

Jharkhand State Electricity Regulatory Commission



Order on
True-up for FY 2022-23,
Annual Performance Review for FY 2023-24, and
Aggregate Revenue Requirement & Tariff for FY
2024-25
for
Jharkhand Bijli Vitran Nigam Limited (JBVNL)

Ranchi,
September 30, 2024



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List of Abbreviations

Abbreviation	Description
A&G	Administrative and General
ACS/ACoS	Average Cost of Supply
APR	Annual Performance Review
APTEL	Appellate Tribunal for Electricity
ARR	Aggregate Revenue Requirement
BG	Bank Guarantee
CC	Consumer Contribution
CGRF	Consumer Grievance Redressal Forum
CSD	Consumer Security Deposit
CWIP	Capital Works in Progress
DVC	Damodar Valley Corporation
FPA	Fuel Purchase Adjustment
FY	Financial Year
GFA	Gross Fixed Assets
GoJ	Government of Jharkhand
HP	Horse Power
HT	High Tension
IAS	Irrigation and Agriculture Services
IEX	Indian Energy Exchange
IFC	Interest & Finance Charge
IoWC	Interest on Working Capital
kW	kilo Watt
kWh	kilo Watt hour
kVA	kilo Volt Ampere
kVAh	kilo Volt-Ampere hour
MD	Maximum Demand
MES	Military and Engineering Services
MOD	Merit Order Despatch
MU	Million Units
NTI	Non-Tariff Income
O&M	Operation and Maintenance
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
REC	Renewable Energy Certificates
RoE	Return on Equity
RPO	Renewable Purchase Obligation
RTS	Railway Traction Services
SBI	State Bank of India
SERC	State Electricity Regulatory Commission
SOP	Standard of Performance
SS	Street Light



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BEFORE

**Jharkhand State Electricity Regulatory Commission,
Ranchi**

Case (Tariff) No.: 10 of 2023

In the matter of:

**Petition for
True-up for FY 2022-23,
Annual Performance Review for FY 2023-24, and Annual
Revenue Requirement & Tariff for FY 2024-25**

In the matter:

Jharkhand Bijli Vitran Nigam Limited (JBVNL),
Ranchi..... **Petitioner**

PRESENT

Hon'ble Mahendra Prasad
Hon'ble Atul Kumar

Member (Law)
Member (Technical)

Order dated September 30, 2024

Jharkhand Bijli Vitran Nigam Limited (hereinafter referred to as 'JBVNL' or the 'Petitioner') has filed Petition dated November 30, 2023 for approval of True up of FY 2022-23, Annual Performance Review for FY 2023-24, and Annual Revenue Requirement for FY 2024-25.



Chapter 1: INTRODUCTION

Jharkhand State Electricity Regulatory Commission

- 1.1 The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as the “JSERC” or “the Commission”) was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commissions Act, 1998 on August 22, 2002. The Commission became operational with effect from April 24, 2003.
- 1.2 The Government of Jharkhand, vide its notification dated August 22, 2002, had defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commissions Act, 1998 to be the following, namely:
- (a) to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case may be, in the manner provided in Section 29;
 - (b) to determine the tariff payable for the use of transmission facilities in the manner provided in Section 29;
 - (c) to regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply in the State;
 - (d) to promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.
- 1.3 After the Electricity Act, 2003 (hereinafter referred to as the “Act”) came into force, the earlier Electricity Regulatory Commissions Act, 1998 got repealed and the functions of SERC’s are now defined under Section 86 of the Act.
- 1.4 In accordance with Section 86 (1) of the Act, the JSERC discharges the following functions:
- (a) determine the tariff for generation, supply, transmission and



wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:

Provided that where open access has been permitted to a category of consumers under Section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;

- (b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
- (c) facilitate intra-State transmission and wheeling of electricity;
- (d) issue licensees to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- (f) adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
- (g) levy fee for the purpose of this Act;
- (h) specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;
- (i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
- (j) fix the trading margin in the intra-state trading of electricity, if considered, necessary;



-
- (k) discharge such other functions as may be assigned to it under this Act.
- 1.5 The Commission has to also advise the State Government as per sub section 2 of Section 86 of the Act, on all or any of the following matters, namely:
- (a) promotion of competition, efficiency and economy in activities of the electricity industry;
 - (b) promotion of investment in electricity industry;
 - (c) reorganization and restructuring of electricity industry in the State;
 - (d) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.
- 1.6 The State Commission ensures transparency while exercising its powers and discharging its functions.
- 1.7 In discharge of its functions, the State Commission is also guided by the Tariff Policy notified by the Government of India under Section 3 of the Act. The objectives of the Tariff Policy are to:
- (a) ensure availability of electricity to consumers at reasonable and competitive rates;
 - (b) ensure financial viability of the sector and attract investments;
 - (c) promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
 - (d) promote competition, efficiency in operations and improvement in quality of supply.



The Petitioner-Jharkhand Bijli Vitran Nigam Limited

- 1.8 The erstwhile Jharkhand State Electricity Board (JSEB) was constituted on March 10, 2001 under the Electricity (Supply) Act, 1948 as a result of the bifurcation of the erstwhile State of Bihar. Before that, the Bihar State Electricity Board (BSEB) was the predominant entity entrusted with the task of generating, transmitting and supplying power in the State.
- 1.9 The Energy Department, Government of Jharkhand, vide its Letter No. 1/Board-01-Urja-26/13-1745 dated June 28, 2013 unbundled the erstwhile JSEB into following companies:
- (a) Jharkhand Urja Vikas Nigam Ltd. (JUVNL) being the holding company;
 - (b) Jharkhand Urja Utpadan Nigam Ltd. (JUUNL) undertaking the generation function of the erstwhile JSEB;
 - (c) Jharkhand Bijli Vitran Nigam Ltd. (JBVNL) undertaking the distribution function of the erstwhile JSEB;
 - (d) Jharkhand Urja Sancharan Nigam Ltd. (JUSNL) undertaking the transmission function of the erstwhile JSEB.
- 1.10 Jharkhand Bijli Vitran Nigam Ltd. (herein after to be referred to as “JBVNL” or “the Petitioner”) has been incorporated under Indian Companies Act, 1956 pursuant to decision of Government of Jharkhand to reorganize erstwhile JSEB.
- 1.11 Reorganization of the JSEB has been done by Government of Jharkhand pursuant to “Part XIII – Reorganization of Board” read with Section 131 of The Electricity Act 2003. The Petitioner is a Company constituted under the provisions of Government of Jharkhand, General Resolution as notified by transfer scheme vide notification no. 8, dated January 6, 2014, and is duly registered with the Registrar of Companies, Ranchi.
- 1.12 Jharkhand Bijli Vitran Nigam Ltd was incorporated on October 23, 2013 with the Registrar of Companies, Jharkhand, Ranchi and obtained



Certificate of Commencement of Business on November 28, 2013.

- 1.13 The Petitioner is a Distribution Licensee under the provisions of the Electricity Act, 2003 (EA, 2003) having license to supply electricity in the State of Jharkhand.
- 1.14 The Petitioner is functioning in accordance with the provisions envisaged in the Electricity Act, 2003 and is engaged in the business of Distribution of Electricity to its consumers situated over the entire State of Jharkhand.

The Petitioner's Prayers

- 1.15 The Petitioner in this Petition has made the following prayers before the Commission:
- (a) Admit the tariff and ARR Petition for FY 2024-25 accompanying audited True-up for FY 2022-23 and APR for FY 2023-24 in accordance with the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.
 - (b) Allow the Petitioner to add/ change / alter / modify this application at a future date.
 - (c) To condone any inadvertent omissions/ errors/ shortcomings and permit the Petitioners to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date.
 - (d) To allow Petitioner to carryout adjustment of change in fuel price from FY 2023-24 and onwards in accordance with JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.
 - (e) To pass such Orders as deemed fit and proper in the facts and circumstances of the case in the interest of justice



Chapter 2: PROCEDURAL HISTORY

Background

- 2.1 The Commission had performed True-up of JBVNL till FY 2015-16 through various Orders.
- 2.2 The Commission had issued the MYT Order on June 21, 2017 for Approval of Business Plan and ARR for MYT Control Period FY 2016-17 to FY 2020-21 and Retail Supply Tariff for FY 2016-17 under the provisions of The 'Distribution Tariff Regulations, 2015.
- 2.3 The Commission has issued the Tariff Order for JBVNL on February 28, 2019 on True-up for FY 2016-17 & FY 2017-18, Annual Performance Review for FY 2018-19 and ARR & Tariff for FY 2019-20.
- 2.4 The Commission has carried out the True up for FY 2018-19, Annual Performance Review for FY 2019-20, Annual Revenue Requirement and Tariff Determination for FY 2020-21 vide its Order dated October 01, 2020.
- 2.5 The Commission had passed Order on True-up for FY 2019-20, APR for FY 2020-21, Business Plan & MYT for Control Period from FY 2021-22 to FY 2025-26 and Tariff for FY 2021-22.
- 2.6 The Commission had passed Order on True-up for FY 2020-21, APR for FY 2021-22, and ARR for FY 2022-23 vide Order dated February 28, 2024.
- 2.7 The Commission had passed Order on True-up for FY 2021-22, APR for FY 2022-23, ARR for FY 2023-24 vide Order dated February 28, 2024.

Information Gaps in the Petition

- 2.8 The Commission in exercise of Tariff determination process, several deficiencies/information gaps were found in the petition submitted by the Petitioner and the same was communicated to the Petitioner vide letter no. JSERC/Case (Tariff) no.: 10 of 2023/281 dated January 04, 2024.



- 2.9 In response the Petitioner has asked to give time extension of 4 weeks (i.e. till February 15, 2024).
- 2.10 On February 14, 2024, via letter no. 29, File No. CE(C&R)/Rev/2485/2020/P-IV, the Petitioner has submitted additional information related to the tariff proposal and tariff schedule for FY 2024-25, along with prior period expenditures for FY 2020-21 and FY 2021-22, based on the restated annual accounts for those years.
- 2.11 On February 21, 2024, via letter no. 10 of 2023/539 the Commission had sent reminder to Petitioner pertaining to submission of reply to additional data requirement as observed in the petition for True-up for FY 2022-23, APR for FY 2023-24, ARR & Tariff for FY 2024-25.
- 2.12 In response the Petitioner furnished additional data/information to the Commission vide letter nos.: 79, File No. CE (C&R)/Rev./3040/2023/ dated April 04, 2024.
- 2.13 With reference to MOP letter dated May 13, 2023 for determination of Green Energy Tariff, this Commission sent letter to petitioner dated June 05, 2024 and July 19, 2024 to submit the proposal for Green Energy Tariff for FY 2024-25.
- 2.14 Furthermore, the Commission vide letter no. JSERC/Case (Tariff) no.:10 of 2023/246 dated August 05, 2024 asked to submit reply of 2nd discrepancies observed in petition for True-up of FY 2022-23, APR for FY 2023-24, ARR & Tariff for FY 2024-25 within two days. In reply to discrepancies note the Petitioner vide letter no 193, file no. CE(C&R)/Rev./2358/2019/P-II dated August 22, 2024 has submitted the 2nd discrepancies reply.
- 2.15 The Commission has conducted Technical Validation Session (TVS) on August 13, 2024 and communicated several additional deficiencies/information gaps observed in the petition annexed as **annexure-3** in this Order. Further, during meeting the Petitioner agreed to submitted related document by August 20, 2024 but till August 21, 2024 the Petitioner has not submitted any note on additional



discrepancies. Accordingly, the Commission vide letter no. JSERC/Case(T) No. 10 of 2023/286 dated August 21, 2024 sent reminder to submit the related document/data within two days of issuance of mention letter.

2.16 Thereafter, the Petitioner vide letter no 194, file no. CE(C&R)/Rev./2358/2019/P-II dated August 22, 2024 has submitted the partial additional document as asked in the Technical Validation Session.

2.17 The Commission has scrutinized the petition and the additional data/information furnished by the Petitioner with respect to the discrepancies identified and has considered the same while passing this Order.

Inviting Public Comments/Suggestions

2.18 Based on the available facts and figure, the Commission vide letter no. JSERC/Case (Tariff) No. 10 of 2023/569 dated February 26, 2024 has directed the Petitioner to publish a Public Notice inviting comments/suggestions from public and to make available the copies of the petition to general public.

2.19 Accordingly, Public Notice was published by the Petitioner in the newspapers and a period of twenty-one (21) days was given for submitting the comments/suggestions by the general public:

Table 1: List of newspapers and dates of publication of public notice by Petitioner.

Newspaper	Language	Date of Publication
Prabhat Khabar	Hindi	16.03.2024
Hindustan	Hindi	16.03.2024
Times of India	English	16.03.2024
Hindustan Times	English	16.03.2024
Danik Bhaskar	Hindi	16.03.2024

2.20 In order to provide adequate opportunities to all stakeholder and general public, as mandated under 64(3) of the Electricity Act, 2003 and relevant provision of Regulation framed by the Commission and in order to ensure



transparency in the process of tariff determination, the Commission has directed to publish a Public Notice in various newspapers to submit their comments/suggestions and also organize a Public Hearing on August 23, 2024, August 26, 2024, August 28, 2024, August 31, 2024, September 02, 2024 at Dhanbad, Chaibasa, Deoghar, Daltonganj, and Ranchi respectively. The newspapers wherein the Notice was published by the Commission are mentioned below:

Table 2: List of newspapers and dates of publication of Public Notice by the Commission.

Newspaper	Language	Date of Publication
Prabhat Khabhar	Hindi	07.08.2024, 21.08.2024
Dainik Bhaskar	Hindi	07.08.2024, 21.08.2024
Hindustan Dainik	Hindi	07.08.2024, 21.08.2024
Dainik Jagaran	Hindi	07.08.2024, 21.08.2024
The Times of India	English	07.08.2024, 21.08.2024
The Hindustan Times	English	07.08.2024, 21.08.2024
Prabhat Khabhar	Hindi	27.08.2024, 31.08.2024
Hindustan Dainik	Hindi	27.08.2024, 31.08.2024
Santhal Express	Hindi	27.08.2024
Hindustan Times	English	27.08.2024, 31.08.2024
Bihan Bharti	Hindi	31.08.2024

Meeting of the State Advisory Committee

2.21 The Commission has convened a meeting of the State Advisory Committee (SAC) on September 10, 2024 and prominently kept an agenda for discussion on the Petitions filed by the Petitioner. The minutes of the SAC meeting is attached as **Annexure-1** to this Order.

2.22 The points discussed during the meeting and the suggestions made by the members of the SAC have been duly considered by the Commission.

Submission of Comments/Suggestions and Conduct of Public Hearing

2.23 Objections/Comments/Suggestions on the Petition were received. The Objections/ Comments/Suggestions of the Public, Petitioner's responses and Commission's views thereon are detailed in **Chapter 4** of this Order.



Chapter 3: BRIEF FACTS OF THE PETITION

3.1 The following chapter summarizes the Petition of truing-up for FY 2022-23, Annual Performance Review for FY 2023-24, and Aggregate Revenue Requirement & Tariff for FY 2024-25 as filed by the Petitioner for the Commission's approval.

True-up for FY 2022-23:

Energy Sales, Load, Number of Consumer

3.2 The following table below summarizes the actual energy sales, connected Load and number of consumer for FY 2022-23 as submitted by the Petitioner against the sales approved in Tariff Order dated February 28, 2024.

Table 3: Sales (in MUs) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	5,944.54	5,097.02
Commercial/Non Domestic	918.25	1,061.82
Public Lighting / SS	92.02	200.17
Irrigation / IAS	187.17	148.58
Industrial LT / LTIS	236.47	308.33
Industrial HT / HTS / S/ EHT	1,959.28	2,282.90
RTS/MES	77.55	
Theft		202.45
Total	9,415.28	9,301.28

Table 4: Connected Load (kVA) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	56,64,410	49,67,474
Commercial/Non Domestic	6,52,803	7,01,807
Public Lighting / SS	18,783	11,661
Irrigation / IAS	69,309	63,944
Industrial LT / LTIS	3,58,744	3,47,034
Industrial HT / HTS / S/ EHT	9,81,482	9,71,440
RTS/MES	38,938	43,214
Total	77,84,469	71,06,574

Table 5: Number of Consumer as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	50,33,231	45,29,245



Consumer Category	APR	Petition
Commercial/Non Domestic	3,20,776	2,96,078
Public Lighting / SS	568	434
Irrigation / IAS	78,937	75,103
Industrial LT / LTIS	19,238	18,872
Industrial HT / HTS / S/ EHT	2,021	2,070
RTS/MES	13	8
Total	54,54,784	49,21,810

Annual Revenue Requirement

3.3 The ARR for FY 2022-23 as submitted by the Petitioner vis-a-vis as approved by the Commission in Tariff Order dated February 28, 2024 is tabulated hereunder:

Table 6: ARR (Rs. Crore) as submitted by the Petitioner

Particulars	APR	Petition
Total Power Purchase Expense	5239.94	7691.03
<i>Power Purchase Expense</i>	6227.43	7124.95
<i>Less: Disallowance due to excess Distribution Loss</i>	1577.317	0.00
<i>Intrastate transmission charges</i>	341.73	308.96
<i>Interstate transmission Charge</i>	248.09	257.12
Operations and Maintenance Expenses	628.16	850.92
<i>Employee Expense</i>	242.22	252.14
<i>Terminal Liability</i>	0.00	218.11
<i>Administration & General Expense</i>	109.64	114.12
<i>Repair & Maintenance Expense</i>	276.29	266.55
Depreciation	477.88	509.68
Return on Equity	495.48	494.38
Interest on Long Term Loan	435.44	420.69
Interest on Consumer Security Deposit	28.77	58.98
Interest on Working Capital Loan	10.34	45.33
Bank & Finance Charge	-	11.00
Total Expenses	7316.01	10082.00
Less: Non-Tariff Income	523.82	275.76
Add: Provision for Doubtful Debt		
ARR after NTI	6792.19	9806.23
Less Penalties	0	
ARR Recoverable	6792.19	9806.23
Revenue from Sales of power at existing tariff	6305.99	5809.41
Gap/(Surplus) at Existing Tariff	486.20	3996.81



Annual Performance Review 2023-24:

Energy Sales

3.4 The following table below summarizes the estimated energy sales, connected Load and Number of consumer for FY 2023-24 as submitted by the Petitioner against the sales approved in Tariff Order dated February 28, 2024.

Table 7: Sales (in MUs) as submitted by the Petitioner.

Consumer Category	ARR	Petition
Domestic	6,360.41	5,523.78
Commercial/Non Domestic	1,000.89	1,464.90
Public Lighting / SS	96.62	80.39
Irrigation / IAS	196.53	188.36
Industrial LT / LTIS	255.39	317.83
Industrial HT / HTS / S/ EHT	2,057.24	2,605.86
RTS/MES	77.55	90.91
Total	10,044.63	10,272.03

Table 8: Connected Load (in kVA) as submitted by the Petitioner.

Consumer Category	ARR	Petition
Domestic	59,20,034	49,68,047
Commercial/Non Domestic	7,11,556	7,12,022
Public Lighting / SS	19,723	11,661
Irrigation / IAS	72,774	69,453
Industrial LT / LTIS	3,87,444	3,62,821
Industrial HT / HTS / S/ EHT	10,30,556	9,91,576
RTS/MES	38,938	42,854
Total	81,81,024	71,58,434

Table 9: Number of consumer as submitted by the Petitioner.

Consumer Category	ARR	Petition
Domestic	53,85,557	46,31,102
Commercial/Non Domestic	3,49,646	2,99,039
Public Lighting / SS	596	434
Irrigation / IAS	82,884	75,332
Industrial LT / LTIS	20,826	19,947
Industrial HT / HTS / S/ EHT	2,122	2,234
RTS/MES	13	8
Total	58,41,644	50,28,096



Annual Revenue Requirement

3.5 The ARR for FY 2023-24 as submitted by the Petitioner vis-a-vis as approved by the Commission in Order dated February 28, 2024 is tabulated hereunder:

Table 10: ARR (Rs. Crore) as submitted by the Petitioner

Particulars	ARR	Petition
Total Power Purchase Expense	5460.55	7905.00
<i>Power Purchase Expense</i>	5881.88	7310.61
<i>Less: Disallowance due to excess Distribution Loss</i>	1040.65	0.00
<i>Intrastate transmission charges</i>	358.82	324.41
<i>Interstate transmission Charge</i>	260.49	269.98
Operations and Maintenance Expenses	676.32	890.66
<i>Employee Expense</i>	258.72	259.97
<i>Terminal Liability</i>	0.00	224.87
<i>Administration & General Expense</i>	117.11	117.66
<i>Repair & Maintenance Expense</i>	300.49	288.16
Depreciation	483.01	553.89
Return on Equity	500.80	535.95
Interest on Long Term Loan	440.43	527.10
Interest on Consumer Security Deposit	28.77	59.09
Interest on Working Capital Loan	9.77	59.00
Bank & Finance Charge	-	11.00
Total Expenses	7599.65	10542.45
Less: Non-Tariff Income	523.82	40.29
Add: Provision for Doubtful Debt		
ARR after NTI	7075.83	10502.16
Less Penalties	0	
ARR Recoverable	7075.83	10502.16
Revenue from Sales of power at existing tariff	6946.95	7433.89
Gap/(Surplus) at Existing Tariff	128.88	3068.27



Aggregate Revenue Requirement for FY 2024-25

Energy Sales

3.6 The following table below summarizes the projected energy sales, connected load and number of consumers for FY 2024-25 as submitted by the Petitioner against the sales approved in Order dated May 31, 2023.

Table 11: Sales (in MUs) as submitted by the Petitioner.

Consumer Category	MYT	Petition
Domestic	7,587.23	6,600.53
Commercial/Non Domestic	1,273.61	1,036.36
Public Lighting / SS	74.02	67.76
Irrigation / IAS	303.27	180.83
Industrial LT / LTIS	268.70	335.93
Industrial HT / HTS / S/ EHT	2,360.45	2,743.04
RTS/MES		90.91
Total	11,867.28	11,055.36

Table 12: Connected Load (in kVA) as submitted by the Petitioner.

Consumer Category	MYT	Petition
Domestic	58,16,898	58,26,496
Commercial/Non Domestic	8,68,876	5,08,035
Public Lighting / SS	25,171	13,831
Irrigation / IAS	76,816	67,300
Industrial LT / LTIS	4,41,261	3,83,487
Industrial HT / HTS / S/ EHT	11,97,323	10,43,776
RTS/MES	17,356	42,854
Total	84,26,346	78,85,779

Table 13: Number of Consumer as submitted by the Petitioner.

Consumer Category	MYT	Petition
Domestic	54,68,074	47,35,331
Commercial/Non Domestic	3,89,387	3,02,029
Public Lighting / SS	632	434
Irrigation / IAS	86,559	75,592
Industrial LT / LTIS	24,403	21,083
Industrial HT / HTS / S/ EHT	2,271	2,412
RTS/MES	13	8
Total	59,71,339	51,36,889



Annual Revenue Requirement

3.7 The ARR for FY 2024-25 as submitted by the Petitioner vis-a-vis as approved by the Commission in Order dated May 31, 2023 is tabulated hereunder:

Table 14: ARR (Rs. Crore) as submitted by the Petitioner

Particulars	MYT	Petition
Total Power Purchase Expense	6774.34	8050.81
<i>Power Purchase Expense</i>	6098.84	7426.70
<i>Less: Disallowance due to excess Distribution Loss</i>		0.00
<i>Intrastate transmission charges</i>	358.82	283.48
<i>Interstate transmission Charge</i>	316.68	340.63
Operations and Maintenance Expenses	698.77	928.60
<i>Employee Expense</i>	280.98	268.03
<i>Terminal Liability</i>		231.85
<i>Administration & General Expense</i>	107.13	121.31
<i>Repair & Maintenance Expense</i>	310.66	307.40
Depreciation	553.94	609.07
Return on Equity	573.24	589.34
Interest on Long Term Loan	559.61	576.75
Interest on Consumer Security Deposit	57.23	69.84
Interest on Working Capital Loan	32.10	62.04
Bank & Finance Charge		11.00
Total Expenses	9249.23	10898.22
Less: Non-Tariff Income	249.22	40.29
Add: Provision for Doubtful Debt		
ARR after NTI	9000.01	10857.93
Less Penalties		
ARR Recoverable	9000.01	10857.93
Revenue from Sales of power at existing tariff		7759.98
Gap/(Surplus) at Existing Tariff		3097.95



Chapter 4: PUBLIC CONSULTATION PROCESS

4.1 Several Stakeholders have responded to the petition. A Public Hearing was held by the Commission in August 23, 2024, August 26, 2024, August 28, 2024, August 31, 2024, September 02, 2024 for giving additional opportunity to all the stakeholders to submit their comments/suggestions on the said petition to ensure maximum public participation and transparency. Accordingly, stakeholders voiced their comments and suggestions. The list of the attendees is attached as **Chapter-18** of this Order.

4.2 The comments and suggestions of the public along with the response of the Petitioner and the views of the Commission are summarized in this Chapter. The issues raised by the stakeholders, which do not hold relevance to True-up, APR, and ARR & Tariff have not been discussed in this Chapter.

A. Objector- M/S. Gajanan Ferro Pvt. Ltd.

a) Audit Report

4.3 The Objector has submitted that the Petitioner has not been managing the Books of Accounts in a manner as required under the provisions of the Companies Act 2013. This has been prevalent since earlier years also. The Statutory Auditors of the company have in the FY 2020-21 also recorded weaknesses in respect of the company's financial reporting.

4.4 It has also submitted that the comments from the Statutory Auditor in the Auditor's report paints a sorry picture on the state of affairs in the JBVNL. Such lackluster performance wrt maintenance of company's financials could have a significant bearing on the ARR claimed by the DISCOMs year on year basis.

Petitioner Submission

4.5 Historically, JBVNL has been preparing accounts in the manual environment. On account of the same maintenance of certain records like Fixed Asset Register etc. were difficult. However, in last few years the



company has put immense efforts to maintain the records and to ensure the availability of data/ records, this can also be evident from the Qualified opinion/comments of the statutory auditors in their Statutory Audit report in FY. 2022- 2023. The Management of the company trying hard to put all effort to bring further improvement and positive changes in the preparation of quality of accounts.

- 4.6 The Petitioner has submitted that it has comply with the requirements of proper maintenance of books and records the company has already worked towards implementation of SAP-ERP. This will fill the remaining gaps and allow us to maintain records electronically and also ensure compliances. Further it has submitted that they know at the transition phase of implementation of the ERP.

b) Preparation and Maintenance of Books and Fixed Asset Register

- 4.7 The Objector state that the preparation of Fixed Asset register is necessity of the time. In this regard, the Objector prayed to Hon'ble Commission directed the Licensee to maintain Fixed Asset Register, the Licensee has not been complied to the same. The Licensee must be penalized in lieu of such non-compliance.

- 4.8 The Hon'ble Commission should also direct the Petitioner to prepare Regulatory Accounts in consonance with the Standardization of Regulatory Accounts Final Report dated July 2012 issued by the Forum of Regulators so as to harmonize the Accounts that shall enable the Hon'ble Commission to conduct the True-up with standardized approach.

Petitioner Submission

- 4.9 The substantial amount of assets has been added post formation of the company i.e. after 06.01.2014 and such additions have been duly audited by the respective year auditors. The company has sufficient records in respect of the assets so added in respective years. In order to further improve, the company has appointed M/s Deloitte for physical verification and preparation of Fixed Asset Register and the work has already reached to the advanced stage wherein draft reports for few locations have been provided for review and correction



4.10 The company is registered under the Companies Act, 1956 (now Companies Act, 2013) and prepares books as per the relevant provisions of the Act. Further, as per the relevant provisions of the Act, the books so prepared will be given to the independent Auditor appointed by C & AG. If directed, the company will put an effort to prepare Regulatory Accounts as well.

c) *Transmission and Distribution Loss*

4.11 It is noteworthy that despite capitalizing nearly 25% of the Capex during FY 2021-22, Distribution losses have paradoxically increased by over 2.8%.

4.12 Secondly, the Para 4 of the Basis of Qualified Opinion as per Independent Auditor's Report appended to the Audited Accounts of the FY 2022-23 provides as under:

“Basis of Qualified Opinion

4. CWIP

The company does not capitalize overheads and incidental expenses related to CWIP.”

4.13 Based on the above, it is evident that the employee expenses recorded in the Profit and Loss (P&L) statement also include expenses related to capital works. This approach by the Petitioner is misleading, to say the least. Employee expenses associated with capital works should be allocated to the capital cost, ensuring that the entire employee expenses are not incorrectly included in the P&L statement. This practice has been ongoing in previous years, indicating that the distribution companies have not adequately addressed the Auditor's remarks.

4.14 In the absence of detailed information and in accordance with the above points, the Objector suggests that employee expenses recoverable through the Annual Revenue Requirement (ARR) under the Operations & Maintenance (O&M) head should be allocated based on the pro-rata balances of Capital Work in Progress (CWIP) and Gross Fixed Assets



(GFA).

Petitioner Submission

- 4.15 The Petitioner has apprised that the benefits of any major expenditure of capital nature requires time to be visible and cannot produce immediate results. The Petitioner has expected that the benefits will be repelled due course of time and projections are made accordingly.
- 4.16 It has been informed that the company is operating with limited number of resources as against the approved levels. In such a scenario, the employees do multitasking and carry out activities of projects and revenue simultaneously. In such a scenario, it is operationally very difficult to allocate the overhead costs to assets. Further, it also informed that the significant cost (more than 90%) of the company is made up of Power purchase cost, Depreciation and Finance cost. Such allocation, if tried, will not have significant impact in the overall reduction in cost and will further be apportioned to depreciation cost over a period of time.
- 4.17 The company however, is still working on this area and may be able to work out a policy after the FA Register is prepared for proper accounting and allocation.

d) Terminal benefit & Actuarial Valuation

- 4.18 The Petitioner has claimed expenses towards Terminal benefits amounting to Rs. 218.11 Crore based on certain Expenses booked in the Audited Accounts. The Tariff Regulations 2020 in respect of Terminal Benefits provides as under:

“Operation and Maintenance Expenses

*Note 3: Terminal Liabilities will be approved as per actual submitted by the Licensee or be established through **actuarial studies.**”*

- 4.19 In accordance with the above, the liability towards Terminal benefits is admissible based on either of:
- Amount payable as per Actuarial studies



- Actual amount paid/ deposited in the Trust fund

- 4.20 At the outset, the Objector has submitted that the Petitioner has not submitted the Actuarial valuation report along with the instant Petition which is the quintessential requirement as per the Tariff Regulations 2020.
- 4.21 Secondly, the actual amount paid/ deposited in the Trust fund is also not provided by the Licensee. JBVNL has merely depicted the provisions towards Trust fund towards Terminal liabilities while the Regulations provide for Terminal benefits based on actual amount. Furthermore, the claim made JBVNL is inconsistent with the provisions towards terminal benefits booked in the Audited Accounts.
- 4.22 The Para xvii to “Annexure A” to the Independent Auditors’ Report on Standalone Ind AS Financial Statements of JBVNL indicates that the provisions towards terminal benefits is Rs. 204.89 Crore against the Petitioner’s claim which is Rs. 218.11 Crore. The same has been indicated below for kind reference.
- 4.23 Furthermore, Para 14 of the Independent Auditor’s Report also observes as under:

“Basis of Qualified Opinion

14. Additional Matters:

The Company has disclosed the Provision with respect to Employee Terminal Benefits and its plan assets on gross basis, which is not in compliance with Ind AS 19 “Employee Benefits”

- 4.24 The company has reported its employee benefits provision and plan assets separately (on a gross basis), which does not comply with Ind AS 19 “Employee Benefits.” This standard requires the net amount (the difference between the provision and plan assets) to be disclosed in financial statements. By showing such figures, the company’s financial statements do not accurately reflect its obligations and resources, potentially misleading its financial position. Notably, in the past as well,



similar observation was made by the Auditor; The perusal of Audited Accounts for FY 2020-21 is worth consideration which observes as under:

“13. Provision for Employee Benefits (Note -22)

(i) **The Company has deducted but not deposited the statutory dues such as PF, ESIC, and PLI & LIP etc. on regular basis. In some of the circles & areas the opening liabilities have not been fully deposited in the current year. Further, there is failure on deduction part also in some cases.**

Hence, we are unable to quantify the amount of such default in the absence of information in the manner so required.

(ii) **During the year company has made the provision of Leave Encashment, Gratuity & pension liability on the basis of actuarial valuation done up to March 2018.”**

4.25 Based on the above excerpts, it could be observed that the Petitioner has not been depositing in actual, any amount towards terminal benefits (albeit on a regular basis). The above means to say that although the expenses towards terminal fund contribution is shown as part of P&L, the same has not been deposited in Trust funds.

4.26 In view of the above inconsistencies in respect of financial reporting, it is crucial that the detailed assessment be done by the Hon'ble Commission in respect of actual discharges made by the Licensee towards Terminal benefits. As of present, it is fit to state that the claim made by the Petitioner is not admissible.

4.27 In view of the above arguments, the claim of Rs. 218.11 Crore towards Terminal Liabilities is not admissible as per the Tariff Regulations 2020. The Objector submits that in the absence of substantiating information on record, the Contribution towards Terminal Benefits may not be admitted at this point of time for the period FY 2022-23 to FY 2024-25.



Petitioner Submission

- 4.28 The Petitioner had been making provisions as per the rates prescribed in the Actuarial Valuation report of the F.Y. 2013-14 which is lower than the actual rates, thereby claiming lower admin expenses. The Petitioner had carried out the Actuarial Valuations for subsequent period up-to FY 2017-18, however, the report only contained the figures of obligations. Accordingly, the company only accounted for the liability in the F.Y. 2018-19, without accounting for corresponding amount of contribution as an expense.
- 4.29 During the F.Y. 2022-23, the company carried out the Actuarial Valuations through an Actuary for the F.Y. 2018-19 to 2022-23, which were pending for long time and the impact of the same has been accounted for in the F.Y. 2022-23. So, the terminal benefit costs are on actual as per the Actuarial Report.
- 4.30 The company has made detailed disclosure regarding this in its audited accounts in Note 2.5: terminal benefits.
- 4.31 The company has been regular in depositing the contribution amount relating GPF, GSS, Leave Encashment, Gratuity etc

e) Capitalization, CWIP and Grants

- 4.32 The Petitioner has claimed Capitalization of Rs. 1,607.69 Crore for the FY 2022-23 in line with the Audited Accounts. Further, the Petitioner has considered additions of Grants (and Consumer Contribution) amounting to Rs. 362.27 Crore based on the actual Capital Grants received and adjusting for Amortization of the Grants.
- 4.33 At the outset, the approach of the Petitioner is incorrect as the admission of Interest expenses and Depreciation is based on the Capital Cost net off grants and consumer contribution. The provisions of the Tariff Regulations 2020 also align with the above approach. The extracts of the Tariff Regulations 2020 are as follows:

“Capital Cost 10.11 The amount funded through Consumer



Contribution, Grants or Deposit Works for connection to the distribution system of the Licensee shall be deducted from the original cost of the scheme for the purpose of calculating the amount under debt and equity under these Regulations.

.....

Interest on Loan Capital

.....

10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.

.....

Depreciation

10.34 Depreciation shall be calculated every year, on the amount of original cost of the fixed assets as admitted by the Commission; Provided that depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Provision for replacement of such assets shall be made in the capital investment plan;”

4.34 Based on the above, it is clear that the Depreciation, Interest on Loan are to be admitted on the Capital Cost net off grants. However, the Petitioner has netted off the grant component by adjusting the amortization towards grants as well which is not in line with the Tariff Regulations 2020.

4.35 The Note 17 of the Audited Accounts of FY 2022-23 in respect of Grants/ Consumer Contribution is as under:

“Note 17: Government Grants

Note:

i. During the financial year 2022-23, the company received a total



of Rs. 106013.71 Lakh (P.Y: Rs. 220647.24 Lakh) as capital grant; Rs. 1881.71 Lakh (P.Y: Rs. 52741.04 Lakh) from Central Government and Rs. 87132 Lakh (P.Y.: Rs. 167906.20 Lakh) from State Government) for various projects under different schemes and amortized capital grant by Rs. 50791.64 Lakh (P.Y: Rs. 60341.78 Lakh.) during the said period, resulting in net positive movement during the year of Rs. 36226.78 Lakh (P.Y.: Rs. 198174.47 Lakh)”

- 4.36 Likewise, the Consumer Contribution claimed by JBVNL (Rs. 53.38 Crore) for FY 2022-23 is inconsistent with the amount booked in the Audited Accounts. Note 20: Other Current Financial Liabilities of the Audited Accounts depict that the additions to consumer contributions is Rs. 79.10 Crore computed as a difference between Opening and closing Receipts under Deposit Head.
- 4.37 In line with the above extract from the Audited Accounts, the Hon'ble Commission is sincerely requested to consider Rs. 1,139.24 Crore (Rs. 1,060.14 + 79.10 Crore) towards Contribution for Grants/ Consumer Contribution/ Deposit works.
- 4.38 Based on the above findings, the Objector prayed to consider Rs. 1,139.24 Crore towards Contribution Contribution/ Grants for the computation of Depreciation, Interest on Loan and Return on Equity.

Petitioner Submission

- 4.39 The Petitioner has submitted that the objector, while making a co-relation between amount capitalized through Grants/ Consumer Contribution/ Deposit works and the figures quoted w.r.t Property Plant & Equipment, Depreciation and Grants and Subsidy, completely ignored the fact that: -
- The asset created by the company is out of loan, grant and consumer contribution.
 - The company has reflected asset at cost and grant separately. However, to give the effects of items funded through grant and consumer contribution, the company has amortised the amount and recorded in the books as income as Note 23 Receipts from



capital works and Amortisation of Grants in Note 25 which is equal to the amount of cost of depreciation claimed for the same heads and hence no incremental cost has been claimed as expense. iii.

- Capital grants and consumer contribution cannot be adjusted as income in one single year. Further, the grants and contribution which has not resulted in creation of asset cannot be used for adjustment to the cost.

f) Capital Work in Progress (CWIP)

- 4.40 The Objector has submitted that as per the Audited Accounts of FY 2022-23, there is a substantial difference in the opening balance of CWIP of FY 2022-23 vs the closing balance of the FY 2021-22 (ref Audited Accounts for FY 2021-22). The Petitioner has not provided any documentary evidence to substantiate such deviation in the CWIP balances. The petitioner has not exhibited any documentary evidence in support of the such deviation
- 4.41 Partly completed works are moved to GFA account possible indicating that the GFA balances are over-inflated. The above considerations have serious implications as far as Tariff determination exercise is concerned. Hon'ble Commission is sincerely requested to kindly direct the Licensee to prepare the Fixed Asset Register which shall duly record the details associated with asset capitalization or else impose penalty in addition to the currently applicable penalty at 2% of the ARR. Such an approach would be in the long term interest of the consumers and Licensee at large.
- 4.42 The deviations as submitted above in respect of Capital Expenditure are in alignment with the Auditor report for FY 2022-23. The same are reproduced below for ready reference:

“4. CWIP

- *Out of total Capital Work-in-Progress excluding Interest & Finance Charges as on 31.03.2023 amounting to Rs. 89,970.25 lakhs (P.Y. Rs. 1,80,058.54 lakhs as per restated financial reports) we have not been provided the scheme wise*



bifurcation of CWIP of Rs. 5,128.02 lakhs.

- The company does not capitalize overheads and incidental expenses related to CWIP*
- It has been observed that the works under capital work-in-progress has not been closed for want of completion certificates whereas actually the work has been completed and the assets has been put to use by the company. No sufficient information in respect of completed capital work-in-progress has been provided to us. In the absence of information, we are unable to comment on the same.*
- It has also been observed that in some cases the work-in-progress has been partly transferred to the 3. Property, Plant & Equipment on yearly basis without verifying that whether the work on the assets has been completely finished or not.”*

4.43 Based on the imprudent management of development of Capital assets, the Objector humbly submits that the Capital Expenditure admissible to the discoms should be restricted to 75% (only) of the Capital Expenditure projected by the discoms. Such a decisive action is necessary so as to bring a sense of urgency in respect of the Capital assets management.

4.44 Additionally, the Objector has submitted that since the scheme wise details of Capex projections made by the Licensee does not hold sufficient ground, the projections of capital grants may be considered as projected by the Licensee. In so far as the projections of consumer contribution/deposit works is concerned, the Petitioner has failed to provide any logical rationale, therefore, the consumer contribution as admissible for FY 2022-23 (Rs. 79.10 Crore) must be considered for the FY 2023-24 and FY 2024-25 as well.

Petitioner Submission

4.45 The company has provided a detailed explanation on recasting of opening balances in its Note no. 2.1 w.r.t Restatement of balances including that of CWIP.



- 4.46 Scheme wise details of almost 95% of the value of CWIP was provided as per the report which is quite significant.
- 4.47 The company follows a standard process of capitalization based on the completion of works. The auditors have made a general comment without any specific figures.

g) Depreciation

- 4.48 The Petitioner has claimed Rs. 509.68 Crore towards Depreciation for the FY 2022-23 considering the Rate of depreciation of 4.50%.
- 4.49 The Petitioner has submitted that it has considered the Rate of depreciation based on the Weighted Average Rate of depreciation as per the Accounts. However, it is notable to point out that the Asset-wise Rate of depreciation computed by the Petitioner is based on the opening value of Asset base booked in the Accounts and not on the average value of the Asset base. It is rather more compelling to argue that since the depreciation is being allowed on the average asset base, the rate of depreciation should also be accordingly determined.
- 4.50 The allowable rate of depreciation as per the Objector's assessment is 4.32%. the details computation is given in main submission.
- 4.51 In line with the admissible GFA, Consumer contribution & Grants and the Rate of Depreciation as discussed in preceding paras, the allowable Depreciation for the FY 2022- 23 is as Rs 412.29 crore.
- 4.52 The Petitioner has claimed Rs. 553.89 Crore and Rs. 609.07 Crore towards Depreciation for the FY 2023-24 and FY 2024-25 respectively considering the Rate of depreciation of 4.50%.
- 4.53 As argued in the True up chapter (in preceding sections), the Petitioner's consideration of the Rate of depreciation based on the Audited Accounts (for FY 2022-23) is incorrect. It is notable to point out that the Asset-wise Rate of depreciation computed by the Petitioner is based on the opening value of Asset base booked in the Accounts and not on the average value of the Asset base. It is compelling to argue that since the depreciation is



being allowed on the average asset base, the rate of depreciation should also be accordingly determined.

- 4.54 The allowable rate of depreciation based on the Audited Accounts for the FY 2022-23 as per the Objector's assessment is 4.42% which should be considered in the absence of Audited Accounts for FY 2023-24 and FY 2024-25; The computation of Rate of depreciation is given in main submission.

Petitioner Submission

- 4.55 The Petitioner took a notice of the depreciation rates as per JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 vide notification no. 570 dated 12th November-2020 which was effective from 1st April, 2021, while preparing the accounts for the F.Y. 2022-23 on its own, which was inadvertently missed in the F.Y. 2021-22. The impact of such corrections was considered while preparing the accounts for the F.Y. 2022-23. A suitable disclosure in this respect is also given in the Notes to Accounts of the said period.

h) Interest on Loan

- 4.56 The Petitioner has claimed Rs. 420.69 Crore towards Interest on Loan for the FY 2022-23 considering the Rate of Interest of 9.10%. 5.7.2. In line with the admissible GFA and the Consumer contribution & Grants, the allowable Interest on Loan for the FY 2022-23 as Rs 376.07 crore
- 4.57 The Petitioner has also claimed Bank charges to the tune of approx. Rs. 11 Crore which in the opinion of the Petitioner is significantly high. The actual Bank charges for the FY 2021- 22 were Rs. 0.49 Crore. The Petitioner has not exhibited any rationale for such significant increase in Bank charges therefore, the Objector humbly submits that the Hon'ble Commission may kindly approve bank Charges to the tune of Rs. 0.49 Crore for FY 2022-23.

Petitioner Submission

- 4.58 The Objector, while making a co-relation between the interest cost and bank charges, completely ignored the fact that while the bank charges



increased by Rs. 10.5 Cr, the Interest cost on working capital reduced significantly by Rs 59.86 Cr. The details of bank charges were submitted earlier also which is mainly includes amount paid against bill discounting, LC charges, annual maintenance charges etc. levied by banks on working capital loan limits

View of the Commission

4.59 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the chapter in the Order.

B. Objector- Sighbhum Chamber of Commerce and Industry, Jamshedpur.

a) Energy Balance

4.60 In table 2-4 of the True- up: Energy Balance for JBVNL for FY 2022-23, Transmission Loss is 8.46%. This is much higher than the average inter-state loss calculation of 3.00% as approved by the Hon'ble Commission. Industry standard and a deep dent.

Petitioner Submission

4.61 The Petitioner has submitted that, the complete loss calculation at Inter State, at JUSNL and at DVC network has been submitted to Commission based on actual energy drawl at distribution periphery based on ABT meter reading. The interstate transmission loss has been calculated as 3%, transmission loss at JUSNL network as 7.06% and transmission loss at DVC network as 3.85%. JBVNL.

b) Distribution Loss

4.62 The Objector submitted that the distribution Loss is pegged at 30.28%. The above losses are the only reason for tariff hike requirement and if the same is controlled, tariff hike will not be required as Losses as a ratio of revenue is also around 35% - 40%, which is in sync with the T&D losses.

Petitioner Submission

4.63 The Petitioner has submitted that, the actual distribution loss for FY



2022-23, FY 23-24 and FY 24-25 is in line with the trajectory as approved in the RDSS scheme by Ministry of Power. In addition to that, JBVNL denies the claim that, the distribution loss is the only reason for tariff hike.

