



Bangalore Chamber of Industry and Commerce

9th December, 2010

Mr. T. Manivannan, IAS
Managing Director
Bangalore Electricity Supply Company Limited
Corporate Office
2nd Floor, BESCO
K. R. Circle
Bangalore – 560 001

Dear Sir,

Sub: TOD Implementation – Reg
Ref : Tariff order - 2009

We are in receipt of your communication dated 7th December, 2010 with regard to a meeting being convened under your Chairmanship to discuss on the above subject. However, we have been given to understand that the proposed meeting has since been postponed to a later date. Hence we would like to submit the suggestions/recommendations received from our members on the above subject for your kind consideration.

We shall be obliged to hear your considered views on the above matter to enable us to inform our members accordingly.

Thanking you and with kind regards


T.S. SAMPATH KUMAR
Secretary General

Attach : Industry's views on the issue relating to implementation of TOD Tariff



Bangalore Chamber of Industry and Commerce

Industry's views on the issue relating to implementation of TOD Tariff

1. Peaking deficit is currently high. Even in case we have base surplus, peak deficit is going to be a reality. Therefore only building base load capacity alone will not be sufficient to address the State's overall power shortages.
2. Metering cost would be high and would be major obstacle for small consumers.
3. As per the schedule the tariff discount is effective from 22.00 hrs to 6.00 hrs. During this period, even if the industry has regular night shift; it will be operating less than 40% of its full capacity. Due to practical difficulties, it will not be possible to increase the utilization to full capacity during this period. Therefore, it will not be of great benefit to the industry.
4. Most of the industries work on 2 shift basis 6.00 hrs to 14.00 hrs and 14.00 hrs to 22.00 hrs. On TOD becoming compulsory the industry has to opt for other alternate that is captive power between 18.00 hrs – 22.00 hrs which is very expensive and directly has an impact on the business.
5. To make TOD effective, the tariff discount should be included for few hours between 6.00 hrs to 18.00 hrs from which the industry can benefit.
6. Our view is that TOD implementation should not be made compulsory for industrial consumers but should remain as an option.
7. Demand varies over 24 hours and is least at night and other "off-peak" moments. Pricing should incentivize users to consume more during "off" times and least during peak usage times. Low prices during "off" and high during "peak" is the essence of time of day pricing.
8. Non installation of TOD Meters – Despite requisition from one of our members for installation of TOD Meter, BESCO is yet to act on that request (copy of the letter attached).
9. While the Chamber welcomes differential pricing, however the rising prices of KWH / unit by BESCO is a matter of serious concern.

