

# **BEST allowed to increase tariff**

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In a major shock to Mumbaikars, the state electricity regulator has allowed BEST to hike electricity charges by over 27 per cent.

The revised tariffs would be effective from June 1, as per a Maharashtra Electricity Regulatory Commission (MERC) order issued today. As per the order, the tariffs for BPL residential consumers have increased to Rs 0.56 per unit from the current Rs 0.40 per unit.

For residential customers, consuming electricity up to 500 units, the tariffs have gone up by between Rs 2.61 to Rs 8.71 per unit.

Similarly, tariffs for industrial units have also been increased as per usage.

For the first time, the Commission has created two new consumer categories (LT IX and HT V) to cater to hospitals and educational institutions, irrespective of their ownership, whether they are religious and charitable institutions.

Commercial establishments consuming power up to 500 units will now have to pay Rs 6.98 per unit while for consumption above 500 units, the tariff would be Rs 10.36 per unit.

The regulator has also approved an annual revenue requirement (ARR) of Rs 3,685 crore for FY12 as against Rs 4,537 crore proposed by BEST in its petition.

The BEST had in its petition held that the increase was necessitated to subsidise the losses incurred by its transport division.