4.64 The proposed tariff hike is to meet the aggregate revenue requirement of JBVNL and to meet the gap created in the past years due to delayed/non-revision of tariff. Thus, JBVNL, requests the Hon'ble Commission to consider the proposed tariff revision for FY 2024-25.

c) Capital Expenditure

4.65 All the initiatives and capital expense they have done or planned to do to arrest the T&D losses? Is there any plan to control these losses?

Petitioner Submission

4.66 The Petitioner has submitted that, the capital expenses being done in various schemes are to meet the increasing demand of the consumers and provide 24x7 quality and reliable power to all in the State.

4.67 In addition to that, JBVNL is doing continuous effort towards, reducing losses and improve billing and collection efficiency as –

- Smart Meter Installation (2.26 lacs in Ranchi and 13,000 in Dhanbad installed)
- Unified billing system
- Self-Billing Tower App
- Non-Manual meter reading/Introduction of OCR (Optical Character Recognition) based billing system.
- Dashboard for single platform for monitoring and payment (only for lower consumers)
- Control Room to monitor high paying/dues consumer.
- Massive Raid drives



- Replacement of existing LT overhead bare conductor lines with AB/UG cable
- Feeder Separation

d) T&D Loss

4.68 As per general statistics available, Jharkhand is the highest in T&D losses amongst Indian states. Is there any particular reason for the same or it is due to poor operations by JBVNL?

Petitioner Submission

4.69 The Petitioner has denied the fact that, Jharkhand has highest in T&D losses in India. The same can be checked from performance reports of state power utilities of PFC. The reasons for T&D losses are -

Non-Payment or Delayed Payments: High rates of non-payment or delayed payments by consumers can disrupt the billing cycle.

Rural and Remote Areas: Accessibility issues in rural or remote areas makes meter reading and bill delivery challenging.

Socio-Economic Conditions: Lower income levels in certain areas results in higher rates of bill.

Theft is major reason for revenue losses in JBVNL network.

Theft-Theft is major reason for revenue losses in JBVNL network.

The Petitioner has submitted that working towards reducing the losses, control the theft and in villing efficiency

View of the Commission

4.70 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the chapter in the Order.

C. Objector- Usha Martin Limited



a) Hike should be in line with the inflation rate

Petitioner Submission

4.71 The Petitioner has submitted that, the proposed hike in the tariff is as per the tariff policy reflecting the cost of supply and to zero down the gap of ACS and ABR. Thus, Commission is requested to approve the proposed hike in tariff to eliminate the revenue gap created during the years on petitioner.

b) Excessive reading on smart meter

Petitioner Submission

4.72 JBVNL hereby submits that, the Smart Meter is being properly checked and tested in the authorized lab before installation. Also, JBVNL is in the process of appointment of agencies for the third-party testing of smart meters. In any case if, there is fault in any meter installed, JBVNL ensures to check and identify fault in the meter and provide the resolution to the consumers at earliest.

c) Installation of smart meter outside the House i.e. on Boundary wall

Petitioner Submission

4.73 The installation of Smart Meter outside the House premise is in accordance to the guidelines of MOP. In case if, there is any accidental damage in the smart meter, the JBVNL has the onus to replace the same.

d) Shifting of Dharamshalas from Commercial to Domestic Category

Petitioner Submission

4.74 The Petitioner has submitted that, dharamshalas are a commercial arrangement. Hence, it cannot be included into the domestic categories.

e) Late Billing to the Domestic Consumers

Petitioner Submission

4.75 The Petitioner has denied the claim of the stakeholder. As, there the monthly billing system implemented by JBVNL in the State, thus, bills are



being raised on monthly basis.

- f) Subsidy of Government of Jharkhand to the tune of about Rs 3000 to 3500 crore per annum to the category of domestic consumers announced by the Government of Jharkhand.**

Petitioner Submission

- 4.76 The subsidy being provided to the consumers in the State is a subject of State Government. Thus, JBVNL does not have any role in providing of implementation of subsidy to the consumers.

View of the Commission

- 4.77 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the chapter in the Order.

D. Objector- Jharkhand Small Industries Association

a) Regarding Tariff Petition

Petitioner Submission

- 4.78 The Petitioner has submitted that, the Tariff Petition for True Up of FY 2022-23. APR of FY 2023-24 and ARR for FY 2024-25 was filed before the Commission on 30th November 2023. The Retail Tariff Proposal along with the Additional submission on Restated Account for FY 2020-21 and FY 2021-22 was submitted to the Commission on 14th February 2024. The same can also be found on JBVNL's website.

- 4.79 Further, JBVNL prayed to the Commission to upload the complete petition on its website for the access to all the stakeholders.

b) Regarding Public Notice

Petitioner Submission

- 4.80 The Petitioner has submitted that, it has published a Public Notice on 14 March 2024 on its website and on 16 March 2024 in newspaper (Two Hindi and Two English) inviting Comments/Suggestion on Tariff Petition filed by JBVNL.



c) Contents in the Tariff Petition

Petitioner Submission

4.81 The Petitioner has denied the claim of the stakeholder. The Petitioner further clarifies that, the petition along with the Tariff Proposal has been submitted in line to the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.

4.82 In addition to that, JBVNL has also submitted reply to the queries raised by the Commission dated 18 January 2024 and 05 August 2024 and 13 August 2024. The stakeholders may refer those replies and submission for further clarification.

d) Regarding delay in Tariff Order

Petitioner Submission

4.83 The Petitioner has clarified that, the Tariff Petition for True Up of FY 2022-23, APR of FY 2023-24 and ARR for FY 2024-25 was filed before the Commission on 30th November 2023 within the timeline as per the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020. Further, the Commission may clarify on the concern of the stakeholder.

e) Regarding information on the website

Petitioner Submission

4.84 The Petitioner again clarifies that, it has submitted queries raised by the Commission dated 18 January 2024 and 05 August 2024 and 13 August 2024. JBVNL prayed to upload the same on its website for further access to stakeholders.

f) Billing and Collection Efficiency

Petitioner Submission

4.85 The Petitioner has clarified that the petition has been submitted in accordance with the clauses of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, showing all the



expenses and revenue of JBVNL. The details of collection efficiency and AT&C loss can be checked from the Audited Accounts for FY 2022-23, which have been submitted to the Commission and are also uploaded on JBVNL's website.

g) Free Electricity Scheme

Petitioner Submission

4.86 The Petitioner has clarified that, framework for filing of True Up, APR and ARR petition in JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 expresses to show the components of ARR which are affecting the revenue and expenses of the utility.

4.87 JBVNL also states that, any amount received by the Govt. of Jharkhand under free electricity scheme has already been included in the revenue of DISCOM and the same can be checked in the Annual Account of JBVNL for FY 2022-23.

h) Bifurcation of energy sale for FY 2022-23

Petitioner Submission

4.88 Details of category wise energy sales has been shown in the petition under table no. 2.1 of the petition.

i) Theft

Petitioner Submission

4.89 Details of theft for 202.45 MU has been submitted to the Commission via letter No. 194 dated 22.08.2024. The same can be sought from the Commission.

j) Power Purchase quantum and Cost

Petitioner Submission

4.90 The Petitioner has submitted that it has firm allocations of power from central allocations like NTPC, NHPC, DVC and other sources such as TVNL, DVC(STOA), PTC etc. In addition to these, JBVNL has also



purchased power from private stations like APNRL, Inland Power, and some quantum from renewable sources during FY 2022-23.

- 4.91 Also, the petitioner humbly submits that it is not in favor of any short-term power procurement and thus, it does not have any rolling quarterly forecast of the quantum of short-term power to be purchased. The short-term power is purchased on day ahead basis when the need arises such as shutdown of any units from generating stations or in emergency situations when the demand is more than the scheduled supply. The JBVNL purchased power from IEX on day ahead basis and sometimes it procured power from the real time market (RTM) basis.
- 4.92 JBVNL, doesn't deviate from its schedule deliberately. At all times it is endeavor of JBVNL that its schedule is same as its drawl and hence there should be no UI Purchase/UI sales ideally. Even if the deviation occurs there is equivalent probability of happening it on either side of scheduled quantity.
- 4.93 Similarly, JBVNL has adequate capacity contracted from power plants and need not procure short-term power plant in natural course of business. However, often due to sudden tripping of generating units and revision of injection schedule of RE generators, JBVNL faces shortage of power, and it is forced to purchase power from power exchange. Similarly, if JBVNL envisages that it has optimum capacity available in any time block as compared to its demand and it can sell the power profitably after considering, Energy Charge of the plant or to maintain DSM, it bids the power for sale in power exchange. Both the activities are randomized and it's not possible to predict quantum of energy purchased/sold from Power Exchange in advance.
- 4.94 The same can be verified from the obligation report from PXIL and EX as submitted to the Commission.
- 4.95 Thus, the actual cost of power procured may be allowed to the petitioner.

k) Net Solar Metering

Petitioner Submission



4.96 JBVNL, denies the claim of stakeholder. Till now, JBVNL has given NOC to 250 consumers with the cumulative capacity of 1003.97 kW for solar rooftop installation. Also, 5000 applications have been received in PM surya Ghar Yojana for rooftop installation. Also, online billing software has been prepared and will be functional in a short span of time.

l) Transmission Loss

Petitioner Submission

4.97 The detailed computation of energy drawn at the distribution periphery along with the actual ART meter reading has been submitted to the Commission. The losses occurred at the Transmission system should not be burdened on the JBVNL and should be passes on in the Tariff.

m) Distribution Loss

Petitioner Submission

4.98 The actual AT&C loss for FY 2022-23 was 29.79%. Under RDSS scheme the target of AT&C loss for FY 2022-23 for Jharkhand was 30%. It is seen that, the actual AT&C loss for FY 2022-23 is less than the target set for FY 2022-23. AT&C Loss trajectory approved by MOP has already been submitted to the Commission.

4.99 In accordance with same, the distribution loss for FY 2022-23 is coming out to be 30.28%. The JBVNL has taken several steps to reduce the distribution loss by conducting several raids and lodging FIRs against the errant consumer and action had been taken regularly.

4.100 Distribution loss for FY 2021-22 was 33.18%. JBVNL has made progress in minimizing distribution loss as compared to FY 2021-22 and working continuously towards improving the system performance. In addition to that Prepaid meter installation work in progress which will help in reducing the distribution losses of JBVNL.

4.101 Thus, JBVNL requests the Commission to allow the claimed distribution loss as arrived in accordance with the allowed trajectory under RDSS scheme.



n) Consumer Contribution & Grant

Petitioner Submission

4.102 The CCG has been filed on the normative basis. Thus, opening of FY 2022-23 has been considered as closing of FY 2021-22 as filed in true up petition of FY 2021-22.

o) Consumer Contribution & Grant

Petitioner Submission

4.103 JBVNL denies the claim of stakeholder. In FY 2022-23 JBVNL has disbursed Rs. 438374610.5 as interest on consumer security deposit. The details have already been provided to the Commission. Thus, it is requested to the Commission to approve the interest on consumer security deposit in the expenses of the JBVNL.

p) Annual Performance Review (APR) for FY 2023-24

Petitioner Submission

4.104 **AT&C Loss**- The AT&C loss for FY 2022-23 has been estimated as 24% in accordance with the targets set under RDSS scheme. The distribution loss for FY 2022-23 was 30.28% and for FY 2021-22 was 18%. The JBVNL, has taken several steps to reduce the distribution loss by conducting several raids and lodging FIRS against the errant consumers and actions had been taken regularly. JBVNL has made progress in minimizing distribution loss as compared to FY 2021-22 and working continuously towards improving the system performance, in addition to that, Prepaid meter installation work in progress which will help in reducing the distribution losses of JBVNL. Thus, JBVNL requests the Hon'ble Commission to allow the claimed distribution loss as arrived in accordance with the allowed trajectory under RDSS scheme.

4.105 **Power Purchase** – the Petitioner has submitted that, it has firm allocations of power from central allocations like NTPC, NHPC, DVC and other sources such as TVNL, DVC(STOA), PTC etc. In addition to these, JBVNL has also purchased power from private stations like APNRL, Inland Power, and some quantum from renewable sources during FY 2022-23.



- 4.106 Also, the petitioner humbly submits that it is not in favor of any short-term power procurement and thus, it does not have any rolling quarterly forecast of the quantum of short-term power to be purchased. The short-term power is purchased on day ahead basis when the need arises such as shutdown of any units from generating stations or in emergency situations when the demand is more than the scheduled supply. The JBVNL purchased power from IEX on day ahead basis and sometimes it procured power from the real time market (RTM) basis.
- 4.107 JBVNL doesn't deviate from its schedule deliberately. At all times it is endeavor of JBVNL that it is same as its drawl and hence there should be no UI Purchase/UI sales ideally. Even if the deviation there is equivalent probability of happening it on either side of scheduled quantity.
- 4.108 Similarly, JBVNL has adequate capacity contracted from power plants and need not procure short term power plant in natural course of business. However, often due to sudden tripping of generating units and revision of injection schedule of RE generators, JBVNL, faces shortage of power, and it is forced to purchase power from power exchange. Similarly, if JBVNL envisages that it has optimum capacity available in any time block as compared to its demand and it can sell the power profitably after considering Energy Charge of the plant or to maintain DSM, it bids the power for sale in power exchange. Both the activities are randomized and it's not possible to predict quantum of energy purchased/sold from Power Exchange in advance.
- 4.109 The same can be verified from the obligation report from PXIL and IEX as submitted to the Commission. Thus, the actual cost of power procured may be allowed to the petitioner.
- 4.110 **New North Karanpura**- The per unit rate for New North Karnapura has been considered same as the per unit rate for North Karnapura for projection of FY 2023-24.
- 4.111 **Power Purchase Cost & Quantum**-JBVNL refuses the submission of the stakeholder for consideration of power purchase cost and quantum as per "JSERC (Terms and conditions for determination of distribution tariff)



Regulation 2015". The latest regulation as "JSERC (Terms and conditions for determination of distribution tariff) Regulations, 2020" is in force and is applicable for the projection for FY 2023-24. Thus, the same should be referred for the projection of power purchase cost and quantum for FY 2024-25.

- 4.112 Also, the estimation of sale and purchase of power from IEX/PXIL. for FY 2023-24 has been considered as actual sale and purchase of power from IEX/PXIL in first six months of the year without considering any escalation. The same can be verified from the obligation report of IEX and PXIL.
- 4.113 **Solar Net Metering** - JBVNL. denies the claim of stakeholder. Till now, JBVNL. has given NOC to 250 consumers with the cumulative capacity of 1003.97 kw for solar rooftop installation. Also, 5000 applications have been received in PM Surya Ghar Yojana for rooftop installation. Also, online billing software has been prepared and will be functional in a short span of time.
- 4.114 **Transmission Loss** - The Transmission Loss as submitted in the petition for FY 2023-24 is considered same as actuals of FY 2022-23. The Actual ABT meter reading for FY 2022-23 along with the detailed breakup of transmission loss in JUSNL and DVC system has already been provided to the Commission. The actual loss in the intra state transmission system is much higher than the approved intra state transmission system. Thus, JBVNL again requests the Commission to allow the intra state transmission losses on actual basis with the directive to the JUSNL and DVC to bear the excess losses in their system and should not be burdened on the JBVNL.
- 4.115 **AT&C Loss**- The proposed AT&C losses for FY 2023-24 is in line with the approved losses by MOP in the RDSS trajectory. Thus, JBVNL requests the Commission to allow the AT&C loss in accordance with the same.
- 4.116 **Feeder & DT Metering** - JBVNL denies the claim of stakeholder for not showing the commitment to improve the efficiency and honor the commitment. JBVNL is working on the ROSS Scheme, in which 100% DT



metering and consumer indexing will be done in the state. The process to award the work is already in process and expected to be completed in 2 years of span.

4.117 **Higher AT&C Loss**-GOJ is providing subsidy to consumers and the same has been reflected in the Annual Accounts of JBVNL. Further, the losses are due to Low HT/LT ratio: 0.3675 (36.75%). The low ratio of HT/LT is due to extensive electrification by JBVNL for various schemes such as DDUGJY, SAUBHAGYA, RGGVY, IPDS, UDAY, in far flung areas that are Scattered in nature, mostly tribal and village dominated and marginal areas with poor affordability.

q) Annual Revenue Requirement (ARR) for FY 2024-25

Petitioner Submission

4.118 **Estimation for FY 2024-25**-JBVNL denies the claim of stakeholder for non-consideration of 2023-24 as base year for FY 2024-25, as it is the considerate practice for the projection of ARR for ensuing years.

4.119 **Distribution Loss** - The proposed AT&C losses for FY 2023-24 is in line with the approved losses by MOP in the RDSS trajectory. Thus, JBVNL requests the Commission to allow the AT&C loss in accordance with the same.

4.120 **Terms & Supply of Charges** - JBVNL submitted Terms of Supply and schedule of charges along with the Tariff for FY 2021-25 has been submitted to the Commission dated 14.02.2024. The same is available on the website of JBVNL

4.121 **Directives of the Commission** - JBVNL denies the claim of stakeholder for omission of directives given by the Commission. The petitioner hereby restates that, status of compliance of all the directives as given by the Commission in its Tariff Order dated 31.05.2023 has been mentioned as clause 6.1.1 at Pg. No. 60 of the petition submitted to the Commission,

r) Query of JASIA dated 02.09.2024

Petitioner Submission



- 4.122 **Regarding Compliance of the provisions of the JSERC (Terms & Conditions for Determination of Distribution Tariff) Regulations, 2015-**JBVNL has submitted that, the said regulation is not applicable on the True Up filing for FY-2022-23, APR for FY 2023-24 and ARR of FY 2024-25.
- 4.123 **Regarding CTU Loss of 3% and transmission loss of 8.46%-** JBVNL has submitted that, the claimed CTU loss and transmission losses are passed on to distribution utilities which is further to be passed on to the consumers through tariff:
- 4.124 **Fixed Charge on kW basis for Domestic Category** - The reason for proposing fixed charge on load basis for domestic connections have been elaborated in the tariff proposal as submitted by JBVNL. The same is being reiterated herewith for your reference as;

"The rationale for introducing fixed charge based on sanctioned load is many folds. Firstly, the consumer should be aware about the tools and appliances in its premises and the energy consumption and usage pattern of such appliances so that he/she can effectively plan for energy consumption and its timing. Also, with smart meter implementation in Ranchi, it was found that the maximum demand recorded in the meter is way above the contracted demand of many consumers. Thus, fixed charge based on the contracted load would help the utility for better power procurement strategy and overall, would lead to energy conservation."

- 4.125 **Non-Domestic/Commercial Services-** Reason for new category of NDS HT has been submitted in the tariff petition. Also, the proposed tariff hike is in accordance to meet the revenue requirement of JBVNL and to recover the gap created during the year.
- 4.126 Thus, JBVNL hereby requests the Hon'ble Commission to allow the tariff as proposed in the petition.
- 4.127 **Street Light Connection** – Petitioner has submitted that, it is making its best effort to meter all the streetlights, that due to some operational



constraints some street light consumers are left to be unmetered. For street light consumers where meter installation is not possible, JBVNL requests the Commission to allow the billing under average consumption mode with a load factor of 50%.

- 4.128 **Separate category for EV charging station** - Separate category for EV charging station has been proposed in accordance with the MOP guideline. Thus, the Petitioner requests the Commission to approve the proposed tariff for EV charging station as proposed in the petition.

View of the Commission

- 4.129 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the chapter in the Order.

E. Objector- Federation of Jharkhand Chamber of Commerce

a) Increase in Fixed Charge

Petitioner Submission

- 4.130 The Petitioner has submitted that, the mechanism to recover the fixed cost and energy cost is as per the two-part tariff mechanism as per the Tariff Policy. Also JBVNL denies the claim of stakeholder that there no expansion of network utility in the Jharkhand.

- 4.131 The Petitioner, is continuously working towards distribution expansion in the state and the capital involved can be seen from the audited account of JBVNL for FY 2022-23. Also during the public hearing sessions, JBVNL has given detailed presentation on the network expansions.

b) Reduction in Fixed Charge to LTIS Consumers

Petitioner Submission

- 4.132 Currently feeder separation is being done. Once the Feeder separation is complete the benefit of reduction on Fixed Charge will be passed on the Consumers

c) Compliance of directive by the Commission



Petitioner Submission

4.133 The Petitioner has submitted that the status of all the directive given by the Commission in the Tariff Order dated May 31, 2023 has been submitted to the Commission in its Tariff Petition.

View of the Commission

4.134 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the chapter in the Order.

F. Objector- Biresh Lal

4.135 The amount of tariff was possibly revised erroneously too high to the monopolistic trade malpractice so there was consideration of subsidy for consumers to pay tariff @ Rs 4.20 per unit. Thereafter some restrictions were imposed on consumption of power arbitrarily that malign the constitutional right of equality granted in the article 14 of the constitution

Petitioner Submission

4.136 There is no restriction in the consumption of power. The limitation to the slabs for subsidy is the decision of state Govt where in, the state govt wants to provide maximum subsidy to the people that consume less (ie), specifically targeting the economically weaker section of the society. JBVNL has no say in providing subsidy to consumers. It is purely a Govt decision. It cannot comment whether the subsidy provision malign the constitutional right of equality granted in the article 14 of the constitution

4.137 **Subsidy**-There has been gross loss on part of the management of JBVNL to have made clear in the order to loss of subsidy only on the amount of consumption power beyond 400 units to avert the act of discrimination much tells upon the credence of RSER commission

Petitioner Submission

4.138 No comments as it is not related to JBVNL

4.139 **Tariff**-That there could have been criteria for tariff revision periodically.



The criteria of deciding tariff per unit must base on the cost of power purchase and other allied expenditure on infrastructure otherwise there shall be an act of monopoly trade of mal-practice.

Petitioner Submission

4.140 The Petitioner has submitted that tariff filing each year by November 31 by the state distribution company is mandated by the Hon'ble Commission. The Hon'ble Commission after prudence check of all data and information provided by the state distribution company and public hearing, will pass the order within 120 days of the petition.

4.141 Yes, the Hon'ble Commission decides on the tariff after prudence check of all expenditure including power purchase cost and other infrastructure.

4.142 The regulatory commission may kindly take all points into his consideration to revise the tariff to lower amount of consumers on consideration of the following point

- power supply corresponding to the consumers is the responsibilities of the Govt as it comes under the welfare society at par with health, education, communication and other govt activities
- power availability to public is the basic duties and responsibilities of the elected govt on the basis of no profit and other type of gain.

Petitioner Submission

4.143 No Comment from JBVNL

4.144 **Electricity Duty**-There is some levy of Rs 154 against power consumption of 886 units in 40 paisa taxes and DPS Rs 10.03 and FPPA surcharge Rs 69.48 are beyond assimilation of the consumer's knowledge are to be clarified

Petitioner Submission

4.145 Rs 154 in the bill as claimed is electricity duty as applicable by the state govt, DPS charge is delay payment surcharge on the consumer for the bill not paid in full within a certain time and FPPA surcharge is the Fuel and



power purchase price adjustment according to the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) (First Amendment) Regulations, 2023 dated 22nd November 2023

View of the Commission

4.146 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the chapter in the Order.

G. Objector- Laghu Udyog Bharti

Petitioner Submission

4.147 **Regarding Tariff Submission** - JBVNL hereby clarifies that, the Tariff Petition for True Up of FY 2022-23, APR of FY 2023-24 and ARR for FY 2024-25 was filed before the Commission on 30th November 2023. The Retail Tariff Proposal along with the Additional submission on Restated Account for FY 2020-21 and FY 2021-22 was submitted to the Commission on 14th February 2024. The same can also be found on JBVNL's website. Also, the proposed hike in the tariff is as per the tariff policy reflecting the cost of supply and to zero down the gap of ACS and ABR. Thus, Commission is requested to approve the proposed hike in tariff to eliminate the revenue gap created during the years on JBVNL

- i. **Information on Website** - JBVNL hereby clarifies that, it has published a Public Notice on 14 March 2024 on its website and on 16 March 2024 in newspaper (Two Hindi and Two English) inviting Comments/Suggestion on Tariff Petition filed by JBVNL
- ii. **Delay in Tariff Order** - JBVNL hereby clarifies that, the Tariff Petition for True Up of FY 2022- 23. APR of FY 2023-24 and ARR for FY 2024-25 was filed before the Commission on 30th November 2023 within the timeline as per the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020. Further, the Commission may clarify on the concern of the stakeholder.



- iii. **Subsidy**-JBVN hereby states that, any amount received by the Govt. of Jharkhand under free electricity scheme has already been included in the revenue of DISCOM and the same can be checked in the Annual Account of JBVNL for FY 2022-23.
- iv. **Theft**-Details of theft for 202.45 MU has been submitted to the Commission via letter No. 194 dated 22.08.2024. The same can be sought from the Commission. The petitioner requests the Commission to approve the energy loss in theft.
- 4.148 Transmission Loss - The details of transmission losses at JUSNL system, DVC system and actual energy drawn at the distribution system has already been submitted to the Commission. JBVNL requests the Commission to approve the actual losses occurred at the transmission system and should not be burdened on the JBVNL
- 4.149 **AT&C Loss**- The actual AT&C loss for FY 2022-23 was 29.79%. Under RDSS scheme the target of AT&C loss for FY 2022-23 for Jharkhand was 30%. It is seen that, the actual AT&C loss for FY 2022-23 is less than the target set for FY 2022-23. AT&C Loss trajectory approved by MOP has already been submitted to the Commission.
- 4.150 In accordance with same, the distribution loss for FY 2022-23 is coming out to be 30.28%. The JBVNL has taken several steps to reduce the distribution loss by conducting several raids and lodging FIRs against the errant consumers and actions had been taken regularly.
- 4.151 Distribution loss for FY 2021-22 was 33.18%. JBVNL has made progress in minimizing distribution loss as compared to FY 2021-22 and working continuously towards improving the system performance. In addition to that. Prepaid meter installation work in progress which will help in reducing the distribution losses of JBVNL. Thus, JBVNL requests the Commission to allow the claimed distribution loss as arrived in accordance with the allowed trajectory under RDSS scheme.
- 4.152 **Interest on Consumer Security Deposit**-JBVNL denies the claim of stakeholder. If FY 2022-23 JBVNL, has disbursed Rs. 438374610.5 as



interest on consumer security deposit. The details have already been provided to the Commission. Thus, it is requested to the Commission to approve the interest on consumer security deposit in the expenses of the JBVNL.

- 4.153 **Reduction in Fixed Charge** - JBVNL denies the claim of stakeholder. Reduction in fixed charge is being passed on to HT consumers where demand based fixed charge is approved by the Commission.
- 4.154 **Fixed Charge in Domestic Consumer**- JBVNL hereby submits that, the rationale for introducing fixed charge based on sanctioned load is many fold. Firstly, the consumer should be aware about the tools and appliances in its premises and the energy consumption and usage pattern of such appliances so that he/she can effectively plan for energy consumption and its timing. Also, with smart meter implementation in Ranchi, it was found that the maximum demand recorded in the meter is way above the contracted demand of many consumers. Thus, fixed charge based on the contracted load would help the utility for better power procurement strategy and overall, would lead to energy conservation.

View of the Commission

- 4.155 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the chapter in the Order.

H. Objector- Philip Mathew

- 4.156 Objector- The complete set of petitions was not available to the public on the website of JBVNL.
- 4.157 Petitioner Submission- The complete petition was available in the JBVNL's website along with gist, audited account, tariff petition and revised statements. The same can be accessed through
- 4.158 Objector-The last date of giving comments and suggestions on the tariff petition was 08.04.2024 but the petition was made available to public on 16.08.2024



- 4.159 Petitioner- The allegation of the consumer is not correct. The petition was available on the JBVNL's website. The consumer might have missed the link to the document.
- 4.160 Objector- The figure submitted was based on the estimates of FY23-24
- 4.161 Petitioner- We would like to reiterate that the current petition under consideration is for true up of FY22-23, APR for FY23-24 and ARR for FY24-25. The APR figures are based on the data available at the filing of the petition and projected for the complete FY23-24. The confusion arises because of delay in hearing of the petition by the Commission. It is to be noted that the Hon'ble commission was clearing the backlogs of the previous petitions and thus, the delay was inevitable.
- 4.162 Objector- The petition is silent on billing and collection efficiency
- 4.163 Petitioner- No Response
- 4.164 Objector- The petition does not contain information about revenue from free electricity scheme of govt of Jharkhand, no of consumers benefited, amount billed to such consumers, amount receive from Govt of Jharkhand etc.
- 4.165 Petitioner- The free electricity scheme of govt of Jharkhand is under the subsidy provided by the GOJ. The subsidy is part of the revenue collected from the consumers, though billed to consumers but collected as subsidy from the GOJ. The subsidy details can be found out from the audited accounts report as quarterly subsidy was raised to GOJ.
- 4.166 Objector- Energy sales from THEFT for FY22-23 was 202.45MU. No details are available for the same in petition.
- 4.167 Petitioner- Energy sales from theft is coming from the FIRs lodged by JBVNL to the erring consumers and assessment made against the units booked. The assessment realized against the units are calculated as energy sales under THEFT category as energy realized.
- 4.168 Objector- Consumption parameters for FY 22-23 is not provided in the



petition like category wise number of consumers, connected loads and sales etc

- 4.169 Petitioner- These parameters are part of the models that was being prepared for the petitions and duly provided to the Hon'ble commission for prudence check.
- 4.170 Objector- AT&C Loss FY21-22 (27.45%), FY22-23 (30.28%), FY23-24 (not available) High AT&C loss is due to large scattered rural consumers of Jharkhand.
- 4.171 Petitioner- The consumer might have erred in taking the AT&C for FY21-22 as 27.45%. The FY21-22 (27.45%), FY22-23 (30.28%), FY23-24 (not available) High AT&C loss is due to large scattered rural consumers of Jharkhand. figure for FY21-22 was 33.18%. There is considerable overall improvement in AT&C loss, the figure for FY 23-24 will be available after audited account. The claim that GOJ providing free electricity to small domestic consumers should not be a reason for high AT&C loss is wrong. As the geographical and scattered location affects billing and in turn impacts AT&C loss.
- 4.172 Objector- Allowance of AT&C loss beyond approved AT&C loss targets will set a wrong precedence for future at the cost of penalizing consumers
- 4.173 Petitioner- We understand the concern of the respected consumer. However, we are asking that AT&C loss targets should be aligned with AT&C loss targets as approved by the Ministry of Power under RDSS scheme as the scheme is articulated after due consideration of discoms' reach, its USO accountability and the socio economic nature of majority of consumers for all the states.
- 4.174 Objector- Interest on consumer security deposit
- 4.175 Petitioner- Interest paid to the consumers (provisioned) as per audited accounts for FY22-23 was Rs 58.97 Crs as per audited accounts. The actual interest disbursed to the consumer was Rs 43.83Cr. Some consumers are left from the interest disbursement due to shifting of data from one billing system to another and operational constraints from the



old manual data updation. This amount will be disbursed once the database is complete in all respects.

4.176 Objector- Compliance Directives

4.177 Petitioner- JBVNL has replied to the Hon'ble Commission with all compliances related to directives and the action taken as of date. All the directions of the Hon'ble Commission are complied with.

4.178 Objector- Tariff proposal and tariff schedule 2025

4.179 Petitioner- Tariff proposal was submitted after due consideration of previous revenue gaps and the ever increasing ACS and ARR gap. The objective was to reduce the ACS and ARR gap to be zero.

4.180 Objector- Domestic Category: Proposal to change fixed charge on demand basis (per KW from per Connection)

4.181 Petitioner- The reason behind this was well explained in the petition. However, for the sake of clarity, JBVNL would like to reiterate that consumers take un due advantage of this provision and demands for higher sanctioned load with undue justification. This lead to planning failure of the JBVNL in designing and maintaining the infrastructure. This has been provided by the data received through smart meters those are deployed in Ranchi. The justification was communicated to the Hon'ble Commission.

4.182 Objector- Change in DS HT category billing demand from 75% to 85% proposed is unjustified

4.183 Petitioner- JBVNL periodically checked the usage of DS HT consumers and found that the load of DS HT consumers have been increased over the past years and their consumption has also increased. Similarly, the billing reflects a higher demand. Thus, the proposal to increase the demand is to safeguard them from any penalty due to frequent variation in billing demand.

4.184 Objector- Streetlight connections under unmetered connections.



- 4.185 Petitioner- JBVNL tried its best to meter all the streetlight connection, however, it is difficult to meter them because of geographical challenges. However, initiatives are underway to combine them to bill under metered connections.
- 4.186 Objector- LTIS billing demand from 50% to 75% should not be allowed
- 4.187 Petitioner- It has been observed that LTIS consumers billing demand has been above the 50% benchmark for many times in a year because of their operations. It has been proposed to increase the billing demand to safeguard them from the penalty that is huge.
- 4.188 Objector- The fixed charge should not be there in the billing at all.
- 4.189 Petitioner- The SERCs in India follows a two-part tariff system and hence the fixed charges is one of the component of tariff. This is prerogative of the Hon'ble Commission and JBVNL has nothing to comment on it.
- 4.190 Objector- Special category for EV is not logical and would lead to litigations
- 4.191 Petitioner- EV as a special category is designed as per the MOP directions and the objective of pushing solar to the grid and to charge the EV accordingly. EV charging is definitely not for domestic use and the vehicular charge should be compared with the cost of alternative fuels that it's being replaced like petrol and diesel.
- 4.192 Objector- Solar net metering "JBVNL has failed to introduce the net metering system in its billing and any reduction in net metering should not be allowed.
- 4.193 Petitioner- This was earlier a problem with number of billing agencies. However, now that the system is having a unified billing system, this problem has rectified and the billing will start within a month.
- 4.194 Objector- Prepaid smart meter
- 4.195 Petitioner- Prepaid smart meter billing and processes are as per the regulations specified by the Hon'ble Commission.



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- 4.196 Objector- Transformer to Industrial consumers: Industrial consumers have to make their own arrangements for transformers
- 4.197 Petitioner- No Response
- 4.198 Objector- Steep hike is proposed in scheduled charges and being opposed by the consumer.
- 4.199 Petitioner-The nominal hike in schedule charge are based on the inflation rate over the years and the reason that it has not been increased from the last many years.
- 4.200 Objector- Rebate for prompt payment and online payment
- 4.201 Petitioner- The rebates and online payment was introduced to increase the awareness and gradually shifts the consumer from offline to online system. JBVNL is of the view that as the consumer as now fully aware of the online payment system, there is no need to keep the prompt rebate and online rebate at a higher level. It should be decreased and gradually should be removed as it affects the overall revenue of the JBVNL.
- 4.202 Objector- Load factor rebate
- 4.203 Petitioner- JBVNL has already provided the logic of removing the load factor rebate in the petition. Generally, the industries should have a higher load factor depending on its nature of work. By lowering the baseline of load factor to these industries, it will unnecessarily incentives the industries for nothing. Hence, the lad factor rebate should be removed completely.
- 4.204 Objector-Reduction in Fixed charges
- 4.205 Petitioner- JBVNL has been providing reduction in fixed charges to HT consumers and the initiatives are underway to provide reduction in fixed charges for LT consumers also.
- 4.206 Objector- Delayed payment surcharges: It has been proposed to increase the DPS from 1% to 1.5%.



- 4.207 Petitioner- The increase proposed is to cover up the interest on working capital that is increasing over the years. Any delayed payment from the consumers increases the risk of JBVNL and prompt it to take debt from the market at a higher interest rate as it has to make payments to the generating companies irrespective of whether the consumers are paying it or not. To address this challenge, the consumers should be charged at a higher DPS so that the interest on working capital is adequately addressed.
- 4.208 Objector- Access to current reading of meter for HT/HTSS consumers: JBVNL do not allow its HT/HTSS consumer access to meters
- 4.209 Petitioner- No Response
- 4.210 Objector- Online process for new connections is impractical and complicated. conditions of unwanted documents and procedures have made this process difficult.
- 4.211 Petitioner-No Response
- 4.212 Objector- Additional levy of 3% from small HT consumers
- 4.213 Petitioner- No Response

View of the Commission

- 4.214 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the chapter in the Order.

I. Objector- Shri Kailash Chandra Goyal (Dhanbad Jila Flour Mill Association)

Petitioner Submission

- 4.215 **Reply to query 1** – The Proposed tariff hike is to meet the aggregate Revenue Requirement of JBVNL and to meet the gap created in the past years due to delayed/non-revision of tariff:



4.216 **Reply to query 2-** The Petitioner has submitted that, the two-part tariff structure is as per the recommendation of committee formed by CERC. The Fixed charge covers the cost of maintain the supply infrastructure while the variable charge is based on the amount of energy consumed. The fixed charge id based on the consumer's maximum demand. They can business increase revenue by charging consumers for both access to the service and the amount they use.

4.217 **Reply to query 2a-** the Petitioner is continuously working reducing its losses. The main reason behind the losses are

- Around 14 lacs consumers of JBVNL residing in dense forest area
- Total number of Rural Domestic Consumer is 45.29 lacs till November 2023
- Total number of rural Domestic residing in dense forest area is around 29% of total consumer in Jharkhand.
- Low HT/LT ratio.
- Most of the HT consumers fails under the preview of other utilities like DVC, JUSCO, TATA Steel.
- JBVNL has taken various initiative to reduce the losses as
 - Installation of Prepaid meter
 - Self-Billing Tower APP
 - Dashboard for single platform for monitoring and payment (only for tower consumer)
 - Urja Mela Regularly
 - Control Room to monitor high paying/dues consumer
 - Massive Raid drives
 - Implementation of smart metering phase wise



- Replacement of existing LT overhead bare conductor lines with AB/UG cable under RDSS scheme.
- Feeder Separation under RDSS scheme
- Non-Manual meter reading
- Consumer covered by unified billing system

4.218 **Reply to query 2b-** the Petitioner is continuously working to prevent the theft in the system. The Petitioner is installing Prepaid Smart meter in the State. Till now 2.91 lakh Smart Meter has been installed in the state. Installation of Smart Meter will prevent the theft of electricity.

4.219 In addition to that, the Petitioner is continuously conducting raids in the State and lodging FIR's against the theft of electricity. Till now significant amount has been realized against the lodged FIR's in the State in FY 2023-24.

No. of FIR	Amount Involved (Rs Cr)	Realized Amount (Rs Cr.)
31048	59.75	35.90

4.220 **Reply to query 2c, d, e, f-** the Petitioner is submitted that, the Petitioner continuously conducts the drive for the arrear recovery in the state.

4.221 In Previous years, the Petitioner has come up with OTS (one-time settlement) scheme as well and organized various camps and drives for collection of dues.

4.222 The Petitioner is also strengthening its network under RDSS scheme to supply quality and reliability power to its consumers.

4.223 The Petitioner has made expenses on the capitalization of assets under various schemes and strengthening of its distribution network. The infrastructure growth in distribution network form year 2017 till year 2024 is shown as below. Additionally, the Petitioner intends to highlighted that, all the expenses as claimed in its true-up petition has been audited



by the independent auditor. Thus, the Petitioner prayed to pass the expenses as claimed in the petition.

Particulars	2017	2018	2019	2020	2021	2022	2023	2024
PSS (No.)	320	356	367	375	457	491	550	624
PTR (No.)	668	765	836	857	1089	1188	1285	1430
DTR (No.)	65477	84739	93293	100409	117160	128272	133676	150813
LT line length ckm	79510.46	99319.40	112724.13	135439.84	157459.29	167295.08	170085.47	231299.96



Chapter 5: TRUE-UP FOR FY 2022-23

- 5.1 In the instant petition the Petitioner has sought approval of Truing up for FY 2022-23 based on the Audited Accounts, taking into consideration the provisions of the Distribution Tariff Regulations, 2020 & Distribution Tariff Regulation (1st Amendment) 2023 and the methodology adopted by the Commission in the previous Orders.
- 5.2 The Commission on the basis of provisions of the Distribution Tariff Regulations, 2020 & Distribution Tariff Regulations, (1st Amendment) 2023 has determined the truing up for FY 2022-23 on consideration of:
- Audited accounts for FY 2022-23;
 - Methodology adopted by the Commission in previous Order;
 - Material on record submitted by the Petitioner.
- 5.3 The component-wise details filled by the Petitioner’s and the Commission’s analysis and discussion is made in the upcoming paragraph.

Energy Sales

Petitioner’s Submission

- 5.4 The Petitioner has submitted the energy sales based on the annual audited account for FY 2022-23. Further submitted the connected Load and number of consumer as shown below:

Table 15: Sales (in MUs) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	5,944.54	5,097.02
Commercial/Non Domestic	918.25	1,061.82
Public Lighting / SS	92.02	200.17
Irrigation / IAS	187.17	148.58
Industrial LT / LTIS	236.47	308.33
Industrial HT / HTS / S/ EHT	1,959.28	2,282.90
RTS/MES	77.55	
Theft		202.45
Total	9,415.28	9,301.28



True-up for FY 2022-23, APR for FY 2023-24, and ARR & Tariff for FY 2024-25

Table 16: Connected Load (kVA) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	56,64,410	49,67,474
Commercial/Non Domestic	6,52,803	7,01,807
Public Lighting / SS	18,783	11,661
Irrigation / IAS	69,309	63,944
Industrial LT / LTIS	3,58,744	3,47,034
Industrial HT / HTS / S/ EHT	9,81,482	9,71,440
RTS/MES	38,938	43,214
Total	77,84,469	71,06,574

Table 17: Number of Consumer (NOs) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	50,33,231	45,29,245
Commercial/Non Domestic	3,20,776	2,96,078
Public Lighting / SS	568	434
Irrigation / IAS	78,937	75,103
Industrial LT / LTIS	19,238	18,872
Industrial HT / HTS / S/ EHT	2,021	2,070
RTS/MES	13	8
Total	54,54,784	49,21,810

Commission's Analysis

5.5 The Commission has reviewed the submission made by the Petitioner and noted a significant decrease in actual sales compared to the sales approved in Tariff Order dated February 28, 2024. Consequently, the Commission asked the Petitioner to provide proper justification for this decrease in energy sales. In response to the discrepancies noted, the Petitioner has submitted that the Hon'ble Commission had relied on the last five-year actual data for the projection for control period from FY 2021-22 to FY 2025-26. Also, the MYT Order was issued on 31.05.2023 i.e. after completion of FY 2022-23. Thus, there is mismatch in the sales unit for 2022-23 in MYT Order and actual claimed in true up of FY 2022-23. Also, in Annual Performance Review for FY 2022-23 the Petitioner has projected 9415.28 MUs also approved by Hon'ble Commission. Further the Petitioner has submitted that as per **clause 6.44** of JSERC Terms and Conditions for Determination of Distribution Tariff) Regulations 2020, sales are an uncontrollable factor.



True-up for FY 2022-23, APR for FY 2023-24, and ARR & Tariff for FY 2024-25

5.6 Accordingly, the Commission on scrutinizing the material, information, actual figure, audited books of account and details submitted by the Petitioner, approves the energy sales for FY 2022-23 which has been summarized in the table below:

Table 18: Energy Sales (MUs) as submitted by the Petitioner and approved by the Commission.

Consumer Category	APR	Petition	Approved
Domestic	5,944.54	5,097.02	5,097.00
Commercial/Non Domestic	918.25	1,061.82	1,061.80
Public Lighting / SS	92.02	200.17	200.20
Irrigation / IAS	187.17	148.58	148.60
Industrial LT / LTIS	236.47	308.33	308.30
Industrial HT / HTS / S/ EHT	1,959.28	2,282.90	2,282.90
RTS/MES	77.55		incl. in Industrial HT
Other/Theft		202.45	202.45
Total	9,415.28	9,301.28	9,301.25

Energy Balance

Petitioner's Submission

5.7 The Petitioner has submitted that energy availability for FY 2022-23 has been computed based on the actual Power Purchase and Sales as per the Audited Accounts for FY 2022-23.

5.8 The Petitioner has further submitted that the Power Purchase from various sources are segregated into different heads, while calculating the energy balance for FY 2022-23.

- Power Purchase from Outside JBVNL Boundary- i.e. Power from NTPC, NHPC, PTC, APNRL, part of TVNL, SECI;
- Energy Input Directly to State Transmission System- Input of power from TVNL-PTPS directly to State Transmission System;
- State Generation- SHPS, and Inland Power;
- Direct Input of Energy to Distribution System- DVC and Solar

IPPs.

5.9 The Petitioner has computed the energy requirement based on the formula mentioned below:

$$\text{Energy requirement} = \text{sales} / (1 - \text{Distribution loss})$$

5.10 Based on the information provided above, Energy Balance of JBVNL for FY 2022-23 is summarized below:

Table 19: Energy Balance (in MUs) as submitted by the Petitioner.

Particulars	APR	Petition
Power Purchase from Outside JBVNL Boundary (MU)	9,317.52	8,213.46
Loss in External System (%)	3.00%	3.00%
Loss in External System (MU)	279.53	246.40
Net Outside Power Available (MU)	9,038.00	7,967.05
Energy Input Directly to State Transmission System (MU)	355.36	376.36
State-owned Generation (MU)	999.18	2,072.14
Energy Available for Onward Transmission (MU)	10,392.54	10,415.55
Transmission Loss (%)	2.23%	8.46%
Transmission Loss (MU)	231.75	880.77
Net Energy Sent to Distribution System (MU)	10,160.79	9,534.79
Direct Input of Energy to Distribution System (MU)	3,472.52	3,806.54
Total Energy Available for Sales (MU)	13,633.31	13,341.32
Total energy sold (MU)	9,098.82	9,301.28
Distribution loss%	13.00%	30.28%
Energy Required for distribution (MU)	10,458.42	13,341.32
Power disallowance at DISCOM Periphery (MU)	3,174.89	0.00
Total Power Purchase	14,144.59	14,468.49

Commission's Analysis

5.11 The Commission has observed that the Petitioner has claimed Distribution losses based on actuals at a level of 30.28% for FY 2022-23 which is inferior to the loss level for FY 2021-22 as 27.45%.

