought for a subsidy of Rs.13.89 Crores towards subsidy for energy consumption in respect of 76,356 consumers for FY 2023-24.

d) The approved tariff issued by the Commission, subsidy payable by the Government and the Tariff payable by the consumer is as follows:

Consumption slabs – Range in kWh (units) and billing period (one or two months)	Approved Tariff Rate		Subsidy payable by GoTN		Payable by consumer	
	Fixed Charges (Rs.per month/service)	Energy Charges in paise per kWh	Fixed Charges (Rs.per month/service)	Energy Charges in paise per kWh	Fixed Charges (Rs.per month/service)	Energy Charges in paise per kWh
a) For consumers who consume from 0 units to 250 units per month (or) 0 to 500 units for two months						
From 0 to 50 units per month (or) 0 to 100 units for two months	Nil	450	Nil	Domestic 450 + Handloom 0	Nil	Nil
From 51 to 100 units per month (or) 101 to 200 units for two months	Nil	450	Nil	Domestic 225 + Handloom 225	Nil	Nil
From 101 to 150 units per month (or) 201 to 300 units for two months.		450		Domestic 0 + Handloom 450		Nil
From 151 to 200 units per month (or) 301 to 400 units for two months.		450		Nil		450
From 201 to 250 units per month (or) 401 to 500 units for two months.		600		Nil		600
b) For consumers who consume from 251 units and above per month (or) 501 units above for two months						

Consumption slabs – Range in kWh (units) and billing period (one or two months)	Approved Tariff Rate		Subsidy payable by GoTN		Payable by consumer	
	Fixed Charges (Rs.per month/service)	Energy Charges in paise per kWh	Fixed Charges (Rs.per month/service)	Energy Charges in paise per kWh	Fixed Charges (Rs.per month/service)	Energy Charges in paise per kWh
From 0 to 50 units per month (or) 0 to 100 units for two months	Nil	450	Ni	Domestic 450 + Handloom 0	Nil	Nil
From 51 to 100 units per month (or) 101 to 200 units for two months.		450		Domestic 0 + Handloom 450		Nil
From 101 to 150 units per month (or) 201 units to 300 units for two months		450		Domestic 0 + Handloom 450		Nil
From 151 to 200 units per month (or) 301 units to 400 units for two months	Nil	450		Nil		Nil
From 201 units to 250 units per month (or) 401 units to 500 units for two months		600		Nil		600
From 251 to 300 units per month (or) 501 to 600 units for two months		800		Nil		800
From 301 units to 400 units per month (or) 601 units to 800 units for two months		900		Nil		900

Consumption slabs – Range in kWh (units) and billing period (one or two months)	Approved Tariff Rate		Subsidy payable by GoTN		Payable by consumer	
	Fixed Charges (Rs.per month/service)	Energy Charges in paise per kWh	Fixed Charges (Rs.per month/service)	Energy Charges in paise per kWh	Fixed Charges (Rs.per month/service)	Energy Charges in paise per kWh
From 401 to 500 units per month (or) 801 to 1000 units for two months		1000		Nil		1000
From 501 units and above per month (or) from 1001 units and above for two months		1100		Nil		1100

e) The tariff subsidy payable by the Government for the FY 2023-24 has been estimated as follows:

Slab	Consumption (in MU) / No. of services	Subsidy payable by the Government (Rs./unit)	Estimated tariff subsidy (Rs. in Crs.)
I. Bi-Monthly Consumption upto 100 units			
0-100 units	5.46	0.00	0.00
Fixed Charges	18,442	0.00	0.00
II. Bi-Monthly Consumption above 100 units and upto 200 units			
0-100 units	15.50	0.00	0.00
101-200 units	9.08	2.25	2.04
Fixed Charges	25,584	0.00	0.00
III. Bi-Monthly Consumption above 200 units and upto 500 units			
0-100 units	18.76	0.00	0.00
101-200 units	18.76	2.25	4.22
201-300 units	15.30	4.50	6.89
Above 300 units	2.80	0.00	0.00
Fixed Charges	30,970	0.00	0.00
IV. Bi-Monthly Consumption above 500 units			

Slab	Consumption (in MU) / No. of services	Subsidy payable by the Government (Rs./unit)	Estimated tariff subsidy (Rs. in Crs.)
0-100 units	0.82	0.00	0.00
101-200 units	0.82	4.50	0.37
201-300 units	0.82	4.50	0.37
Above 300 units	2.65	0.00	0.00
Fixed Charges	1,360	0.00	0.00
Total	90.77/76,356		13.89

Therefore, subsidy of Rs.13.89 Crores is provisionally approved for FY 2023-24 towards free supply to handloom consumers.

VII.Free supply for HT – Lift Irrigation Co-operative Societies

(a) True up of subsidy for 2021-22: The Commission has provisionally approved subsidy for 2021-22 as Rs.16.83 Crores. Subsequently, TANGEDCO submitted the actual consumption for FY 2021-22 as 45.29 MUs based on which the Commission approved a total subsidy of Rs.29.66 Crores. Hence, the excess subsidy of Rs.12.83 Crores has to be adjusted while approving the Provisional Subsidy for FY 2023-24.