5.12 Accordingly, the Commission has noted that the level of losses recorded by the DISCOM are exceedingly high and require substantial overhauling. The deteriorated state of the network has resulted in a significant drain on both material and economic resources of the nation, which is a cause of concern.



True-up for FY 2022-23, APR for FY 2023-24, and ARR & Tariff for FY 2024-25

- 5.13 In fact, Distribution Losses and Collection Efficiency are crucial operational parameters for DISCOMs. State Electricity Regulatory Commissions (SERCs) across states have recognized them as controllable parameters for DISCOMs. Similarly, under **clause 6.44** of the Distribution Tariff Regulations 2020, the Commission acknowledges Distribution Loss and Collection Efficiency as controllable parameters.
- 5.14 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Commission has approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.
- 5.15 Subsequently, the Commission vide Order dated May 31, 2023 has approved the Distribution loss trajectory for each year of the Control period FY 2021-22 to FY 2025-26. The relevant extracts of the MYT Order are reproduced below:
- “7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty”.*
- 5.16 In view of the aforesaid, it is submitted that not abiding by the trajectory defined by the Commission and factoring into consideration the deviation in the retail ARR by the Licensee is disdainful.
- 5.17 It is observed that the Intra-State Transmission Losses of 8.46% for FY 2022-23 has been claimed by the petitioner as against the approved Intra-State Transmission Loss of 2.23% (ref. Tariff Order dated February 28, 2024). Hence, in this regard, the Petitioner is directed to submit the joint reconciliation statement with JUSNL certifying the Intra state transmission loss at the time of next tariff filing. Further, the petitioner has clarified that the Intra-State Transmission Loss was calculated by



True-up for FY 2022-23, APR for FY 2023-24, and ARR & Tariff for FY 2024-25

subtracting the normative 3.00% Inter-State Transmission Loss from the Inter-State Power Purchased from the overall Transmission Loss as per the Audited Accounts for the respective years for arriving at the Intra-State Transmission Losses.

5.18 The Commission is of the opinion that it would be imprudent if the cost of the Petitioner’s inefficiency is passed onto the consumers. Accordingly, the Commission has worked out energy availability for the FY 2022-23 on the basis of actual generation of power from Central, State-owned and other Generating Stations. Further, the loss in external system has been considered at the same level as approved by the Commission in its earlier Order, while the Intra-State Transmission Loss has been considered at 2.23% as per the Tariff Order for JUSNL dated June 23, 2023. The energy availability from various sources has been summarized below.

Table 20: Energy Balance (MUs) as approved by the Commission.

Particulars	APR	Petition	Approved
Power Purchase from Outside JBVNL Boundary (MU)	9,317.52	8,213.46	8,213.46
Loss in External System (%)	3.00%	3.00%	3.00%
Loss in External System (MU)	279.53	246.40	246.40
Net Outside Power Available (MU)	9,038.00	7,967.05	7,967.05
Energy Input Directly to State Transmission System (MU)	355.36	376.36	376.36
State-owned Generation (MU)	999.18	2,072.14	2,072.14
Energy Available for Onward Transmission (MU)	10,392.54	10,415.55	10,415.55
Transmission Loss (%)	2.23%	8.46%	2.23%
Transmission Loss (MU)	231.75	880.77	232.27
Net Energy Sent to Distribution System (MU)	10,160.79	9,534.79	10,183.28
Direct Input of Energy to Distribution System (MU)	3,472.52	3,806.54	3806.54
Total Energy Available for Sales (MU)	13,633.31	13,341.32	13,989.82
Total energy sold (MU)	9,098.82	9,301.28	9,301.25
Distribution loss%	13.00%	30.28%	13.00%
Energy Required for distribution (MU)	10,458.42	13,341.32	10,691.10
Power disallowance at DISCOM Periphery (MU)	3,174.89	0.00	3,298.72
Total Power Purchase (MU)	14,144.59	14,468.49	14,468.49



Power Purchase Cost

Petitioner's Submission

5.19 The Petitioner has submitted that, it has firm allocations of power from central allocations like NTPC, NHPC, DVC and other sources such as TVNL, DVC(STOA), PTC, etc. In addition to these, power was also purchased from private stations like APNRL, Inland Power, some quantum from renewable sources during FY 2022-23.

5.20 The Petitioner has prayed to approves the power purchase cost as per the actual data of FY 2022-23 as summarized in the table below and approve the power purchase cost accordingly.

Table 21: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner.

S.No	Name of Generating Station	Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)	
1	NTPC	Farrakka I & II	928.94	469.31
		Farrakka III	321.88	185.81
		Khalagaon I	233.78	113.65
		Talcher	538.94	162.28
		Khalagaon II	274.31	117.44
		Barh I	6.33	3.59
		Barh II	19.02	10.39
		Korba	347.99	102.36
		Darlipalli I	972.02	286.74
		Total	3643.19	1451.56
		N. Karnpura	102.79	41.08
		Kanti Power	3.53	1.83
		Nabinagar	139.14	69.55
		Grand Total	3888.66	1564.02
2	NHPC	Rangit	42.13	17.70
		Teesta	341.22	87.09
		Total	383.34	104.79
3	PTC	Chukha	169.71	40.76
		Tala	272.20	61.79
		Kurichu	0.00	0.00
		Mangdechhu	0.14	0.06
		Total	442.05	102.61



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S.No	Name of Generating Station		Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
4	Total Central Sector		5487.28	4714.05
5	DVC	KTPS (OA)	3877.53	2027.53
		Stand by Power	77.23	41.41
		UI (Deviation)	-167.77	-7.85
		Trans. Charge	-	75.56
		HT Points	0.53	3.41
		Total	3787.51	2140.07
6	DVC (STOA)		235.51	123.13
7	TVNL		2317.25	966.99
8	UI Payable (Deviation)		135.79	172.36
9	APNRL	Unit I	351.94	151.87
		Unit II	351.94	105.85
		APNRL (Add.)	378.15	160.21
		ERLDC APNRL		18.68
		Total	1082.03	433.12
10	SOLAR	SECI (Tranche-I)	1021.39	268.17
		SECI (MNRE-II)	15.58	9.63
		State IPPs	19.02	34.16
		Total	1055.99	311.96
11	Wind	PTC	483.92	170.82
		SECI	286.81	78.01
		Total	770.73	248.84
12	INLAND		372.89	235.40
13	Grasim Industries		3.46	0.00
14	PTC-IEX (Purchase)		353.13	331.20
15	PTC-IEX (Sale)		-441.81	-164.42
16	SRHPS (Generation)		167.77	21.95
17	UI Receivable		-76.67	-29.28
18	SER-DSM		-9.14	-13.23
19	Supplementary Bills		0.00	354.11
20	Total Power Purchase (excl. Transmission Charge)		14468.49	6903.62
21	Less: PTC-IEX (Sale)			-164.42
22	Less: Railway			-0.04
23	Less: UI Receivable			-29.28
24	Less: SER			-16.98
25	Less: Rebate			-10.61
26	Net Power Purchase Cost (excl. Transmission Charge)			7124.95



Commission's Analysis

- 5.21 It is observed by the Commission that the Petitioner has procured power from various sources like Central allocation (i.e. NTPC, NHPC, DVC), private sector (i.e. APNRL, Inland Power, Grasim Industries, etc.), solar source (i.e. SECI, state IPPs), Wind source (i.e. PTC, SECI) taking into account the interconnection constraints to optimize its power purchase expenses.
- 5.22 With regard to the sale of surplus power, the Commission approves such transactions. Consequently, the corresponding purchase cost has been deducted from the overall power purchase cost.
- 5.23 With regard to the Fuel and Power Purchase Price Adjustment (FPPPA), the Commission has asked the Petitioner to submit details on bill computation for the FY 2022-23 period. In response to the inquiry, the Petitioner stated that the FPPPA is not currently being implemented by it. Furthermore, they mentioned that any excess charges imposed by the Thermal Power Plant are being passed on in the True-up Petition. The Petitioner has further submitted that they are in the process of implementation of FPPPA from FY 2024-25.
- 5.24 Furthermore, the Commission has noted that the Petitioners have included LPS (LPSC plus Surcharge) related to Generating station as components of their power purchase cost for FY 2022-23. However, the Commission is of the opinion that the Petitioners have been adequately provided with working capital to cover expenses related to power purchase costs and other associated components, Accordingly, the Commission disallow the expense under the Late Payment Surcharge for Power purchase from various utilities.
- 5.25 With regard to scheduling of power, the Commission has asked the Petitioner to provide the basis of considering the same. In this regard the Petitioner has submitted that it has more capacity allocated to it from various CGS, IPPs, Captive and JUUNL than the demand. In view of the same, the Petitioner schedules full power capacity from power plants which have been allocated to it under GNA regulation.



However, the first scheduling of power is done from renewable sources under must run condition, then power is being scheduled from Hydro power plant and then from thermal power plant. However, during course of the day, due to various climatic or social factors there may be drop in power demand of the state. To handle Such scenario, there is a mechanism of Requisition' provided by respective Regional Load Despatch Centre (RLDCs) where-in the participating utility may Surrender power allotted to it at 7 blocks (consisting of 15 minutes) or more ahead of the real time. If, SLDC/JBVNL suffers a drop in demand leading to excess capacity with respect to allocated capacity, it surrenders power through Requisition mechanism. While surrendering power through this mechanism. JBVNL factors in Merit Order Despatch and surrenders power from plant starting from plant with highest variable cost and thereafter in descending order of Energy Charge till scheduled power reaches a value equal to its anticipated demand subject to compensation and technical minimum criteria.

Conversely, if in any time block, the Petitioner has less allocation than its demand then also through requisition, it may avail or apply additional power from same power plants (with which it has PPA) which have spare capacity at seven or more time-block before real time through a mechanism known as Un Requisitioned Surplus 'URS'. While going for such requisition also, the Petitioner follows Merit Order Dispatch Principle by opting for power plants having least variable cost out of all available option subject to compensation and technical minimum criteria.

5.26 Upon thorough scrutiny and analysis of the data, material, and information on record, the Commission has observed that the Petitioner has claimed a substantial cost under UI (Unscheduled Interchange). Consequently, the Petitioner is hereby directed to implement meticulous planning for electricity scheduling and procurement. Furthermore, the Commission emphasizes that henceforth, penal action will be taken if the UI charges exceed the scheduled energy range, in accordance with the provisions outlined in the Deviation Settlement Mechanism Regulation.

5.27 The Commission has observed that the Petitioner has failed to fulfill RPO



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compliance. In this regard, the Commission has directed the Petitioner to submit the compliance towards RPO obligation target set by the Commission for FY 2022-23 for solar and non-solar separately as per **clause 5.2** of JSERC (Renewable Energy Purchase Obligation and its compliance) Regulation, 2016 and 1st amendment, 2021.

- 5.28 In reply to the above query the Petitioner has submitted that it has signed PPA with SECI for 100 MW floating solar PV from Getalsud Dam. Further, it has submitted that it is in the process of adopting solar rooftop program from which it will get power from the prosumers in the state. In addition to this it has tied up with SECI for 700 MW of solar power out of which it is receiving 450 MW solar power and 250 MW is under pipeline.
- 5.29 Similarly, cumulative 500 MW of wind power has been tied up with SECI and PTC out of which it is receiving 200 MW of wind power and 100 MW of wind power is under pipeline. Further, based on above submission the petitioner has submitted the RPO Compliance for FY 2022-23 as shown below:

Table 22: Renewable Purchase Obligation (in MUs) as approved by Commission.

S.No.	Particulars	UOM	Quantum
1	Net Power Procured	MU	14680.06
2	less: Large Hydro Power procured	MU	682.55
3	Power procured considered for RPO	MU	13997.52
4	Solar Target	%	12.50%
5	Non-Solar target	%	12.50%
8	Solar Target	MU	1,749.69
9	Non-Solar target in	MU	1,749.69
10	Total Targeted RPO	MU	3,499.38
11	Solar Power Procured	MU	823.53
12	Non-Solar Power Procured	MU	740.00
13	Total	MU	1563.53
14	Solar target deficit	MU	-926.16
15	Non-Solar target deficit	MU	-1,009.69
16	Total deficit	MU	-1,935.85



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5.30 Regarding the Renewable Power Purchase Obligation (RPO), the Commission mandates the Petitioner to meet the RPO target established by the Commission in accordance with the provisions outlined in the JSERC (Jharkhand State Electricity Regulatory Commission) Renewable Energy Purchase Obligation and its Compliance Regulation, 2016 and 1st Amendments 2021.

5.31 Based on the facts and circumstance mentioned above, the Commission approves the power purchase cost after deduction of sale of surplus power as given below.

Table 23: Power Procurement Cost (Rs Crore) as approved by the Commission.

S.No	Name of Generating Station	Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)	
1	NTPC	Farrakka I & II	928.94	469.31
		Farrakka III	321.88	185.81
		Khalagaon I	233.78	113.65
		Talcher	538.94	162.28
		Khalagaon II	274.31	117.44
		Barh I	6.33	3.59
		Barh II	19.02	10.39
		Korba	347.99	102.36
		Darlipalli I	972.02	286.74
		Total	3643.19	1451.56
		N. Karnpura	102.79	41.08
		Kanti Power	3.53	1.83
		Nabinagar	139.14	69.55
		Grand Total	3888.66	1564.02
2	NHPC	Rangit	42.13	17.70
		Teesta	341.22	87.09
		Total	383.34	104.79
3	PTC	Chukha	169.71	40.76
		Tala	272.20	61.79
		Kurichu	0.00	0.00
		Mangdechhu	0.14	0.06
		Total	442.05	102.61
4	Total Central Sector	5487.28	4714.05	
5	D V C KTPS (OA)	3877.53	2027.53	



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S.No	Name of Generating Station	Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
	Stand by Power	77.23	41.41
	UI (Deviation)	-167.77	-7.85
	Trans. Charge	-	75.56
	HT Points	0.53	3.41
	Total	3787.51	2140.07
6	DVC (STOA)	235.51	123.13
7	TVNL	2317.25	966.99
8	UI Payable (Deviation)	135.79	172.36
9	APNRL	Unit I	151.87
		Unit II	105.85
		APNRL (Add.)	160.21
		ERLDC APNRL	18.68
		Total	433.12
10	SOLAR	SECI (Tranche-I)	268.17
		SECI (MNRE-II)	9.63
		State IPPs	34.16
		Total	311.96
11	Wind	PTC	170.82
		SECI	78.01
		Total	248.84
12	INLAND	372.89	235.40
13	Grasim Industries	3.46	0.00
14	PTC-IEX (Purchase)	353.13	331.20
15	PTC-IEX (Sale)	-441.81	-164.42
16	SRHPS (Generation)	167.77	21.95
17	UI Receivable	-76.67	-29.28
18	SER-DSM	-9.14	-13.23
19	Supplementary Bills	0.00	354.11
20	Less: LPS		155.66
21	Total Power Purchase (excl. Transmission Charge)	14468.49	6747.95

Transmission Charge

Petitioner's Submission

5.32 The Petitioner has submitted that actual Inter and Intra-State transmission charges payable to PGCIL and JUSNL for FY 2022-23 respectively as given below:



Table 24: Transmission Charge (in Rs Cr.) as submitted by Petitioner.

Particulars	APR	Petition
Inter-State Transmission Charge (incl. Posoco ERLDC)	341.73	308.96
Intra-State Transmission Charge	248.09	257.12

Commission Analysis

5.33 With regard to transmission and load dispatch charges, the Commission has observed that the transmission and load dispatch charges are uncontrollable factors as per ‘**clause 6.44**’ of JSERC Distribution Tariff Regulations 2020. In this regard, the petitioner had directed to provide the bill for FY 2022-23 towards inter/intra-state transmission charge. In reply to the Commissions query, the petitioner had submitted the summary statement of Inter/Intra-state transmission charge along with the bill for FY 2022-23.

5.34 Accordingly, the Commission after scrutinizing and analyzing the month wise transmission charge and load dispatch charge and on prudent check, approves the transmission and load dispatch charges as given below:

Table 25: Inter/Intra Transmission Charge (Rs. Cr.) as approved by Commission.

Particulars	Petition	Approved
Inter-State Transmission Charge (incl. Posoco ERLDC)	308.96	308.96
Intra-State Transmission Charge	257.12	257.12

Capital Expenditure and Capitalization

Petitioner’s Submission

5.35 The Petitioner has submitted the capital expenditure (capex) as per the Audited Accounts for FY 2022-23 as given below:

Table 26: Actual Capital Expenditure (Rs. Crore) as submitted by petitioner.

Particulars	APR	Petition
Opening CWIP (A)	2851.43	1800.59
Capex during the year (B)=(D)-(A)+(C)	1451.59	706.81



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Transfer to GFA (C)	1856.80	1607.69
Closing CWIP (D)	2446.22	899.70

5.36 The Petitioner has further submitted that the capitalization for FY 2022-23 as per audited account is provided in the table below:

Table 27: Actual capitalization (Rs Cr.) as submitted by the Petitioner.

Scheme wise	APR	Petition
Opening GFA	21202.96	19826.37
GFA Addition	1856.80	1607.69
Closing GFA	23059.75	21434.06

Commission Analysis

5.37 The Commission has observed that the Petitioner has failed to submit the scheme-wise Capital Expenditure tuned to Rs 706.81 Cr for FY 2022-23. In this regard, the Commission in its discrepancies note, had directed the Petitioner to submit the scheme-wise Capital Expenditure tuned to Rs 706.81 Cr for FY 2022-23. In reply to the discrepancy note the Petitioner has submitted the scheme-wise capital expenditure details. Accordingly, the Commission, on scrutinizing and analyzing the submission in discrepancy note and the materials on record, approve the Capital expenditure of Rs 706.81 crore as per ‘**note 3A**’ of Annual Audited Account as shown below:

Table 28: Capital Expenditure (Rs. Cr.) as approved by the Commission.

Scheme	Capex (Rs. Cr.)
DDUGJY	42.78
IPDS	0.10
RAPDRP - A	1.02
RAPDRP - B	(31.87)
DDUGJY 12th Plan	(1.38))
ADP + Misc.	32.05
Tilka Manjhi & AGJY	5.84
RE State Plan	23.03
JSBAY	496.61
SAUBHAGYA	11.80
DEPOSIT	57.05



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Scheme	Capex (Rs. Cr.)
JPSIP	31.25
Capital Work-in-progress Interest & Finance Charges	(249.98)
Total	706.81

5.38 Further, the Commission in its discrepancy note had also asked the Petitioner to submit the detailed scheme-wise comparison of capitalization approved by the Commission vis-à-vis claimed for FY 2022-23. In reply to the discrepancy note, the Petitioner has submitted the scheme wise capitalization as shown below.

Table 29: Capitalization (Rs Crore) as approved by the Commission.

Scheme	Capitalization (Rs. Cr.)
DDUGJY	55.48
RAPDRP-B	5.68
DDUGJY 12 th Plan	3.53
ADP+Misc	469.37
Tilka Mnajhi & AGJY	14.29
RE State Plan	23.01
JSBAY	918.64
Saubhagya	11.97
Deposit	74.47
JPSIP	31.25
Grand Total	1607.69

5.39 The Commission has noted discrepancies between the total capitalization provided in the data gap reply and the figures presented in ‘**Note 3A**’ of the Annual Audited Account. Consequently, the Commission approves the capitalization as per the audited accounts, as detailed below:

Table 30: Closing GFA (Rs Crore) as approved by the Commission.

Scheme wise	APR	Petition	Approved
Opening GFA	21202.96	19826.37	21202.96
GFA Addition	1856.80	1607.69	1607.69
Closing GFA	23059.75	21434.06	22810.65



Consumer Contribution, Grants and Subsidies

Petitioner’s Submission

5.40 The Petitioner has submitted that the additions in GFA are created from various source of financing including Debt, Equity (D&E), Consumer Contribution and Grants (CCG) etc. The CCG has been considered based on the actual, however the Debt and Equity are estimated based on norms and principles adopted by the Hon’ble Commission in its earlier orders.

Table 31: Consumer contribution and grants (Rs. Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Consumer Contribution Grants opening	11234.92	9692.29
Addition: Government Grants	1493.36	362.27
Addition: Consumer Contribution	78.85	53.38
Closing consumer contribution Grants	12807.14	10107.94

Commission Analysis

5.41 The Commission has observed that the Petitioner has claimed the Capitalization of Rs. 1607.69 Crore for the FY 2022-23 in accordance with the audited accounts. Further, the Petitioner has considered addition of Grants (and Consumer Contribution) amounting to Rs. 415.65 Crore based on the actual Capital Grants received and adjusted for Amortization of the Grants.

5.42 At the very outset, the approach of the Petitioner is incorrect as the admission of Interest expenses and Depreciation is based on the Capital Cost net off grants and consumer contribution. The provisions of the Distribution Tariff regulations 2020 also aligns with the above approach. The extracts of the Distribution Tariff Regulations 2020 are as follows:

“Capital Cost

10.11 The amount funded through Consumer Contribution, Grants or Deposit Works for connection to the distribution system of the Licensee shall be deducted from the original cost of the scheme for the purpose of calculating the amount under debt and equity under these Regulations.



.....
Interest on Loan Capital
.....

10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of **capital cost funded by Consumer Contribution, Grants or Deposit Works** carried out by Distribution Licensee.

.....
Depreciation
.....

10.34 Depreciation shall be calculated every year, on the amount of original cost of the fixed assets as admitted by the Commission;

Provided that depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Provision for replacement of such assets shall be made in the capital investment plan;”

5.43 Based on the aforesaid, it is clear that the Depreciation, Interest on Loan are to be admitted on the Capital Cost net off grants. However, the Petitioner has netted off the grant component by adjusting the amortization towards grants as well which is not in accordance with the Distribution Tariff Regulations 2020.

5.44 Accordingly, the Commission has pointed out the **Note 17** of the audited account of FY 2022-23 in respect of Grants/Consumer Contribution is as under:

“Note 17: Government Grants

Note:

i. During the financial year 2022-23, **the company received a total of Rs. 106013.71 Lakh (P.Y: Rs. 220647.24 Lakh) as capital grant;** Rs. 1881.71 Lakh (P.Y: Rs. 52741.04 Lakh) from Central Government and Rs. 87132 Lakh (P.Y.: Rs. 167906.20 Lakh) from State Government) for various projects under different schemes and amortized capital grant by Rs. 50791.64 Lakh (P.Y: Rs. 60341.78 Lakh.) during the said period, resulting in net positive movement during the year of Rs. 36226.78 Lakh (P.Y.: Rs. 198174.47 Lakh)”

5.45 Likewise, the Commission has also observed that the Consumer Contribution claimed by the Petitioner for FY 2022-23 is inconsistent with the amount booked in audited account **Note 20: Other Current Financial Liabilities** of the Audited Account depicted that the additions to Consumer Contribution is Rs 87.29 crore computed as a difference



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between opening and closing **Receipts under Deposit Head**. Further, the Commission considered the Closing value of FY 2021-22 same as approved in True-up Tariff Order dated February 28, 2024.

5.46 On analyzing the extract from the audited account, the Commission approves the consumer contribution/ government grants/deposit works as Rs 1,147.42 crore for FY 2022-23 as given below:

Table 32: Consumer contribution and grants (Rs. Crore) as approved by Commission.

Particulars	APR	Petition	Approved
Consumer Contribution Grants opening	11234.92	9692.29	11234.92
Addition: Government Grants	1493.36	362.27	1060.14
Addition: Consumer Contribution	78.85	53.38	87.29
Closing consumer contribution Grants	12807.14	10107.94	12382.35

Calculation of normative GFA, Loan and Equity

Petitioner’s Submission

5.47 The Petitioner has calculated Normative GFA from Debt & Equity, Loan and Equity as per approach adopted by the Hon’ble Commission in its previous Tariff Orders.

5.48 The Petitioner has bifurcated GFA and accumulated depreciation into component from Debt & Equity (D&E) and from Consumer contribution grants (CCG) as per approach by the Hon’ble Commission followed in previous Tariff Orders. The Petitioner has thereafter applied the normative debt-equity ratio of 70:30 on GFA out of D&E to calculate Normative Equity as per JSERC Distribution Tariff Regulation, 2020.

5.49 After netting Normative Equity from closing GFA (out of Debt & Equity), the Petitioner has deducted, accumulated depreciation pertaining to D&E component from the resultant to arrive at normative closing debt as computed hereunder:



Table 33: Source of funding of GFA (Rs Crore) as submitted by the Petitioner.

Particulars	Petition
Opening GFA (A)	19,826.37
CCG towards Opening CWIP (B)	806.95
CCG towards Opening GFA (C)	8,885.34
Opening GFA Less CCG (D = A- C)	10,941.02
Closing GFA (E)	10,107.94
CCG towards Closing GFA (F)	8,885.34
Closing GFA Out of D&E (G= E-F)	11,733.31
Accumulated Depreciation (H)	6,244.75
Accumulated Depreciation Out of D&E (I =H*G/E)	3,418.46
Closing Normative Equity (J = G* 30%)	4,794.85
Closing Normative Loan (K = G-J)	3,519.99

Commission Analysis

- 5.50 The Commission has observed that the opening balance of consumer contribution and grants considered by the petitioner for FY 2021-22 is Rs 9692.29 Cr. which is inconsistent with the closing balance of consumer contribution and grants approved by the Commission in its earlier order. Hence, the Commission has considered the closing balance of consumer contribution and grants of FY 2021-22 for opening consumer contribution and grants for FY 2022-23.
- 5.51 The Commission has considered consumer contribution and grants as per **note 17 para(i)** and **note 20** of the audited accounts respectively. The normative net loans are estimated after deducting the accumulated depreciation from the value of gross loans.
- 5.52 For funding normative debt-equity, the Commission has considered the normative debt-equity ratio of 70:30 as provided in the Distribution Tariff Regulations, 2020. Moreover, consumer contribution grants and subsidies for capital assets are first netted off from gross fixed assets and the normative debt-equity ratio is applied on the remaining gross fixed assets only.
- 5.53 In line with the aforesaid discussion, the Commission approves the

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admissible GFA, CCG, debt-equity as given below:

Table 34: Source of funding of GFA (Rs Crore) as approved by the Commission.

Particulars	Approved
CCG towards CWIP	1331.80
CCG towards GFA	9903.13
Opening GFA (less CCG)	11299.83
GFA Addition (less CCG)	103.88
Closing GFA less CCG	11403.71
Accumulated Depreciation	6244.75
Acc. Dep. towards GFA	3121.93
Normative Loan (Closing)	4860.66
Normative Equity (Closing)	3421.11

Operation and Maintenance Expenses (O&M)

Petitioner's Submission

- 5.54 The Petitioner has submitted that operational and maintenance expenses comprise of Employee expenses, Repair & Maintenance expenses and Administrative & General expenses.
- 5.55 Further, the Petitioner has submitted that the employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. Accordingly, the Petitioner has submitted employee expenses for FY 2022-23 based on the Audited Accounts as given below.

Table 35: Employee cost (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Employee Expenses		252.14
Terminal Expenses		218.11
Total Employee Expenses	242.22	470.25

- 5.56 The Petitioner has submitted that the Administrative & General (A&G) expenses for FY 2022-23 is as per the Audited Account as provided in the table below.



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Table 36: A&G Expense (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
A&G Expenses	109.64	114.12

5.57 The Petitioner has submitted that the Repair & Maintenance (R&M) expenses for FY 2022-23 is as per the Audited Accounts as provided in the table below.

Table 37: R&M Expenses (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
R&M Expenses	276.29	266.55

Commission Analysis

5.58 The Commission has outlined **clause 10.3 to clause 10.7** of JSERC Distribution Tariff Regulations, 2020 for the approval of operation and maintenance expense as reproduced below:

“Operation and Maintenance Expenses

10.3 Operation and Maintenance (O&M) Expenses shall include:

- Salaries, wages, pension contribution and other employee costs;
- Administrative and General Expenses;
- Repairs and Maintenance Expenses.

10.4 The O&M Expenses for the Base Year of the Control Period shall be approved by the Commission taking into account the audited accounts of FY 2015-16 to FY 2019-20, Business Plan filed by the Licensee, estimates of the actual for the Base Year, prudence Check and any other factor considered appropriate by the Commission.

10.5 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) + \text{Terminal Liabilities}$$

Where,

$R\&M_n$ – Repair and Maintenance Costs of the Licensee for the n th year;

EMP_n – Employee Costs of the Licensee for the n th year excluding terminal liabilities;

$A\&G_n$ – Administrative and General Costs of the Licensee for the n th year.

10.6 The above components shall be computed in the manner specified below:

$$a) R\&M_n = K * GFA * (INDX_n / INDX_{n-1})$$

Where,

‘K’ is a constant (expressed in %) governing the relationship between R&M



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costs and Gross Fixed Assets (GFA) and shall be calculated based on the % of R&M to GFA of the preceding year of the Base Year in the MYT Order after normalising any abnormal expenses;
'GFA' is the opening value of the gross fixed asset of the nth year;

$$b) EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1})$$

Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/litigation expenses;

INDX_n – Inflation factor to be used for indexing the employee cost and A&G cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year before the base year;

G_n – is a growth factor for the nth year and it can be greater than or lesser than zero based on the actual performance. Value of *G_n* shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Distribution Licensee's Filing, benchmarking and any other factor that the Commission feels appropriate;

$$c) INDX_n = 0.55 * CPI_n + 0.45 * WPI_n;$$

Note 1: For the purpose of estimation, the same *INDX_n/INDX_{n-1}* value shall be used for all years of the Control Period. However, the Commission will consider the actual values in the *INDX_n/INDX_{n-1}* at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period;

Note 2: Any variation due to changes recommended by the Pay Commission, wage revision agreement, etc., will be considered separately by the Commission;

Note3: Terminal Liabilities will be approved as per actual submitted by the Licensee along with documentary evidence such as actuarial studies.

10.7 The Distribution Licensee, in addition to the above details shall also submit the detailed break-up of the Legal/Litigation Expenses for the previous Years (FY 2015- 16 to FY 2019-20) along with the details and documentary evidence of incurring such expenses. The Commission shall approve the legal expenses as per the relevant provisions of the Jharkhand State Litigation Policy based on the necessary documentary evidence submitted for the Control Period and shall carry out due prudence check of legal expenses at the time of truing up."

5.59 Base on the above excerpt, the Commission had calculated the inflation factor as 6.87% for FY 2022-23.

5.60 The Commission has also observed that the Petitioner has not submitted the details of Additional Manpower recruited during FY 2022-23.

5.61 Further, the Commission has observed that the Petitioner has submitted



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the nil Growth factor. Hence, based on the above mentioned regulation the Commission has considered the growth factor as nil for Computation of employee expenses.

5.62 Based on the facts & circumstances observes in the petition, the Commission approves the normative employee expenses for FY 2022-23 by taking the actual value of inflation factor (6.87%) and growth factor (0%).

Table 38: Normative Employee Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
Employee Cost of Previous Year	Rs. Cr.	226.78
Inflation Factor	%	6.87%
Growth Factor	%	0.00%
Normative Employee Expenses	Rs. Cr.	242.35

5.63 The Commission approves the normative A&G Expenses for FY 2022-23, based on the approved normative A&G Expenses for FY 2021-22 and actual inflation factor as 6.87% for FY 2022-23.

Table 39: Normative A&G Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	102.65
Inflation Factor	%	6.87%
Normative A&G Expenses	Rs. Cr.	109.70

5.64 For the purpose of evaluating the normative R&M Expenses, the Commission has taken the approved opening value of Gross Fixed Assets for FY 2021-22 and by multiplying the 'k' factor of 1.22% as approved in the MYT Order dated May 31, 2023 and inflation factor of 6.87%.

Table 40: Normative R&M Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
GFA	Rs. Cr.	21202.96
K-Factor	%	1.22%
Inflation Factor	%	6.87%
Normative R&M Expense	Rs. Cr.	276.44



5.65 Based on the above discussion, the Commission approves the normative operational and maintenance expense as given below.

Table 41: Normative O&M Expenses (Rs Crore) as approved by the Commission.

Particulars	Approved
Normative Employee Expense	242.35
Normative A&G Expenses	109.70
Normative R&M Expenses	276.44
Net Normative Operation & Maintenance Expenses	628.49

5.66 The Commission has observed that the Petitioner has claimed expenses towards Terminal Benefit amounting to Rs 218.11 Crore based on certain expenses booked in the Audited Account. The Tariff Regulations 2020 in respect of Terminal Benefit provide as above.

5.67 In accordance with **clause 10.6 (note 3)** the liability towards terminal benefit is admissible based on either of:

- Amount Payable as per Actuarial studies
- Actual amount paid/deposited in the Trust Fund

5.68 The Commission has also observed that the Petitioner has not submitted the Actuarial valuation report along with the instant Petition which is the quintessential requirement as per the JSERC Distribution Tariff Regulations, 2020.

5.69 Secondly, the actual amount paid/ deposited in the Trust fund is also not provided by the Petitioner. Further the Petitioner has merely depicted the provisions towards Trust fund towards Terminal liabilities while the Regulations provide for Terminal benefits based on actual amount. Furthermore, the claim made by Petitioner is inconsistent with the provisions towards terminal benefits booked in the Audited Accounts.

5.70 Furthermore, the Commission analysis the **Para xvii to “Annexure A”** to the Independent Auditors’ Report on Standalone Ind AS Financial Statements of Petitioner indicates that the provisions towards terminal



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benefits is Rs. 204.89 Crore against the Petitioner's claim which is Rs. 218.11 Crore. The same has been indicated below for kind reference.

(₹ in Lakhs)		
Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Loss as per Statement of Profit & Loss	3,61,972.24	2,03,763.26
Deduction for non-cash expenses:		
Depreciation & Amortisation	89,132.71	85,187.48
Provision for Doubtful Debts	257.56	7,500.22
Provision for Terminal Benefits	20,489.96	3,480.21
Total Deduction	1,09,880.23	96,167.91
Addition for non-cash income and cash expense:		
Amortisation of Grant	50,791.64	22,472.77
Payments made against Terminal Benefits as per Actuarial Reports	15,830.17	19,989.03
Total Addition	66,621.81	42,461.80
Net Adjustment to Loss	43,258.42	53,706.11
Calculated Cash Loss (1-9)	3,18,713.82	1,50,057.15

5.71 Furthermore, Para 14 of the independent Auditor's Report also observed as under:

"Basis of Qualified Opinion

14. Additional Matters:

The Company has disclosed the Provision with respect to Employee Terminal Benefits and its plan assets on gross basis, which is not in compliance with Ind AS 19 "Employee Benefits"

5.72 The Commission also observed that the Petitioner has reported its employee benefits provision and plan assets separately (on a gross basis), which does not comply with Ind AS 19 **"Employee Benefits."** This standard requires the net amount (the difference between the provision and plan assets) to be disclosed in financial statements. By showing such figures, the Petitioner financial statements do not accurately reflect its obligations and resources, potentially misleading its financial position.

5.73 Notably, in the past as well, similar observation was made by the Auditor;



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The perusal of Audited Accounts for FY 2020-21 is worth consideration which observes as under:

“13. *Provision for Employee Benefits (Note -22)*

(i) **The Company has deducted but not deposited the statutory dues such as PF, ESIC, and PLI & LIP etc. on regular basis. In some of the circles & areas the opening liabilities have not been fully deposited in the current year. Further, there is failure on deduction part also in some cases.**

Hence, we are unable to quantify the amount of such default in the absence of information in the manner so required.

(j) (ii) **During the year company has made the provision of Leave Encashment, Gratuity & pension liability on the basis of actuarial valuation done up to March 2018.”**

5.74 Based on the above excerpts, it could be observed that the Petitioner has not been depositing in actual, any amount towards terminal benefits (albeit on a regular basis). The above means to say that although the expenses towards terminal fund contribution is shown as part of P&L, the same has not been deposited in Trust funds.

5.75 In view of the above discussion and analysis the Commission approves the terminal liabilities of Rs 158.30 crore for FY 2022-23 as per independent auditor report. (i.e. Payment made against Terminal Benefit as per actuarial report as mention in auditor report)

5.76 Further, the Commission on scrutinizing the material on record, approves the actual O&M expenses for FY 2022-23 as per annual audited account as given below:

Table 42: Total actual O&M Expenses (Rs Crore) as approved by the Commission.

Particulars	Approved
Employee Expenses	252.14
A&G Expenses	114.12
R&M	266.55
Actual Operational Expenses	632.81
Terminal benefits	158.30

5.77 Further, the Commission has outlined ‘**clause 6.48**’ to ‘**clause 6.53**’ of JSERC Distribution Tariff Regulations 2020 for the approval of incentive



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and penalty as reproduced below:

“6.48 Various elements of the ARR of the Licensee will be subject to incentive and penalty framework as per the terms specified in this section. The overall aim shall be to incentivise better performance and penalise poor performance, compared to the performance norms/benchmarks specified by the Commission.

6.49 The gains/losses shall be computed on aggregate basis for controllable items such as Operation & Maintenance Expenses (excluding Terminal Liabilities), Distribution Losses and Collection Efficiency considered collectively on annual basis. The computations shall be based on the data submitted by the Licensee in the Annual Performance Review and audited annual accounts and shall be subject to prudence check by the Commission.

6.50 In case of aggregate gains, the **aggregate gain** shall be shared between the Licensee and the consumers in the ratio of 50:50 respectively.

6.51 The gains to be shared shall be passed on to the consumers through Tariff during the Annual Performance Review for each year of the Control Period.

6.52 In case of **any loss on account of underperformance** with respect to the controllable parameters, the Licensee shall bear the entire losses and **no proportion of losses shall be passed on** to the consumers.

6.53 In addition, the net savings due to refinancing of Loans by the Distribution Licensee shall be shared between the **Users and the Licensee**, as the case may be, in the ratio of **50:50**.

5.78 Based on the above excerpt, the Commission approves the sharing of gain/(loss) on controllable parameter i.e. Operational & Maintenance expense for FY 2022-23 as shown below.

Table 43: O&M Expenses (Rs Crore) after sharing of gain/(loss) as approved by the Commission.

Particulars	Approved
Normative O&M Expenses	628.49



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Actual O&M Expenses	632.81
Sharing of Gain/(Loss)	(4.32)
Terminal benefits	158.30
O&M Expenses after sharing of Gain/(Loss)	786.79

Depreciation

Petitioner's Submission

5.79 The Petitioner has submitted that it has arrived at the opening and closing GFA of FY 2022-23, created out of debt and equity (D&E), by deducting CCG portion deployed towards opening and closing GFA. The Petitioner has applied the depreciation rate as per audited account in line with **clause 10.42** of JSERC Distribution Tariff Regulations 2020 on the average GFA and accordingly calculations are made to arrive at the total depreciation being claimed as part of the true-up exercise.

5.80 The Petitioner has claimed Rs 509.68 Crore towards Depreciation for the FY 2022-23 considering the rate of depreciation of 4.50% as given below:

Table 44: Depreciation (in Rs. Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Opening GFA (Less CCG) (Rs. Cr.)	11299.83	10941.02
Closing GFA (Less CCG) (Rs. Cr.)	11480.92	11733.31
Average GFA excluding Consumer Contributions and Grants (Rs. Cr.)	11390.37	11337.16
Depreciation Rate (%)	4.20%	4.50%
Depreciation Cost (Rs. Cr.)	477.88	509.68

Commission Analysis

5.81 The Commission has outlined **clause 10.34 to clause 10.40** of JSERC Distribution Tariff Regulations 2020 for the approval of Depreciation as reproduce below:

“Depreciation

10.34 Depreciation shall be calculated every year on the amount of original cost of the fixed assets as admitted by the Commission: Provided that depreciation shall not be allowed on assets funded by Consumer Contribution and Capital Subsidies/Grants. Provision for replacement of such assets shall be made in the Capital Investment Plan.



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10.35 Depreciation for each year shall be determined based on the methodology as specified in these Regulations along with the rates and other terms specified in these Regulations.

10.36 Depreciation shall be calculated annually, based on the straight-line method at the rates specified at Appendix-I. The base value for the purpose of depreciation shall be original cost of the asset:

Provided that the Distribution Licensee shall ensure that once the individual asset is depreciated to the extent of seventy (70) percent of the Book Value of that asset, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset.

10.37 Depreciation shall be charged from the first year of commercial operation of the asset. In case, the operation of the asset is for a part of the year, depreciation shall be charged on a pro-rata basis.

10.38 The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset. Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;

10.39 The Commission may, in the absence of the Fixed Assets Register, calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest available Audited Accounts of the Distribution Licensee. The Depreciation (%) so arrived shall be multiplied by the Average GFA approved by the Commission for the relevant Financial Year to arrive at the Depreciation for that Financial Year.

10.40 In case of de-capitalization of assets, the cumulative depreciation shall be adjusted by taking into account the depreciation recovered through tariff corresponding to the decapitalized asset during its useful services.

5.82 The Commission has observed that the Petitioner has considered the depreciation rate as 4.50% (i.e. Depreciation rate calculated by dividing the depreciation of the Year by opening depreciation). In this regard, the Commission directed the Petitioner to provide proper justification for considering the same methodology. In reply to the discrepancies note the Petitioner admitted that the computation error while estimating the depreciation rate. Accordingly, the Petitioner pray to considered the



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depreciation rate as 4.32%.

5.83 Based on the above excerpts, the Commission is of the view that the depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Excluding the consumer contribution deployed towards GFA as approved in this Order, the Commission has determined the depreciation on the GFA created out of debt and equity for FY 2022-23. The rate of depreciation has been considered at 4.32% after scrutinizing the Petitioner reply submission. The Commission has calculated the Depreciation on Average GFA (net of Average CCG) as per the JSERC Distribution Tariff Regulations, 2020. Accordingly, the Commission approves the depreciation for FY 2022-23 as summarized below:

Table 45: Depreciation (Rs Crore) as approved by the Commission.

Particulars	Approved
Opening GFA (Less CCG) (Rs. Cr.)	11299.83
Closing GFA (Less CCG) (Rs. Cr.)	11403.71
Average GFA excluding CCG (Rs. Cr.)	11351.77
Depreciation Rate (%)	4.32%
Depreciation Cost (Rs. Cr.)	490.45

Interest on Loan

Petitioner's Submission

5.84 The Petitioner has submitted that it has considered the opening debt for FY 2022-23 equal to closing value of FY 2021-22. Further, Closing debt for FY 2022-23 has been calculated in line with the JSERC Tariff Regulations, 2020.

5.85 In accordance with JSERC Tariff Regulations, 2020, the petitioner has considered the repayment of loan for FY 2022-23 equal to Depreciation as calculated above.

5.86 Further, in accordance with the JSERC Distribution Tariff Regulations, 2020, the petitioner has considered the rate of interest on long-term loan at the Base rate of SBI as applicable on April 1st of FY 2022-23 plus 200 basis points.



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5.87 The Petitioner has further submitted that it has incurred Bank and Finance charges to the tune of Rs. 11.00 Crore as per Annual Accounts for FY 2022-23 towards expenditures like Bank charges, finance charges, etc.

Table 46: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner

Particulars	APR	Petition
Opening Balance	4791.21	4451.68
Deemed Addition during the year	571.88	852.85
Deemed Repayments during the year	477.88	509.68
Closing Balance	4885.21	4794.85
Average balance during the Year	4838.21	4623.26
Interest Rate	9.00%	9.10%
Interest Expense	435.44	420.69
Bank & Finance Charge	-	11.00

Commission's Analysis

5.88 The Commission has outlined the '**clause 10.16, clause 10.17, clause 10.21 to clause 10.29**' of JSERC Distribution Tariff Regulations 2020 for the approval of interest of loan and finance charge as reproduced below:

10.16 Existing Schemes - In case of capital expenditure schemes capitalised prior to April 01, 2021, the debt-equity ratio as allowed by the Commission for determination of tariff for the period ending March 31, 2021 shall be considered.

10.17 New Schemes – For capital expenditure schemes capitalised after April 01, 2021:

a) A normative debt-equity ratio of 70:30 shall be considered for the purpose of determination of Tariff;

b) In case the actual equity employed is in excess of 30%, the amount of equity for the purpose of tariff determination shall be limited to 30%, and the balance amount shall be considered as normative loan;

c) In case the actual equity employed is less than 30%, the actual debt-equity ratio shall be considered;



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d) *The premium, if any raised by the Licensee while issuing share capital and investment of internal accruals created out of free reserve, shall also be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal accruals are actually utilized for meeting capital expenditure.*

Note 1: Any expenditure admitted on account of committed liabilities within the original scope of work and the expenditure deferred on techno-economic grounds but falling within the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations;

Note 2: Any expenditure on replacement of old assets or on renovation and modernization or life extension shall be considered on normative debt-equity ratio specified in these Regulations after writing off the entire book value of the original assets from the capital cost of the new asset;

Note 3: Any expenditure admitted by the Commission for determination of tariff on account of new works not in the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations.

10.21 The loans arrived at in the manner indicated in Clauses 10.16 and 10.17 shall be considered as gross normative loan for calculation of interest on loan.

10.22 The normative loan outstanding as on April 01, 2021 shall be worked out as the gross loan by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021 from the gross normative loan.

10.23 The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year.

10.24 In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalization of such assets.

10.25 Notwithstanding any moratorium period availed by the Licensee, the repayment of loan shall be considered from the first year of operation of the scheme/asset.

10.26 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the Licensee: Provided that if there is no actual loan for a



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particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to the Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points.

10.27 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.

10.29 The Licensee shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the users and the net savings shall be shared between the users and the Licensee, as the case may be, in the ratio of 50:50

- 5.89 In accordance with **clause 10.16** and **clause 10.17**, as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.
- 5.90 In accordance with **clause 10.23** as mentioned above, the Commission approves the debt repayment equal to depreciation for the same financial year.
- 5.91 The Commission observed that the Petitioner has deviated from **clause 10.26 (proviso)** as mention above. In this regard, the Commission in Technical Validation Session asked the Petitioner to provide proper justification for considering the interest rate of April 15 instead of April 01. In reply to the said query the Petitioner admits the inadvertent error while making calculation.
- 5.92 Accordingly, the Commission in accordance with **clause 10.26 (proviso)** as mention above approve the interest rate as 9.00% (Base rate of SBI as applicable on April 1st of FY 2022-23 plus 200 basis points).
- 5.93 The Commission has observed that the Petitioner has claimed Bank Charge to the tune of Rs. 11.00 Crore which is significantly high. The actual Bank charge for the FY 2021-22 were Rs 0.49 Crore. In this regard,



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the Commission in Technical Validation Session asked the Petitioner to submit a details break-up of the bank charge amounting to Rs. 11.00 crore. Additionally, the Petitioner had directed to provide the specific regulation under which this amount has been claimed. In reply to the said queries the Petitioner failed to provide satisfactory reason and proper justification. Further the Petitioner has not exhibited any rationale for such significant increase in Bank charge. Accordingly, the Commission does not approve any bank charge in the instant petition for FY 2022-23.

5.94 In accordance with **clause 10.28** as mentioned above, the Commission has excluded interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee as given below:

Table 47: Interest on Loan and Bank & Finance Charges (in Rs Crore) as approved by the Commission.

Particulars	APR	Petition	Approved
Opening Balance	4791.21	4451.68	4791.21
Deemed Addition during the year	571.88	852.85	559.90
Deemed Repayments during the year	477.88	509.68	490.45
Closing Balance	4885.21	4794.85	4860.66
Average balance during the Year	4838.21	4623.26	4825.94
Interest Rate	9.00%	9.10%	9.00%
Interest Expense	435.44	420.69	434.33
Bank & Finance Charge	-	11.00	-

Interest on Consumer Security Deposits

Petitioner's Submission

5.95 The Petitioner has submitted that the Interest on consumer security (IoCSD) deposit for FY 2022-23 has been computed on the basis of actual interest on consumer deposit as per Audited Accounts.

Table 48: Interest on CSD (Rs Crore) as submitted by the Petitioner.

Particulars	Petition
Consumer Deposit	707.83
Interest Rate	
Int. on CSD	58.98

Commission's Analysis



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5.96 The Commission has outlined **clause 10.33** of JSERC Distribution Tariff Regulations 2020 for approval of interest on consumer security deposit as reproduced below:

“Interest on Consumer Security Deposits

6.49 Interest paid on consumer security deposits shall be as specified by the Commission in ‘Jharkhand (Electricity Supply Code) Regulations, 2015’ and as amended or replaced from time to time.”

5.97 On scrutinizing and analyzing the annual audited accounts of FY 2022-23, the Commission has observed that JBVNL is not discharging Interest on Consumer Security Deposit to the prospective consumers. The consumer security deposit balance is provided at ‘**Note 16**’ of the Audited Financial Statements. The Consumer Security Deposit balance as on 31.03.2023 is Rs. 497.95 Crores and the outstanding interest payable as on 31.03.2022 Rs. 488.83 Crores. Further, the addition to Interest accrued on Security Deposit during the FY 2022-23 is Rs. 49.86 Crores (ref ‘**Note 29**’ of the Audited Accounts).

5.98 Accordingly, the Commission, on prudent check approves the Interest on Consumer Security Deposit for FY 2022-23 as given below:

Table 49: Interest on CSD (Rs. Crore) as approved by the Commission

Particulars	Approved	Source
Opening Consumer Security Deposit	488.83	Note 16
Consumer Security Deposit Addition	58.98	Note 29
Closing Consumer Security Deposit	497.95	Note 16
Interest on Consumer Security Deposit	49.86	

Return on Equity

Petitioner’s Submission

5.99 The Petitioner has considered the opening balance of normative equity for 2022-23 as per the closing balance for the FY 2021-22.

5.100 In accordance with provisions of JSERC Distribution Tariff Regulations, 2020 the petitioner has considered Closing equity for FY 2022-23 has been calculated using normative debt equity ratio (70:30).



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5.101 In accordance with provisions of JSERC Distribution Tariff Regulations, 2020 the petitioner has considered that the rate of Return on Equity (RoE) as 14.50%.

Table 50: Return on Equity (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Opening Equity (Normative)	3389.95	3299.07
Equity Addition (Normative)	33.43	220.93
Closing Equity (Normative)	3423.37	3519.99
Average Equity	3406.66	3409.53
Rate of Return	14.50%	14.50%
Return on Equity	493.97	494.38

Commission's Analysis

5.102 On consideration of the Distribution Tariff Regulations, 2020, the Commission has considered the Opening Equity base for FY 2022-23 as the Closing Equity base for FY 2021-22. Further the Commission has considered the normative equity addition during the financial years as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.

5.103 In accordance with **clause 10.19** of the Distribution Tariff Regulations, 2020, the Commission has allowed a rate of return of 14.5% on average equity.

Table 51: Return on Equity (Rs Crore) as approved by the Commission.

Particulars	APR	Petition	Approved
Opening Equity (Normative)	3389.95	3299.07	3389.95
Equity Addition	33.43	220.93	31.16
Closing Equity (Normative)	3423.37	3519.99	3421.11
Average Equity	3406.66	3409.53	3405.53
Rate of Return	14.50%	14.50%	14.50%
Return on Equity	493.97	494.38	493.80

Interest on Working Capital

Petitioner's Submission

5.104 The Petitioner has calculated normative working capital requirement for FY 2022-23 in accordance with JSERC Tariff Regulations, 2020.



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5.105 Rate of Interest on Working Capital (IoWC) has been considered to be equal to the Base Rate of SBI as applicable on the 1st April of the respective year plus 350 Basis Points as per Regulation JSERC Distribution Tariff Regulations, 2020.

5.106 Accordingly, the petitioner has computed the working capital requirement and interest thereof as given below:

Table 52: Interest on Working Capital (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Maintenance Spares (@1% GFA)	113.33	109.41
2 months' Receivables	1262.00	1634.37
Less: 1 month Power Purchase Cost	470.09	593.75
Less: Consumer Security Deposit	705.01	707.83
Total Working Capital requirement	200.23	442.20
Interest rate on WC	10.50%	10.25%
Interest on Working Capital	21.02	45.33

Commission’s Analysis

5.107 The Commission has outlined the ‘**clause 10.31 & clause 10.32**’ of JSERC Distribution Tariff Regulations 2020 for the approval of Interest on Working Capital is reproduced below:

10.31 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:

- a) Maintenance spares at 1% of Opening GFA for Retail Supply Business; plus*
- b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus*
- c) Amount held as security deposits under Clause (a) and Clause (b) of sub-section (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for Wheeling Business; minus*
- d) One-month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.*

10.32 Rate of interest on working capital shall be equal to the Bank Rates on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which true up



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exercise has been undertaken.

5.108 The Commission has observed that the Petitioner has deviated from **clause 10.32** as mention above and considered interest rate of Working capital as 10.25%. In this regard, the Commission had directed the Petitioner to provide the proper justification. In reply to the raise query the Petitioner has admitted that there is inadvertent error while calculating Interest rate of Working Capital. Further, the Petitioner pray to considered the rate of interest as per **clause 10.32** of JSERC (Terms and condition for determination of Distribution Tariff) Regulation, 2020.

5.109 Based on the above excerpt, the Commission approves the interest on working capital for FY 2022-23 is summarized below:

Table 53: Interest on Working Capital (in Rs. Crore) as approved by the Commission

Particulars	Approved
Maintenance Spares @1% of Opening GFA of Wheeling and Retail Business	113.00
Revenue from Wheeling and Retail Supply Charges-2 month	1170.63
Less: Power Purchase Cost for One Month Retail Business	441.54
Less: Average Security Deposit	707.83
Total Working Capital Requirement	134.26
Rate of Interest (SBI 1 yr MCLR plus 350 b.p)	10.50%
Total Interest on Working capital	14.10

Non-Tariff Income (NTI)

Petitioner’s Submission

5.110 The Petitioner has submitted the Non-Tariff Income (Other Income) of for FY 2022-23, based on the audited annual accounts.

5.111 The Petitioner has further submitted that while computing the actual Non-Tariff income (Other Income) for FY 2022-23, the financing cost for corresponding receivables has to be reduced as accrued Delayed Payment Surcharge (DPS) is considered as NTI. The petitioner has already incurred power purchase costs on such outstanding receivables and DPS is levied as financing cost of such receivables, however, the Petitioner is allowed only 2 months of receivables on allowance of working capital. For the

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receivables beyond the period, DPS is applicable and as DPS is considered to be additional income for the Petitioner financing cost of such receivables are allowed in line with the judgement of Hon'ble APTEL dated 12.07.2011 in case No. 142 & 147 of 2009.

5.112 Accordingly, the Petitioner has submitted the Non-tariff income for FY 2022-23 as summarized below:

Table 54: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Interest Income from Investment in Fixed Deposits	9.46	10.29
D.P.S from Consumer	448.48	465.64
Interest on advance to Supplier/Contractor		0.07
Interest from Bank (Other than FD)	5.09	5.53
Income from Staff Welfare activities		-
Supervision Charges	3.28	5.39
Miscellaneous Receipt	3.60	10.25
Rebate on power purchase	4.33	
Meter Rent	20.34	6.57
Wheeling Charges / Fuel surcharge/outside sale		167.57
Receipt from Consumers for capital works	28.99	0.00
Miscellaneous Charges from Consumers	0.25	2.18
Total NTI	523.82	673.49
Interest rate for Receivables financing	10.25%	10.25%
Corresponding Receivables against DPS	2491.57	3880.30
Interest on Receivables against DPS	0.00	397.73
Net NTI to be considered	523.82	275.76

Commission's Analysis

5.113 The Commission has outlined the '**clause 10.53 & clause 10.54**' of JSERC Distribution Tariff Regulations 2020, for the approval of Non-Tariff Income is reproduced below:

"Non-Tariff Income

10.53 The amount of Non-Tariff Income relating to the Distribution Business as approved by the Commission shall be deducted from the ARR in determining the Retail Supply Tariff and Wheeling Charges of the Distribution Business:

Provided that the Distribution Licensee shall submit full details of its forecast of Non- Tariff Income to the Commission in such form as may be stipulated by the Commission.



10.54 The Non-Tariff Income shall include:

- a) Income from rent of land or buildings;
- b) Income from sale of scrap;
- c) Income from investments;
- d) Interest accrued on advances to suppliers/contractors;
- e) Interest income on loans/advances to employees;
- f) Income from rental of staff quarters;
- g) Income by rental from contractors;
- h) Income by hire charges from contractors and others;
- i) Income from delayed payment surcharge, supervision charges, etc.;
- j) Supervision charges for capital works;
- k) Income from recovery against theft and/or pilferage of electricity;
- l) Income from advertisements;
- m) Income from sale of tender documents;
- n) Profit from sale of Assets (i.e. difference of Sale value and Book value of Asset);
- o) Any other Non-Tariff Income:**

Provided that the interest earned from investments made out of Return on Equity corresponding to the regulated Business of the Distribution Licensee shall not be included in Non-Tariff Income.

Provided that the onus to substantiate, to the satisfaction of the Commission, that such investments have been out of Return on Equity shall be on the Licensee.”

5.114 Based on the above excerpt, the Commission has observed that the Petitioner has not considered certain element of non-tariff income recorded in the audited account. The said item is Rebate on Power Purchase as reflected in ‘**note 25**’ of the audited account.

5.115 The Commission does not consider the revenue from sale of wheeling charge/ fuel surcharge/ outside sale under Non-Tariff Income as the same has already been considered in the power purchase part of this order.

5.116 The Commission is of the opinion that there is no provision in JSERC (Terms & Condition of Determination Distribution Tariff) Regulations 2020 with respect to approval of financing cost for corresponding receivables under **clause 10.53 & clause 10.54**.

5.117 The Commission further opines that the Working Capital requirement as stipulated in the provision of JSERC (Distribution Tariff) Regulations



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2020 and amendment thereof is being allowed as per normative to cater the day to day working capital requirements of the Utilities. Hence, the Commission does not approve the financing cost for corresponding receivables.

5.118 Accordingly, on prudent check the Commission approves the NTI as per above outlined regulation as shown below.

Table 55: Non-Tariff Income (Rs Crore) as approved by the Commission.

Particulars	APR	Petition	Approved
Interest Income from Investment in Fixed Deposits	9.46	10.29	10.29
D.P.S from Consumer	448.48	465.64	465.64
Interest on advance to Supplier/Contractor		0.07	0.07
Interest from Bank (Other than FD)	5.09	5.53	5.53
Income from Staff Welfare activities		-	
Supervision Charges	3.28	5.39	5.39
Miscellaneous Receipt	3.60	10.25	10.25
Rebate on power purchase	4.33		23.08
Transformer Rent	20.34	6.57	6.57
Wheeling Charges / Fuel surcharge/outside sale		167.57	considered in PP
Receipt from Consumers for capital works	28.99	0.00	14.99
Miscellaneous Charges from Consumers	0.25	2.18	2.18
Total NTI	523.82	673.49	544.00
Interest rate for Receivables financing	10.25%	10.25%	10.25%
Corresponding Receivables against DPS	2491.57	3880.30	3880.30
Interest on Receivables against DPS	0.00	397.73	0.00
Net NTI to be considered	523.82	275.76	544.00

Disallowances on account of Excessive AT&C Losses

Commission Analysis

5.119 The Commission is of the view that it had already set the targets for the Collection efficiency in Section **“Targets for Distribution Losses and Collection Efficiency”** of the Distribution Tariff Regulations, 2020 and as such the submission of the Petitioner regarding sudden change seems to be out of order. The Commission thus directs the Petitioner to abide by the targets set by the Commission and any provision for lower collection efficiency will not be allowed.

5.120 Accordingly, the additional power purchase cost incurred due to higher



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Distribution losses, beyond the targeted level, has been disallowed and is treated as '**Disincentive for non-achievement of Distribution loss targets**' for FY 2022-23. The Commission has adopted similar approach as adopted by it in the previous Order dated May 31, 2023 in the computation of non-achievement of T&D loss reduction targets.

5.121 Based on the above excerpt, the Commission, recognizing its responsibility to ensure fair and efficient energy pricing, has incorporated the power purchase costs for must-run power plants into tariffs. Nonetheless, in exercising thorough scrutiny, the Commission has prudently intervened to disallow excessive energy sale, corresponding power purchase costs associated specifically with thermal power plants exhibiting high ECR (Energy Charge Rate) and respective transmission charge on pro-rata basis. Additionally, the Commission also disallows the corresponding transmission charge on pro-rata basis as tabulated below.

Table 56: Disallowance Distribution Loss (Rs Crore) as approved by the Commission.

Generating Station	Annotation	Total Unit disallow (MU)	Rate (in Rs)	Disallow Cost
Farraka III	A	321.88	5.77	185.81
Barh I	B	6.33	5.67	3.59
-	C	-	-	-
Total	D=(A+B+C)	328.21		189.39
(Transmission Charge Corresponding to 328.21 MU @ Rs 0.48/unit on pro-rata basis)*	E			15.88
DVC (Stand by Power)	F	2166.73	5.23	1132.97
DVC (KTPS)	G	77.23	5.36	41.41
Total	H=F+G	2243.96		1174.38
(Transmission Charge Corresponding to 2243 MU @ Rs 0.20/unit on pro-rata basis)**	I			44.78
Inland Power Ltd	J	372.89		235.40
PTC-IEX (Purchase)	K	353.13		331.20
(Transmission Charge Corresponding to 726.03 MU @ Rs 0.29/unit on pro-rata basis)**	L			21.13
Net total Disallow	M=D+E+H+I+J+K+L	3298.72		2015.56



Revenue

Petitioner's Submission

5.122 The Petitioner has submitted the revenue from sale of Power as per Annual Audited Accounts to be Rs. 5,809.41 Crore towards electricity sales. Accordingly, the Petitioner prayed to the Hon'ble Commission to approve the same.

Commission's Analysis

5.123 On Scrutiny and analysis of the Audited Accounts submitted by the Petitioner, and on prudent check the Commission approves the revenue as summarized below:

Table 57: Revenue (Rs Crore) as approved by the Commission.

Particulars	Petition	Approved
Revenue	5809.41	5809.41

Penalty Imposed by Commission

5.124 The Commission has observed that the Petitioner in FY 2019-20 has not complied with the directions of the Commission. Further, the Petitioner has filed an appeal before the Hon'ble APTEL on the same matter in previous Order dated April 27, 2018. The Appeal in this case no 228 of 2018 and 223 of 2018 is pending before Hon'ble APTEL and the case is sub-judice.

5.125 The Commission has also pointed out that the Petitioner in FY 2020-21 and FY 2021-22 has not complied with the direction of the Commission. Accordingly, the Commission had imposed penalty of 2.00% for FY 2020-21 and FY 2021-22.

5.126 Further, the Commission again imposes penalty of 2% due to the reasons stated below: -

- The Commission on several occasions i.e. nearly seven years has directed the Petitioner to submit the Fixed Asset Register. But, the Petitioner on one pretext or the other has not



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submitted the Fixed Asset Register despite lapse of seven years.

- The Petitioner on several occasions had failed to comply with Renewable Power Purchase Obligation.
- The Commission has observed during hearing; the petitioner has not complied with standard of performance (SoP). The Commission also observed that the quality of power is not up to the mark.
- The Commission has noted that the Petitioner fail to submit the raised query by public during Public Hearing on the same petition till the issuance of this Order.
- The Commission on various occasions had directed the Petitioner to submit the discrepancies outlined in the petition. But, the Petitioner has not complied with the direction and not submitted the data vis-à-vis the discrepancies pointed out.

5.127 For the aforesaid reason the Commission is levying penalty at 2% of Annual Revenue Requirement. The levied penalty is summarized below.

Table 58: Penalty (Rs Crore) as imposed by the Commission.

Particulars	FY 2022-23
Approved ARR	7023.81
Penalty Imposed	2%
Total Penalty	140.48

Summary of Annual Revenue Requirement and Gap/(Surplus)

Petitioner's Submission

5.128 Based on the components of the ARR discussed in the above part of this Order, the final ARR submitted by the Petitioner for FY 2022-23 is tabulated hereunder:

Table 59: Summary of ARR (Rs. Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Net Power purchase cost	5239.94	7691.03
<i>Power Purchase Cost</i>	<i>6227.43</i>	<i>7124.95</i>
<i>Less: Disallowance due to excess Distribution Loss</i>	<i>1577.317</i>	<i>0.00</i>
<i>Inter-State Transmission Charges</i>	<i>341.73</i>	<i>308.96</i>



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Particulars	APR	Petition
<i>Intra-State Transmission Charges</i>	248.09	257.12
O&M Expenses	628.16	850.92
Depreciation	477.88	509.68
Return on Equity	495.48	494.38
Interest on Long Term Loan	435.44	420.69
Interest on Consumer Security Deposit	28.77	58.98
Interest on Working Capital Loan	10.34	45.33
Bank & Finance Charge	-	11.00
Total Expenditure	7316.01	10082.00
Less: Non-Tariff Income	523.82	275.76
ARR after NTI	6792.19	9806.23
Less: Penalties	0	
Net ARR	6792.19	9806.23
Revenue from Sales of power at existing tariff	6305.99	5809.41
Gap/(Surplus) at Existing Tariff	486.20	3996.81

Commission's Analysis

5.129 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2022-23 which is summarized hereunder.

Table 60: Summary of ARR (Rs Crore) as approved by the Commission.

Particulars	Approved
Net Power purchase cost	5298.47
<i>Power Purchase Cost</i>	6747.95
<i>Less: Disallowance due to excess Distribution Loss</i>	2015.56
<i>Inter-State Transmission Charges</i>	308.96
<i>Intra-State Transmission Charges</i>	257.12
O&M Expenses	786.79
Depreciation	490.45
Return on Equity	493.80
Interest on Long Term Loan	434.33
Interest on Consumer Security Deposit	49.86
Interest on Working Capital Loan	14.10
Bank & Finance Charge	-
Total Expenditure	7567.80
Less: Non-Tariff Income	544.00
ARR after NTI	7023.81
Less: Penalties	140.48
Net ARR	6883.33
Revenue from Sales of power at existing tariff	5809.41
Gap/(Surplus) at Existing Tariff	1073.92

5.130 The Commission will approve the treatment of the Gap/(Surplus) at



existing tariff in **Chapter 8** of this Order.

- 5.131 From annual audit account for FY 2020-21 the Commission has observed that the Petitioner already has an outstanding loan amounting to Rs. 9,034.15 Crores borrowed from the State Government. In the present financial year, the Petitioner has borrowed an added deemed loan from the State Government amounting to Rs. 136.85 Crores. In the present financial year, out of the total loan amounting to Rs. 970.76 Crores and interest of Rs. 1555.65 is currently due for payment.
- 5.132 It is apparent that the petitioner is enjoying a perpetual moratorium on the same as no interest or debt is being serviced. It thus, in effect, is akin to Government Grant. Hence, the Commission is of the view that the petitioner should approach the Government to convert the Government loan into Government Grant.



Chapter 6: ANNUAL PERFORMANCE REVIEW FOR FY 2023-24

6.1 As per Clause 13.2 of the Tariff Regulations, 2020:

“13.2 The Licensee shall submit the Annual Performance Review report as part of annual review on actual performance as per the timelines specified in the Section A 24 of these Regulations to assess the performance vis-à-vis the targets approved by the Commission at the beginning of the Control Period. This shall include annual statements of its performance and accounts including audited/authenticated accounts and the tariff worked out in accordance with these Regulations.”

6.2 The Commission, on the basis of the provisions of the Distribution Tariff Regulations, 2020 has determined the Annual Performance Review (APR) for FY 2023-24 on consideration of:

- Distribution Tariff Regulations, 2020;
- Material on record.

6.3 The component-wise details filled by the Petitioner’s and the Commission’s analysis and discussion is made in the upcoming paragraph.

Consumer Number, Connected Load, Energy Sales

Petitioner Submission

6.4 The Petitioner has considered effective consumers of FY 2023-24 (actual 6 month upto September 2023) and escalated the same to arrive at the Effective Consumers at the end of FY 2023-24.

6.5 The Petitioner has submitted that it has considered the active consumers for the FY 2022-23 and extrapolated with the active consumers for the FY 2023-24 to have a projection of total active consumers for the year 2023-24.

6.6 The Petitioner has further submitted that connected load for different



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category of consumers are also based on the actual load from FY 2022-23 and the data available with the petitioner for FY 2023-24. The six-month data of FY 2023-24 are extrapolated with the number for FY 2022-23 to arrive at the estimated connected load for FY 2023-24.

6.7 Likewise, the Petitioner has been used similar extrapolation for calculation of the estimated sales for the FY 2023-24. These estimates are considered with the available trend for connected load and sales for each category of consumers and the final figures set for further calculation.

Table 61: Consumer Number, Connected Load, Energy Sales as submitted by the Petitioner.

Consumer Category	Consumer (No.)	Connected Load (kW)	Sales (MUs)
Domestic	46,31,102	49,68,047	5,523.78
Commercial/Non Domestic	2,99,039	7,12,022	1,464.90
Public Lighting / SS	434	11,661	80.39
Irrigation / IAS	75,332	69,453	188.36
Industrial LT / LTIS	19,947	3,62,821	317.83
Industrial HT / HTS / S/ EHT	2,234	9,91,576	2,605.86
RTS/MES	8	42,854	90.91
Total	50,28,096	71,58,434	10,272.03

Commission Analysis

6.8 On scrutinizing the material, information, actual figure and details submitted by the Petitioner, the Commission approves the estimated energy sales, connected load and number of consumers for FY 2023-24 which has been summarized in the table below:

Table 62: Category-Wise Energy estimated energy Sales (MUs) as approved by the Commission.

Consumer Category	ARR	Petition	Approved
Domestic	6,360.41	5,523.78	5,523.78
Commercial/Non Domestic	1,000.89	1,464.90	1,464.90
Public Lighting / SS	96.62	80.39	80.39
Irrigation / IAS	196.53	188.36	188.36
Industrial LT / LTIS	255.39	317.83	317.83
Industrial HT / HTS / S/ EHT	2,057.24	2,605.86	2,605.86
RTS/MES	77.55	90.91	90.91
Total	10,044.63	10,272.03	10,272.03



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Table 63: Category-Wise Energy estimated connected Load (kVA) as approved by the Commission.

Consumer Category	ARR	Petition	Approved
Domestic	59,20,034	49,68,047	49,68,047
Commercial/Non Domestic	7,11,556	7,12,022	7,12,022
Public Lighting / SS	19,723	11,661	11,661
Irrigation / IAS	72,774	69,453	69,453
Industrial LT / LTIS	3,87,444	3,62,821	3,62,821
Industrial HT / HTS / S/ EHT	10,30,556	9,91,576	9,91,576
RTS/MES	38,938	42,854	42,854
Total	81,81,024	71,58,434	71,58,434

Table 64: Category-Wise estimated number of consumer as approved by the Commission.

Consumer Category	ARR	Petition	Approved
Domestic	53,85,557	46,31,102	46,31,102
Commercial/Non Domestic	3,49,646	2,99,039	2,99,039
Public Lighting / SS	596	434	434
Irrigation / IAS	82,884	75,332	75,332
Industrial LT / LTIS	20,826	19,947	19,947
Industrial HT / HTS / S/ EHT	2,122	2,234	2,234
RTS/MES	13	8	8
Total	58,41,644	50,28,096	50,28,096

Energy Balance

Petitioner's Submission

6.9 The Petitioner has submitted it has procured power from various sources for FY 2023-24 which has been segregated into different heads, while calculating the energy balance for the control period as given below:

6.10 Power Purchase from Outside JSEB Boundary- Power sourced from NTPC, NHPC, PTC, APNRL, part of TVNL, NVVNL, SECI and RE (Wind);

- Energy Input Directly to State Transmission System- Input of power from TVNL directly to State Transmission System;
- Energy Input through Renewables sources- Input from Solar IPPs selected through JREDA;
- State Generation-PTPS, SHPS, Grasim Industries and Inland Power;



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- Direct Input of Energy to Distribution System-DVC and Solar IPPs.

6.11 The Petitioner has further considered the Inter-State Transmission Losses at 3% of all power purchase from external sources considering Point of Connection (PoC) withdrawal losses for Jharkhand and PoC injection losses of various power plants with which it has PPA. Thereafter, the Petitioner has considered the Intra-State Transmission Loss @10.46% based on actual intra state transmission losses for FY 2021-22. It may be seen that Intra-State Transmission Losses of JUSNL is at a very high level. This may be due to sub-optimal upkeep of transmission system by JUSNL. The Petitioner has prayed to the Hon'ble Commission to direct the JUSNL to improve its system including increase in voltage level to reduce losses and has requested to allow the intra-state losses on actual basis.

6.12 Based on the information submitted above, the Petitioner has considered the Energy Balance for 2023-24 as provided in the Table below:

Table 65: Energy Balance (in MUs) as submitted by the Petitioner.

Particulars	ARR	Petition
Power Purchase from Outside JBVNL Boundary (MU)	10,028.99	9,087.37
Loss in External System (%)	3.00%	3.00%
Loss in External System (MU)	300.87	272.62
Net Outside Power Available (MU)	9,728.12	8,814.75
Energy Input Directly to State Transmission System (MU)	299.77	372.08
State-owned Generation (MU)	857.15	1,388.14
Energy Available for Onward Transmission (MU)	10,885.04	10,574.96
Transmission Loss (%)	2.23%	8.46%
Transmission Loss (MU)	242.74	894.25
Net Energy Sent to Distribution System (MU)	10,642.30	9,680.72
Direct Input of Energy to Distribution System (MU)	2,648.66	3,832.48
Total Energy Available for Sales (MU)	13,290.96	13,513.20
Total energy sold (MU)	9,343.13	10,272.03
Distribution loss%	13.00%	23.99%
Energy Required for distribution (MU)	10,739.23	13,513.23
Power disallowance at DISCOM Periphery (MU)	2,551.72	-
Total Power Purchase	13,834.56	14,680.06



Commission's Analysis

- 6.13 It is observed that the loss levels recorded by DISCOM are extremely poor and needs severe overhauling. Such dilapidated network is leading to the drain of the material and economic resources of the nation which is worrying.
- 6.14 Factually, since the Distribution Losses and Collection efficiency are a critical operational parameter of the DISCOM, SERCs across the states have provided for the same as a controllable parameter for the DISCOMs. Likewise, the Commission under '**clause 6.44**' of JSERC Distribution Tariff Regulations 2020 provides the Distribution Loss and Collection Efficiency being a Controllable parameter.
- 6.15 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Commission has approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.
- 6.16 Subsequently, the Commission vide Order dated May 31, 2023 had approved the Distribution loss trajectory for each year of the Control period FY 2021-22 to FY 2025-26. The relevant extracts of the MYT Order are reproduced below:
- "7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty".*
- 6.17 In view of the aforesaid, it is submitted that not abiding by the trajectory defined by the Commission and factoring into consideration the deviation in the retail ARR by the Licensee is disdainful.
- 6.18 It is observed that the Intra-State Transmission Losses of 8.46% for FY



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2023-24 has been claimed by the petitioner as against the approved Intra-State Transmission Loss of 2.23%. Further, the petitioner has clarified that the Intra-State Transmission Loss was calculated by subtracting the normative 3.00% Inter-State Transmission Loss from the Inter-State Power Purchased from the overall Transmission.

6.19 The Commission is of the opinion that it would be imprudent if the cost of the Petitioner’s inefficiency is passed onto the consumers. Accordingly, the Commission has worked out energy availability for the FY 2023-24 on the basis of estimated generation of power from Central, State-owned and other Generating Stations. Further, the loss in external system has been considered at the same level as approved by the Commission in its earlier Order, while the Intra-State Transmission Loss has been considered at 2.23% as per the Tariff Order for JUSNL dated June 23, 2023. The energy availability from various sources has been summarized below:

Table 66: Energy Requirement (MUs) as approved by the Commission.

Particulars	ARR	Petition	Approved
Power Purchase from Outside JBVNL Boundary (MU)	10,028.99	9,087.37	9,087.37
Loss in External System (%)	3.00%	3.00%	3.00%
Loss in External System (MU)	300.87	272.62	272.62
Net Outside Power Available (MU)	9,728.12	8,814.75	8,814.75
Energy Input Directly to State Transmission System (MU)	299.77	372.08	372.08
State-owned Generation (MU)	857.15	1,388.14	1,388.14
Energy Available for Onward Transmission (MU)	10,885.04	10,574.96	10,574.96
Transmission Loss (%)	2.23%	8.46%	2.23%
Transmission Loss (MU)	242.74	894.25	235.82
Net Energy Sent to Distribution System (MU)	10,642.30	9,680.72	10,339.14
Direct Input of Energy to Distribution System (MU)	2,648.66	3,832.48	3832.48
Total Energy Available for Sales (MU)	13,290.96	13,513.20	14,171.62
Total energy sold (MU)	9,343.13	10,272.03	10,272.03
Distribution loss%	13.00%	23.99%	13.00%
Energy Required for distribution (MU)	10,739.23	13,513.23	11,806.94
Power disallowance at DISCOM Periphery (MU)	2,551.72	-	2,364.69
Total Power Purchase (MU)	13,834.56	14,680.06	14,680.06



Power Purchase Cost

Petitioner's Submission

6.20 The Petitioner has estimated the power purchase quantum for FY 2023-24 based on the following facts and assumptions:

- Purchase of Units during first six months of current financial year: Power Purchase quantum has been considered as per bills raised by respective generating companies.
- Trend for Purchase of Units in Previous Financial Year: Purchased units during remaining six months in current Financial Year have been estimated as per generation ratio of the six months of previous Financial Year FY 2022-23.
- Power Requirement in FY 2023-24: Based on estimated Sales and Energy balance for FY 2023-24 (as detailed in below section), excess power available for sale in open market has been calculated.
- Purchase through short-term sources: No new power purchase from IEX (PTC) or UI mechanism has been estimated in remaining six months due to excess supply. However, the same may be purchased in case of emergency and shall be subject to subsequent true-up.
- Unit Consideration for TVNL Power Plant: TVNL generating station 46.63% Units has been considered under Outside JSEB Boundary and remaining 53.37% has been taken under State Owned Generation as per the actual ratio of TVNL bills for FY 2022-23.
- Current status of upcoming Thermal Power Stations: As per updates from respective stakeholders, the Petitioner has considered North Karnpura Unit-1 as upcoming plants in FY 2023-24.



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6.21 The Petitioner has estimated the power purchase Cost for FY 2023-24 based on following facts and assumptions:

- Transmission and Scheduling Charges: Actual Transmission and scheduling Charges for FY 2022-23 has been escalated by 5% to arrive at corresponding figure for FY 2023-24.
- Power Purchase Cost for new Plants: Power Purchase cost of new plants (North Karnpura) have been considered at Rs 4.98 kWh.
- Supplementary Bills: Supplementary bills based on actuals of FY 2023-24 has been considered.

6.22 Based on the above facts and assumptions, source-wise estimated Power Purchase quantum and cost for FY 2023-24 as shown hereunder:

Table 67: Power Purchase quantum and cost as submitted by the Petitioner.

S.N.	Name of Generating Stations	Actual estimation compared to allocation for FY 2023-24 (MU)	Total Power Purchase cost including Trans. Charge (Rs. Cr.) for FY 2023-24
1	NTPC	Farrakka I &II	452
		Farrakka III	186
		Khalagaon I	64
		Talcher	181
		Khalagaon II	34
		Barh I	139
		Barh II	75
		Korba	126
		Darlipalli I	366
		N. Karnpura	473
		N. Karnpura New	149
		Kanti Power	62
		Nabinagar	112
2	NHPC	Rangit	17
		Teesta V	83
		LPSC	
3	PTC	Chukha	38



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S.N.	Name of Generating Stations		Actual estimation compared to allocation for FY 2023-24 (MU)	Total Power Purchase cost including Trans. Charge (Rs. Cr.) for FY 2023-24
		Tala	196	67
		Kurichu	0	0
		Mangdechhu	56	30
4	Total Central Sector			
5	DVC	KTPS (OA)	3877	1956
		Standby Power	105	51
		UI (Deviation)	-169	-45
		Trans. Charge	0	38
		HT Points	0	1
6	TTPS, Tenughat		1762	726
7	UI Payable (Deviation)		1321	302
8	Reactive Energy Charge			2
8	APNRL	Unit I	378	140
		Unit II	378	141
		66 MW	407	151
		ERLDC APNRL		20
		Adjustment		0
9	SOLAR	SECI (Tranche-I)	788	317
		SECI (MNRE-II)	16	10
		State IPPs (MNRE-I)	19	34
10	Wind	PTC	500	197
		SECI	240	80
11	Inland Power Ltd.		372	205
12	IEX / PXIL	Purchase	635	469
		Sell	-356	-120
13	Total Purchase			
14	SRHPS (Generation)		39	28
15	Grand Total			
16	UI Receivable		-1217	-116
17	SER-DSM			
18	Trans. Charge	PGCIL		323
		Posoco (ERLDC)		1.3924
		JUSNL		270
19	Net Unit		14680	7906

6.23 The Petitioner has submitted that it has tied up with SECI for 700 MW of



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Solar power, out of which it is receiving 450 MW of solar power and 250 MW is under pipeline. Similarly, cumulative 500 MW of wind power has been tied up with SECI and PTC, out of which, it is receiving 200 MW of wind power and 100 MW of wind power is under pipeline.

6.24 In addition to the above, the JREDA is installing rooftop solar in the state in following manner as: -

- Rooftop installation work with JREDA is under progress in MNRE subsidy scheme for domestic consumers. The installation work has started from year 2019 and targeted for 1 MW rooftop installation every year. Till date 0.5 MW rooftop has been installed.
- For consumers other than domestic consumers, installation of rooftop solar work is under progress under JSERC “Rooftop Solar PV Grid Interactive Systems and Net /Gross Metering Regulations”, 2015. The installation is targeted to cover 2 to 3 MW every year.
- Other than above, JREDA is installing cumulative 3 MW of rooftop solar in 4 at airports in Jharkhand.
- Rooftop solar system of cumulative capacity of 40182 kW in government building has been installed till date and 9680 kW rooftop solar installation on Govt. Building is under progress and expected in to be completed till 2024.
- 2 MW of rooftop solar has been installed new building of High Court, 400 kW rooftop has been installed on new building of Vidhan Sabha and 400 kW rooftop has been installed in sadar hospital by JREDA in year 2023.

6.25 In addition to above, 1.6 MW Solar Park is under installation in Giridih town city and expected to be commissioned in year 2024.

6.26 Also, in Jharkhand Solar Policy 2022, Government of Jharkhand has set target of 4000 MW till FY 2026-27 of solar power in State and JREDA has been made as nodal agency to run various programs like, Implementation of Solar Park, Canal Top Solar, Floating Solar, etc from 2022-23 to 2026-



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27. From above mentioned programs JBVNL will procure power from Solar Power Plant without competitive bidding up to 5 MW.

6.27 Under the said program, floating solar plant of 100 MW on Getalsud Dam has been planned with SECI. The PPA with SECI has been approved by the Commission. Under PM Kusum Yojana 30 MW of solar installation has been targeted till 2025-26.

6.28 Also, JBVNL implemented Mini grid in villages. Under DDUGJY scheme 216 villages, and 37 villages (16+21) has been tendered in State Funded Scheme for implementation of mini grid system in the State. Renewable Purchase Obligation estimated for FY 2023-24 has been mentioned as below: -

Table 68: Renewable Purchase Obligation (in MUs) for FY 2023-24 as submitted by the Petitioner.

Sr. No.	Particular	FY 2023-24
1	Gross Power Procured (MU)	14680.06
1	Net Power Procured (MU)	14680.06
2	less: Large Hydro Power procured (MU)	682.55
3	Power procured considered for RPO (MU)	13997.52
4	Solar Target in (%)	12.50%
5	Non-Solar target in (%)	12.50%
6	Solar Target in (MU)	1,749.69
7	Non-Solar target in (MU)	1,749.69
8	Total Targeted RPO (MU)	3,499.38
9	Solar Power Procured (MU)	823.53
10	Non-Solar Power Procured (MU)	740.00
11	Total	1563.53
12	Solar target deficit	-926.16
13	Non-Solar target deficit	-1,009.69
14	Total deficit	-1,935.85

Commission Analysis

6.29 The Commission has observed that the Petitioner had failed to fulfill the estimate of RPO target as set by the Commission. In this regard the



Commission in technical validation session had asked to provide how they can fulfill the RPO obligation. And also directed to provide the proper justification for not fulfill the RPO for FY 2023-24. But till date of issuance of this Order the Petitioner has failed to provide the proper justification and roadmap for fulfill of Renewable Purchase Obligation.

6.30 The Commission has observed that the Petitioner has failed to submit the power purchase bill for first six months (i.e. April 2023 to October 2023). In this regard the Commission in its discrepancies note had directed the Petitioner to reconcile the Power Purchase bill in excel. But till date of issuance of this Order the Petitioner has failed to provide the detailed as asked in the discrepancies note. Hence, it is difficult for this Commission to consider the actual data for H1 period. Therefore, the Commission has estimated the power purchase quantum for FY 2023-24 based on the following facts and assumptions.

- **Central Sector (including NTPC, NHPC, PTC):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for NTPC, NHPC, PTC source at a weightage average rate of last 3 years with escalation of 5% for FY 2023-24, subject to final truing up based on actual with production of power procurement bills.
- **State Owned Generating Plant (TVNL, SRHPS):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for TVNL, SRHPS source at a weightage average rate of last 3 years with escalation of 5% for FY 2023-24, subject to final truing up based on actual with production of power procurement bills.
- **Unit Consideration for TVNL Power Plant:** The Commission has observed that the Petitioner has been considered 412.88 MUs of TVNL under Outside JSEB Boundary and remaining has been taken under State Owned Generation for FY 2023-24.



In this regard, the Commission in technical validation session directed the petitioner to provide the basis for considering the 412.88 MUs TVNL to Bihar Sharif through the interstate transmission system line. In reply to the discrepancies note the Petitioner has submitted that it has wrote a letter to chief Engineer (C&RA), JUSNL to explore the possibility of whether power can be evacuated through the 220 kV Govindpur line to the Petitioner network.

- **DVC:** The Commission has observed that the Petitioner has procured power in scheduled mode from DVC, but the PPA of the same had been disallow by this Commission in Case No. 11 of 2019 on dated 09.01.2021. In this regard, the Petitioner is required to provide proper justification how the same power has been purchased from DVC without PPA approval. In reply to discrepancies note the Petitioner has submitted that it has wrote a letter to DVC to discusses the issue and conclude on PPA so that a fresh/revised PPA can be submitted to this Commission for its approval. Accordingly, the Commission has taken into account the power procurement rate for DVC source at a weightage average rate of last 3 years with escalation of 5% for FY 2023-24, subject to final truing up based on actual with production of power procurement bills.
- **Private Owned Generator (Including APRNL, IPL):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for APRNL, IPL source at a weightage average rate of last 3 years with escalation of 5% for FY 2023-24, subject to final truing up based on actual with production of power procurement bills.
- **Solar (including SECI (Trenche-1), SECI (MNRE-II), State IPPs (MNRE-1)):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for SECI (Trenche-1), SECI (MNRE-II) source



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at a weightage average rate of last 3 years with escalation of 5% for FY 2023-24. Further with regard to state IPP (MNRE-1) the Commission has considered the same rate of true-up FY 2022-23, subject to final trueing up based on actual with production of power procurement bills.

- Power Requirement in FY 2023-24: Based on estimated Sales and Energy balance for FY 2023-24 (as detailed in below section), excess power available for sale in open market has been calculated.
- Purchase through short-term sources: No new power purchase from IEX (PTC) or UI mechanism has been estimated in remaining six months due to excess supply. However, the same may be purchased in case of emergency and shall be subject to subsequent true-up.
- **IEX (Purchase/Sell):** It has been observed by the Commission that the Petitioner has proposed to Purchase/sell the deficit/surplus power in the Open Market. In this regard the Commission is of the view that the Power Purchase Cost is one of the major cost components in the ARR. Accordingly, in the instant pray, the Commission is not approving Purchase/Sell of any surplus power.
- **Current status of upcoming Thermal Power Stations:** As per updates from respective stakeholders, the Petitioner has considered North Karnpura Unit-1 as upcoming plants in FY 2023-24.

6.31 Based on the aforesaid observation, the Commission approves the Power Purchase Cost for FY 2023-24 which has been summarized in the table below:



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Table 69: Power Purchase quantum and cost as approved by the Commission.

S.N.	Name of Generating Stations		Estimated Energy Purchase in MUs	Power Purchase Cost (Rs. Crore) for FY 2023-24	
1	NTPC	Farrakka I &II	796.89	350.91	
		Farrakka III	322.00	154.64	
		Khalagaon I	120.00	50.45	
		Talcher	450.00	138.52	
		Khalagaon II	70.00	27.87	
		Barh I	211.75	106.29	
		Barh II	120.00	63.42	
		Korba	350.00	103.07	
		Darlipalli I	950.00	300.67	
		N. Karnpura	950.00	398.67	
		N. Karnpura New	300.00	125.90	
		Kanti Power	100.00	52.87	
		Nabinagar	200.00	97.75	
		LPSC			
	Total	4940.64	1971.02		
2	NHPC	Rangit	31.91	13.17	
		Teesta V	254.06	65.58	
		LPSC		-	
		Total	285.97	78.76	
3	PTC	Chukha	106.28	26.80	
		Tala	195.70	45.02	
		Kurichu	0.47	0.13	
		Mangdechhu	55.53	24.43	
		Total	357.99	96.38	
4	Total Central Sector		5584.60	2146.15	
5	DVC	KTPS (OA)	3877.00	1940.97	
		Standby Power	105.32	70.13	
		UI (Deviation)	-	-	
		Trans. Charge	0.00	75.56	
		HT Points	0.06	0.03	
		Total	3982.37	2086.69	
6	TTPS, Tenughat		1762.44	714.01	
7	UI Payable (Deviation)		213.11	48.80	
8	Reactive Energy Charge			-	
8	APN RL	Unit I	378.39	151.71	
		Unit II	378.39	137.54	



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S.N.	Name of Generating Stations	Estimated Energy Purchase in MUs	Power Purchase Cost (Rs. Crore) for FY 2023-24
	66 MW	406.57	165.60
	ERLDC APNRL		21.09
	Adjustment		
	Total	1163.34	475.94
9	SOLAR		
	SECI (Tranche-I)	788.40	220.60
	SECI (MNRE-II)	15.86	10.29
	State IPPs (MNRE-I)	19.27	34.61
	Total	823.53	265.49
10	Wind		
	PTC	500.00	185.32
	SECI	240.00	68.55
	Total	740.00	253.87
11	Inland Power Ltd.	372.08	207.36
12	IEX / PXIL		
	Purchase	-	-
	Sell	-	-
13	Total Purchase		
14	SRHPS (Generation)	38.59	8.63
15	Grand Total	14680.06	6206.96
16	UI Receivable	-	-
17	SER-DSM		0.00
18	Grand Total excluding Transmission Charge	14680.06	6206.96

Transmission Charge

Petitioner's Submission

6.32 The Petitioner has submitted that transmission charges payable to JUSNL have been computed based on the Actual Transmission Charges for FY 2022-23, which has been escalated by 5% to arrive at the corresponding figure for FY 2023-24.

Table 70: Transmission Charge (in Rs. Crore) as submitted by Petitioner.