(b) The details of approved tariff, subsidy payable by the Government and the tariff payable by consumers in respect of HT Lift Irrigation Co-operative societies are as follows:

Tariff	Tariff Rate applicable		Subsidy payable by GoTN		Tariff Rate payable by Consumers	
	Demand Charge in Rs./kVA/ Month	Energy Charges in paise per kWh	Demand Charge in Rs./kVA /Month	Energy Charges in paise per kWh	Demand Charge in Rs./kVA/ Month	Energy Charges in paise per kWh
HT Tariff IV Lift Irrigation	550	700	550	700	Nil	Nil

Meter Rent	Approved Tariff Rate	Subsidy payable by GoTN	Tariff payable by Consumers	Rate by
HT Tariff IV Lift Irrigation	3700	3700	Nil	

c) The tariff subsidy payable by the Government for the FY 2023-24 has been estimated as follows:

Consumption in MU/No. of consumers	Subsidy payable by the Government / HP	Estimated Subsidy (Rs. in Crs.)
49.50 MU	Rs.7.00/unit	34.65
55	Rs.3700/service/month	0.24
33673.75 kVA	Rs.550/kVA/month	22.22
Total		57.11

Hence, subsidy of Rs.57.11 Crores is provisionally approved for Lift Irrigation Co-operative Societies for FY 2023-24.

VIII. LT Industries:

a) The details of approved tariff, subsidy payable by the Government and the tariff payable by consumers in respect of LT Industries are as follows:

Consumption slabs – Range in kWh (units) and billing period (one or two months)	Tariff Rate applicable		Subsidy payable by GoTN		Tariff Rate payable by Consumers	
	Fixed Charge (Rs./month /services)	Energy Charges in paise per kWh	Fixed Charge (Rs./month /services)	Energy Charges in paise per kWh	Fixed Charge (Rs./month /services)	Energy Charges in paise per kWh
0-50 kW	75	7.50	0.00	0.00	75	7.50
Above 50-112 kW	150	7.50	0.00	0.00	150	7.50
Above 112 kW	550	7.5	0.00	0.00	550	7.50
(ToD)		9.4 25%	0.00	0.80		8.60 15%

B) The tariff subsidy payable by the Government for reduction in Time of Day charges during peak hours from 25% to 15% to LT Industrial consumers for the FY 2023-24 has been estimated by TANGEDCO are as follows:

Slab	Consumption (in MU) / No. of services	Subsidy payable by the Government (Rs./unit)	Estimated tariff subsidy (Rs. in Crs.)
Other than ToD	6788.13	0.00	0.00
ToD (20% of total consumption)	1697.03	0.80	135.76
Total	8485.16		135.76

Hence, subsidy of Rs.135.76 Crores is provisionally approved for reduction of ToD charges during peak hours from 25% to 15% to LT Industrial consumers for FY 2023-24.

IX. Payment of additional subsidy/adjustment of excess subsidy paid:

(a) The TANGEDCO has filed details of actual consumption and other load details for FY 2021-22. The Commission has approved payment of additional subsidy / adjustment of excess subsidy after due reconciliation based on details relating to actual slab-wise consumption/connected load/number of consumers and other details obtained from TANGEDCO as below:

Consolidation of Subsidy Reconciliation for FY 2021-22

(Rs. in Crs.)

Sl. No.	Tariff Category	Provisional subsidy		Final Subsidy	Additional subsidy payable/Excess subsidy recoverable
		Claimed	Approved	Approved	
Additional subsidy payable					
1	Agricultural Normal	4019.00	4019.00	4382.86	363.86
2	HT Lift Irrigation	16.83	16.83	29.66	12.83
Total A					376.69
Excess subsidy recoverable					
3	Domestic	3469.02	3469.02	3414.31	54.71
4	Agricultural SFS	789.81	789.81	743.07	46.74
5	Hut Consumers	181.38	181.38	177.14	4.24
6	Public Worship	15.80	15.80	15.30	0.50
7	Power Loom (Fixed Charges)	378.24	378.24	340.09	38.15
8	Handloom	6.28	6.28	5.69	0.59
Total B					144.93
Net subsidy payable while providing Provisional Subsidy for FY 2023-24 (A-B) : Rs.376.69Cr.-Rs.144.93Cr=Rs.231.76 Crore					

(b) The provisional subsidy payable for FY 2023-24 by the Government of Tamil Nadu will be as under:

		(Rs. in Crores)
Sr. No.	Categories of Consumers	Subsidy (Rs. in Crores)
1	Domestic (Free supply/Reduction in tariff)	6787.47
2	Agricultural consumers under normal category (Free supply)	5584.62
3	Agricultural consumers under SFS category (Free supply)	1003.08
4	Hut consumers (Free supply)	300.59
5	Actual Place of Public Worship (Reduction in tariff)	16.55
6	Power loom weavers (Free Supply / Reduction in tariff)	531.30
7	Hand Loom Weavers (Free supply)	13.89
8	Lift Irrigation Co-operative Societies (Free supply)	57.11
9	LT Industries	135.76
9	Total	14,430.37
10	Add: Additional Subsidy Payable for FY 2021-22	231.76
11	Net amount payable by GoTN to TANGEDCO for FY 2022-23	14,662.13

(c) TANGEDCO has filed details of actual consumption and other load details for FY 2021-22 and reconciled the same against the provisional subsidy sanctioned for FY 2021-22. The payment of additional subsidy is provided in this provisional subsidy order for FY 2023-24 in clause IX (a) of this Order.

(d) As regards reconciliation of subsidy for FY 2022-23, TANGEDCO is yet to submit the actual details of energy consumption and other load details. As and when it is submitted, this will be reconciled and appropriate action for payment of additional subsidy / recovery of excess subsidy will be ordered.

e) The Commission has made an amendment in the Procedure for payment of subsidy by the State Government Regulations. Therefore, GoTN is advised to release the advance subsidy before the commencement of every quarter for all categories of consumer.

6. Directives:

- i) The Government of Tamil Nadu shall provide the above subsidy in advance in the manner specified in the annexure to this order for the FY 2023-24 to compensate the shortfall in revenue to TANGEDCO consequent to the extension of free supply/ reduction of tariff as per the policy direction.
- ii) The TANGEDCO shall extend free supply / collect reduced tariff as per the policy directives of the Government of Tamil Nadu.
- iii) The Government of Tamil Nadu as well as the TANGEDCO will have to abide by the provision under Section 65 of the Electricity Act, 2003 which reads as below:

"Provided that no such direction of the State Government shall be operative if the payment is not made in accordance with the provisions contained in this section and the tariff fixed by the State Commission shall be applicable from the date of issue of orders by the Commission in this regard."

- iv) The TANGEDCO shall reconcile the subsidy allowed with the actual consumption and revenue assessed for 2022-23 and to furnish the report on or before 31-10-2023.
- v) While furnishing the actual consumption details, it should be ensured that slab-wise consumption is furnished correctly.
- vi) It should be ensured that the details are furnished by the Chief Engineers uniformly in the same format.
- vii) The TANGEDCO shall furnish the actual connected load of Agricultural consumers as on 01-04-2023 immediately and the connected load as on 01-10-2023 before 31-12-2023.
- viii) TANGEDCO shall furnish the circle-wise No. of Hut consumers as on 01-04-2023 immediately and number of consumers as on 01-10-2023 before 31-12-2023.

(By Order of the Commission)

Secretary
Tamil Nadu Electricity Regulatory Commission

Encl. : Annexure

Annexure**Subsidy Payable by Government for FY 2023-24**

Sl. No.	Category	Subsidy period	Subsidy (Rs. in Crores)	Payable on or before
1	Domestic	01-04-2023 to 30-06-2023 (1 st Quarter)	1696.87	Immediate
2	Agriculture – Normal Category		1396.16	Immediate
3	Agriculture – SFS Category		250.77	Immediate
4	Hut		75.15	Immediate
5	Actual places of Public worship		4.14	Immediate
6	Powerloom		132.83	Immediate
7	Handloom		3.47	Immediate
8	HT Lift Irrigation		14.28	Immediate
9	LT Industries		33.94	Immediate
10	Additional subsidy payable relating to FY 2021-22 as in clause (IX a) of this Order		231.76	Immediate
11	Domestic	01-07-2023 to 30-09-2023 (2 nd Quarter)	1696.87	30-06-2023
12	Agriculture – Normal Category		1396.16	
13	Agriculture – SFS Category		250.77	
14	Hut		75.15	
15	Actual places of Public worship		4.14	
16	Powerloom		132.83	
17	Handloom		3.47	
18	HT Lift Irrigation		14.28	
19	LT Industries		33.94	
20	Domestic	1696.87		
21	Agriculture – Normal Category	1396.16		
22	Agriculture – SFS	250.77		

	Category			
23	Hut	01-10-2023 to 31-12-2023 (3 rd Quarter)	75.15	30-09-2023
24	Actual places of Public worship		4.14	
25	Powerloom		132.83	
26	Handloom		3.47	
27	HT Lift Irrigation		14.28	
28	LT Industries		33.94	
29	Domestic	01-01-2024 to 31-03-2024 (4 th Quarter)	1696.86	31-12-2023
30	Agriculture - Normal Category		1396.14	
31	Agriculture - SFS Category		250.77	
32	Hut		75.14	
33	Actual places of Public worship		4.13	
34	Powerloom		132.81	
35	Handloom		3.48	
36	HT Lift Irrigation		14.27	
37	LT Industries	33.94		
Total			14,662.13	