Particulars	ARR	Petition
Inter-State Transmission Charge (incl. Posoco ERLDC)	358.82	324.41
Intra-State Transmission Charge	260.49	269.98

Commission Analysis

6.33 For approval of intrastate Transmission charge, the Commission has



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considered the Intrastate Transmission Charges as Rs 0.31 per unit for FY 2023-24 as approved in JUSNL Tariff Order for FY 2023-24.

6.34 Further, the Commission has calculated the Inter-State Transmission Charges for FY 2023-24 by escalating the Interstate transmission charge for FY 2022-23 by 5.00%, as projected by the Petitioners. The below table summarized the Inter/Intra-state Transmission Charge:

Table 71: Transmission Charge (in Rs Crore) as approved by the Commission.

Particulars	Approved
Inter-State Transmission Charge (incl. Posoco ERLDC)	382.17
Intra-State Transmission Charge	287.81

Capital Expenditure and Capitalization

Petitioner’s Submission

6.35 **Revamped Distribution Sector Scheme:** The introduction of Revamped Distribution Sector Scheme by MoP aims to curb down the overall AT&C losses of utilities. The JBVNL has opted the Revamped scheme and all the major works of the Discom will now come under this scheme. The Revamped scheme is under process, and it will be the major scheme to be implemented by the petitioner. The Scheme aims to reduce the Aggregate Technical & Commercial (AT&C) losses to Pan-India levels of 12-15% and Average Cost of Supply (ACS)- Average Revenue Realised (ARR) gap to zero by 2024-25. The Scheme has two major components: Part ‘A’ – Financial support for Prepaid Smart Metering & System Metering and upgradation of the Distribution Infrastructure and Part ‘B’ – Training & Capacity Building and other Enabling & Supporting Activities. Financial assistance to DISCOMs is provided for upgradation of the Distribution Infrastructure and for Prepaid Smart Consumer Metering & System Metering based on meeting pre-qualifying criteria and achieving basic minimum benchmark in reforms.

6.36 **Annual Development Plan (ADP):** The budget for Annual Development plan is prepared every year by the Sub-Transmission and Distribution Network (erstwhile S&D) wing of JBVNL, based on the requirements

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raised by the field offices. The budget generally covers the equipment or works not covered under any other State, Central or Multi-lateral scheme and mostly focused towards miscellaneous infrastructure replacement and small works. In order to cater to the load growth and the addition of new consumers in the system, the state has kept aside budget apart from centrally sponsored scheme in the form of ADP budget. The funding of Annual Development Plan is provided by State Government in the form of loan.

6.37 Accordingly, the Petitioner had submitted the capital expenditure schedule for FY 2023-24 as detailed below:

Table 72: Estimated Scheme wise capital investment (in Rs Crore) as submitted by the Petitioner.

Particulars	Petition
Revamped Distribution Sector Scheme (RDSS)	244.75
<i>Consumer Metering</i>	-
<i>Energy Accounting (DT Metering)</i>	3.47
<i>Energy Accounting (Feeder Metering)</i>	0.94
<i>Loss Reduction</i>	235.20
<i>PMA</i>	5.14
Annual Development Plan (ADP)	200.00
JSBAY -RE and Urban	577.00
Jharkhand Power System Improvement Project (JPSIP)	212.50
<i>Smart Metering in Ranchi</i>	90.00
<i>IT Hardware and software Upgradation</i>	40.00
<i>Software for Power Management</i>	3.00
<i>IT Project Management</i>	2.50
<i>Business Process Upgradation</i>	4.00
<i>Upgradation of Training Centre</i>	3.00
<i>Energy Accounting (Ranchi and Jamshedpur)</i>	70.00
Smart metering Dhanbad	45.00
Total	1,279.25

6.38 On Considering the above Capital Expenditure for FY 2023-24, the Petitioner has projected the Revised CWIP and creation of GFA as submitted below:



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Table 73: Actual Capital work in progress (Rs. Crore) as submitted by petitioner.

Particulars	ARR	Petition
Opening CWIP (A)	2446.22	899.70
Capex during the year (B)=(D)-(A)+(C)	1451.59	1332.63
Transfer to GFA (C)	1681.95	1431.33
Closing CWIP (D)	2215.87	801.01

Commission Analysis

6.39 The Commission, in data discrepancies had directed to submit the scheme-wise capital expenditure details. In reply to discrepancy note the Petitioner has partially submitted related data/documents.

6.40 Accordingly, on scrutinizing and analyzing the material on record and on prudent check, the Commission approves the capital expenditure equal to petitioner submission plus consumer contribution.

6.41 The Commission approves the capitalization for FY 2023-24 based on the actual capitalization during FY 2020-21, FY 2021-22 and FY 2022-23 as a percentage of the Opening CWIP and Capital Expenses incurred during the respective years and multiplying the same by the sum of Opening CWIP and Capex approved.

Table 74: Capital work in progress (Rs. Crore) as approved by the Commission.

Particulars	Petition	Approved
Opening CWIP (A)	899.70	1950.54
Capex during the year (B)=(D)-(A)+(C)	1332.63	1366.54
Transfer to GFA (C)	1431.33	1554.99
Closing CWIP (D)	801.01	1762.09

Table 75: Estimated capitalization (Rs. Crore) as approved by the Commission.

Particulars	ARR	Petition	Approved
Opening GFA	23059.75	21434.06	22810.65
GFA Addition	1681.95	1431.33	1554.99
Closing GFA	24741.70	22865.39	24365.64



Consumer Contribution, Grants and Subsidies

Petitioner’s Submission

6.42 The Petitioner has submitted the Consumer Contribution Grant funding for FY 2023-24, based on the closing CCG funding of FY 2023-24 as provided in the Table below:

Table 76: Consumer contribution and grants (Rs. Crore) as submitted by petitioner.

Particulars	ARR	Petition
Consumer Contribution Grants opening	12807.14	10107.94
Addition: Government Grants	1493.36	144.87
Addition: Consumer Contribution	78.85	53.38
Closing consumer contribution Grants	14379.35	10306.19

Commission Analysis

6.43 The Commission has considered additions of Grants (and Consumer Contribution) amounting to Rs. 1,147.42 Crore based on Consumer Contribution and Grants Additions equal to true-up for FY 2022-23 as shown below.

Table 77: CCG (Rs. Crore) as approved by the Commission.

Particulars	ARR	Petition	Approved
Consumer Contribution Grants opening	12807.14	10107.94	12382.35
Addition: Government Grants	1493.36	144.87	1060.14
Addition: Consumer Contribution	78.85	53.38	87.29
Closing consumer contribution Grants	14379.35	10306.19	13529.77

6.44 The Commission has estimated the closing balance of consumer contribution and grants of FY 2022-23 as opening consumer contribution and grants for FY 2023-24.

6.45 Further, the Commission has adopted the approach for calculation of Normative Loan and Equity as done earlier in this order. For estimating the sources of finance required to fund the closing GFA, the Commission has reduced the GFA by the CCG available with the Petitioner.



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6.46 For funding of the above mentioned GFA, the Commission has considered the normative debt-equity ratio of 70:30 as provided in Distribution Tariff Regulations, 2020. Moreover, consumer contribution grants and subsidies for capital assets are first netted off from gross fixed assets and the normative debt-equity ratio is applied on the remaining gross fixed assets only.

6.47 In line with the aforesaid discussion, the Commission approves the admissible GFA, CCG, debt-equity as given below:

Table 78: Source of funding of GFA (Rs. Crore) as approved by the Commission.

Particulars	Approved
CCG towards CWIP	975.41
CCG towards GFA	11406.94
Opening GFA (less CCG)	11403.71
GFA Addition (less CCG)	344.63
Closing GFA less CCG	11748.33
Accumulated Depreciation	6744.89
Acc. Dep. towards GFA	3252.17
Normative Loan (Closing)	4971.67
Normative Equity (Closing)	3524.50

Operation and Maintenance Expenses

Petitioner's Submission

6.48 The Petitioner has submitted that the Operation and Maintenance Expenses (O&M expenses) comprises of Employee Expenses, Repair & Maintenance Expenses and Administrative & General Expenses.

6.49 The Petitioner has estimated the employee cost for FY 2023-24 by escalating the employee cost of FY 2022-23 as submitted above in the chapter for audited True-Up for FY 2022-23 by the inflation factor of 3.10% and the methodology provided under **clause 10.6 (b) and (c)** of JSERC MYT Regulations, 2020. Accordingly, the Petitioner has estimated employee cost of FY 2023-24 is provided in the table below.



Table 79: Employee cost (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Employee Expenses	258.72	259.97
Terminal Expenses		224.87
Total Employee Expenses	258.72	484.84

6.50 In line with **Clause 10.6 (b) and (c)** of JSERC MYT Regulations 2020, the A&G expenses for FY 2023-24 has been calculated by escalating A&G expense of FY 2022-23 by inflation factor of 3.10%. Accordingly, the Petitioner has estimated the A&G expenses for FY 2023-14 as provided in the table below.

Table 80: A&G Expense (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
A&G Expenses	117.11	117.66

6.51 In line with the **clause 10.6 (a)** of JSERC MYT Regulations 2020, the R&M expenses for FY 2023-24 have been estimated by applying K-factor of 1.34% computed based on audited account data of FY 2022-23. Further the Petitioner has considered Indexation Factor of 3.10% as per **clause 10.6 (a)** of JSERC MYT Regulations 2020 for projecting Repair & Maintenance Expenditure in next Control Period.

Table 81: R&M Expenses (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
R&M Expenses	300.49	288.16

Commission Analysis

6.52 The Commission has outlined **clause 10.3 to clause 10.7** of JSERC Distribution Tariff Regulations, 2020 in earlier chapter for the approval of operation and maintenance expense.

6.53 Based on the above excerpt, the Commission had calculated the inflation factor as 5.98% for FY 2023-24.

6.54 Further, the Commission observed that the Petitioner has submitted the Growth factor as (0%). Hence, based on the regulation as mentioned in the earlier chapter of this order the Commission has considered the



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growth factor as nil for Computation of employee expenses.

- 6.55 Based on the facts & circumstances of the petition, the Commission approves the normative employee expenses for FY 2023-24 by taking the actual value of inflation factor (5.98%) and growth factor (0%).

Table 82: Normative Employee Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
Employee Cost of Previous Year	Rs. Cr.	242.35
Inflation Factor	%	5.98%
Growth Factor	%	-
Normative Employee Expenses	Rs. Cr.	256.85

- 6.56 The Commission approves the normative A&G Expenses for FY 2023-24, based on the approved normative A&G Expenses for FY 2022-23 and actual inflation factor as 5.98%.

Table 83: Normative A&G Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	109.70
Inflation Factor	%	5.98%
Normative A&G Expenses	Rs. Cr.	116.26

- 6.57 For the purpose of estimating the normative R&M Expenses, the Commission has taken the approved opening value of Gross Fixed Assets for FY 2023-24 and by multiplying the 'k' factor of 1.22% as approved in the MYT Order dated May 31, 2023 and inflation factor of 5.98%.

Table 84: Normative R&M Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
GFA	Rs. Cr.	22810.65
K-Factor	%	1.22%
Inflation Factor	%	5.98%
Normative R&M Expense	Rs. Cr.	294.93

- 6.58 In accordance with **clause 10.6 (note 3)** the Commission disapproves the terminal liabilities for FY 2023-24, subject to prudent check at the time



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of True-up.

6.59 Based on the above discussion, the Commission approves the normative operational and maintenance expense as given below.

Table 85: Normative O&M Expenses (Rs Crore) as approved by the Commission.

Particulars	Approved
Normative Employee Expense	256.85
Terminal Liabilities	0.00
Normative A&G Expenses	116.26
Normative R&M Expenses	294.93
Net Normative Operation & Maintenance Expenses	668.04

Depreciation

Petitioner's Submission

6.60 The Petitioner has estimated the Depreciation for FY 2023-24 in line with the approach adopted in the audited trueing-up for FY 2022-23.

6.61 The Petitioner has first arrived at the opening and closing GFA, created out of D&E, by deducting the CC&G portion deployed towards opening and closing GFA. The Petitioner has applied the depreciation rate as approved by the Commission on the average GFA calculated as per **clause 10.39** of JSERC Distribution Tariff Regulations, 2020 to arrive at the total depreciation. Accordingly, the Petitioner has estimated the depreciation expense for FY 2023-24 as shown below.

Table 86: Depreciation (Rs. Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Opening GFA (Less CCG) (Rs. Cr.)	11480.92	11733.31
Closing GFA (Less CCG) (Rs. Cr.)	11544.31	12908.02
Average GFA excluding Consumer Contributions and Grants (Rs. Cr.)	11512.61	12320.66
Depreciation Rate (%)	4.20%	4.50%
Depreciation Cost (Rs. Cr.)	483.01	553.89

Commission Analysis

6.62 In accordance with **clause 10.34 to clause 10.40** of Distribution Tariff Regulations, 2020, depreciation shall not be allowed on assets funded by



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consumer contribution and capital subsidies/grants. Excluding the consumer contribution deployed towards GFA as approved in this Order, the Commission has determined the depreciation on the GFA created out of debt and equity for FY 2022-23. The rate of depreciation has been considered at 4.32% as approved in the earlier order. The Commission has calculated the Depreciation on average GFA (net of Average CCG) as per the Distribution Tariff Regulations, 2020. Accordingly, the Commission approves the depreciation for FY 2023-24 as summarized below.

Table 87: Depreciation (Rs Crore) as approved by the Commission.

Particulars	Approved
Opening GFA (Less CCG) (Rs. Cr.)	11403.71
Closing GFA (Less CCG) (Rs. Cr.)	11748.33
Average GFA excluding CCG (Rs. Cr.)	11576.02
Depreciation Rate (%)	4.32%
Depreciation Cost (Rs. Cr.)	500.14

Interest on Loan

Petitioner's Submission

- 6.63 The Petitioner has considered the opening debt for FY 2023-24 equal to closing value of FY 2022-23 as submitted above in the chapter regarding audited True-up for FY 2022-23.
- 6.64 In line with **clause 10.22** of the JSERC Distribution Tariff Regulations, 2020, the Petitioner has calculated the Closing debt for FY 2023-24.
- 6.65 In line with **clause 10.23** of the JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered the repayment of loan for FY 2023-24 equal to Depreciation.
- 6.66 Further, in accordance with JSERC Distribution Tariff Regulations 2020 the Petitioner has considered the rate of interest on long-term loan, as Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points. Accordingly, the Petitioner has calculated the Interest on loan as shown below.



Table 88: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Opening Balance	4885.21	4794.85
Deemed Addition during the year	500.03	956.67
Deemed Repayments during the year	483.01	553.89
Closing Balance	4902.23	5197.63
Average balance during the Year	4893.72	4996.24
Interest Rate	9.00%	10.55%
Interest Expense	440.43	527.10
Bank & Finance Charge	-	11.00

Commission's Analysis

- 6.67 The Commission has outlined '**clause 10.16, clause 10.17, clause 10.21 to clause 10.29**' of JSERC Distribution Tariff Regulations 2020 earlier in this order for the approval of interest on loan and finance charge.
- 6.68 In accordance with '**clause 10.16 and clause 10.17**' as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.
- 6.69 In accordance with '**clause 10.23**' as mentioned above, the Commission approves the debt repayment equal to depreciation for the same financial year.
- 6.70 The Commission has observed that the Petitioner has considered the interest rate of loan as 9.10% (i.e. 7.10%+200 basis point, Base rate of SBI other than April 01 of subsequent year). In this regard, the Commission had directed the Petitioner is to provide proper justification for deviated from with clause 10.26 (proviso) of JSERC Determination of Distribution Tariff Regulations 2020. In reply to discrepancies note the Petitioner has admitted that there is an error while calculating the interest rate and prayed to consider the interest rate as per **clause 10.26 (proviso)** JSERC Determination of Distribution Tariff Regulations 2020. Accordingly, the Commission approves the interest rate as 9.00% (Base rate of SBI as applicable on April 1st of FY 2023-24 plus 200 basis points)



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in accordance with '**clause 10.26 (proviso)**' as mentioned above.

- 6.71 The Commission has observed that the Petitioner has considered the bank charge amounting to Rs 11.00 crore. In this regard, the Commission has directed the Petitioner to provide break-up of the bank charge and also provide the regulation under which this amount has been claimed. In reply to the discrepancies note the Petitioner failed to provide regulation under which this amount has been claimed. Accordingly, the Commission disallow the bank/finance charge as Rs 11.00 crore, subject to prudent check at the time of true-up.
- 6.72 In accordance with '**clause 10.28**' as mentioned above, the Commission has excluded interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee as given below:

Table 89: Interest on Loan (in Rs Crore) and Bank & Finance Charge (Rs. Crore) as approved by the Commission.

Particulars	ARR	Petition	Approved
Opening Balance	4885.21	4794.85	4860.66
Deemed Addition during the year	500.03	956.67	611.14
Deemed Repayments during the year	483.01	553.89	500.14
Closing Balance	4902.23	5197.63	4971.67
Average balance during the Year	4893.72	4996.24	4916.16
Interest Rate	9.00%	10.55%	10.50%
Interest Expense	440.43	527.10	516.20
Bank & Finance Charge	-	11.00	-

Interest on Consumer Security Deposits

Petitioner's Submission

- 6.73 In order to estimate the interest on consumer security deposit for FY 2023-24, the Petitioner has assumed an escalation of 5.00% over the accumulated consumer security of FY 2022-23 as per audited accounts.
- 6.74 Further, in accordance with JSERC Supply Code Regulations, 2015 the Petitioner has considered the interest rate as 7.95% (i.e. SBI Base Rate prevailing on 1st April 2023) as shown below.



Table 90: Interest on CSD (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Opening IoCSD		743.22
Interest Rate		7.95%
Int. on CSD	28.77	59.09

Commission’s Analysis

6.75 The Commission has outlined the ‘**clause 10.33**’ of JSERC Distribution Tariff Regulations 2020 earlier in this order for approval of interest on consumer security deposit.

6.76 The Commission has observed that the Petitioner in the instant petition has claimed interest on Consumer Security Deposit to the tune of Rs 59.09 crore. Further, the Petitioner has escalated the Consumer Security Deposit by an arbitrary 5.00% over the actual of FY 2022-23 and has applied an interest rate equivalent to SBI Bank Rate.

6.77 In view of the aforesaid, reliance is placed on the actual security deposit paid by the Petitioner during the FY 2022-23. From the Audited Accounts of FY 2022-23, it could be observed that Petitioner is not discharging Interest on Consumer Security Deposit to the prospective consumers. The Interest on Consumer Security Deposit balance is provided at ‘**Note 16**’ of the Audited Financial Statements. The Interest on Consumer Security Deposit balance as on 31.03.2023 is Rs. 497.95 Crores and the outstanding interest payable as on 31.03.2022 is Rs. 488.83 Crores. Further, the addition to Interest accrued on Security Deposit during the FY 2022-23 is Rs. 58.98 Crores (ref ‘**Note 29**’ of the Audited Accounts). Accordingly, the Commission has considered the interest on security deposit for FY 2023-24 equal to FY 2022-23 as shown below:

Table 91: Interest on CSD (Rs. Crore) as approved by the Commission

Particulars	Approved
Opening Consumer Security Deposit	488.83
Consumer Security Deposit Addition	58.98
Closing Consumer Security Deposit	497.95
Interest on Consumer Security Deposit	49.86



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Return on Equity

Petitioner's Submission

- 6.78 The Petitioner has considered the opening balance of normative equity for FY 2023-24 as per the closing balance for the FY 2022-23 as submitted in the True-up for FY 2021-22.
- 6.79 In accordance with provisions of JSERC Distribution Tariff Regulations, 2020 the petitioner has considered Closing equity for FY 2023-24 has been calculated using normative debt equity ratio (70:30).
- 6.80 In accordance with provisions of JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered the rate of Return on Equity (RoE) as 14.50%.

Table 92: Return on Equity (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Opening Equity (Normative)	3444.28	3519.99
Equity Addition (Normative)	19.02	352.41
Closing Equity (Normative)	3463.29	3872.40
Average Equity	3453.78	3696.20
Rate of Return	14.50%	14.50%
Return on Equity	500.80	535.95

Commission's Analysis

- 6.81 On consideration of the Distribution Tariff Regulations, 2020, the Commission approves Opening Equity base for FY 2023-24 as the Closing Equity base of FY 2022-23. Further, the Commission approves normative Equity addition during the financial years as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.
- 6.82 In accordance with '**clause 10.19**' of the Distribution Tariff Regulations, 2020, the Commission approves the rate of return of 14.50% on equity.

Table 93: Return on Equity (Rs Crore) as approved by the Commission.

Particulars	ARR	Petition	Approved
Opening Equity (Normative)	3444.28	3519.99	3421.11
Equity Addition	19.02	352.41	103.39



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Particulars	ARR	Petition	Approved
Closing Equity (Normative)	3463.29	3872.40	3524.50
Average Equity	3453.78	3696.20	3472.81
Rate of Return	14.50%	14.50%	14.50%
Return on Equity	500.80	535.95	503.56

Interest on Working Capital

Petitioner’s Submission

6.83 In line with the ‘**clause 10.29 and clause 10.30**’ of the JSERC Tariff Regulations, 2020, the Petitioner has estimated the working capital requirement for FY 2023-24.

6.84 Rate of IoWC has been considered to be equal to the SBI MCLR (for 1-year period) prevailing as on 1 April, 2023 plus 350 basis points as per ‘**clause 10.31**’ of the JSERC Distribution Tariff Regulations, 2020.

6.85 Based on the estimated expenditure for FY 2023-23, the Petitioner has estimated the working capital requirement and interest thereof, as provided in the table below.

Table 94: Interest on Working Capital (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Maintenance Spares (@1% GFA)	114.81	117.33
2 months' Receivables	1179.31	1750.36
Less: 1 month Power Purchase Cost	455.05	609.22
Less: Consumer Security Deposit	751.85	743.22
Total Working Capital requirement	87.22	515.25
Interest rate on WC	11.20%	11.45%
Interest on Working Capital	9.769	59.00

Commission’s Analysis

6.86 The Commission has outlined the ‘**clause 10.31 & clause 10.32**’ of JSERC Distribution Tariff Regulations 2020 for the approval of Interest on Working Capital as reproduced below.

10.31 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:

a) Maintenance spares at 1% of Opening GFA for Retail Supply Business; plus



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b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus

c) Amount held as security deposits under Clause (a) and Clause (b) of sub-section (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for Wheeling Business; minus

d) One-month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.

10.32 Rate of interest on working capital shall be equal to the Bank Rates on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which true up exercise has been undertaken.

6.87 The Commission has observed that the Petitioner has deviated from **clause 10.32** as mention above and considered interest rate of Working capital as 10.25%. In this regard, the Commission had directed the Petitioner to provide the proper justification. In reply to the raise query the Petitioner has admitted that there is inadvertent error while calculating Interest rate of Working Capital. Further, the Petitioner pray to considered the rate of interest as per **clause 10.32** of JSERC (Terms and condition for determination of Distribution Tariff) Regulation, 2020.

6.88 Based on the above excerpt, the Commission approves the interest on working capital for FY 2023-24 as summarized below:

Table 95: Interest on Working Capital (in Rs. Crore) as approved by the Commission.

Particulars	Approved
Maintenance Spares @1% of Opening GFA of Wheeling and Retail Business	114.04
Revenue from Wheeling and Retail Supply Charges-2 month	1224.13
Less: Power Purchase Cost for One Month Retail Business	469.31
Less: Average Security Deposit	707.83
Total Working Capital Requirement	161.03
Rate of Interest (SBI 1 yr MCLR plus 350 b.p)	12.00%
Total Interest on Working capital	19.32



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Non-Tariff Income (NTI)

Petitioner's Submission

- 6.89 The Petitioner has submitted the Non-Tariff Income (Other Income) for FY 2023-24 at the level of FY 2022-23.
- 6.90 The Petitioner has already submitted the rationale behind the computation of NTI in True-up Chapter, which is in line with the judgement of Hon'ble APTEL dated 12.07.2011 in case No. 142 & 147 of 2009. Accordingly, the Petitioner prayed to approve the Non-tariff income as summarized below:

Table 96: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Interest Income from Investment in Fixed Deposits	9.46	10.29
D.P.S from Consumer	448.48	
Interest on advance to Supplier/Contractor	0.00	0.07
Interest from Bank (Other than FD)	5.09	5.53
Income from Staff Welfare activities	0.00	-
Supervision Charges	3.28	5.39
Miscellaneous Receipt	3.60	10.25
Rebate on power purchase	4.33	
Transformer Rent	20.34	6.57
Wheeling Charges / Fuel surcharge/outside sale	0.00	0.00
Receipt from Consumers for capital works	28.99	0.00
Miscellaneous Charges from Consumers	0.25	2.18
Total NTI	523.82	40.29

Commission's Analysis

- 6.91 The Commission has outlined the '**clause 10.53 & clause 10.54**' of JSERC Distribution Tariff Regulations 2020 earlier in true-up chapter for the approval of Non-Tariff Income.
- 6.92 Based on the above excerpt, the Commission has observed that the Petitioners approach for excluding Delayed payment surcharge and rebate on power purchase is inappropriate and non-maintainable.
- 6.93 The Commission does not consider the revenue from sale of wheeling charge/ fuel surcharge/outside sale under Non-Tariff Income as the same



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has already been disallow in the power purchase part of this order.

6.94 Accordingly, on prudent check the Commission approves the NTI as per above outlined regulation as shown below.

Table 97: Non-Tariff Income (Rs Crore) as approved by the Commission

Particulars	ARR	Petition	Approved
Interest Income from Investment in Fixed Deposits	9.46	10.29	10.29
D.P.S from Consumer	448.48		465.64
Interest on advance to Supplier/Contractor	0.00	0.07	0.07
Interest from Bank (Other than FD)	5.09	5.53	5.53
Income from Staff Welfare activities	0.00	-	0.00
Supervision Charges	3.28	5.39	5.39
Miscellaneous Receipt	3.60	10.25	10.25
Rebate on power purchase	4.33		23.08
Transformer Rent	20.34	6.57	6.57
Wheeling Charges /Fuel surcharge/outside sale	0.00	0.00	0.00
Receipt from Consumers for capital works	28.99	0.00	14.99
Miscellaneous Charges from Consumers	0.25	2.18	2.18
Total NTI	523.82	40.29	544.00

Disallowances on account of Excessive AT&C Losses

Petitioner Submission

6.95 The Petitioner would like to further reiterate that several administrative measures has been undertaken to curb the AT&C losses along with the technical measures such as increasing the metering, focusing on billing efficiency and collection efficiency improvement. It is submitted that Hon'ble Commission has approved 99% collection efficiency for FY 2023-24, which is on extremely higher side and even the most efficient State utilities in the Country are not able to achieve it.

6.96 In order to reduce the losses JBVNL has already completed 100% Feeder Metering and is in process of ensuring 100% metering of DTs and Consumers to enable energy auditing. Further, Petitioner is also taking other measures like Name and Shame Campaign, preparation of MIS for performance monitoring and management, Feeder Improvement Program for network strengthening, Physical segregation of feeders, Installation of AMR meters, providing electricity access to unconnected households, Implementation of ERP systems, Installation of AB Cables, Tying up with



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Bank and Post Offices, Feeder Segregation, Revenue Intelligence Cell Formation, etc. Moreover, to enhance the collection efficiency, consumers are facilitated with multiple collection avenues such as Mobile App (ezy-bzly), online payment, E-wallet (through UM), post offices, ATP machines etc. The Petitioner humbly submits that despite creating several avenues for payment of bills by the consumers, the collections have remained lower than the targets.

- 6.97 Further, JBVNL has migrated to a centralized Android based mobile photo spot billing (with collection facility) platform, having complete control over consumer billing database. In order to ensure 100% billing coverage, a maximum of 1200 designated consumers have been assigned to each Urja Mitra, that also acts as a JBVNL Touch-point for billing, collection and various other consumer services. In cases where the performance of UMs is not upto the benchmark, concerned GM and ESEs of the area board are empowered to hire “URJA SATHIS” to perform the billing operations. The centralized billing database and software tool has dedicated dashboards for JBVNL, agencies and UMs, for real-time progress and performance monitoring and enhancing billing and collection. To improve the billing coverage, JBVNL has recently introduced carrot and stick approach for urja mitras where there is system of awards and penalties for best and worst performing Urja Mitras.
- 6.98 The Petitioner is prone to difficulties of T&D losses and collection inefficiencies due to difficult terrains and large rural consumers with limited paying capacity, in overall consumer mix. Further, under Universal Supply Obligation (USO), the petitioner is obliged to provide quality power without any interruption or reduction in power supply in areas with poor collection efficiencies.
- 6.99 The Petitioner has aligned itself to the trajectory approved for Jharkhand under the RDSS scheme by Ministry of Power. Therefore, the petitioner prays to Hon’ble Commission to consider the target of AT&C loss as per the RDSS targets for the state of Jharkhand while approving the APR for FY 2023-24.



Commission Analysis

6.100 The Commission is of the view that it had already set targets for the Collection efficiency in Section “**Targets for Distribution Losses and Collection Efficiency**” of the Distribution Tariff Regulations, 2020 and as such the submission of the Petitioner regarding sudden change seems to be out of order. The Commission thus directs the Petitioner to abide by the targets set by the Commission and any provision for lower collection efficiency will not be allowed.

6.101 Accordingly, the additional power purchase cost incurred due to higher Distribution losses, beyond the targeted level, has been disallowed and is treated as ‘**Disincentive for non-achievement of Distribution loss targets**’ for FY 2023-24.

6.102 Based on above excerpt, the Commission, recognizing its responsibility to ensure fair and efficient energy pricing, has incorporated the power purchase costs for must-run power plants into tariffs. Nonetheless, in exercising judicious scrutiny, the Commission has prudently intervened to disallow excessive energy sale, corresponding power purchase costs associated specifically with thermal power plants exhibiting high ECR (Energy Charge Rate) and respective transmission charge on pro-rated basis. Additionally, the Commission also disallows the corresponding transmission charge on pro-rata basis as tabulated below:

Table 98: Disallowance Distribution Loss (Rs Crore) as approved by the Commission.

Generating Station	Annotation	Total Unit disallow (MU)	Rate (in Rs)	Disallow Cost
Barh I	A	211.75	5.02	106.29
Barh II	B	120.00	5.28	63.42
Kanti Power	C	100.00	5.29	52.87
Total	D=(A+B+C)	431.75		222.57
(Transmission Charge Corresponding to 431.75 MU @ Rs 0.51/unit on pro-rata basis)	E			21.93
DVC (Stand by Power)	F	105.32	6.66	49.12
DVC (KTPS)	G	1827.61	5.01	914.97
Total	H=F+G	1932.93		964.09



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Generating Station	Annotation	Total Unit disallow (MU)	Rate (in Rs)	Disallow Cost
(Transmission Charge Corresponding to 1932.93 MU @ Rs 0.19/unit on pro-rata basis)	I			36.68
Net total Disallow	J=D+E+H+I	2364.69		1245.27

Revenue

Petitioner’s Submission

6.103 The Petitioner has estimated the revenue from sale of Power to be Rs. 7433.89 Crore for FY 2023-24 towards electricity sales.

Commission’s Analysis

6.104 The Commission has observed that the Petitioner has estimated revenue from sale of Power based on Tariff Order dated May 31, 2023 for FY 2023-24. In this regard, the Commission directed the Petitioner to recalculated the revenue as well as accumulated revenue gap/surplus as per tariff Order lies for FY 2023-24. In reply to discrepancies the Petitioner has failed to recalculated the revenue and prayed to modify the estimated revenue from sale of Power as per the revised tariff. Accordingly, the Commission estimated revenue for FY 2023-24 based on Tariff Order dated October 01, 2020 for first two months (i.e. April, May), Tariff Order dated May 31, 2023 for next nine months (i.e. June to February) and Tariff Order dated February 28, 2024 for next one month (i.e. March) as shown below.

Table 99: Revenue (Rs Crore) as approved by the Commission.

Particulars	Petition	Approved
Revenue	7433.89	7350.83

Summary of Annual Revenue Requirement and Gap/(Surplus)

Petitioner’s Submission

6.105 Based on the components of the ARR discussed in the above part, the final ARR submitted by the Petitioner for FY 2023-24 is as below:



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Table 100: Summary of ARR (Rs. Crore) as submitted by the Petitioner

Particulars	APR	Petition
Total Power Purchase Expense	5460.55	7905.00
<i>Power Purchase Expense</i>	5881.88	7310.61
<i>Less: Disallowance due to excess Distribution Loss</i>	1040.65	0.00
<i>Intrastate transmission charges</i>	358.82	324.41
<i>Interstate transmission Charge</i>	260.49	269.98
Operations and Maintenance Expenses	676.32	890.66
<i>Employee Expense</i>	258.72	259.97
<i>Terminal Liability</i>	0.00	224.87
<i>Administration & General Expense</i>	117.11	117.66
<i>Repair & Maintenance Expense</i>	300.49	288.16
Depreciation	483.01	553.89
Return on Equity	500.80	535.95
Interest on Long Term Loan	440.43	527.10
Interest on Consumer Security Deposit	28.77	59.09
Interest on Working Capital Loan	9.77	59.00
Bank & Finance Charge	-	11.00
Total Expenses	7599.65	10542.45
Less: Non-Tariff Income	523.82	40.29
Add: Provision for Doubtful Debt		
ARR after NTI	7075.83	10502.16
Less Penalties	0	
ARR Recoverable	7075.83	10502.16
Revenue from Sales of power at existing tariff	6946.95	7433.89
Gap/(Surplus) at Existing Tariff	128.88	3068.27

Commission's Analysis

6.106 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2023-24 which is summarized below.

Table 101: Summary of ARR (Rs Crore) as approved by the Commission.

Particulars	Petition	Approved
Total Power Purchase Expense	7905.00	5631.67
<i>Power Purchase Expense</i>	7310.61	6206.96
<i>Less: Disallowance due to excess Distribution Loss</i>	0.00	1245.27
<i>Intrastate transmission charges</i>	324.41	382.17
<i>Interstate transmission Charge</i>	269.98	287.81
Operations and Maintenance Expenses	890.66	668.04
<i>Employee Expense</i>	259.97	256.85
<i>Terminal Liability</i>	224.87	0.00
<i>Administration & General Expense</i>	117.66	116.26
<i>Repair & Maintenance Expense</i>	288.16	294.93



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Particulars	Petition	Approved
Depreciation	553.89	500.14
Return on Equity	535.95	503.56
Interest on Long Term Loan	527.10	516.20
Interest on Consumer Security Deposit	59.09	49.86
Interest on Working Capital Loan	59.00	19.32
Bank & Finance Charge	11.00	-
Total Expenses	10542.45	7888.79
Less: Non-Tariff Income	40.29	544.00
Add: Provision for Doubtful Debt		
ARR after NTI	10502.16	7344.79
Less Penalties		0.00
ARR Recoverable	10502.16	7344.79
Revenue from Sales of power at existing tariff	7433.89	7350.83
Gap/(Surplus) at Existing Tariff	3068.27	(6.05)

6.107 The Commission has approved the treatment of the Gap/(Surplus) at existing tariff in **Chapter 8** of this Order.



Chapter 7: AGGREGATE REVENUE REQUIREMENT & TARIFF FOR FY 2024-25

7.1 The Petitioner has submitted the Aggregate Revenue Requirement and Tariff for FY 2024-25 as per clause A24 of JSERC (Term and Condition for Determination of Distribution Tariff) Regulation, 2020.

Consumer Number, Connected Load, Energy Sales

Petitioner Submission

7.2 The Petitioner while projecting the billing determinants (number of consumers, load and energy sales) for FY 2024-25, in its Petition has considered appropriate growth rates for different categories and sub-categories, considering FY 2024-25 to be a normal 'business as usual' year and the trend available for FY 2023-24.

7.3 The Petitioner has submitted to consider the billing determinants for FY 2024-25 as per estimations submitted in this Petition, which have been arrived at by considering the actual data of FY 2022-23 and 6 month estimates for FY 2023-24.

7.4 The category wise number of consumers connected load and Energy sales projected for FY 2024-25 is done based on the estimate percentage growth rate. JBVNL has considered a growth rate of 2% for LT Domestic Consumers for the FY 2024-25 over FY 2023-24.

7.5 For projecting the Commercial consumers for the FY 2024-25, a nominal growth rate of 1 %, which has been applied on the number of consumers during FY 2023-24.

7.6 Industrial Consumers are comprised of mainly two following sub-categories. LT consumers (LTIS) - This category applied on all industrial units applying for a load of less than or equal to 100 kVA (or equivalent in terms of HP or kW). HT Consumers (HTIS) - The category applied on all consumers having contract demand above 100 kVA.

7.7 For projecting the industrial consumers for the FY 2024-25, a growth rate



of 6% has been computed for LT consumers whereas, for HT consumers a growth rate of 8% has been applied on the number of consumers during FY 2023-24.

- 7.8 In order to arrive at the number of agricultural Consumers at the end of FY 2024-25, JBVNL has considered a nominal growth in the number of Consumers in FY 2023-24.
- 7.9 In order to arrive at the number of Street Light Consumers, JBVNL has kept the Consumers base at the same level of FY 2023-24.
- 7.10 Military Engineering Services (MES) and is having mixed load in defence cantonment and related area. JBVNL has assumed the same number of Consumers.
- 7.11 Railways - It is pertinent to mention that railway traction consumers have been considered to be 1 for the control period as the railway traction has been shifted from JBVNL's network and opted for purchase of power through open access only. No increase in number of railway consumers has been considered for the control period.
- 7.12 On the basis of the above excerpt, the Petitioner has submitted the Category-wise billing determinants for FY 2023-24 as shown in the Table below:

Table 102: Consumer Number, Connected Load, Energy Sales as submitted by the Petitioner.

Consumer Category	Consumer (No.)	Connected Load (kW)	Sales (MUs)
Domestic	47,35,331	58,26,496	6,600.53
Commercial/Non Domestic	3,02,029	5,08,035	1,036.36
Public Lighting / SS	434	13,831	67.76
Irrigation / IAS	75,592	67,300	180.83
Industrial LT / LTIS	21,083	3,83,487	335.93
Industrial HT / HTS / S/ EHT	2,412	10,43,776	2,743.04
RTS/MES	8	42,854	90.91
Total	51,36,889	78,85,779	11,055.36

Commission Analysis

- 7.13 On scrutinizing the information submitted by the Petitioner and after



performing a prudent check, the Commission is of the view that the Petitioner has projected minimal increase in the aforesaid parameter as compare to true-up value of FY 2022-23.

7.14 Hence, the Commission at this stage has considered the projection as made by the Petitioner, and approves the number of Consumers, Connected Load and Energy sales, subject to prudent check at the time of truing up based on actuals.

Table 103: Energy Sales as submitted by the Petitioner and approved by the Commission.

Consumer Category	MYT	Petition	Approved
Domestic	7,587.23	6,600.53	6,600.56
Commercial/Non Domestic	1,273.61	1,036.36	1,036.36
Public Lighting / SS	74.02	67.76	67.76
Irrigation / IAS	303.27	180.83	180.83
Industrial LT / LTIS	268.70	335.93	335.93
Industrial HT / HTS / S/ EHT	2,360.45	2,743.04	2,743.04
RTS/MES		90.91	90.91
Total	11,867.28	11,055.36	11,055.39

Table 104: Connected Load (kVA) as submitted by the Petitioner and approved by the Commission.

Consumer Category	MYT	Petition	Approved
Domestic	58,16,898	58,26,496	58,26,496
Commercial/Non Domestic	8,68,876	5,08,035	5,08,035
Public Lighting / SS	25,171	13,831	13,831
Irrigation / IAS	76,816	67,300	67,300
Industrial LT / LTIS	4,41,261	3,83,487	3,83,487
Industrial HT / HTS / S/ EHT	11,97,323	10,43,776	10,43,776
RTS/MES	17,356	42,854	42,854
Total	84,26,346	78,85,779	78,85,779

Table 105: Number of Consumer as submitted by the Petitioner and approved by the Commission.

Consumer Category	MYT	Petition	Approved
Domestic	54,68,074	47,35,331	47,35,334
Commercial/Non Domestic	3,89,387	3,02,029	3,02,029
Public Lighting / SS	632	434	434
Irrigation / IAS	86,559	75,592	75,592
Industrial LT / LTIS	24,403	21,083	21,083
Industrial HT / HTS / S/ EHT	2,271	2,412	2,412
RTS/MES	13	8	8



Consumer Category	MYT	Petition	Approved
Total	59,71,339	51,36,889	51,36,892

Energy Balance

Petitioner's Submission

7.15 The Petitioner has submitted that the Power Purchase from various sources are segregated into different heads, while calculating the energy balance for FY 2024-25.

- Power Purchase from Outside JBVNL Boundary- i.e. Power NTPC, NHPC, PTC, APNRL, part of TVNL, SECI and RE (Wind);
- Energy Input Directly to State Transmission System- Input of power from TVNL-PTPS directly to State Transmission System;
- State Generation- SHPS, Inland Power, and PTPS;
- Direct Input of Energy to Distribution System- DVC and Solar IPPs;
- Energy Input through Renewables sources- Input from Solar IPPs selected through JREDA.

7.16 The Petitioner has considered the Inter-State Transmission Losses at 3% of all power purchase from external sources considering Point of Connection (PoC) withdrawal losses for Jharkhand and PoC injection losses of various power plants with which it has PPA. Thereafter, the Petitioner has considered the Intra-State Transmission Loss @8.46% based on actual intra state transmission losses for FY 2022-23. It may be seen that Intra-State Transmission Losses of JUSNL is at a very high level. This may be due to sub-optimal upkeep of transmission system by JUSNL.

7.17 Based on the information provided above, Energy Balance of JBVNL for FY 2024-25 as summarized below:



Table 106: Energy Balance (in MUs) as submitted by the Petitioner.

Particulars	MYT	Petition
Power Purchase from Outside JBVNL Boundary (MU)	8,573.53	9,185.74
Loss in External System (%)	3.00%	3.00%
Loss in External System (MU)	257.21	275.57
Net Outside Power Available (MU)	8,316.32	8,910.17
Energy Input Directly to State Transmission System (MU)	140.34	390.68
State-owned Generation (MU)	4,210.71	1,427.63
Energy Available for Onward Transmission (MU)	12,667.38	10,728.48
Transmission Loss (%)	2.23%	8.46%
Transmission Loss (MU)	282.48	907.23
Net Energy Sent to Distribution System (MU)	12,384.90	9,821.26
Direct Input of Energy to Distribution System (MU)	1,255.65	3,833.44
Total Energy Available for Sales (MU)	13,640.55	13,654.70
Total energy sold (MU)	11,867.28	11,055.36
Distribution loss%	13.00%	19.08%
Energy Required for distribution (MU)	13,640.55	13,662.26
Power disallowance at DISCOM Periphery (MU)	0.00	-
Total Power Purchase	13,834.56	14,837.50

Commission's Analysis

7.18 It is observed that the loss levels recorded by DISCOM are extremely poor and needs severe overhauling. Such dilapidated network is leading to the drain of the material and economic resources of the nation, which is a cause of worry.

7.19 Factually, since the Distribution Losses and Collection efficiency are a critical operational parameter of the DISCOM, SERCs across the states have provided for the same as a controllable parameter for the DISCOMs. Likewise, the Commission under '**clause 6.44**' of the Distribution Tariff Regulations 2020 provides the Distribution Loss and Collection Efficiency being a Controllable parameter.

7.20 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Commission has approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.

7.21 Subsequently, the Commission vide Order dated May 31, 2023 has



approved the Distribution loss trajectory for each year of the Control period FY 2021-22 to FY 2025-26. The relevant extracts of the MYT Order are reproduced below:

“7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty”.

7.22 In view of the aforesaid, it is submitted that not abiding by the trajectory defined by the Commission and factoring into consideration the deviation in the retail ARR by the Licensee is disdainful.

7.23 It is observed that the Intra-State Transmission Losses of 8.46% for FY 2024-25 has been claimed by the petitioner as against the approved Intra-State Transmission Loss of 2.23%. Further, the Petitioner has clarified that the Intra-State Transmission Loss was calculated by subtracting the normative 3.00% Inter-State Transmission Loss from the Inter-State Power Purchased from the overall Transmission.

7.24 The Commission is of the opinion that it would be imprudent if the cost of the Petitioner’s inefficiency is passed onto the consumers. Accordingly, the Commission has worked out energy availability for the FY 2024-25 on the basis of estimated generation of power from Central, State-owned and other Generating Stations. Further, the loss in external system has been considered at the same level as approved by the Commission in its earlier Order, while the Intra-State Transmission Loss has been considered at 2.23% as per the Tariff Order for JUSNL dated June 23, 2023. The energy availability from various sources has been summarized below:

Table 107: Energy Requirement (MUs) as approved by the Commission.

Particulars	MYT	Petition	Approved
Power Purchase from Outside JBVNL Boundary (MU)	8,573.53	9,185.74	9,185.74



Particulars	MYT	Petition	Approved
Loss in External System (%)	3.00%	3.00%	3.00%
Loss in External System (MU)	257.21	275.57	275.57
Net Outside Power Available (MU)	8,316.32	8,910.17	8,910.17
Energy Input Directly to State Transmission System (MU)	140.34	390.68	390.68
State-owned Generation (MU)	4,210.71	1,427.63	1,427.63
Energy Available for Onward Transmission (MU)	12,667.38	10,728.48	10,728.48
Transmission Loss (%)	2.23%	8.46%	2.23%
Transmission Loss (MU)	282.48	907.23	239.25
Net Energy Sent to Distribution System (MU)	12,384.90	9,821.26	10,489.24
Direct Input of Energy to Distribution System (MU)	1,255.65	3,833.44	3833.44
Total Energy Available for Sales (MU)	13,640.55	13,654.70	14,322.68
Total energy sold (MU)	11,867.28	11,055.36	11,055.39
Distribution loss%	13.00%	19.08%	13.00%
Energy Required for distribution (MU)	13,640.55	13,662.26	12,707.34
Power disallowance at DISCOM Periphery (MU)	0.00	-	1,615.34
Total Power Purchase (MU)	13,834.56	14,837.50	14,837.50

Power Purchase Cost

Petitioner's Submission

7.25 The Petitioner has projected the power purchase quantum for FY 2024-25 based on following facts and assumptions:

- Power Purchase Cost projection for the financial year:** Per Unit Escalation of 5% have been provided as per unit charges of Generating Stations over FY 2023-24 to project the per unit charges for the FY 2024-25. In view of the upcoming CERC orders for central generating stations, it is expected that the cost of power generation will be increased considering the increase in cost of coal and it will be passed through in tariffs by the CERC.
- Transmission and Scheduling Charges:** Transmission and scheduling Charges for FY 2023-24 has been escalated by 5% to arrive at corresponding figure for FY 2024-25.



- **Reduction in Units for Costlier Power Plants:** To reduce dependency in costlier power plants, the Petitioner has reduced power purchase from the costlier plants considerably.
- **Current status of upcoming Thermal Power Stations:** As per updates from respective stakeholders, the Petitioner has considered North Karnpura Unit-1 as upcoming plants in FY 2023-24.
- **Power Requirement in FY 2024-25:** Based on estimated Sales and Energy balance for FY 2024-25 (as detailed in below section), power requirement in FY 24-25 has been calculated. This also includes the demand from upcoming industries such as Jindal power at Patratu, Tata mines and SAIL units at Noamundih.

7.26 Based on aforesaid assumption the Petitioner has projected the Power Purchase Quantum and Cost for FY 2024-25 is tabulated hereunder:

Table 108: Power Procurement Quantum and Cost as submitted by Petitioner.

S.N.	Name of Generating Stations	Total Units Purchased for FY 2024-25 (MU) (Projection)	Power Purchase cost including Trans. Charge (Rs. Cr.) for FY 2024-25
1	NTPC	Farrakka I &II	474
		Farrakka III	195
		Khalagaon I	71
		Talcher	191
		Khalagaon II	37
		Barh I	153
		Barh II	83
		Korba	132
		Darlipalli I	384
		N. Karnpura	497
		N. Karnpura New	157
		Kanti Power	69
Nabinagar	124		
2	N H P C	Rangit	18



S.N.	Name of Generating Stations	Total Units Purchased for FY 2024-25 (MU) (Projection)	Power Purchase cost including Trans. Charge (Rs. Cr.) for FY 2024-25	
	Teesta V	254	88	
	LPSC			
	Total			
3	PTC	Chukha	112	42
		Tala	205	74
		Kurichu	0	0
		Mangdechhu	58	33
4	Total Central Sector			
5	DVC	KTPS (OA)	3877	1889
		Standby Power	105	54
		UI (Deviation)	-169	-47
		Trans. Charge	0	0
		HT Points	0	1
6	TTPS, Tenughat	1800	778	
7	UI Payable (Deviation)	1321	318	
8	Reactive Energy Charge			
8	APNRL	Unit I	378	147
		Unit II	378	148
		66 MW	407	159
		ERLDC APNRL		21
		Adjustment		
9	SOLAR	SECI (Tranche-I)	788	217
		SECI (MNRE-II)	17	11
		State IPPs (MNRE-I)	20	38
10	Wind	PTC	525	195
		SECI	252	72
11	Inland Power Ltd.	391	226	
12	IEX / PXIL	Purchase	635	469
		Sell	-356	-120
14	SRHPS (Generation)	41	31	
15	Grand Total			
16	UI Receivable	-1217		
17	SER-DSM			
18	Trans. Charge	PGCIL		339
		Posoco (ERLDC)		1.462
		JUSNL		283
19	Net Unit	14837	8051	

7.27 The Petitioner has submitted that as per JSERC (Renewable Purchase



Obligation and its compliance) first amendment regulations 2021 clause no 10, obligated entities are mandated to purchase electricity from renewable sources upto FY 2023-24. There are no targets specified for FY 2024-25. Further, the Petitioner has committed to sustainable development with a focus on renewable energy purchase and development in association with JREDA. Hence, its purchase from Renewable energy sources remain intact and it would endeavor to purchase more power from renewable energy sources in future. Accordingly, the Petitioner has projected the Power Purchase from RE for JBVNL be as follows:

Table 109: Renewable Purchase Obligation (in Rs Crore) as submitted by Petitioner.

Sr. No.	Particular	FY 2024-25
1	Gross Power Procured (MU)	14837.50
1	Net Power Procured (MU)	14837.50
2	less: Large Hydo Power procured (MU)	702.04
3	Power procured considered for RPO (MU)	14135.46
4	Solar Target in (%)	0.00%
5	Non-Solar target in (%)	0.00%
6	Solar Target in (MU)	0.00
7	Non-Solar target in (MU)	0.00
8	Total Targeted RPO (MU)	0.00
9	Solar Power Procured (MU)	825.29
10	Non-Solar Power Procured (MU)	777.00
11	Total	1602.29
12	Solar target deficit	825.29
13	Non-Solar target deficit	777.00
14	Total deficit	1,602.29

Commission Analysis

7.28 The Commission has observed that the Petitioner has submitted that as per JSERC (Renewable Purchase Obligation and its compliance) first amendment regulations 2021 clause no. 10, obligated entities are mandated to purchase electricity from renewable sources up to FY 2023-24. There are no targets specified for FY 2024-25. During the technical



validation session, the Commission appraised the petitioner that the Renewable Purchase Obligation (RPO) target for FY 2024-25 has already been established and specified in the JSERC (Renewable Energy Purchase Obligation and its compliance) (First Amendment) Regulations, 2021.

7.29 In reply to discrepancies note the Petitioner has re-submitted the Renewable Purchase Obligation for FY 2024-25 as shown below.

Table 110: Renewable Purchase Obligation (Rs Crore) as approved by Commission.

Sr. No.	Particular	FY 2024-25
1	Gross Power Procured (MU)	14837.50
1	Net Power Procured (MU)	14837.50
2	less: Large Hydo Power procured (MU)	702.04
3	Power procured considered for RPO (MU)	14135.46
4	Solar Target in (%)	12.50%
5	Non-Solar target in (%)	12.50%
6	Solar Target in (MU)	1,766.93
7	Non-Solar target in (MU)	1,766.93
8	Total Targeted RPO (MU)	3,533.86
9	Solar Power Procured (MU)	825.29
10	Non-Solar Power Procured (MU)	777.00
11	Total	1602.29
12	Solar target deficit	-941.64
13	Non-Solar target deficit	-989.93
14	Total deficit	-1,931.58

7.30 On scrutinizing the Petitioner submission, the Commission has observed that the Petitioner had failed to fulfill the RPO target as set by the Commission. In this regard the Commission in technical validation session had asked to provide how to fulfill the RPO obligation. And also directed to provide the proper justification for not fulfill the RPO for FY 2024-25. But till issuance of this Order the Petitioner has failed to provide the proper justification and roadmap for fulfilling of Renewable Purchase Obligation.



7.31 Furthermore, as per JSERC (Renewable Purchase Obligation and its Compliance) (2nd Amendment) Regulation, 2024, the Petitioner needs to purchase following quantum of power from renewable energy sources.

Table 111: Renewable Purchase Obligation as per RPO Regulation for FY 2024-25.

	Wind	Hydro	Distributed Renewable Energy	Other Renewable Energy	Total
RPO Obligation	0.67%	0.38%	1.50%	27.36%	29.91%

7.32 The Commission has projected the power purchase quantum for FY 2024-25 based on the following facts and assumptions.

- Central Sector (including NTPC, NHPC, PTC):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for NTPC, NHPC, PTC source with escalation of 3% for FY 2024-25 over FY 2023-24, subject to truing up based on actual with production of power procurement bills.
- State Owned Generating Plant (TVNL, SRHPS):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for TVNL, SRHPS source at with escalation of 3% for FY 2024-25 over FY 2023-24, subject to truing up based on actual with production of power procurement bills.
- Unit Consideration for TVNL Power Plant:** The Commission has observed that the Petitioner has been considered 412.88 MUs of TVNL under Outside JSEB Boundary and remaining has been taken under State Owned Generation for FY 2024-25. In this regard, the Commission in technical validation session directed the petitioner to provide the basis for considering the 412.88 MUs of TVNL to Bihar Sharif through the interstate transmission system line. In reply to the discrepancies note the Petitioner has submitted that it has wrote a letter to chief



Engineer (C&RA), JUSNL to explore the possibility of whether power can be evacuated through the 220 kV Govindpur line to the Petitioner network.

- **DVC:** The Commission has observed that the Petitioner has procured power in scheduled mode from DVC, but the PPA of the same had been disallow by this Commission in Case No. 11 of 2019 on dated 09.01.2021. In this regard, the Petitioner is required to provide proper justification how the same power has been purchased from DVC without PPA approval. In reply to discrepancies note the Petitioner has submitted that it has wrote a letter to DVC to discusses the issue and conclude on PPA so that a fresh/revised PPA can be submitted to this Commission for its approval. Accordingly, the Commission has taken into account the power procurement rate for DVC source at with escalation of 2% for FY 2024-25 over FY 2023-24, subject to truing up based on actual with production of power procurement bills.
- **Private Owned Generator (Including APRNL, IPL):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for APRNL, IPL source at with escalation of 3% for FY 2024-25 over FY 2023-24, subject to truing up based on actual with production of power procurement bills.
- **Solar (including SECI (Trenche-1), SECI (MNRE-II), State IPPs (MNRE-1)):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for SECI (Trenche-1), SECI (MNRE-II) source with escalation of 3% for FY 2024-25 over FY 2023-24. Further with regard to state IPP (MNRE-1) the Commission has considered the same rate of true-up FY 2022-23, subject to truing up based on actual with production of power procurement bills.



- **IEX (Purchase/Sell):** It has been observed by the Commission that the Petitioner has proposed to Purchase/sell the deficit/surplus power in the Open Market. In this regard the Commission is of the view that the Power Purchase Cost is one of the major cost components in the ARR. Accordingly, Commission in the instant petition is not approving Purchase/Sell of any surplus power.
- **Current status of upcoming Thermal Power Stations:** As per updates from respective stakeholders, the Petitioner has considered North Karnpura Unit-1 as upcoming plants in FY 2023-24.

7.33 Based on the aforesaid observation, the Commission approves the Power Purchase Cost for FY 2024-25 which has been summarized in the table below:

Table 112: Power Procurement Quantum and Cost as approved by the Commission.

S.N.	Name of Generating Stations	Projected Power Purchase in MU	Power Purchase Cost (Rs Cr. for FY 2024-25)	
1	NTPC	Farrakka I &II	796.89	
		Farrakka III	322.00	
		Khalagaon I	126.00	
		Talcher	450.00	
		Khalagaon II	73.50	
		Barh I	222.34	
		Barh II	126.00	
		Korba	350.00	
		Darlipalli I	950.00	
			0.00	
		N. Karnpura	950.00	
		N. Karnpura New	300.00	
		Kanti Power	105.00	
		Nabinagar	210.00	
		LPSC		
	Total	4981.73	2050.68	
2	N H P C	Rangit	33.50	14.25



S.N.	Name of Generating Stations	Projected Power Purchase in MU	Power Purchase Cost (Rs Cr. for FY 2024-25)	
	Teesta V	254.06	67.55	
	LPSC		0.00	
	Total	287.57	81.80	
3	PTC	Chukha	111.60	28.99
		Tala	205.49	48.69
		Kurichu	0.50	0.14
		Mangdechhu	58.31	26.42
		Total	375.89	104.24
4	Total Central Sector	5645.19	2236.71	
5	DVC	KTPS (OA)	3877.00	1999.20
		Standby Power	105.32	72.23
		UI (Deviation)	0.00	0.00
		Trans. Charge		75.56
		HT Points	0.06	0.03
		Total	3982.37	2147.02
6	TTPS, Tenughat	1800.00	751.11	
7	UI Payable (Deviation)	213.11	50.27	
8	Reactive Energy Charge		0.00	
8	APNRL	Unit I	378.39	156.26
		Unit II	378.39	141.67
		66 MW	406.57	170.57
		ERLDC APNRL		21.72
		Adjustment		0.00
		Total	1163.34	490.22
9	SOLAR	SECI (Tranche-I)	788.40	220.60
		SECI (MNRE-II)	16.65	10.80
		State IPPs (MNRE-I)	20.24	36.34
		Total	825.29	267.74
10	Wind	PTC	525.00	200.43
		SECI	252.00	74.13
		Total	777.00	274.56
11	Inland Power Ltd.	390.68	224.26	
12	IEX / PXIL	Purchase	0.00	0.00
		Sell	0.00	0.00
13	Total Purchase		0.00	
14	SRHPS (Generation)	40.51	9.33	
15	Grand Total	14837.50	6451.23	
16	UI Receivable	0.00	0.00	
17	SER-DSM		0.00	



S.N.	Name of Generating Stations	Projected Power Purchase in MU	Power Purchase Cost (Rs Cr. for FY 2024-25)
18	Net Power Purchase Quantum and Cost excluding Transmission Charge	14837.50	6451.23

Transmission Charge

Petitioner's Submission

7.34 The Petitioner has submitted that transmission charges payable to JUSNL have been computed based on the Actual Transmission Charges for FY 2023-24, which has been escalated by 5.00% to arrive at the corresponding figure for FY 2024-25.

Table 113: Transmission Charge (in Rs Crore) as submitted by Petitioner.

Particulars	MYT	Petition
Inter-State Transmission Charge (incl. Posoco ERLDC)	358.82	283.48
Intra-State Transmission Charge	316.68	340.63

Commission Analysis

7.35 Based on the above submission, the Commission has calculated the total Intra state Transmission charge as Rs 323.59 Cr for FY 2024-25 considering Rs 0.31 per unit for first four months and Rs 0.37 per unit for next eight months on energy input through state transmission system.

7.36 Further, the Commission has calculated the Inter-State Transmission Charges for FY 2024-25 by escalating the Interstate transmission charge over FY 2023-24 by 3.00%. The below table summarizes the Inter/Intra-state Transmission Charge.

Table 114: Transmission Charge (in Rs Crore) as approved by the Commission.

Particulars	Approved
Inter-State Transmission Charge (incl. Posoco ERLDC)	396.75
Intra-State Transmission Charge	323.59

Capital Expenditure and Capitalization



Petitioner's Submission

7.37 The Petitioner has submitted the capital expenditure of Rs 2554.34 Crore for FY 2024-25. A brief discussion regarding the expected expenditure is provided below:

Table 115: Estimated Scheme wise capital investment (in Rs Crore) as submitted by the Petitioner.

Particulars	Petition
Revamped Distribution Sector Scheme (RDSS)	1,806.72
<i>Consumer Metering</i>	98.86
<i>Energy Accounting (DT Metering)</i>	11.39
<i>Energy Accounting (Feeder Metering)</i>	1.03
<i>Loss Reduction</i>	1,680.02
<i>PMA</i>	15.42
Annual Development Plan (ADP)	562.00
JSBAY -RE and Urban	
Jharkhand Power System Improvement Project (JPSIP)	157.62
<i>Smart Metering in Ranchi</i>	61.00
<i>IT Hardware and software Upgradation</i>	25.00
<i>Software for Power Management</i>	3.00
<i>IT Project Management</i>	1.50
<i>Business Process Upgradation</i>	2.00
<i>Upgradation of Training Centre</i>	0.50
<i>Energy Accounting (Ranchi and Jamshedpur)</i>	64.62
Smart metering Dhanbad	28.00
Total	2,554.34

Commission Analysis

7.38 The Commission in data discrepancies had directed to submit the scheme-wise capital expenditure details. In reply to discrepancies note the Petitioner had failed to submit related data/documents. Accordingly, on scrutinizing and analyzing the material on record and on prudent check, the Commission approves the capital expenditure equal to approved value of FY 2023-24.

7.39 The Commission has approved the capitalization for FY 2024-25 based on the actual capitalization during, FY 2020-21, FY 2021-22 and FY 2022-23 as a percentage the Opening CWIP and Capital Expenses incurred during the respective years and multiplying the same by the sum



of Opening CWIP and Capex approved.

Table 116: Capital work in progress (Rs. Crore) as approved by the Commission.

Particulars	Petition	Approved
Opening CWIP (A)	801.01	1762.09
Capex during the year (B)=(D)-(A)+(C)	2607.73	1366.54
Transfer to GFA (C)	2185.61	1466.65
Closing CWIP (D)	1223.12	1661.97

Table 117: Actual capitalization (in Rs Crore) as approved by the Commission.

Particulars	MYT	Petition	Approved
Opening GFA	24567.43	22865.39	24365.64
GFA Addition	2379.97	2185.61	1466.65
Closing GFA	26947.40	25051.00	25832.29

Consumer Contribution, Grants and Subsidies

Petitioner's Submission

7.40 The Petitioner has submitted the Consumer Contribution Grant funding for FY 2024-25, based on the closing CCG funding of FY 2024-25 as provided in the table below:

Table 118: Consumer contribution and grants (Rs. Crore) as submitted by petitioner.

Particulars	MYT	Petition
Consumer Contribution Grants opening	13768.98	10306.19
Addition: Government Grants	1600.58	1033.95
Addition: Consumer Contribution		53.38
Closing consumer contribution Grants	15369.56	11393.53

Commission Analysis

7.41 The Commission has considered additions of Grants (and Consumer Contribution) amounting to Rs. 1,147.42 Crore based on Consumer Contribution and Grants Additions as shown below.



Table 119: CCG (Rs. Crore) as approved by the Commission.

Particulars	MYT	Petition	Approved
Consumer Contribution Grants opening	13768.98	10306.19	13529.77
Addition: Government Grants	1600.58	1033.95	1060.14
Addition: Consumer Contribution		53.38	87.29
Closing consumer contribution Grants	15369.56	11393.53	14677.19

7.42 The Commission has considered the closing balance of consumer contribution and grants of FY 2023-24 as opening consumer contribution and grants for FY 2024-25.

7.43 Further, the Commission has adopted the approach for calculation of Normative Loan and Equity as done earlier in this order. For estimating the sources of finance required to fund the closing GFA, the Commission has reduced the GFA by the CCG available with the Petitioner.

7.44 For funding of the above mentioned GFA, the Commission has considered the normative debt-equity ratio of 70:30 as provided in Distribution Tariff Regulations, 2020. Moreover, consumer contribution grants and subsidies for capital assets are first netted off from gross fixed assets and the normative debt-equity ratio is applied on the remaining gross fixed assets only.

7.45 In line with the aforesaid discussion, the Commission approves the admissible GFA, CCG, debt-equity as given below:

Table 120: Source of funding of GFA (in Rs Crore) as approved by the Commission.

Particulars	Approved
CCG towards CWIP	912.46
CCG towards GFA	12617.31
Opening GFA (less CCG)	11748.33
GFA Addition (less CCG)	293.97
Closing GFA less CCG	12042.30
Accumulated Depreciation	7258.82
Acc. Dep. towards GFA	3383.86
Normative Loan (Closing)	5045.75



Particulars	Approved
Normative Equity (Closing)	3612.69

Operation and Maintenance Expenses

Petitioner's Submission

7.46 The Petitioner has submitted that the Operation and Maintenance Expenses (O&M expenses) comprises of Employee Expenses, Repair & Maintenance Expenses and Administrative & General Expenses.

7.47 The Petitioner has calculated the employee cost for FY 2024-25 by escalating the employee cost of FY 2023-24 as submitted above in Chapter of APR for FY 2023-24 by the inflation factor of 3.10 % and the methodology provided under '**clause 10.6 (b) and (c)**' of JSERC MYT Regulations, 2020. Accordingly, the Petitioner has projected employee cost for FY 2024-25 as provided in the table below.

Table 121: Employee cost (Rs Crore) as submitted by the Petitioner.

Particulars	MYT	Petition
Employee Expenses	280.98	268.03
Terminal Expenses		231.85
Total Employee Expenses	280.98	499.89

7.48 In line with '**clause 10.6 (b) and (c)**' of JSERC MYT Regulations 2020, the A&G expenses for FY 2024-25 has been calculated by escalating A&G expense of FY 2023-24 by inflation factor 3.10%. Accordingly, the petitioner has estimated the A&G expenses for FY 2024-25 is provided in the table below.

Table 122: A&G Expense (Rs Crore) as submitted by the Petitioner.

Particulars	MYT	Petition
A&G Expenses	107.13	121.31

7.49 In line with the '**clause 10.6 (a)**' of JSERC MYT Regulations 2020, the R&M expenses for FY 2023-24 have been estimated by applying K-factor of 1.49% as computed and based on estimated data of FY 2024-25. Further the Petitioner has considered Indexation Factor of 3.10% as per **clause 10.6 (a)** of JSERC MYT Regulations 2020 for projecting Repair &



Maintenance Expenditure in next Control Period. Accordingly, the Petitioner has estimated the R&M expenses for FY 2024-25 as provided in the table below.

Table 123: R&M Expenses (Rs Crore) as submitted by the Petitioner.

Particulars	MYT	Petition
R&M Expenses	310.66	307.40

Commission Analysis

7.50 The Commission has outlined **‘clause 10.3 to clause 10.7’** of JSERC Distribution Tariff Regulations 2020 in True-up chapter for the approval of operation and maintenance expense.

7.51 Based on the above excerpt, the Commission had calculated the inflation factor as 6.59% for FY 2024-25.

7.52 Further, the Commission has observed that the Petitioner has submitted the Growth factor as (0%). Hence, based on the regulation as mentioned in the earlier chapter of this order, the Commission has considered the growth factor as nil for Computation of employee expenses.

7.53 Based on the facts & circumstances of the petition, the Commission approves the normative employee expenses for FY 2024-25, by taking the actual value of inflation factor (6.59%) and growth factor (0%).

Table 124: Normative Employee Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
Employee Cost of Previous Year	Rs. Cr.	256.85
Inflation Factor	%	6.59%
Growth Factor	%	-
Normative Employee Expenses	Rs. Cr.	273.78

7.54 The Commission approves the normative A&G Expenses for FY 2024-25, based on the approved normative A&G Expenses for FY 2023-24 and estimated inflation factor as 6.59%.



Table 125: Normative A&G Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	116.26
Inflation Factor	%	6.59%
Normative A&G Expenses	Rs. Cr.	123.93

7.55 For the purpose of evaluating the normative R&M Expenses, the Commission has taken the approved opening value of Gross Fixed Assets for FY 2023-24 and by multiplying the 'k' factor of 1.22% as approved in the MYT Order dated May 31, 2023 and inflation factor of 6.59%.

Table 126: Normative R&M Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
GFA	Rs. Cr.	24567.43
K-Factor	%	1.22%
Inflation Factor	%	6.59%
Normative R&M Expense	Rs. Cr.	319.49

7.56 In accordance with **clause 10.6 (note 3)** of JSERC Distribution Tariff Regulations 2020 the Commission disapproves the terminal liabilities for FY 2022-23, subject to prudent check at the time of True-up.

7.57 Based on the above discussion the Commission approves the normative operational and maintenance expense as given below.

Table 127: Normative O&M Expenses (Rs Crore) as approved by the Commission.

Particulars	Approved
Normative Employee Expense	273.78
Terminal Liabilities	0.00
Normative A&G Expenses	123.93
Normative R&M Expenses	319.49
Net Normative Operation & Maintenance Expenses	717.20

Depreciation

Petitioner's Submission

7.58 The Petitioner has estimated the Depreciation for FY 2024-25 in line with



the approach adopted by the Hon'ble Commission in Tariff Order dated October 01, 2020.

7.59 The Petitioner has first arrived at the opening and closing GFA, created out of D&E, by deducting the CC&G portion deployed towards opening and closing GFA. The Petitioner has applied the depreciation rate as approved by the Commission on the average GFA calculated as per **clause 10.39** of JSERC Distribution Tariff Regulations, 2020 to arrive at the total depreciation. Accordingly, the Petitioner has projected the depreciation expense for FY 2024-25 as shown below.

Table 128: Depreciation (in Rs Crore) as submitted by the Petitioner.

Particulars	MYT	Petition
Opening GFA (Less CCG) (Rs. Cr.)	12820.56	12908.02
Closing GFA (Less CCG) (Rs. Cr.)	13535.26	14187.86
Average GFA excluding Consumer Contributions and Grants (Rs. Cr.)	13177.91	13547.94
Depreciation Rate (%)	4.20%	4.50%
Depreciation Cost (Rs. Cr.)	553.94	609.07

Commission Analysis

7.60 In accordance with '**clause 10.34 to clause 10.40**' of Distribution Tariff Regulations, 2020, depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Excluding the consumer contribution deployed towards GFA as approved in this Order, the Commission has determined the depreciation on the GFA created out of debt and equity for FY 2024-35. The rate of depreciation has been considered at 4.32% as approved in the earlier order. The Commission has calculated the Depreciation on Average GFA (net of Average CCG) as per the Distribution Tariff Regulations, 2020. Accordingly, the Commission approves the depreciation for FY 2024-25 as summarized below.

Table 129: Depreciation (Rs Crore) as approved by the Commission.

Particulars	Approved
Opening GFA (Less CCG) (Rs. Cr.)	11748.33
Closing GFA (Less CCG) (Rs. Cr.)	12042.30
Average GFA excluding CCG (Rs. Cr.)	11895.32



Particulars	Approved
Depreciation Rate (%)	4.32%
Depreciation Cost (Rs. Cr.)	513.93

Interest on Loan

Petitioner's Submission

- 7.61 The Petitioner has considered opening debt for FY 2024-25 as equal to closing value of FY 2023-24, as submitted in the above chapter regarding audited APR for FY 2023-24.
- 7.62 In line with '**clause 10.22**' of the JSERC Distribution Tariff Regulations, 2020, the Petitioner has calculated the Closing debt for FY 2024-25.
- 7.63 In line with '**clause 10.23**' of the JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered the repayment of loan for FY 2024-25 as equal to Depreciation.
- 7.64 Further, in accordance with JSERC Distribution Tariff Regulations 2020 the Petitioner has considered the rate of interest on long-term loan, as Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points. Accordingly, the Petitioner has calculated the Interest on loan as shown below.

Table 130: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner.

Particulars	MYT	Petition
Opening Balance	6052.11	5197.63
Deemed Addition during the year	885.57	1147.52
Deemed Repayments during the year	553.94	609.07
Closing Balance	6383.73	5736.08
Average balance during the Year	6217.92	5466.85
Interest Rate	9.00%	10.55%
Interest Expense	559.61	576.75
Bank & Finance Charge	-	11.00

Commission's Analysis

- 7.65 The Commission has outlined '**clause 10.16, clause 10.17, clause 10.21 to clause 10.29**' of JSERC Distribution Tariff Regulations 2020 earlier in this order for the approval of interest of loan and finance charge.



- 7.66 In accordance with '**clause 10.16 and clause 10.17**' as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner, is considered as gross normative loan for calculation of interest on loan.
- 7.67 In accordance with '**clause 10.23**' as mentioned above, the Commission approves the debt repayment as equal to depreciation for the same financial year.
- 7.68 The Commission has observed that the Petitioner has considered the interest rate of loan as 10.55% (i.e. 8.55%+200 basis point, Base rate of SBI other than April 01 of subsequent year). In this regard, the Commission had directed the Petitioner is to provide proper justification for deviated from with '**clause 10.26 (proviso)**' of JSERC Determination of Distribution Tariff Regulations 2020. In reply to discrepancies note the Petitioner has admitted that there is an error while calculating the interest rate and prayed to consider the interest rate as per **clause 10.26 (proviso)** JSERC Determination of Distribution Tariff Regulations 2020. Accordingly, the Commission approves the interest rate as 9.00% (Base rate of SBI as applicable on April 1st of FY 2023-24 plus 200 basis points) in accordance with '**clause 10.26 (proviso)**' as mentioned above.
- 7.69 The Commission has observed that the Petitioner has considered the bank charge amounting to Rs 11.00 crore. In this regard, the Commission has directed the Petitioner to provide break-up of the bank charge and also provide the regulation under which this amount has been claimed. In reply to the discrepancies note the Petitioner failed to provide regulation under which this amount has been claimed. Accordingly, the Commission disallow the bank/finance charge as Rs 11.00 crore, subject to prudent check at the time of true-up.
- 7.70 In accordance with **clause 10.28** as mentioned above, the Commission has excluded interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee as given below:



Table 131: Interest on Loan and Finance Charges (in Rs Crore) as approved by the Commission.

Particulars	MYT	Petition	Approved
Opening Balance	6052.11	5197.63	4971.67
Deemed Addition during the year	885.57	1147.52	588.02
Deemed Repayments during the year	553.94	609.07	513.93
Closing Balance	6383.73	5736.08	5045.75
Average balance during the Year	6217.92	5466.85	5008.71
Interest Rate	9.00%	10.55%	10.50%
Interest Expense	559.61	576.75	525.91
Bank & Finance Charge	-	11.00	-

Interest on Consumer Security Deposits

Petitioner's Submission

7.71 In order to estimate the interest on consumer security deposit for FY 2024-25, the petitioner has assumed an escalation of 5% over the accumulated consumer security of FY 2023-24 as per audited accounts.

7.72 Further, in accordance with JSERC Supply Code Regulations, 2015 the Petitioner has considered the interest rate as 8.70% (i.e. SBI Base Rate prevailing on Nov 2022) as shown below.

Table 132: Interest on CSD (Rs Crore) as submitted by the Petitioner.

Particulars	MYT	Petition
Opening IoCSD	758.00	780.38
Interest Rate	7.55%	8.95%
Int. on CSD	57.23	69.84

Commission's Analysis

7.73 The Commission has outlined '**clause 10.33**' of JSERC Distribution Tariff Regulations 2020 earlier in this order for approval of interest on consumer security deposit.

7.74 The Commission has observed that the Petitioner in the instant petition has claimed interest on Consumer Security Deposit to the tune of Rs 69.84 crore. Further, the Petitioner has escalated the Consumer Security Deposit by an arbitrary 5.00% over APR of FY 2023-24 and has applied an interest rate equivalent to SBI Bank Rate.



7.75 In view of the aforesaid, reliance is placed on the actual security deposit paid by the Licensee during the FY 2022-23. From the Audited Accounts of FY 2022-23, it could be observed that the Petitioner is not discharging Interest on Consumer Security Deposit to the prospective consumers. The Interest on Consumer Security Deposit balance is provided at **'Note 16'** of the Audited Financial Statements. The Interest on Consumer Security Deposit balance as on 31.03.2022 is Rs. 488.83 Crores and the outstanding interest payable as on 31.03.2023 Rs. 497.95 Crores. Further, the addition to Interest accrued on Security Deposit during the FY 2022-23 is Rs. 58.98 Crores (**ref Note 29** of the Audited Accounts). The table below summarizes the actual Interest on Security Deposit discharges during the FY 2024-25:

Table 133: Interest on CSD (Rs. Crore) as approved by the Commission.

Particulars	Approved
Opening Consumer Security Deposit	488.83
Consumer Security Deposit Addition	58.98
Closing Consumer Security Deposit	497.95
Interest on Consumer Security Deposit	49.86

Return on Equity

Petitioner's Submission

7.76 The Petitioner has considered the opening balance of normative equity for FY 2024-25 as per the closing balance for the FY 2023-24, as submitted above in the chapter regarding APR for FY 2023-24.

7.77 In accordance with the provisions of JSERC Distribution Tariff Regulations, 2020 the petitioner has considered that the Closing equity for FY 2024-25 has been calculated using normative debt equity ratio (70:30).

7.78 In accordance with provisions of JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered the rate of Return on Equity (RoE) as 14.50%.



Table 134: Return on Equity (Rs Crore) as submitted by the Petitioner.

Particulars	MYT	Petition
Opening Equity (Normative)	3846.17	3872.40
Equity Addition (Normative)	214.41	383.95
Closing Equity (Normative)	4060.58	4256.36
Average Equity	3953.37	4064.38
Rate of Return	14.50%	14.50%
Return on Equity	573.24	589.34

Commission's Analysis

7.79 On consideration of the Distribution Tariff Regulations, 2020, the Opening approves Opening Equity base for FY 2024-25 as the Closing Equity base of FY 2023-24. Further, the Commission approves normative Equity addition during the financial years as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.

7.80 In accordance with '**clause 10.19**' of the Distribution Tariff Regulations, 2020, the Commission approves a rate of return of 14.50% on equity.

Table 135: Return on Equity (Rs Crore) as approved by the Commission.

Particulars	MYT	Petition	Approved
Opening Equity (Normative)	3846.17	3872.40	3524.50
Equity Addition	214.41	383.95	88.19
Closing Equity (Normative)	4060.58	4256.36	3612.69
Average Equity	3953.37	4064.38	3568.60
Rate of Return	14.50%	14.50%	14.50%
Return on Equity	573.24	589.34	517.45

Interest on Working Capital (IoWC)

Petitioner's Submission

7.81 In line with the '**clause 10.29 and 10.30**' of the JSERC Distribution Tariff Regulations, 2020, the Petitioner has estimated the working capital requirement for FY 2024-25.

7.82 Rate of IoWC has been considered to be equal to the SBI MCLR (for 1-year period) prevailing as on September 30, 2023 plus 350 Basis Points as per '**clause 10.31**' of the JSERC Distribution Tariff Regulations, 2020.



7.83 It has been submitted that based on the expenditure for FY 2024-25, the Petitioner has estimated the working capital requirement and interest thereof, as provided in the Table below.

Table 136: Interest on Working Capital (Rs Crore) as submitted by the Petitioner

Particulars	MYT	Petition
Maintenance Spares (@1% GFA)	128.21	129.08
2 months' Receivables	1500.00	1809.65
Less: 1 month Power Purchase Cost	564.53	618.89
Less: Consumer Security Deposit	758.00	780.38
Total Working Capital requirement	305.68	539.46
Interest rate on WC	10.50%	11.50%
Interest on Working Capital	32.096	62.04

Commission's Analysis

7.84 The Commission has outlined the '**clause 10.31 & clause 10.32**' of JSERC Distribution Tariff Regulations 2020 earlier in True-up Chapter for the approval of Interest on Working Capital.

7.85 Based on above the excerpt, the Commission approves the interest on working capital for FY 2024-25 as summarized below:

Table 137: Interest on Working Capital (in Rs. Crore) as approved by the Commission

Particulars	Approved
Maintenance Spares @1% of Opening GFA of Wheeling and Retail Business	117.48
Revenue from Wheeling and Retail Supply Charges-2 month	1346.06
Less: Power Purchase Cost for One Month Retail Business	522.33
Less: Average Security Deposit	707.83
Total Working Capital Requirement	233.38
Rate of Interest (SBI 1 yr MCLR plus 350 b.p)	12.00%
Total Interest on Working capital	28.01

Non-Tariff Income (NTI)

Petitioner's Submission

7.86 The Petitioner has submitted the Non-Tariff Income (Other Income) for FY 2024-25 at the level of FY 2022-23.



7.87 The Petitioner has already submitted the rationale behind the computation of NTI in True-up Chapter, which is in line with the judgement of Hon'ble APTEL dated 12.07.2011 in case No. 142 & 147 of 2009. Accordingly, the Petitioner prayed to the Commission to approve the Non-tariff income as summarized below:

Table 138: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.

Particulars	MYT	Petition
Interest Income from Investment in Fixed Deposits	29.80	10.29
D.P.S from Consumer	448.48	
Interest on advance to Supplier/Contractor	-	0.07
Interest from Bank (Other than FD)	5.09	5.53
Income from Staff Welfare activities	-	-
Supervision Charges	3.28	5.39
Miscellaneous Receipt	3.60	10.25
Rebate on power purchase		
Transformer Rent	20.34	6.57
Wheeling Charges / Fuel surcharge/outside sale	0.00	0.00
Receipt from Consumers for capital works	0.00	0.00
Miscellaneous Charges from Consumers	0.25	2.18
Total NTI	510.84	40.29

Commission's Analysis

7.88 The Commission has outlined '**clause 10.53 & clause 10.54**' of JSERC Distribution Tariff Regulations 2020 earlier in true-up chapter for the approval of Non-Tariff Income.

7.89 Based on the above excerpt, the Commission has observed that the Petitioners approach of excluding Delayed payment surcharge and rebate on power purchase is inappropriate and non-maintainable.

7.90 The Commission does not consider the revenue from sale of wheeling charge/ fuel surcharge/ outside sale under Non-Tariff Income as the same has already been considered in the power purchase section of this order.

7.91 The Commission further opines that the Working Capital requirement as stipulated in the provision of JSERC (Distribution Tariff) Regulations 2020 and amendment thereof is being allowed as per normative to cater



the day to day working capital requirements of the Utilities.

- 7.92 Accordingly, on prudent check the Commission approves the NTI as per above outlined regulation as shown below.

Table 139: Non-Tariff Income (Rs Crore) as approved by the Commission.

Particulars	MYT	Petition	Approved
Interest Income from Investment in Fixed Deposits	29.80	10.29	10.29
D.P.S from Consumer	448.48		465.64
Interest on advance to Supplier/Contractor	-	0.07	0.07
Interest from Bank (Other than FD)	5.09	5.53	5.53
Income from Staff Welfare activities	-	-	0.00
Supervision Charges	3.28	5.39	5.39
Miscellaneous Receipt	3.60	10.25	10.25
Rebate on power purchase			23.08
Transformer Rent	20.34	6.57	6.57
Wheeling Charges / Fuel surcharge/outside sale	0.00	0.00	0.00
Receipt from Consumers for capital works	0.00	0.00	14.99
Miscellaneous Charges from Consumers	0.25	2.18	2.18
Total NTI	510.84	40.29	544.00

Disallowances on account of Excessive AT&C Losses

Commission Analysis

- 7.93 The Commission is of the view that it had already set the targets for the Collection efficiency in Section “Targets for Distribution Losses and Collection Efficiency” of the Distribution Tariff Regulations, 2020 and as such the submission of the Petitioner regarding sudden change seems to be out of order. The Commission thus directs the Petitioner to abide by the targets set by the Commission and any provision for lower collection efficiency will not be allowed.
- 7.94 Accordingly, the additional power purchase cost incurred due to higher Distribution losses, beyond the targeted level, has been disallowed and is treated as ‘Disincentive for non-achievement of Distribution loss targets’ for FY 2024-25. The Commission has adopted similar approach as adopted by it in the previous Order dated February 28, 2024 in the computation of non-achievement of T&D loss reduction targets. The non-



achievement of Distribution loss reduction targets for the FY 2024-25 as approved by the Commission is summarized below:

Table 140: Disallowance Distribution Loss (Rs Crore) as approved by the Commission.

Generating Station	Annotation	Total Unit disallow (MU)	Rate (in Rs)	Disallow Cost
Barh- I	A	222.34	-	114.95
Barh- II	B	126.00		68.58
Kanti Power	C	105.00		57.18
Total	D=(A+B+C)	453.34		240.71
(Transmission Charge Corresponding to 453.34 MU @ Rs 0.52/unit on pro-rata basis)	E			23.72
DVC (Stand by Power)	F	105.32	6.86	72.23
DVC (KTPS)	G	1056.68	5.16	544.88
Total	H=F+G	1267.31		617.11
(Transmission Charge Corresponding to 1566.00 MU @ Rs 0.19/unit on pro-rata basis)	I			22.05
Net total Disallow	J=D+E+H+I	1615.34		903.59

Revenue

Petitioner's Submission

7.95 The Petitioner has projected the revenue from sale of Power to be Rs. 7759.98 Crore for FY 2024-25 towards electricity sales.

Commission's Analysis

7.96 The Commission has calculated revenue based on Tariff Order date February 28, 2024 for FY 2024-25 as shown below.

Table 141: Revenue (Rs Crore) as approved by the Commission.

Particulars	Petition	Approved
Revenue	7759.98	8390.63



Summary of Annual Revenue Requirement and Gap/(Surplus)

Petitioner's Submission

7.97 Based on the components of the ARR discussed in the above para, the final ARR submitted by the Petitioner for FY 2024-25 is as below:

Table 142: Summary of ARR (Rs. Crore) as submitted by the Petitioner.

Particulars	MYT	Petition
Total Power Purchase Expense	6774.34	8050.81
<i>Power Purchase Expense</i>	6098.84	7426.70
<i>Less: Disallowance due to excess Distribution Loss</i>		0.00
<i>Intrastate transmission charges</i>	358.82	283.48
<i>Interstate transmission Charge</i>	316.68	340.63
Operations and Maintenance Expenses	698.77	928.60
<i>Employee Expense</i>	280.98	268.03
<i>Terminal Liability</i>		231.85
<i>Administration & General Expense</i>	107.13	121.31
<i>Repair & Maintenance Expense</i>	310.66	307.40
Depreciation	553.94	609.07
Return on Equity	573.24	589.34
Interest on Long Term Loan	559.61	576.75
Interest on Consumer Security Deposit	57.23	69.84
Interest on Working Capital Loan	32.10	62.04
Bank & Finance Charge		11.00
Total Expenses	9249.23	10898.22
Less: Non-Tariff Income	249.22	40.29
Add: Provision for Doubtful Debt		
ARR after NTI	9000.01	10857.93
Less Penalties		
ARR Recoverable	9000.01	10857.93
Revenue from Sales of power at existing tariff		7759.98
Gap/(Surplus) at Existing Tariff		3097.95

Commission's Analysis

7.98 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2024-25 which is summarized below.

Table 143: Summary of ARR (Rs Crore) as approved by the Commission.

Particulars	Petition	Approved
Total Power Purchase Expense	8050.81	6267.97



Particulars	Petition	Approved
<i>Power Purchase Expense</i>	7426.70	6451.23
<i>Less: Disallowance due to excess Distribution Loss</i>	0.00	903.59
<i>Intrastate transmission charges</i>	283.48	396.75
<i>Interstate transmission Charge</i>	340.63	323.59
Operations and Maintenance Expenses	928.60	717.20
<i>Employee Expense</i>	268.03	273.78
<i>Terminal Liability</i>	231.85	0.00
<i>Administration & General Expense</i>	121.31	123.93
<i>Repair & Maintenance Expense</i>	307.40	319.49
Depreciation	609.07	513.93
Return on Equity	589.34	517.45
Interest on Long Term Loan	576.75	525.91
Interest on Consumer Security Deposit	69.84	49.86
Interest on Working Capital Loan	62.04	28.01
Bank & Finance Charge	11.00	-
Total Expenses	10898.22	8620.33
Less: Non-Tariff Income	40.29	544.00
Add: Provision for Doubtful Debt		
ARR after NTI	10857.93	8076.33
Less Penalties		0.00
ARR Recoverable	10857.93	8076.33
Revenue from Sales of power at existing tariff	7759.98	8390.63
Gap/(Surplus) at Existing Tariff	3097.95	(314.30)

7.99 The Commission has approved the treatment of the Gap/(Surplus) at Approved tariff in **Chapter 8** of this Order.



Chapter 8: REVENUE GAP AND ITS TREATMENT

Treatment of Revenue Gap/(Surplus)

Commission Analysis

8.1 Based on the approved ARR and revenue from existing tariff, the Commission has approved the Revenue Gap/(Surplus) for FY 2024-25 as shown below:

Table 144: Revenue Gap/(Surplus) (in Rs Crore) as approved by the Commission for FY 2024-25 at existing Tariff.

Particulars	FY 24-25
	Approved
Annual Revenue Requirement	8076.33
Revenue Gap / (Surplus) created during the Year	8390.63
Total Revenue Gap/(Surplus)	(314.30)

8.2 The Commission observes that in FY 2024-25 revenue surplus stands at Rs. (314.30) crores at existing tariff Order dated February 28, 2024. Further, in view of ARR for FY 2024-25.

8.3 Based on the above excerpt, the Commission is of the opinion that the existing tariff effective from March 01, 2024, for JBVNL, not only fulfills the Aggregate Revenue Requirement (ARR) but also generates a revenue surplus for FY 2024-25. This surplus shall offset the cumulative revenue gap from previous years. Hence, at this juncture the Commission is not inclined to increase any tariff hike.

Revenue Gap/(Surplus)

Petitioner Submission

8.4 The Petitioner has submitted that accumulated Revenue Gap from True-up, APR and ARR for FY 22-23 to FY 24-25 at tariff Order May 31, 2023 without considering carrying cost is as under:



Table 145: Accumulated Revenue Gap without carrying cost at proposed Tariff for FY 2024-25.

Particulars	Petition
Revenue Gap for FY 2022-23 Gap/(Surplus)	3996.80
Revenue Gap for FY 2023-24 Gap/(Surplus) at T.O. 31.05.2023	3068.27
Revenue Gap for FY 2024-25 Gap/(Surplus) at T.O. 31.05.2023	3097.95
Revenue Gap/(Surplus) to be recovered in FY 2024-25	10163.02

8.5 The Petitioner prays to approve the cumulative revenue gap till FY 2024-25 as proposed by the Petitioner along with carrying cost and allow it to either recover of the same through tariff in the ensuing year or allow financing cost with recovery of the gap in future years. It is pertinent to mention that the Hon'ble Commission has approved a cumulative gap of Rs 6335.68 crores till FY 2021-22 without any viable treatment of the same for the petitioner.

Commission Analysis

8.6 In exercise of Tariff determination process, the Commission had found that the Petitioner had filled partial petition on dated November 2023.

8.7 The Commission in exercise of Tariff determination process, several deficiencies/information gaps were found in the petition submitted by the Petitioner and the same was communicated to the Petitioner vide letter no. JSERC/Case (Tariff) no.: 10 of 2023/281 dated January 04, 2024.

8.8 In response the Petitioner has asked to give time extension of 4 weeks (i.e. till February 15, 2024).

8.9 On February 14, 2024, via letter no. 29, File No. CE(C&R)/Rev/2485/2020/P-IV, the Petitioner has submitted additional information related to the tariff proposal and tariff schedule for FY 2024-25, along with prior period expenditures for FY 2020-21 and FY 2021-22, based on the restated annual accounts for those years.

8.10 On February 21, 2024, via letter no. 10 of 2023/539 the Commission had



sent reminder to Petitioner pertaining to submission of reply to additional data requirement as observed in the petition for True-up for FY 2022-23, APR for FY 2023-24, ARR & Tariff for FY 2024-25.

- 8.11 In response the Petitioner furnished additional data/ information to the Commission vide letter nos.: 79, File No. CE (C&R)/Rev./3040/2023/ dated April 04, 2024.
- 8.12 Since the Petitioner has not adhered to the timeline specified in the provision of JSERC (Terms & Condition for Determination of Distribution Tariff) Regulation, 2020. Hence the Commission disallow carrying cost in the instant petition.
- 8.13 On scrutinizing, analyzing, material, data, information available on record and on prudent check the Commission has considered the total closing revenue Gap of FY 2021-22 as the opening revenue Gap for FY 2022-23.
- 8.14 Based on the approved value of Truing up for FY 2022-23 and APR for FY 2023-24 the cumulative Revenue Gap/(Surplus) approves by the Commission till FY 2023-24 is given below:

Table 146: Cumulative Gap/(Surplus) (in Rs Crore) as approved by the Commission.

Particulars	FY 2022-23	FY 2023-24
Opening Gap/(Surplus)	2241.55	3315.47
Revenue Gap/(Surplus) created during the Year	1073.92	(6.05)
Total Revenue Gap/(Surplus)	3315.47	3309.42

- 8.15 Based on the approved ARR and revenue from existing tariff, the Commission approves the Revenue Gap/(Surplus) for FY 2024-25 as shown below:

Table 147: Cumulative Gap/(Surplus) (in Rs Crore) as approved by the Commission.

Particulars	FY 2024-25
Opening Gap/(Surplus)	3309.42
Revenue Gap/(Surplus) created during the Year	(314.30)
Total Revenue Gap/(Surplus)	2995.12



8.16 The Tariff Schedule approved by the Commission for FY 2024-25 is detailed in **Chapter 14** of this Order.



Chapter 9: DETERMINATION OF WHEELING CHARGE, WHEELING LOSSES AND CROSS SUBSIDY SURCHARGE FOR FY 2022-23.

9.1 As per clause 2.2 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, the Commission shall determine wheeling tariff, cross-subsidy surcharge, additional surcharge and other Open Access (OA) related charges. The relevant extract of the Regulations has been reproduced below:

“2.2

...

Provided further that where any category of consumer has been permitted open access under Section 42 of the Act, the Commission shall determine the wheeling tariff, cross-subsidy surcharge, additional surcharge and other open access related charges in accordance with these Regulations and JSERC (Intra State Open Access) Regulations, 2016, as amended from time to time”.

9.2 As per the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access) Regulations, 2016, the Open Access (OA) charge includes Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge, and Additional Surcharge. The subsequent para summarizes the Commission’s analysis thereof:

Wheeling Charges

9.3 According to ‘**clause 6.5 to 6.8**’ of the Distribution Tariff Regulations, 2020, the Petitioner is required to segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business. In the absence of segregated accounts, the Petitioner is required to submit an allocation statement duly approved by the Board of Directors, accompanied by an explanation of the basis and methodology used for segregation. The relevant extract of the Regulations has been reproduced hereunder:

“Segregation of Retail Supply and Wheeling Business



6.5 The Licensee shall segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business.

6.6 The ARR for Wheeling Business shall be used to determine Wheeling Tariff and the ARR for Retail Supply Business shall be used to determine Retail Supply Tariff.

6.7 For such period until accounts are segregated, the Licensee shall prepare an Allocation Statement to apportion costs and revenues to respective business. The Allocation Statement, approved by the Board of Directors of the Licensee, shall be accompanied with an explanation of the basis and methodology used for segregation, which should be consistent over the Control Period.

6.8 In case clear and reasoned methodology for allocation is not submitted by the Distribution Licensee, the Commission may consider the segregation as approved for the previous Control Period as specified below or may decide on the manner in which such allocation can be done:

Table 148: Segregation Ratio as submitted by Petitioner.

Particulars	Share of Retail Supply	Share of Wheeling Business
O&M Cost		
Employee cost	40%	60%
A&G Expense	50%	50%
R&M Cost	10%	90%
Power purchase (Inc. Trans. Charges and RPO)	100%	0%
Interest on security deposit	100%	0%
Interest Cost	10%	90%
Interest on working capital	90%	10%
Depreciation	10%	90%
Return on Equity	10%	90%
Less: NTI	90%	10%



9.4 The segregation of ARR into Wires and Supply Business as approved by the Commission for FY 2024-25 is shown below:

Table 149: Segregation of ARR (Rs. Crore) as approved by the Commission.

Particulars	Share of Retail Supply	Share of Wheeling Business	ARR for FY 24-25	Share of Retail Supply (Rs Cr)	Share of Wheeling Business (Rs Cr)
O&M Cost					
Employee cost	40%	60%	273.78	109.51	164.27
A&G Expense	50%	50%	123.93	61.96	61.96
R&M Cost	10%	90%	319.49	31.95	287.54
Power purchase (Inc. Trans. Charges and RPO)	100%	0%	6,267.97	6,267.97	0.00
Interest on security deposit	100%	0%	49.86	49.86	0.00
Interest Cost	10%	90%	525.91	52.59	473.32
Interest on working capital	90%	10%	28.01	25.20	2.80
Depreciation	10%	90%	513.93	51.39	462.54
Return on Equity	10%	90%	517.45	51.74	465.70
Less: NTI	90%	10%	544.00	489.60	54.40
Total ARR			8,076.33	6,212.60	1,863.74

9.5 In the absence of an asset register, and in order to estimate the ratio of fixed assets at various voltage levels, the Commission has considered the network details of Petitioner as on record with the Commission on the premise that the high voltage and low voltage assets have been created simultaneously. Thus, the depreciation of all HT and LT assets is assumed to be at the similar level.

9.6 The Commission has observed that the Petitioner has failed to submit the details of Power Sub-station (PSS) capacity/quantity and estimated costs. In this regard, the Commission has directed the Petitioner to submit the details of Power Sub-station (PSS) capacity/quantity and estimated costs. In reply to discrepancies note the Petitioner has partially submitted the



aforsaid data vide letter no. 193 File no. CE(C&R)/Rev./2358/2019/P-II dated August 22, 2024 as tabulated hereunder.

Table 150: Estimated Cost of PSS (Rs Lakh) as approved by the Commission

PSS (capacity)	Quantity	Cost/ PSS	Total cost
10 MVA	235	62.65	14,722.75
7.5 MVA	2		-
7.15 MVA	-		-
5 MVA	1,084	41.67	45,170.28
3.15 MVA	102		-
3 MVA	7		-
1.6 MVA	235	62.65	14,722.75

Table 151: Estimated Cost of 33kV, 11 kV and LT lines (in Rs Lakh) as approved by the Commission

Line Length	Quantity	Cost/ Km	Total cost
33 kV Incoming (in km.)	9,616	26.07	2,50,689.12
33 kV Outgoing (in km.)	2,976	26.07	77,584.32
11 kV Length (in km.)	72,422	7.24	5,24,335.28
LT Length (in km.)	2,31,300	4.45	10,29,285.00

Table 152: Estimated Cost of DTRs (Rs. Lakh) as approved by the Commission

DTR (capacity)	Quantity	cost/ DTR	Total cost
1000 KVA	15		
750 KVA	36		-
500 KVA	683	14.48	9,889.84
400 KVA	49	10.06	492.94
315 KVA	83	10.36	859.88
250 KVA	583	8.32	4,850.56
200 KVA	11,217	6.52	73,134.84
150 KVA	1,043		-
100 KVA	28,248	4.76	1,34,460.48
63 KVA	24,203	4.06	98,264.18
25 KVA	72,215	3.27	2,36,143.05

9.7 Based on the above data, the estimated present cost of assets, apportioned into different voltage levels is depicted in the table below:



Table 153: Voltage-wise Asset Ratio as approved by the Commission for FY 2024-25.

Voltage levels	Total cost	Ratio
33 kV	3,88,166.47	16%
11 kV	5,24,335.28	21%
LT	15,87,380.77	63%

9.8 Based on the voltage wise asset bifurcation, the Wires Business ARR at respective voltage levels, is depicted in the table below:

Table 154: Voltage-wise ARR (Rs. Crore) of wire business as approved by the Commission

Voltage levels	Asset Segregation	Asset Segregation	Segregation of ARR
LT	15,873.81	63%	1,183.44
11 kV	5,243.35	21%	390.91
33 kV and above	3,881.66	16%	289.39
Total	24,998.83		1,863.74

9.9 The Wires Business ARR for different voltage levels as approved by the Commission has been apportioned between lower voltage levels in the ratio of voltage-wise energy sales and stacked accordingly in line with the methodology adopted by the Petitioner earlier in the Order. The consumer voltage and category wise energy sales as approved by the Commission has been allocated to different voltage levels as depicted in the table below:

Table 155: Voltage-wise Energy sale (MU) as approved by the Commission.

Category	Voltage level	Voltage-wise Sales	Aggregated sales
Domestic	LT	6,577	6,601
	11 kV	24	
	33 kV and Above	-	
Commercial/Non Domestic	LT	1,036	1,036
	11 kV	-	
	33 kV and Above	-	
Irrigation / IAS	LT	181	181
	11 kV	-	
	33 kV and Above	-	



Category	Voltage level	Voltage-wise Sales	Aggregated sales
Industrial	LT	278	3,079
	11 kV	1,198	
	33 kV and Above	1,604	
Institution	LT	28	159
	11 kV	21	
	33 kV and Above	110	
Total sales	All voltage level	11,055.39	11,055.39

9.10 Accordingly, the voltage wise energy sales ratio, as approved by the Commission is provided in the table below:

Table 156: Sale Ratio as approved by the Commission.

Voltage Level	Sales	Sales Ratio
LT	8,099.86	73%
11 kV	1,242.37	11%
33 kV and Above	1,713.16	15%
Total	11,055.39	

9.11 The voltage wise Wires Business ARR (allocated earlier in the ratio of fixed assets), is now stacked from higher to lower voltage levels, based on energy sales ratio, as tabulated below:

Table 157: Cost Stacking (Rs. Crore) as approved by the Commission.

Voltage level	Voltage-wise ARR Allocation	Cost Staking on the basis of energy sales		
		LT	11 kV	33 kV
LT	1,183.40	1,183.40		
11 kV	390.90	338.91	51.98	
33 kV and Above	289.38	212.02	32.52	44.84
Total	1,863.68	1,734.33	84.50	44.84

9.12 Based on the above, the voltage-wise Wheeling Charges for FY 2024-25 as approved by the Commission has been tabulated below:

Table 158: Wheeling Tariff as approved by the Commission.



Voltage Categories	ARR (Rs. Crore)	Sales (MU)	Wheeling Tariff (Rs./ kWh)
LT	1,734	8,100	2.14
11 kV	85	1,242	0.68
33 kV and above	45	1,713	0.26

Voltage-wise Cost of Supply

- 9.13 The cost of supply is defined as the sum of all costs including the cost of power incurred by a distribution utility to supply electricity to a group of consumers.
- 9.14 The cost of supply is an essential parameter to arrive at the cross-subsidy levels. Further, Section 61(g) of the Electricity Act, 2003, as amended on June 15, 2007, states that.

“Section 61. (Tariff regulations)

The Appropriate Commission shall, subject to the provisions of this Act, specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by the following, namely: -

.....

(g) that the tariff progressively reflects the cost of supply of electricity and also, reduces cross-subsidies in the manner specified by the Appropriate Commission;

....”

- 9.15 Also, **clause 8.3** of the Tariff Policy, 2016 states that the Commission should determine a roadmap so that tariffs are brought within $\pm 20\%$ of the average cost of supply. The relevant excerpts of the Policy have been reproduced below:

“8.3 Tariff design: Linkage of tariffs to cost of service

.....

(2) For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within $\pm 20\%$ of the average cost of supply.



.....”

- 9.16 Further, if strict commercial principles are to be followed, then the tariffs for each category of consumers is to be set based on the cost of supply for each category. However, it is difficult to determine the same pertaining to the issues of data adequacy.
- 9.17 The Commission is of the view that waiting indefinitely for the required data is not prudent and therefore has decided to initiate the computation of voltage wise cost of supply based on the data made available by the Petitioner as of now, which, to a great extent would reflect the actual voltage wise cost of supply.
- 9.18 In view of the same, the Commission has decided to follow the methodology proposed by the Hon’ble APTEL for the computation of voltage wise cost of supply in its Order dated May 10, 2012. The key interpretations made by the Hon’ble APTEL has been summarized below:
- a) Identical consumers connected at different nodes in the distribution network need not be differentiated.
 - b) In the absence of segregated network costs, it would be prudent to work out the voltage-wise cost of supply taking into account the distribution losses at different voltage levels.
 - c) The Power Purchase cost, which is the major component of tariff can be segregated for different voltage levels taking into account the transmission and distribution losses, both commercial and technical, for the relevant voltage level and upstream system.
 - d) All consumer categories connected to the same voltage will have the same cost of supply.
- 9.19 The Commission, based on the methodology proposed by the Hon’ble APTEL has computed the voltage wise cost of supply as detailed below.
- 9.20 Apportionment of Sales: The approved sales for the FY 2024-25 have been



apportioned to different voltage levels, as tabulated below:

Table 159: Voltage-wise Energy sale (MU) as approved by the Commission.

Category	Voltage level	Voltage-wise Sales	Aggregated sales
Domestic	LT	6,577	6,601
	11 kV	24	
	33 kV and Above	-	
Commercial/Non Domestic	LT	1,036	1,036
	11 kV	-	
	33 kV and Above	-	
Irrigation / IAS	LT	181	181
	11 kV	-	
	33 kV and Above	-	
Industrial	LT	278	3,079
	11 kV	1,198	
	33 kV and Above	1,604	
Institution	LT	28	159
	11 kV	21	
	33 kV and Above	110	
Total sales	All voltage level	11,055.39	11,055.39

9.21 **Voltage wise Technical losses:** As per para 33 of the APTEL Order dated May 10, 2012

“33. The technical distribution system losses in the distribution network can be assessed by carrying out system studies based on the available load data. Some difficulty might be faced in reflecting the entire distribution system at 11 KV and 0.4 KV due to vastness of data. This could be simplified by carrying out field studies with representative feeders of the various consumer mix prevailing in the distribution system.”

9.22 The Commission has considered the technical loss levels at 13% for FY 2023-24 as approved in the relevant chapter of this Order and accordingly computed the voltage wise losses at different levels as tabulated below:

Table 160: Voltage-wise loss as approved by the Commission.



Voltage Level	Dist. loss level	Sales (MU)	Input (MU)	Tech Loss (MU)
33 kV	3.00%	1,713.16	1,766.14	52.98
11kV	8.00%	1,242.37	1,350.40	108.03
LT	15.05%	8,099.86	9,535.27	1,435.40
		11,055.39	12,707.34	1,651.95

9.23 As per para 34 of APTEL order dated May 10, 2012

“34. Thus Power Purchase Cost which is the major component of tariff can be segregated for different voltage levels taking into account the transmission and distribution losses, both commercial and technical, for the relevant voltage level and upstream system.

9.24 Accordingly, the Commission has computed the power purchase quantum at different voltage levels, as tabulated below:

Table 161: Voltage-wise Power as approved by the Commission for FY 2024-25

Voltage Level	Dist. loss level	Sales	Input	Tech Loss	Commercial Loss	Total Power Purchase
33 kV	3.00%	1,713.16	1,766.14	52.98	-	1,766.14
11kV	8.00%	1,242.37	1,350.40	108.03	-	1,350.40
LT	15.05%	8,099.86	9,535.27	1,435.40	-	9,535.27
		11,055.39	12,707.34	1,651.95	-	12,707.34

*Note: Commercial Loss considered as 0% as per the AT&C Loss Trajectory approved by the Commission

9.25 Allocation of power purchase cost for different voltage levels: The Net power purchase cost approved by the Commission has been allotted to different voltage levels as tabulated below:

Table 162: Voltage-wise Power purchase cost as approved by the Commission for FY 2024-25.

Volt Level	Dist. loss level	Sales (MU)	Input (MU)	Net APPC (Rs./kWh)	Voltage-wise PP Cost (Rs./kWh)
33 kV	3.00%	1,713.16	1,766.14	4.74	4.89
11kV	8.00%	1,242.37	1,350.40	4.74	5.15



Volt Level	Dist. loss level	Sales (MU)	Input (MU)	Net APPC (Rs./kWh)	Voltage-wise PP Cost (Rs./kWh)
LT	15.05%	8,099.86	9,535.27	4.74	5.58
Total		11,055.39	12,651.81	4.74	5.43

9.26 Network Cost: As per para 34 of the APTEL Order dated May 10, 2012

“34.....

As segregated network costs are not available, all the other costs such as Return on Equity, Interest on Loan, depreciation, interest on working capital and O&M costs can be pooled and apportioned equitably, on pro-rata basis, to all the voltage levels including the appellant’s category to determine the cost of supply.

....”

9.27 As per the above methodology, the Commission has calculated a uniform network cost for all the categories as tabulated below:

Table 163: Network Cost as approved by the Commission for FY 2024-25.

Particulars	Share of Wheeling Business
Share of Wheeling Business of ARR (Rs. Cr.)	1,863.68
Total Sales (MU)	11,055.39
Network Cost (Rs/kWh)	1.69

9.28 The voltage wise cost of supply for FY 2024-25 as approved by the Commission has been tabulated below:

Table 164: VCoS approved by the Commission for FY 2024-25

Volt Level	Voltage-wise PP Cost (Rs./kWh)	Network Cost (Rs./kWh)	VCoS (Rs./kWh)
33 kV	4.89	1.69	6.57
11kV	5.15	1.69	6.84
LT	5.58	1.69	7.27
Total	5.43	1.69	7.11

Cross Subsidy Surcharge

9.29 The Commission has determined the Cross-Subsidy Surcharge as per the methodology outlined in the National Tariff Policy 2016. The methodology



keeps the interest of distribution companies as well as consumers in mind while determining a mathematical formula, thus ensuring that the competition in electricity through open access is not constrained.

“10.62 The surcharge payable by consumers opting for open access on the network of the Licensee will be determined by the Commission as per the following formula:

$$S = T - [C / (1 - (L / 100)) + D + R]$$

Where,

S is the surcharge;

T is the Tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation;

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation;

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level;

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level;

R is the per unit cost of carrying regulatory assets:

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking open access.”

- 9.30 The Commission has considered the Voltage-wise losses as approved in the previous chapter and grossed it up with approved Transmission losses of 2.23% for calculation of “L”.
- 9.31 Weighted average purchase cost at the DISCOMs for CSS computation works out to be Rs 4.70 per unit by considering the Power Purchase Cost of Rs. 6,211.66 Crore (considering transmission charges) and Power Purchase Quantum of 13,222.16 MU as approved by the Commission at the Distribution Periphery.



9.32 The Tariff Policy stipulates that the CSS shall not exceed 20% of the tariff applicable to the category of the consumers seeking Open Access. Accordingly, the CSS approved by the Commission for FY 2024-25 is summarized below:

Table 165: Cross Subsidy Surcharge approved by the Commission (Rs/kWh)

Category	ABR (T)	APPC (C)	Losses (L)	Charges (D)	Reg. Assets (R)	CSS
HT Services (11 kV)	8.53	4.74	10.05%	0.68	0.00	1.71
HT Services (33 kV and Above)	8.53	4.74	5.16%	0.26	0.00	1.71

9.33 All consumers who wish to avail Open Access will be levied no charge for the use of distribution network other than wheeling charge and CSS.



Chapter 10: SEPARATE CATEGORY FOR EV CHARGING STATION

Petitioner's Submission

10.1 The Petitioner has submitted that it has proposed Tariff for the Electrical Vehicle charging station. The rationale for the same is described in the below paragraphs.

Private Charging Stations:

10.2 The Petitioner has submitted characteristic/Categories of private charging station as following.

- a) At residences / offices to be permitted.
- b) Minimum infrastructure requirements as per these guidelines do not apply to Private Charging Points.
- c) Captive charging infrastructure for 100% internal use for a company's own/leased fleet for its own use will not be required to install all type of chargers and to have Network Service Providers (NSP) tie ups.
- d) Fast Charging Stations (FCS) which are meant only for 100% in house / captive utilization, for example buses of a company, would be free to decide the charging specifications as per its requirement.
- e) The tariff applicable for domestic consumption will be applicable for domestic charging.

Public Charging Stations (PCS):

10.3 The Petitioner has submitted characteristic/Categories of public charging station as following.

- f) De-licensed activity: any individual/ entity is free to set up public charging stations.
- g) Connectivity on priority basis for PCS.



h) Minimum Requirements are as under:

- i. PCS will have one or more electric kiosk/boards with installation of all the charger models as follows.
- ii. The PCS providers are free to create Charging Hubs and to install additional number of Kiosk / Chargers in addition to the minimum number of chargers prescribed above.
- iii. Tie up with at least one online NSP to enable advance remote/online booking of charging slots by EV owners.
- iv. Fast charging facility is also planned to be provided at the PCS.
- v. PCS can also have the option to add Standalone battery swapping facilities in addition to the above mandatory facilities, provided space / other conditions permit.

Proposed Tariff Design

10.4 The Petitioner has submitted that as per MoP Guideline the tariff can be determined as follows:

“the cost of supply to a public charging station will be 0.8 times of ACoS during solar hours and 1.2 times of ACoS during non-solar hours”

10.5 Accordingly, the Petitioner has proposed a new category by the name ‘EV Charging, may be created in the Rate schedule keeping in view the guidelines of Ministry of Power. The Same is as follows.

Proposed Tariff for EV Charging

10.6 The Petitioner has submitted the different categories of EV charging consumers:

- a) **Domestic Consumers:** All the metered domestic consumers will be allowed to charge their electric vehicle at their residence, provided the load of EV does not exceed the connected / contracted load. The tariff that is applicable as per the rate schedule will be



applicable on electric vehicle charging as well.

The consumer will be required to bear all expenses related to connection/related electricity infrastructure charges, wherever applicable. However, if consumer is having an EV vehicle for commercial purpose, the consumer has to register the same with municipal authorities (if municipal authority has provisions for it) and disclose/declare the same to the Petitioner. In case no such registration exists, the consumer has to self-declare the same to Petitioner.

- b) **Public Charging Stations:** As per Ministry of Power’s revised consolidated guidelines and standards regarding charging infrastructure for EV issued on April 27, 2023, the cost of supply to a public charging station will be 0.8 times of ACoS during solar hours and 1.2 times of ACoS during non-solar hours. Accordingly, the proposed tariff applicable for Public Charging Stations will be as follows:

Table 166: Proposed Tariff for Electrical Vehicle Charging Station as submitted by Petitioner

Category	Demand Charge	Energy Charge*
Public Charging Station (during solar hours 9 AM to 4 PM)	NIL	Rs. 7.86/kWh
Public Charging Station (during non-solar hours, remaining period of day)	NIL	Rs. 11.79/kWh

*The consumer will be required to bear all expenses related to connection/ related electricity infrastructure charges, wherever applicable.

- a) **Other Consumers:** The consumers of other metered category that are not covered above, will be charged as per the tariff applicable for their respective category or to say they need not take a separate connection, they can do the charging within their respective connections, provided the load of EV does not exceed the connected/contracted load.

10.7 The Petitioner has further submitted that the consumer should take



adequate contracted load as a precaution to meet the load for charging the Electrical Vehicle. In case the contracted/connected load is breached, a penalty will be liable to be paid by the consumer. Furthermore, the other provisions of the General Provisions of the Rate Schedule and the Electricity Supply Code will also come into effect if the consumer's load breaches the contract demand.

Commission Analysis

- 10.8 EV charging infrastructure refers to the network of public and private charging stations designed to recharge electric vehicles (EVs). It plays a critical role in supporting the widespread adoption of EVs by ensuring drivers have reliable access to electricity, whether at home, work, or on the go.
- 10.9 Further, EV charging tariffs refer to the pricing structure for charging electric vehicles at public or private charging stations. These tariffs vary based on factors like the type of charger, the location, and the time of day. Accordingly, the Commission approve various pricing tariff structure for different type of consumer as discuss below.
- 10.10 **Domestic Consumers:** All the metered domestic consumers shall be allowed to charge their electric vehicle at their residence, provided the load of EV does not exceed the connected / contracted load. The tariff that is applicable as per the rate schedule shall be applicable on electric vehicle charging as well.
- 10.11 Further, the consumer shall be required to bear all expenses related to connection/related electricity infrastructure charges, wherever applicable. However, if consumer is having an EV vehicle for commercial purpose, the consumer has to register the same with municipal authorities (if municipal authority has provisions for it) and disclose/declare the same to the Petitioner. In case no such registration exists, the consumer has to self-declare the same to Petitioner.
- 10.12 **Public Charging Stations:** As per the guidelines of Ministry of Power's revised consolidated guidelines and standards regarding charging



infrastructure for EV issued on April 27, 2023, the cost of supply by DISCOM to a public charging station will be 0.8 times of ACoS during solar hours and 1.2 times of ACoS during non-solar hours. Solar hours mean 9:00 AM to 4:00 PM time and non-solar means remaining period of the day.

10.13 In consideration of the Ministry of Power's revised consolidated guidelines and standards regarding charging infrastructure for Electric Vehicles (EV), issued on April 27, 2023, this Commission approves non-solar hours EV tariff for public charging stations be 1.2 times the Average Cost of Supply (ACoS). However, the Commission is of the view that the EV tariff for public charging stations during daytime hours should be equal to the ACoS. This is because more than 90% of the consumer base consists of LT (Low Tension) consumers, who are already cross-subsidized. Further cross-subsidizing EV charging stations would create a revenue gap for the Petitioner. Accordingly, this Commission at this stage allows Solar hour EV tariff for public charging stations equal to ACoS.

10.14 Based on above excerpt, the Commission approve EV tariff for Public Charging Stations as follows:

Table 167: EV Tariff for Electrical Vehicle Charging Station as approved by Commission

Category	Energy Charge*
Public Charging Station (during solar hours 9 AM to 4 PM)	Rs. 7.31 /kWh
Public Charging Station (during non-solar hours, remaining period of day)	Rs. 8.77/kWh

**The consumer will be required to bear all expenses related to connection/ related electricity infrastructure charges, wherever applicable*



Chapter 11: GREEN ENERGY TARIFF

11.1 The Ministry of Power, Government of India has notified “the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022. On 6th June 2022 (amended on 27th Jan 2023) to facilitate use of Renewable Energy by the consumers and further accelerate India’s RE program’s. SERC’s/JERC’s vide letter dated 10.10.2022 were informed to take appropriate action for determination of Green Tariff under Rule 4 (2) (C) (c).

Petitioner Submission

11.2 The Petitioner has submitted that there are various methods of RE procurement existing in the Indian Market. One of these innovative methods is the purchase of electricity through green energy tariff. That would create a demand of green energy to be purchased by the distribution utilities. The Petitioner has also submitted that Green Tariff is a price structure offered by an RE attributes. Further, Green Power Tariff will have the following advantage:

- Consumers will have the option to opt for Green Energy under Green Power Tariff since it is entirely voluntary.
- Such procurement will form part of the power purchase requirement of Discom and may be utilized to meet its RPO requirement as well in case of shortfall.
- Distribution Licensees will issue a monthly certificate to the consumer stating that 100% of their power requirement has been met through green energy.
- Consumer can opt for DISCOM’s proposal for Green Power Tariff when they want the green credit without installing their own solar system.

11.3 The Petitioner has further submitted that as per clause 4.2 (3) the Green Tariff shall comprise of average pooled power purchase cost of Renewable Energy, Cross subsidy charges if any, Service charges covering the



prudent cost of the distribution licensee for providing the green energy.

- 11.4 Based on the above submission the Petitioner has computed each component of Green tariff as given below:

I. Average Pooled power purchase cost of Renewable Energy

Cost of RE power purchase- The cost of power proposed to be procured from Renewable Energy (RE) sources for FY 2023-24 is enumerated in the table below:

Source of RE	Per Unit cost (Rs./kWh) in FY 2023-24 (Actual)	Total Quantum (kWh) in FY 2023-24 (Actual)
Solar	2.92	1,116,730,000
Wind	3.24	8,44,180,000
GTAM/GDAM	9.30	19,680,490
Wt. Avg. Pooled Price	3.12	

The petitioner has submitted that in cases where the demand for green power is considerably higher than what is available from the existing tied up sources, additional RE procurement shall be required. In such a scenario, generation from conventional sources would be required to be backed down. For the ensuing year FY 2024-25, the Petitioner is envisaging that the demand for green energy shall be met through the existing tied up renewable sources.

The Petitioner has further submitted that no additional cost of backing down has been considered for FY 2024-25. However, the Petitioner prays to same shall be analyzed in future petition based on the responses received during FY 2024-25 and if requirement arises the additional backing down cost component also shall be included.

II. Transmission Charge

The Petitioner has submitted that the transmission cost for FY 2023-24 also needs to be factored in to arrive at the landed cost



of RE power. Accordingly, the Transmission charges is summarized in the table below:

Power Purchase in FY 2023-24 (kWh)	Transmission Cost in FY 2023-24 (Rs)	Per Unit Transmission Cost (Rs/kWh)
14680060000	5943900000	0.405

III. Distribution Service Charge

The Distribution service cost for FY 2023-24 is illustrated in the table below:

Particulars	Cost (Rs. Cr.)
Operation and Maintenance	890.66
Depreciation	553.89
Interest on Long Term Loan	527.10
Interest on Working Capital Loan	58.99
Interest on Consumer Security Deposit	59.08
Bank/Finance Charges	10.99
Return on Equity Capital	535.94
Gross ARR	2636.68
NTI	40.28
Net ARR	2596.39
Sales (MUs)	10272
Distribution Service Cost (Rs./Unit)	2.52

IV. Cross Subsidy Surcharge

The Petitioner highlighted section 42 of Electricity Act 2003, stated that cross-subsidy surcharge (CSS) is payable by open Access Consumer. The Cross subsidy surcharge approved in earlier petition is given below.

Category	Approved CSS (Rs./kWh)
HT Service (11 kV)	1.69
HT Service (33 kV and Above)	1.69

Considering the above-mentioned cost parameter, the landed cost of renewable energy is worked out as under:



Parameter	(Rs./kWh)
Avg. Pooled Price of RE	3.12
Per Unit Transmission Cost	0.41
Total Cost of RE	3.53
Added Distribution Loss @ 24%	0.84
Avg. pooled power purchase cost of renewable energy grossed up with T&D Loss	4.38

Accordingly, the Petitioner has computed the Green Power Tariff is provided below:

Parameter	(Rs./kWh)
Avg. Pooled power purchase cost of renewable energy grossed up with T&D Loss	4.38
Distribution Service Charge	2.52
Cross Subsidy Surcharge	1.69
Green Power Tariff	8.59

Commission Analysis

- 11.5 In accordance with the Section 86(1)(e) of the Electricity Act, 2003, the Commission is mandated to promote adoption of Renewable Energy (RE). Therefore, the Commission has introduced Green Energy Tariff in this Order as an optional/voluntary arrangement for the consumers who are willing to procure RE Power from DISCOMs for the purpose of reducing their carbon footprint and seeking certification to this effect.
- 11.6 Such Green Tariff would be in addition to regular tariff approved in this Tariff Order. The Commission observes that the concept of Green Tariff has been well appreciated by many stakeholders across the state as it provides opportunity for consumers willing to meet their power requirement through green energy sources, however, the concept is still at nascent stage with limited participation.
- 11.7 For the calculation of the Green Energy Tariff, the Commission has introduced a formula that considers the difference between the weighted average rate of renewable energy (RE) power and the weighted average rate of the energy charge (variable charge) of non-renewable energy (Non-



RE) sources.

11.8 Based on the above discussion the weighted average rate of renewable energy (RE) Power and the weighted average rate of energy charge (Variable Charge) of non-renewable (Non-RE) sources as tabulated hereunder:

Table 168: Analysis of cost from Renewable Energy as approved by the Commission.

Particulars	FY25 (Projected)
	Rs/kWh
Weightage Average Pooled Price of RE (A)	3.28

Table 169: Analysis of Variable of power purchase from conventional source as approved by the Commission.

Particulars	FY25 (Projected)
	Rs/kWh
Weightage Average Pooled Price of RE (B)	3.07

Table 170: Difference between RE and Non-RE (A-B) in Rs/kWh as approved by the Commission.

Particulars	FY25 (Projected)
	Rs/kWh
Difference between RE & Non-RE Power (Variable Cost) (A-B) in Rs./kWh	0.21

11.9 Based on the above computation the Commission approves Green Energy Tariff as **Rs 0.21/kWh** to the Consumer opting for meeting its power requirement through RE Sources. Such Green Energy Tariff would be in addition to regular tariff approved in this Order.

11.10 All Consumer shall be eligible for opting Renewable Energy power on payment of Green Power Tariff.

11.11 The Consumer will have option to select the quantum of green power to be purchased in the step of 10% and going up to 100% of the consumption.



- 11.12 The Distribution Licensee will levy Green Power Tariff only for percentage of consumption opted by the Consumer.
- 11.13 The Distribution License shall issue Annual Certificate to consumers stating percentage of power requirement of such consumer has been sourced through RE Sources.
- 11.14 The total tariff earned under “Green Energy Tariff” will be considered as a part of the revenue/tariff income of the Petitioner. Further, the Petitioner must file all details along with each ARR/Tariff filings with a list of consumers opting for it. Also, the Petitioner to ensure that the total consumption of these consumers must be met by renewable energy source.



Chapter 12: RESTATEMENT RELATING TO EARLIER PERIOD TRANSACTION (FY 2020-21 AND FY 2021-22)

Petitioner Submission

12.1 The Petitioner has submitted that during FY 2022-23, it has recorded the following key transaction, which resulted in restatement of earlier period balances as per the provision of IND AS 8 (Indian Accounting Standards).

- i. Accounting of transaction relating employee benefits as per Actuarial valuation report for the period from FY 2018-19 to FY 2021-22.
- ii. Correction of depreciation rates as per the JSERC (Terms and conditions for the Determination of Distribution Tariff) Regulation, 2020 vide notification no. 570 dated November 12, 2020 which was effective from April 01, 2021.
- iii. Reclassification of Meter as an asset as per the JSERC guidelines and consequents correction in Plant & Machinery and Lines, Cables & Network and further correction in depreciation charged during relevant period.
- iv. Accounting of correction as per the CAG observation for the FY 2020-21 and FY 2021-22.
- v. Other correction as per company's reconciliation of old items.

12.2 The Petitioner has further submitted that the aforesaid reinstatement has been carried out in the following manner.

- a) Restating the Opening balances of Assets, liabilities, and equity as on April 01, 2020 for items, pertaining to period earlier or up to March 31, 2021; and
- b) Restating the comparative amount for the period of the FY 2021-22.

12.3 Accordingly, the Petitioner has been recalculated the Aggregate Revenue



Requirement for FY 2020-21 based on the restated account as per the Electricity Act, 2003 and as per the provision of the Jharkhand State Electricity Regulatory Commission (Terms and Condition for Determination of Distribution Tariff) Regulation, 2015.

12.4 Further, the Petitioner has submitted that recalculated the Aggregate Revenue Requirement for FY 2020-21 based on the restated account as per the Electricity Act, 2003 and as per the provision of the Jharkhand State Electricity Regulatory Commission (Terms and Condition for Determination of Distribution Tariff) Regulation, 2020.

12.5 The Petitioner has also submitted that True-up for FY 2020-21 and FY 2021-22 has already been filed before this Commission in November 2021 and November 2022 respectively. Thus, the revised ARR for FY 2020-21 and FY 2021-22 based on restated audited account is being submitted as prior period expenditure for FY 2020-21 and FY 2021-22 before this Commission as an additional submission of petition for approval of True-up for FY 2022-23, Annual Performance Review (APR) for FY 2023-24 and approval of Aggregate Revenue Requirement for FY 2024-25 already filed before this Commission on 29.11.2023.

12.6 On considering the impact of restated account for FY 2020-21 and FY 2021-22, the Petitioner has submitted the cumulative increase in ARR is 236.39 Cr. as summarizes below:

Table 171: Cumulative increase in ARR of FY 2020-21 and FY 2021-22 as per restated account as submitted by the Petitioner.

Particulars	Rs. Cr.
Increase in ARR for FY 2020-21 as per restated Account (A)	255.40
Increase in ARR for FY 2021-22 as per restated Account (B)	-19.01
Cumulative increase in ARR of FY 2020-21 and FY 2021-22 as per restated account (A+B)	236.39

Commission Analysis

12.7 With regards to Petitioner additional submission of restated statement for FY 2020-21 and FY 2021-22 before the Commission, vide letter nos.: 29 CE(C&R)/Rev/2485/2020/P-IV dated February 14, 2024. The revised



audited account was submitted to the Commission just before the public notice. Hence, this additional information was not published for the public consultation and public at large could not respond to the revised numbers. Therefore, the Commission in this order has not considered the restated account for FY 2020-21 and FY 2021-22.

- 12.8 However, the Petitioner is at liberty to file a fresh Petition to the Commission in next tariff filing petition considering all facts and figures and the Commission shall consider the same on merits.



Chapter 13: RETAIL TARIFF FOR FY 2024-25

Petitioner's Submission

13.1 The Summary of Tariff proposed by the Petitioner is provided below:

Category/ Sub-Category	Slabs	EC	FC
Domestic (DS)	DS-R	8.25 / kWh	75.00 / kW / Month
	DS-U	9.50 / kWh	100.00 / kW / Month
	DS HT	9.50/ kVAh	100.00 / kVA / Month
Commercial (Non Domestic)	NDS – R	10.00 / kWh	200.00 / kW / Month
	NDS – U	10.50 / kWh	250.00 / kW / Month
	NDS- HT	10.50/kVAh	450/kVA/Month
LTIS	LTIS	9.00 / kVAh	300 / kVA / Month
IAS	IAS-(Pvt)	8.00 / kWh	50.00 / HP / Month
	IAS-(Govt)	8.00 / kWh	50.00 / HP / Month
HTS-I	HTS - 11KV	6.30 / kVAh	450 / kVA / Month
	HTS - 33KV	6.30 / kVAh	450 / kVA / Month
	HTS - 132KV	6.30 / kVAh	450 / kVA / Month
HTSS	HTSS - 11KV	6.30/kVAh	450 / kVA / Month
	HTSS - 33KV	6.30/kVAh	450 / kVA / Month
HTIS	RTS	9.00 / kVAh	450 / kVA / Month
MES	MES	9.00 / kVAh	450 / kVA / Month
SS	Metered	9.00 / kWh	200.00 / kW / Month

Commission Analysis

13.2 Based on the above discussions, the summary of Tariff approved by the Commission for FY 2024-25 as computed hereunder:

True-up for FY 2022-23, APR for FY 2023-24, and ARR & Tariff for FY 2024-25



Consumer Category	Consumer/ Sub Category	Existing Tariff				Approved Tariff			
		Energy Charge		Fixed Charge		Energy Charge		Fixed Charge	
		Unit	Rate	Unit	Rate	Unit	Rate	Unit	Rate
Domestic	Rural	Rs/kWh	6.30	Rs/Conn./Mon	75.00	Rs/kWh	6.30	Rs/Conn./Mon	75.00
	Urban	Rs/kWh	6.65	Rs/Conn./Mon	100.00	Rs/kWh	6.65	Rs/Conn./Mon	100.00
	HT	Rs/kVAh	6.25	Rs/kVA/Mon.	150.00	Rs/kVAh	6.25	Rs/kVA/Mon.	150.00
Commercial	Rural (More than 5 kW)	Rs/kWh	6.10	Rs/kW/Mon	120.00	Rs/kWh	6.10	Rs/kW/Mon	120.00
	Urban (More than 5 kW)	Rs/kWh	6.65	Rs/kW/Mon	200.00	Rs/kWh	6.65	Rs/kW/Mon	200.00
IAS		Rs/kWh	5.30	Rs/hp/Mon	50.00	Rs/kWh	5.30	Rs/hp/Mon	50.00
Industrial	Low Tension Industrial Supply	Rs/kVAh	6.05	Rs/kVA/Mon.	150.00	Rs/kVAh	6.05	Rs/kVA/Mon.	150.00
	High Tension Industrial Supply	Rs/kVAh	5.85	Rs/kVA/Mon.	400.00	Rs/kVAh	5.85	Rs/kVA/Mon.	400.00
	High Tension Special Service	Rs/kVAh	5.20	Rs/kVA/Mon.	400.00	Rs/kVAh	5.20	Rs/kVA/Mon.	400.00
Institutional	Streetlight	Rs/kWh	7.00	Rs/kW/Mon	250.00	Rs/kWh	7.00	Rs/kW/Mon	250.00
	RTS	Rs/kVAh	5.60	Rs/kVA/Mon.	400.00	Rs/kVAh	5.60	Rs/kVA/Mon.	400.00
	MES	Rs/kVAh	5.60	Rs/kVA/Mon.	400.00	Rs/kVAh	5.60	Rs/kVA/Mon.	400.00
	Other Distribution Licensee	Rs/kVAh	5.60	Rs/kVA/Mon.	400.00	Rs/kVAh	5.60	Rs/kVA/Mon.	400.00



Chapter 14: TARIFF SCHEDULE

APPLICABLE FROM 01.10.2024

Consumer Tariff

Ceiling Tariff

The Tariffs approved below are Ceiling Tariffs and the Licensee is at liberty to Supply at lower and more competitive rates based on the requirement of the Consumers. However, this reduced recovery shall be attributable to the Licensee and shall not be recoverable in the ARR.

Domestic Service- Rural and Urban

Applicability:

This schedule shall apply to private residential premises for domestic use of household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc. including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

This rate is also applicable for supply to religious institutions such as Temples, Gurudwaras, Mosques, Church and Burial/ Crematorium grounds, Rural Drinking Water Schemes and other recognised charitable institutions, where no rental/fees are charged for the energy needs and for its products and services.

This rate is also applicable for all consumers with contracted demand of upto 5 kW mixed, commercial, industrial, educational institutions, drinking water schemes or for any other purpose, except streetlight connections and agriculture/allied connections.

Category of Services:

Domestic Service-Rural: areas not covered by Nagar Nigam, Nagar Parishad and Nagar Panchayat.



Domestic Service -Urban: areas covered by Nagar Nigam, Nagar Parishad and Nagar Panchayat.

Service Character:

- a) For Rural: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.
- b) For Urban: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Rural	Rs/Conn./Month	75	Rs/kWh	6.30
Urban	Rs/Conn./Month	100	Rs/kWh	6.65

As the Fixed Charges are applicable per connection basis, there is little relevance of load for Tariff purpose, the Petitioner should not normally inspect consumer premises on the pretext of load verification.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment : In accordance with **Clause VIII:** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Domestic Service - HT

Applicability:

This schedule shall apply to private residential premises for domestic use of household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc. including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

Category of Services:

This Schedule shall apply for domestic connection in Housing Colonies/ Housing Complex/Houses of multi storied buildings purely for residential use for single point metered supply, with power supply at 33kV or 11kV voltage level. DS-HT consumers, who supply power to individual households, the average per unit charges billed to an individual consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

Service Character:

(i) For HT: AC, 50 Cycles, at 11kV or 33kV

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
DS-HT	Rs/kVA/Month	150	Rs/kVAh	6.25

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand whichever is higher. The penalty on exceeding Billing Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of



Supply as provided in **Chapter 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III:** Delayed Payment Surcharge of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with **Clause VIII:** Prompt Payment Rebate and Rebate for Online Payment of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Irrigation & Agriculture Service (IAS)

Applicability:

This schedule shall apply to all consumers for use of electrical energy for Agriculture purposes including tube wells and processing of the agricultural produce, confined to Chaff-Cutter, Thresher, Cane crusher and Rice-Hauler, when operated by the agriculturist in the field or farm and does not include Rice mills, Flour mills, Oil mills, Dal mills.

Service Character:

AC 50 Cycles, Single Phase at 230 volts /Three Phase at 400 volts

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
IAS	Rs/hp/Month	50	Rs/kWh	5.30

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with **Clause VIII: Prompt Payment Rebate and Rebate for Online Payment** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Commercial Services

Applicability:

This schedule shall apply to all consumers, using electrical energy for light, fan and power loads for non-domestic purposes like shops, hospitals (govt. or private), nursing homes, clinics, dispensaries, restaurants, hotels, clubs, guest houses, marriage houses, public halls, show rooms, workshops, central air-conditioning units, offices (govt. or private), commercial establishments, cinemas, X-ray plants, schools and colleges (govt. or private), boarding/ lodging houses, libraries (govt. or private), research institutes (govt. or private), railway stations, fuel - oil stations, service stations (including vehicle service stations), All India Radio / T.V. installations, printing presses, commercial trusts / societies, Museums, poultry farms, banks, theatres, common facilities in multi-storied commercial office/buildings, Dharmshalas, public Electric Vehicles Charging stations and such other installations not covered under any other tariff schedule whose Contracted Demand is greater than 5 kW and less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

This schedule shall also be applicable to electricity supply availed through separate (independent) connections for the purpose of advertisements, hoardings and other conspicuous consumption such as external flood light, displays, neon signs at public places (roads, railway stations, airports etc.), departmental stores, commercial establishments, malls, multiplexes, theatres, clubs, hotels and other such entertainment/ leisure establishments whose Connected Load/Contracted Demand is greater than 5kW and less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

Service Category:

Commercial Service-Rural: Areas not covered by area indicated for Commercial Service Urban. Commercial Service-Urban: Areas covered by Nagar Nigam, Nagar Parishad, Nagar Panchayat.



Service Character:

Rural: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.

Urban: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Rural	Rs/kW/Month	120	Rs/kWh	6.10
Urban	Rs/kW/Month	200	Rs/kWh	6.65

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Installation of Shunt Capacitors: In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with **Clause VIII: Prompt Payment Rebate and Rebate for Online Payment** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Low Tension Industrial Services

Applicability:

This schedule shall apply to all industrial units having a Contracted Load more than 5 kW and less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

Service Character:

Low Tension Industrial Service (LTIS): AC, 50 Cycles, Single Phase supply at 230 Volts or Three Phase Supply at 400 Volts.

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
LTIS	Rs/kVA/Month	150	Rs/kVAh	6.05

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order. In case Recorded Demand is more than 100 kVA/85 kW for any month for more than three instances within a Financial Year, the average of the Maximum Demand recorded during such instances shall be treated as the new Contract Demand for the purpose of billing of future months and the consumer will have to get into a new Agreement under the HTS category.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Installation of Shunt Capacitors: In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with **Clause VIII: Prompt Payment Rebate and Rebate** for Online Payment of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



HT Services

Applicability:

All the consumers drawing power at voltage level at 6.6 kV and above except Domestic-HT consumers and HT- Institutional Consumers. High Tension Special Service (HTSS): This tariff schedule shall apply to all consumers who have a contracted demand of 300 KVA and more for induction/arc Furnace. In case of induction/arc furnace consumers (applicable for existing and new consumers), the contract demand shall be based on the total capacity of the induction/arc furnace and the equipment as per manufacturer technical specification and not on the basis of measurement. This tariff schedule will not apply to casting units having induction furnace of melting capacity of 500 Kg or below.

Service Character:

High Tension Service (HTS): 50 Cycles, Three Phase at 6.6 kV/11 kV/33 kV/132 kV/220 kV/400 kV.

High Tension Special Service (HTSS): 50 Cycles, Three Phase at 11 kV/33 kV/132 kV/220 kV/400 kV

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
HTS	Rs/kVA/Month	400	Rs/kVAh	5.85
HTSS	Rs/kVA/Month	400	Rs/kVAh	5.20

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with **Clause VIII: Prompt Payment Rebate and Rebate** for Online Payment of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** as provided in section on Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Street Light

This tariff schedule shall apply for use of Street Lighting system.

Applicability:

This tariff schedule shall apply for use of Street Lighting system, including single system in corporation, municipality, Notified Area Committee, panchayats etc., and also in areas not covered by municipalities and Notified Area Committee provided the number of lamps served from a point of supply is not less than 5.

Service Character:

Street Light Service (SS): AC, 50 cycles, Single phase at 230 Volts or Three phase at 400 Volts

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Streetlight	Rs/kW/Month	250	Rs/kWh	7.00

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with **Clause VIII: Prompt Payment Rebate and Rebate** for Online Payment of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



HT Institutional Services

This tariff schedule shall apply for use of Railway Traction, Military Engineering Services and Other Distribution Licensees.

Applicability:

Railway Traction (RTS) and Military Engineering Services (MES): This tariff schedule shall apply for use of railway traction and Military Engineering Services (MES) for a mixed load in defence cantonment and related area.

Other Distribution Licensees: This tariff schedule shall apply to other distribution licensees procuring power from the Licensee for the sole purpose of supplying it to its consumers. It is clarified that such tariff shall not be applicable for the quantum of power utilized in industrial units owned by it or its parent or affiliate company.

Service Character:

Railway Traction Service (RTS): AC, 50 cycles, Single, two or three phase at 25 kV/ 132 kV.

Military Engineering Services (MES): AC, 50 cycles, three phase at 6.6 kV and above.

Other Distribution Licensees: AC, 50 cycles, three phase at 6.6 kV and above

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
HTIS	Rs/kVA/Month	400	Rs/kVAh	5.60

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty



on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with **Clause VIII: Prompt Payment Rebate and Rebate for Online Payment** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** as provided in section on Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

RPO Compliance: RPO Compliance for Sale to Other Licensees, RTS and MES shall be made by the first Licensee which sells the power viz., in case TSL has procured such quantum of power from JBVNL then the onus to comply with RPO will be with JBVNL only.



Temporary Connections

Applicability:

The Temporary tariff shall be applicable as per the following conditions:

- a) Temporary tariff shall be equivalent to 1.5 times of the applicable fixed and energy charges for temporary connections falling in each prescribed tariff category with all other terms and conditions of tariff remaining the same.
- b) Temporary connections may be given with normal meters with security deposit as per JSERC (Electricity Supply Code) Regulations, 2015 and amendments thereof.
- c) Temporary connections may also be given with prepaid meters with minimum prepaid balance equivalent to 45 days of sale of power, which shall be based on the assessment formula as per JSERC (Electricity Supply Code) Regulations, 2015 and amendment thereof.

Tariff:

Category	Fixed Charge	Energy Charge
	Rate	Rate
HTIS	1.5 times of the applicable Fixed Charge	1.5 times of applicable Energy Charge



Tariff to be paid by the Licensee for Gross/Net Metering of rooftop Solar PV projects

The Commission had notified the JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) Regulations, 2015, on November 10, 2015, and further notified its 1st amendment as JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) (1st Amendment) Regulations, 2019. The Tariff for sale of surplus power by Gross/Net metering of Rooftop Solar PV for FY 2023-24 for such eligible consumers of the Petitioner shall be as under:

Gross Metering: Rs. 4.16/kWh

Net Metering: Rs. 3.80/kWh

The tariff approved as above for FY 2023-24 shall remain effective till the issue of subsequent Tariff Order/Individual Order as the case may be.

Schedule of Miscellaneous Charge

The Miscellaneous Charge will be applicable as per the Tariff Order dated May 31, 2023 till further Order.



Chapter 15: TERMS AND CONDITON OF SUPPLY

Clause I: Penalty for exceeding Billing/ Contract Demand

In case the Recorded/Actual Demand exceeds 110% of the Contract Demand, the consumer shall pay penal charges. The penal charges would be charged as follows: If the Recorded Demand exceeds 110% of Contract Demand, then the Demand Charge up to Contract Demand will be charged as per the normal Tariff rate. The remaining Recorded Demand over and above the Contract Demand will be charged at 1.5 times the normal Tariff rate. In case Recorded Demand is higher than the Contract Demand by the quantum and for the duration as specified in the JSERC (Electricity Supply Code) Regulations, 2015, as amendment from time to time, the Contract Demand shall be revised as per the procedure specified therein.

Clause II: Jharkhand Electricity Duty

The charges in this tariff schedule do not include charges on account of State Electricity Duty/Surcharge to the consumers under the State Electricity Duty Act and the rules framed there under as amended from time to time and any other Statutory levy which may take effect from time to time.

Clause III: Delayed Payment Surcharge

The Delayed Payment Surcharge shall be applicable as specified in Clauses 10.75 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, as amended from time to time. In case, the Licensee defaults in generating and delivering bills on monthly basis, Delayed Payment Surcharge will not be charged for the period of default by Licensee. The consumer should not be deprived of any subsidy/benefit, which could have been otherwise accrued to the consumers, i.e., energy units/amount (in case of unmetered) billed has to be apportioned on average monthly basis for the whole billing duration.



Clause IV: Voltage Rebate

Voltage rebate* will be applicable on Energy Charges as per the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time at the rate given below:

Consumer Category	Voltage Rebate*
HTS/HT Institutional- 33 kV	3.00 %
HTS/HT Institutional- 132 kV	5.00%

* Note:

- 1) It is clarified that, if a consumer who is eligible to get supply at 11kV as per classification as mentioned in Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and then the consumer opts for connection at 33kV then consumer shall be eligible for voltage rebate of 3%. Similarly, if a consumer who is eligible to get supply at 33kV as per Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and opts for connection at 132kV then consumer shall be eligible for voltage rebate of 5%. Further, no voltage rebate shall be applicable above voltage level of 132 kV. It is further clarified that the existing consumers at 11kV and 33kV opts for higher voltage, rebate shall be applicable for such consumers.
- 2) The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.

Clause V: Load Factor Rebate

The Load factor rebate shall be allowed to all the consumers whose load factor exceeds 65%. For any 'X' % increase in the load factor over and above 65%, the rebate shall be allowed at the rate of 'X' % on the total energy charges corresponding to total energy consumption of the consumer subject to a maximum ceiling rebate of 15%. The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.

Clause VI: Installation of Shunt Capacitors

Connections with inductive load/motors as specified in Clauses 8.2.34 and 8.2.35 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended



from time to time, shall be installed with Shunt Capacitors to meet the Power Factor requirements. For existing consumer, the Petitioner should first serve one month's notice to all such consumers who do not have or have defective shunt capacitors. In case the consumers do not get the capacitor installed/replaced within the notice period, the consumer shall be levied a surcharge at 5% on the total billed amount charge (metered or flat), till they have installed the required capacitors.

Clause VII: ToD Tariff

TOD tariff shall be applicable as an option to HTS and HT Institutional Consumers as follows: -

- **Off Peak Hours: 10:00 PM to 06:00 AM:** 85% of normal rate of energy charge
- **Normal Hours: 10:00 AM to 06:00 PM:** 100% of normal rate of energy charge
- **Peak Hours: 06:00 AM to 10:00 AM and 06:00 PM to 10:00 PM:** 120% of normal rate of energy charge Clause

VIII: Prompt Payment Rebate and Rebate for Online Payment

The due date for making payment of energy bills or other charges shall be as specified in Clauses 10.1.5 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time. Prompt Payment Rebate shall be allowed for payment of bills by the Consumers in accordance with Clauses 10.76 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, as amended from time to time. Further, a rebate of 1.00% shall be allowed on the billed amount for payment within the due date of the entire billed amount made either through online or any digital mode subject to a maximum ceiling rebate of Rs. 250 against the billed amount. Further no rebate shall be allowed after due date irrespective of the mode of payment.

Clause IX: Rebate for Prepaid Metering

The Commission has introduced rebate to prepaid meters at 3% of the Energy



Charges for the respective Consumer Category. For such consumers, the Petitioner shall refund the entire Security Deposit within one month from the date of installation of such prepaid meters.

Clause X: Rebate for Delayed Billing

The Commission has introduced rebate in case of delayed billing to consumers to promote prompt billing by the Licensees. In case the bill is not received for two continuous billing cycles, a rebate at the rate of 1.00% on the bill amount per month for delay beyond two months or part thereof shall be applicable subject to a ceiling of 3%. The Utility shall not be eligible to claim such Rebate as a part of ARR. The same shall be treated as a Compensation for the consumers out of the RoE of the Licensee. This clause shall be applicable to all consumers.

Clause XI: Other Terms and Conditions

Reduction in Fixed Charges Recovery of Complete Fixed/Demand Charges from consumers shall be based on the availability of hours of supply recorded by meters installed in the consumer's premises. JBVNL would include the same in the consumer's bill and recover the Fixed Charges only in proportion to the hours of supply as per the meter. The cut off hours for complete recovery from Fixed/Demand Charges shall be 21 hours per day for LT consumers and 23 hours per day for HT Consumers.

Provided that interruption due to grid failure in Inter-State and Intra-State Transmission System, interruption due to prevention of accidents due sudden changes in weather conditions such as hail storm or intensive rainfall as declared by India Meteorological Department (IMD) or by State Government and planned outages/Rostering in the network to be uploaded on its website seven days in advance with a copy to the Commission and an intimation to the respective consumers shall be excluded while computing scheduled supply hours.

Provided that any reduction in recovery of Fixed/Demand Charges on account of lower than stipulated hours of supply shall not be claimed as a part of the



ARR. Any reduction in the Fixed/Demand Charges shall be considered as a compensation to be paid to the Consumer by the Licensee.

The Commission in its earlier Order dated October 01, 2020 issued following directives: -

“The Commission directs the Petitioner to submit a report on implementation of the above for all categories except for LT- Domestic, within 30 days of issue of this Order and implement the same from the billing cycle following the issuance of this Order. For LT-Domestic the Petitioner shall implement the same with effect from January 01, 2021.

However, till the time the above mechanism is implemented (i.e., December 31, 2020) for LT-Domestic, earlier mechanism for recovering fixed charge on the basis of the below mechanism specified in its earlier Order dated February 28, 2019 shall be applicable.

$$FCr = FC \times (20-Y)/20$$

FC = Total Fixed Charges for the consumer for the Billing Period.

FCr = Fixed Charges recoverable by the Petitioner for the Billing Period.

Y = Average duration of no supply of power beyond 4 hours per day as recorded for the previous quarter.

The Petitioner is directed to adjust from the monthly fixed charges as per the above specified mechanism based on the SAIDI recorded in the previous quarter.”

In view of the above, the Commission reiterate its direction that the Petitioner shall submit a report on implementation of the above, within 30 days of issuance of this Order and implement the same from the subsequent billing cycle.

Point of Supply



The Power supply shall normally be provided at a single point for the entire premises. In certain categories like coal mines power may be supplied at more than one point on the request of consumer subject to technical feasibility. But in such cases metering and billing shall be done separately for each point.

Dishonoured Cheques

In terms of Regulation 10.10.5 of the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time, in the event of dishonoured cheque for payment against a particular bill, the Licensee shall charge a minimum of Rs. 300 or 0.5% of the billed amount, whichever is higher. In addition to the same, the Delay Payment Surcharge shall be levied extra as per the applicable terms and conditions of Delay Payment Surcharge.

Stopped/Defective Meters

In case of existing consumers with previous consumption pattern, the provisional average bill shall be issued as per Clause 10.3.1 of the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time.

In case of meter being out of order from the period before which no pattern of consumption is available, the provisional average bill shall be issued on the basis of Sanctioned/Contract Load on following Load Factor applicable to respective categories:

Consumer Category	Load Factor
Domestic	0.15
Non-Domestic	0.20
LTIS	0.20
DS-HT	0.15
HT Consumer <132 kV	0.30
HT Consumer >132 kV	0.20

Sale of Energy



No consumer shall be allowed to sell the electricity purchased from the Licensee to any other person/entity. In case of DS-HT consumers, who supply power to individual households, the average per unit charge billed to an individual consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

Release of New Connections

No new connections shall be provided without appropriate meter.

Conversion Factors

The following shall be the conversion factors, as and where applicable: (PF=0.85 to 0.95):

1 kiloWatt (kW) = 1.176 kiloVolt Ampere (kVA)

1 kiloWatt (kW) = 1/0.746 Horse Power (HP)

1 Horse Power (1 HP) = 0.878 kiloVolt Ampere (kVA)

Fuel & Power Purchase Cost Adjustment (FPPCA)

Applicable as per JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and as amended by the Commission from time to time.



Chapter 16: STATUS OF EARLIER DIRECTIVES

16.1 The directives issued by the Commission in its earlier Orders, its compliance by the Petitioner and further view of the Commission on compliance is tabulated below:

Directives	Status	Views of the Commission
1. Fixed Asset Register		
<p>The Commission had directed the Petitioner to prepare an FAR before filing of the next petition.</p> <p>Further, the Commission had also directed the Petitioner to comply with observations of statutory authorities/auditors on the matter of Verification & Monitoring of Fixed Assets/CAPEX/Inventory and Maintenance of proper records preferably in digital form for observance of statutory provisions.</p> <p>Furthermore, the Petitioner had directed to put a robust Integrated Accounts & Financial Management System to minimize the time for preparation of Annual Accounts & filing of Petitions/Business Plans/APR's. in time</p>	<p>The Petitioner has submitted the substantial amount of assets has been added post formation of the company on 06.01.2014 and such additions have been duly audited in the respective years. The company has records for the assets so added in respective years. In order to further improve, the company appointed M/s Deloitte for physical verification and preparation of Fixed Asset Register, determination of historical cost of fixed assets and providing support in migration of the asset register into SAP etc. The work has already started in the year 2023 and there is significant progress in this area.</p> <p>The preparation of FAR is an exhaustive and extensive exercise covering physical verification of all 33/11kV PSS, all 33kV feeders and on sample basis 11kV feeders and DTRs, their historical cost estimation which requires significant effort and resources.</p> <p>The consultant has commenced the physical verification of the assets and is utilizing digital tools to aid and carry out the physical verification in systematic manner. The process of compilation of the historical cost are under</p>	<p>The Commission observes that the petitioner has not been able to comply with its self-declared target.</p> <p>The Commission take serious note of the same.</p>



Directives	Status	Views of the Commission
	preparation. It is expected that the work will be finished by March 2024	
2. Segregation into Retail & Wheeling Supply of Business		
<p>According to the Regulation 6.10 of the Tariff Regulations 2020, separate accounting has to be done for Wheeling & Retail supply of Business which has not been the case till now.</p> <p>As per Regulation 6.10 of Tariff Regulations 2020, until the accounts are not segregated, an Allocation Statement shall be prepared and submitted to apportion the costs and revenues after the approval of the Board of Directors.</p>	<p>It is understood that segregation of accounts into wheeling and retail would require the drawing of Fixed Asset Register, without which 100% accuracy in such segregation may not be feasible.</p> <p>The petitioner is seriously contemplating to segregate the business into retail and wheeling of electricity after the process of FAR is completed.</p> <p>The petitioner is continuously monitoring the progress of FAR.</p>	<p>The Commission observes that the petitioner has not been able to comply with directive of the Commission.</p> <p>The Commission take serious note of the same.</p>
3. Voltage Wise-Cost of Supply		
<p>The Commission has noted the submissions of the Petitioner. The Petitioner is directed to submit the complete study along with all its annexures and clear methodology used for calculation of VCoS within 1 month from the date of issue of this Order.</p>	<p>The Petitioner has submitted that it had appointed an agency for conducting Voltage-Wise Cost of Supply as per directive of Hon'ble Commission. The agency completed its study and submitted Voltage-Wise Cost of Supply for FY 17-18 which JBVNL subsequently submitted along with its last Tariff Petition for FY 23-24 by taking proportionality values for VCoS.</p> <p>Further, the Petitioner is in process of conducting a similar study for VCoS and the preparation of the scope of work and tender work is in progress. The petitioner would submit the work progress once the tender is finalized and the tender for the same is awarded</p>	<p>The Commission observes that the petitioner has not been able to comply with directive of the Commission even after more than completion of 1 Year.</p> <p>The Commission take serious note of the same.</p>
4. Employee Performance Appraisal		
<p>The Commission has observed that the Petitioner's is yet to submit any report employee performance appraisal to the Commission.</p> <p>The Commission had also</p>	<p>The Petitioner has submitted that the employee performance appraisal is being done internally and the parameter such as new connection request, collection target, billing target is being mapped to concerned officers. However, quality of supply</p>	<p>The Commission has noted the submission of the Petitioner.</p> <p>Further, the Commission redirected the</p>



Directives	Status	Views of the Commission
<p>observed that the Petitioner has made some interim arrangement.</p> <p>The Commission had directed the Petitioner to develop an arrangement where the quality of supply can be objectified into key performance indicators (KPI) for an area linked to respective Officers. The Petitioner must submit the compliance report within 3 months from the date of issuance of this Order.</p>	<p>parameters is very difficult to quantify and linked to respective officers.</p> <p>Further, the petitioner is developing its internal KPI parameters to be tagged with field officers, however, quality of supply can be a part of it but KPI mapped to the concerned field officers is difficult to conceptualize and map distinctively.</p>	<p>Petitioner to expedite the process.</p>
5. Conversion of UDAY Loan into Grant/Equity		
<p>The Commission had directed the Petitioner to expedite the conversion of State Government loan into grant/equity as per the agreed UDAY MoU.</p>	<p>The state government loan under the UDAY scheme as per agreed MOU has been converted to grant by the state government and the letter for the same has been submitted to the Hon'ble Commission. (Letter reference no : 962 dated 24 august 2023)</p>	<p>The Commission has noted the submission of the Petitioner.</p>
6. Computation of SAIDI, CAIFI and SAIFI		
<p>The Commission had directed the Petitioner to submit the quarterly report on calculation of SAIDI, CAIFI and SAIFI with the details of feeders utilized for calculation of the same to the Commission and regularly update the same in its website.</p>	<p>The Petitioner has submitted that the computation for SAIDI, CAIFI and SAIFI quarterly report has been submitted to the Hon'ble Commission as per requirement.</p> <p>These parameters are progressively monitored by the petitioner and action has been taken to streamline the same and the process for regular updating of the work is under progress.</p>	<p>The Commission has noted the submission of the Petitioner.</p> <p>Further, the Commission redirected the Petitioner to expedite the process.</p>
7. Consumer Awareness Programmes		
<p>The Commission had directed the Petitioner to improve the Consumer Awareness Programme to enhance awareness of the consumers</p>	<p>As per the direction of the commission, the petitioner has started the Urja Melas to aware the consumer on several issues and addressing any pending issues of</p>	<p>The Commission has noted the submission of the Petitioner.</p> <p>Further, the</p>



Directives	Status	Views of the Commission
<p>about Electricity Tariffs, Standards of Performance and Other Regulations as applicable.</p>	<p>the consumers. Apart from Urja Melas, the utility has been conducting various other schemes and making consumer aware through various other initiatives such as urja sambad, whatsapp groups involving local representees, campaign through papers and cartoons ads, educational videos, miking and camps etc.</p>	<p>Commission redirected the Petitioner to expedite the process.</p>
<p>8. Submission of impact of analysis and requisite data along with proposal for introduction of TOD Tariff</p>		
<p>The Commission had observed that the Petitioner has not submitted impact analysis and requisite data for ToD Tariff. Accordingly, The Commission had directed the Petitioner to submit the same at the earliest in its own interest.</p>	<p>On implementation of TOD tariff, an internal analysis has been done for the HT consumers and it was found that the utility will be benefited if it is being implemented.</p> <p>However, the feedback of the same from HT consumers are not positive and they are reluctant for implementation of the TOD tariff as of now.</p> <p>The report on the same is under work in progress and the same will be submitted to the Hon'ble Commission in due course of time</p>	<p>The Commission observes that the petitioner has not been able to comply with directive of the Commission.</p> <p>The Commission take serious note of the same.</p>
<p>9. Reduction in Fixed Charge</p>		
<p>The Commission had observed that the Petitioner has not submitted the report on implementation of the reduction in Fixed Charges.</p> <p>In view of the above, the Commission had directed the Petitioner to implement the same and strictly comply with the directives of the Commission within 30 days from the date of issuance of this Order, without any fail.</p>	<p>Reduction of fixed charges has been provided to HT consumers. However, the same has not been extended to the LT consumers due to some operational issues with the billing software.</p> <p>The petitioner has been working on the Billing software to include the supply hours so that fixed charge can be calculated automatically and passed on to the LT consumers. Once the system is in place, the petitioner will inform the Hon'ble commission.</p>	<p>The Commission observes that the petitioner has not been able to comply with directive of the Commission.</p> <p>The Commission take serious note of the same.</p>



Directives	Status	Views of the Commission
	For smart meters that is being implemented, the fixed charge reduction will be automatically calculated and passed on to the consumers after reconciliation at the end of the month.	
10. Testing of Pre-paid Meter from Third party meter testing labs		
The Commission had directed the Petitioner to test the prepaid meters from empanelment party meter testing labs approved by the Commission before installation of prepaid meters at the consumers premises.	The prepaid meters are being tested by our MRT (Meter and Relay testing) wing that was duly approved by our own procedures. The tender for the testing is underway for 5% of the prepaid meters from the empanelment agencies of the Hon'ble commission.	The Commission has noted the submission of the Petitioner.



Chapter 17: DIRECTIVES

- 17.1 The Commission directs the Petitioner to maintain the Fixed Assets Register (FAR) considering the depreciation rates as specified in JSERC Distribution Tariff Regulations and submit the status report to the Commission along with FAR in the next tariff filing. The Petitioner is directed to specifically comply with the observations of the statutory authorities/auditors on the matter of Verification & Monitoring of Fixed Assets/CAPEX/Inventory and Maintenance of proper records preferably in digital form for observance of statutory provisions. The Petitioner should also put in place a robust Integrated Accounts & Financial Management System to minimize the time for preparation of Annual Accounts & filing of Petitions/Business Plans/APR in time.
- 17.2 The Petitioner is directed to submit the itemized details of scraps and store items along with the estimated values within 3 months from the issue of this Order.
- 17.3 It is apparent that the petitioner is enjoying a perpetual moratorium as no interest or debt is being serviced. It thus, in effect is akin to Government Grant. Hence, the Commission is of view that the Petitioner may approach the Government to convert the Government loan into Government Grant.
- 17.4 The Commission vide letter no JSERC/Case (Tariff) no.: 03 & 15 of 2022/505 dated February 6, 2024 has directed the petitioner to provide a comprehensive roadmap for liquidation of Cumulative Gap/(Surplus) up to FY 2023-24 within a week. But till date the petitioner had not submitted the same. In this regard, the Petitioner is redirected to submit the desired proposal within stipulated time frame.
- 17.5 The then Principal Secretary Energy -B.K. Tripathi of State Government of Jharkhand vide letter date 14.07.2014 as annexed in Annexure-2 had intimated that released of Rs 1500 crores per annum towards resource gap to the JUVNL (erstwhile J.S.E.B) will be to meet the slashes/disallowance worked out by the Hon'ble Commission while fixing the tariff. It has been found that this amount is not disbursed from FY



2019-20. Hence, JBVNL is directed to approach the Government of Jharkhand to release the said amount so that the gap may be liquidated.

17.6 The distribution system plays a crucial role in the power delivery chain, as it establishes the last mile connectivity with the ultimate consumers. Consumers are paramount in this process, serving as the revenue generators that sustain the entire power delivery chain, from generation to distribution. Distribution service providers have undertaken numerous commendable initiatives aimed at improving the system, reducing distribution losses, enhancing the safety of both personnel and equipment, and resolving issues related to meters and billing. However, there remains a need for further action by licensees to address existing challenges and ensure the continued reliability and efficiency of the distribution system

17.7 The JBVNL is directed that:

- a) the norms for engaging outsourcing personnel through Business associates, along with details regarding the number of outsourcing personnel at each division & circle level and their assigned works/responsibilities, should be provide.
- b) present status and future planning for the creation of dedicated industrial feeders with adequate protection systems to ensure reliable power supply.
- c) an energy audit should be conducted to assess LT & HT losses.
- d) submission of the valuation of distribution assets under operation in their area of supply, categorized into three broad categories: existing assets before taking over, assets created after taking over by present DISCOMs, and assets created under Government funding before & after taking over of distribution business by the present DISCOMs, is required.
- e) a robust consumer database should be created by introducing a Know Your Customer (KYC) mechanism and other methods to identify genuine consumers and eliminate bogus consumers.



- f) consideration should be given to organizing consumer-licensee interaction meetings to address consumer grievances and foster a consumer-friendly environment
- 17.8 The Commission directs the Petitioner not to purchase power under High Price Day Ahead Market (HP- DAM) in the integrated Day Ahead Market (I-DAM) segment.
- 17.9 The Commission has observed that the Petitioner has not provided the detailed slab wise billing determinant (number of consumers, connected load and energy sales) along with revenue for ARR period for FY 2023-24. The Commission taking note of the non-compliance, directs the Petitioner to provide the detailed slab/sub-slab wise billing determinants along with revenue from the next Tariff filing failing which will lead to the proceedings of the non-compliance of directive as per Regulations/Act.
- 17.10 The Commission directs the Petitioners to provide voltage-wise energy sales and losses data, including information for 440V, 11kV, 33kV, 66kV, and 132 kV levels. Additionally, it is mandatory to submit both the energy audit report and the cost audit report, prepared in accordance with the Companies (Cost Records and Audit) Rules, along with the ARR/Tariff filing each year.
- 17.11 The Petitioners are directed to ensure 100% feeder metering and DT metering and separation of agriculture feeders.
- 17.12 There is lack of clarity on the interest of security deposited that has been given to the consumers. Petitioners in its submission should clearly demonstrate how much interest on security deposit was required to be given and how much interest has been actually disbursed.
- 17.13 There are several upcoming opportunities for the Licensees to enhance their nontariff income particularly from the broadband and 5G telecom companies for installation of their equipment on the electric poles and infrastructure of the licensees. The licensees are directed to develop a business plan in accordance with JSERC (Facilitation of Telecommunication Network) Regulation 2023 in this regard and submit



the same for the approval along with tariff of the Commission.

- 17.14 The Petitioners shall upload on its website the Petition filed before the Commission along with all regulatory filings, information, particulars and related documents, which shall be signed digitally and in searchable pdf formats along with all Excel files and as per any other provision of the Regulations and Orders of the Commission. The Petitioner shall also ensure that these files are broken into such size which can be easily downloaded and will not keep them in compressed form as the stakeholders find it difficult to extract the files.
- 17.15 The details of all pending cases filed by Petitioners against the Commission in various forums, along with their status, should be provided alongside the ARR/Tariff filing each year.
- 17.16 The Petitioners are directed to submit DSM account details separately from the power purchase along with each ARR/ Tariff filings.
- 17.17 The list of Open Access consumers, categorized into Long Term, Short Term, and Medium Term, should be provided along with their consumption data and consumer category. This information should be included in the Petition submitted alongside the ARR/Tariff filing each year.
- 17.18 Wherever the opening values in the audited account doesn't match with the closing shown in the previous audited account, the reasons for the same to be provided as part of audited accounts henceforth.
- 17.19 Provide the detailed breakup of CWIP claimed for the year along with the Petition along with the ARR / Tariff filing each year.
- 17.20 The month-wise actual category/sub-category/slab-wise Billing Determinants, including the number of consumers, connected load, sales, and actual revenue for the year, should be submitted alongside the future filings.
- 17.21 The reconciliation of actual O&M expenses (including employee expenses, A&G expenses, R&M expenses) compared to the normative expenses for



the year should be submitted in each future filing.

- 17.22 The Petitioners are directed to ensure that the actual Power Purchased Cost, including a detailed breakdown of each source, inter-state transmission charges, and intra-state transmission charges, are incorporated into the audited accounts.
- 17.23 Ensure that the actual category/sub-category-wise Billing Determinants (including the number of consumers, connected load, and sales) and category-wise actual revenue are included in the audited accounts henceforth.
- 17.24 The Petitioners are directed to ensure that actual power purchased (in million units) and ex-bus energy delivered at the Discom periphery (in million units), along with inter and intra-power purchase (in million units) and inter and intra-state losses, are included in the audited accounts henceforth.
- 17.25 The Commission has observed that the few formats the data is incomplete. It has also been observed that the Excel files are not linked and formula driven which delays the proceedings. Therefore, the Petitioner is directed to ensure that all the Tariff and additional Formats are completely filled and are with formulas and links.
- 17.26 The Petitioners are directed to submit a proposal outlining the category/subcategory-wise roadmap for cross-subsidy reduction. They should take necessary steps to reduce such subsidy to within +/- 20% of the Average Cost of Supply (ACoS) in compliance with the provisions of the Tariff Policy, 2016.
- 17.27 The Petitioners are directed to enhance the quality of the distribution network by implementing state-of-the-art technology and contemporary technological solutions to address upcoming and new challenges in the sector. Additionally, the Licensees are directed to prioritize institutional capacity building, particularly focusing on operations related to smart metering, prepaid charging infrastructure, demand response, time of use (TOU), cyber security and privacy of data, and the utilization of AI tools.



- As part of this initiative, in-house Training Centers/Programs need to be established to expand the knowledge base and upgrade the competencies of their employees in line with technological trends in the sector. This will help bridge capacity gaps and reduce reliance on outsourcing essential and sensitive services. Furthermore, the Petitioners are required to conduct training sessions on Standard Operating Procedures (SOP) and Consumer Grievance Redressal Forum (CGRF) for the relevant personnel.
- 17.28 The Petitioners are required to file quarterly progress reports before the Commission on the implementation of Standard of Performance (SoP) as per JSERC Regulations.
- 17.29 The Commission directs the Petitioners to follow the RPO trajectory set by the Commission and submit RPO compliance along with Tariff Filings and other orders of the Commission from time to time.
- 17.30 The Commission directs that pre-paid meter/ smart meter be installed for all new connections or replacement of faulty meters.
- 17.31 100% metering is a necessary condition for an efficient distribution network and financial viability of the distribution companies.
- 17.32 The Commission directs the Petitioner, that the Open Access shall be allowed to those who wish to avail Open Access as per the provisions outlined by the Commission in its Regulations, Orders and any amendments from time to time.
- 17.33 The Petitioner is directed to provide complete details of energy managed through net metering on monthly basis including energy banked / adjusted and the amount / energy settled at the end of financial year and the treatment done for the same in the financial statements and regulatory submissions every year along with ARR/ Tariff filing.
- 17.34 The Petitioner is directed to do proper accounting with regard to MUs and rates of captive/ internal consumption of electricity and captured the same in the audited balance sheet under separate head. The Petitioner is also directed to submit the complete details viz MUs consumed, tariff and revenue booked along with every ARR / Tariff filing.



- 17.35 The Petitioner has directed that the direction of the earlier Tariff Orders which have not been complied should be complied immediately.
- 17.36 Apart from the above directions the Petitioner should comply with the directions provided at various places in this Tariff Order
- 17.37 The Petitioner is directed to review the comments of the Commission and comply with the directives issued by the Commission with utmost sincerity failing which necessary action in accordance to law shall be initiated.
- 17.38 In light of the increasing need for reliable and safe power distribution, and to minimize the risks associated with overhead power lines, it has been decided to initiate the installation and expansion of **underground cable networks** across various designated areas. This transition to underground cabling is aimed at improving the overall quality of power supply, reducing outages, and enhancing public safety.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on September 30, 2024.

Date: 30.09.2024

Place: Ranchi

Sd/-
(Atul Kumar)
MEMBER (Technical)

Sd/-
(Mahendra Prasad)
MEMBER (Law)



Chapter 18: List of Public Who Participated in public hearing

List of public who participated in the Public Hearing and submitted their Suggestions/Comments

Sr. No.	Name	Address/Organization
Daltonganj, 31/08/2024		
1.	Pankaj Kumar Gautam	Garwa
2.	Radha Shayam Tiwari	Medhninagar
3.	Govind Kr. Mishra	Amawa Kishunpur
4.	Vishal Kumar	Flunet Grid Ltd
5.	Gopalji Prasad	Daltonganj
6.	Rajesh Kumar	Daltonganj
7.	Sobhan singh	JBVNL
8.	Satyendra Thakur	JBVNL
9.	Khurshid Ansari	JBVNL
10.	Rahul Kumar	JBVNL
11.	Manish Kumar	Belwatika
12.	Wasim Akram	JBVNL
13.	R.K. Tripathy	PWC
14.	Ram Niwash Singh	JBVNL
15.	Ram Nath Tiwari	JBVNL
16.	Sanjay Kr. Mishra	JBVNL
17.	Maheswar Kumar	JBVNL
18.	Dhivendra Kumar	JBVNL
19.	Pappu	JBVNL
20.	Sanjay Kr. Singh	JBVNL
21.	Shashikant kr.	JBVNL
22.	Sunil Kumar	Garwa
23.	Amit Kr. Singh	Garhwa
24.	Akshok Kumar	Garhwa
25.	Vijay kr. Mahto	Garwha
26.	Ashok Paswan	Daltonganj
27.	Subhash Kumar	JBVNL
28.	Mantosh Mani Singh	JBVNL
29.	Rahul Kumar Dubey	JBVNL
30.	Amit Kumar Dubey	JBVNL
31.	Rakesh Kr. Singh	Member VUSNF
32.	Jay Prakash Giri	Bargera
33.	Akshay Singh	Nagar Utari
34.	Kamkesh Kumar	Meral
35.	Alok Kumar	Nagar Utari
36.	Amit Xess	Daltenganj



Sr. No.	Name	Address/Organization
37.	Nikit Bhurdwaj	PWCPL
38.	Vribah Kumar	JBVNL
39.	Sonket Dubey	JBVNL
40.	Shmshed Alam	JBVNL
41.	Randheer Raj Chauhan	JBVNL
42.	Vikash Kumar	Daltenganj
43.	Bablu Ram	Daltenganj
44.	Azad Ahmed	Daltenganj
45.	Mahesh kumar	Daltenganj
46.	Manoj Kumar	Daltenganj
47.	Om Prakash	Daltenganj
48.	Rakesh Kumar	Daltenganj
49.	Ashis Kumar	Daltenganj
50.	Prakash Ram	Daltenganj
51.	Raju Kunj	Daltenganj
52.	Mathura Nath	Sonpurwa
53.	Nand Kishor	JBVNL
54.	Raj Kuamr	JBVNL
55.	Sanjoj Kr	Daltonganj
56.	Sarswati	JBVNL
57.	Om Prakash Singh	Daltonganj
58.	Sujeet Kumar	Daltonganj
59.	Uday Pal	Medninagar
60.	Mani kant Kumar	Palamu
61.	Chandan Dubey	Daltonganj
62.	Sandeep Kumar	Chainpur
63.	Diwakar Kumar	Chainpur
64.	Ravindra Kumar	Chainpur
65.	Jitendra Kr	Chainpur
66.	Satish Kr. Chaurasiya	Chainpur
67.	Rabindra Buniyan	Chainpur
68.	Dhirendra Kumar	Chainpur
69.	Ankit Chourasiya	Chainpur
70.	Mntu Chaurasiya	Chainpur
71.	Ravi Kumar	Chainpur
72.	Pawan Kumar	Chainpur
73.	Vikash Kumar	Mahugawan
74.	Amit Kumar	Mahugawan
75.	Vinit Pnadey	S.P.S
Chaibasa, 26/08/2024		
76.	Samit Kalidas	Chaibasa
77.	Bivesh Gope	Chaibasa
78.	Vikash Goyal	Vice President CCCI Chaibasa



Sr. No.	Name	Address/Organization
79.	Mathas Burgo	Chaibasa
80.	Satyndra Kr. Chaudhary	DVC Colony Chaibasa
81.	Punit Kauntia	SCCI Jamshedpur
82.	Vinod Sharma	SCCI Jamshedpur
83.	Bhaginath Mahato	Chaibasa
84.	Dilip kumar	Rungta Mines
85.	Nitish Kalindi	Chaibasa
86.	Mohan Mahato	Chaibasa
87.	Krishana Ch. Pan	Chaibasa
88.	Amit Lagun	Chaibasa
89.	Ajay Hombrom	Chaibasa
90.	Samual Lomga	Chaibasa
91.	Rohit SInku	Chaibasa
92.	Milan Kumar Pan	Chaibasa
93.	Vivek Mahto	Chaibasa
94.	Badal Sinku	Chaibasa
95.	Amber Kumar Yadav	Chaibasa
96.	Amit Pd	Chaibasa
97.	Pratap Besra	Tata College
98.	Raju Lohar	Tata College
99.	Amit Das	Tata College
100.	Manish Kumar Boipai	Tata College
101.	Sudesh Kr. Gope	Tata College
102.	Ramjet kr. Ram	Tundi
103.	Niraj Kr Sandkar	CCCI, Chaibasa
104.	Vikesh Kumar Aggarwal	Chaibasa
105.	Gautam Rana	JBVNL
106.	Anup Prasad	Adityapur
107.	Sheela Singh	JBVNL
108.	Mantosh Mani Singh	JBVNL
109.	Dhananjay Pd.	JBVNL
110.	Dharmendra Kumar	Chaibasa
111.	Sanjay Kumar	JBVNL
112.	Hai Bahadur	Chaibasa
113.	Md. Mojonid	Sai Computer
Dhanbad, 23/08/2024		
114.	Shiv Charan Sharma	Jharia
115.	Sri kant Ambashth	Sabji Pattti, Saria
116.	Arinadam Banarjee	Jharia
117.	Sourabh Jain	Ranchi
118.	Radha krishana Tripathy	Ranchi
119.	Shipra Sinni	PWC
120.		



Sr. No.	Name	Address/Organization
121.	Monoj Kumar	Dhanbad
122.	Kailesh Chandra Goyal	Dhanbad
123.	Daya Nand Sharma	Dhanbad
124.	Raj Kishore Gupta	Dhanbad
125.	Ramu Paswan	Dhanbad
126.	Gautam Kumar	Dhanbad
127.	Rajiv Kumar	Dhanbad
128.	Anuraj Kumar	Dhanbad
129.	Sukh Dev Yadav	Dhanbad
130.	Vikash Paswan	Dhanbad
131.	Suman Kumar	Dhanbad
132.	Md. Faiyaz Anu	Dhanbad
133.	Namit Kumar	JBVNL
134.	Mohan Shaw	Dhanbad
135.	Priti Paswan	Bhurfor
Deoghar, 28/08/2024		
136.	Amit Kumar	Deoghar
137.	Abhay Kumar Singh	Deoghar
138.	Akshay Kr. DUBay	Civil Court Deoghar
139.	Jitendra Kr. Jha	JBVNL
140.	Shankar Thakur	Deoghar
141.	Pawan Kr.	Belgama
142.	Pradeep Bajla	President, FSPCCI
143.	Tarkeshwar Singh	Federation of Santhal Pragana
144.	Sourabh Jain	JBVNL
145.	Pankaj Pandit	Deoghar
146.	Manish Gupta	Deoghar
147.	Amardeep	JBVNL
148.	Bajla Food Product Pvt Ltd	Deoghar
149.	Parvin Kumar	Deoghar
150.	Ritesh Tribeno	Deoghar
151.	Pankaj Bholatia	Deoghar
152.	Adarsh Keshri	Deoghar
153.	Shiv Nanadan singh	Deoghar
154.	Rohit Manjhi	JBVNL
155.	Shiv Nandan Mahto	JBVNL
156.	Mangal Murmur	JBVNL
157.	Nishant Kumar	Dabungram
158.	Mukesh Kr. Keshri	Deogram
159.	Radha Tripathy	PWC/JBVNL
160.	Sanay Singh	JBVNL
161.	Manish Sultania	Bhawani Ferrous (P) Ltd.
162.	Neeraj Anand	Dumka Circle



Sr. No.	Name	Address/Organization
163.	Prabhat	JBVNL
164.	Priti Kumari	JBVNL
165.	Gopal Pd. Barnwal	DGM (Tech)
166.	Ganesh Singh	Lineman
167.	Md. Tokir	Satsang, Deoghar
168.	Dhanjany Kumar	Deoghar Willians Towar
169.	Deepak Kumar	Madhupur
170.	G.P. Sah	CGRF, Dumka
171.	Arun Kumar Thakur	JBVNL
172.	Pradip Kumar Ram	JBVNL
173.	Mantosh Mani Singh	JBVNL
174.	Alok Kr. Mallick	Deoghar
175.	Gajendra keshri	Biadhyanath Chaber of commerce
176.	Vidya Sagar Singh	CGRF DUMKA
177.	K.K. Singh	ESE, Deoghar
178.	Uma Shankar Yadav	
179.	Gulhan Kumar	Deoghar
180.	Sanjeet Kr. Singh	Deoghar
181.	Manoj Pandit	Deoghar
182.	Bablu Murmur	Deoghar
183.	Manoj Kumar Singh	Rikhiya
184.	Amit Kr. Singh	Deoghar
185.	Kunal Kumar	Deoghar
186.	Pradeep Kumar Yadav	Jasidih
187.	Vinay Kumar	Deoghar
Ranchi, 02/09/2024		
188.	Amit Sharma	FJCCI
189.	Sunil Gupta	Laghu Udhog Bharti
190.	Kishor Mantri	FJCCI, President
191.	J K Agarwa	Gajanan Ferro
192.	Biraj Choudharyl	FJCCI
193.	Deb Kumar	FJCCI
194.	Pawan Kr	Ranchi
195.	Rajesh kr Mandal	Ranchi
196.	Ghanshyam Sharma	Ranchi
197.	Sourabh Jain	JBVNL
198.	Prem Kataruka	Ranchi
199.	Arun Chhanchharia	Ranchi
200.	Ajay Maroo	Ex- Member, Rajya Sabha
201.	Gaurav Kr. Garodia	Ranchi
202.	Sataya Naryan Prasad	Parner RUBS & CO
203.	Aditya	FJCCI



Sr. No.	Name	Address/Organization
204.	Anjay Pachariwala	JASIA
205.	Deepak Maroo	JASIA
206.	Philip Mathew	JASIA
207.	Shivam singh	JASIA
208.	Ravi Tibrewal	JASIA
209.	Mukesh	Ranchi
210.	Gargi Srivastav	NCR
211.	Arpit Shukla	NCR
212.	R. K. Tripathy	PWC
213.	Binod Kr. Agarwal	FJCC
214.	N. K. Patodia	Usha Martin
215.	Rohit Poddar	FJCCI
216.	Shyam kr.	Kali Bari
217.	Ajay Kumar	JBVNL
218.	Suman Kumar Singh	JBVNL
219.	Sanjary Kumar	JBVNL
220.	Navin Sinha	Ranchi
221.	Suraj Saw	Pahari
222.	Raj Kumar Agarwal	JBVNL
223.	Sanjay Singh	JBVNL
224.	Tanmoy Sinha	Usha Martin Ltd
225.	B. K. Tulyan	FJCCI
226.	Ajay Bhandari	FJCCI
227.	Prakesh Gattani	FJCCI
228.	Sudhir Kr Singh	JBVNL
229.	Arvin Kumar	JBVNL
230.	Mantosh Mani Singh	JBVNL
231.	Chotu Kumar	Pahari
232.	Raju Kuamr	Harmu Rd.
233.	Jagruhass Purti	Harmu Rd.

Minutes of Meeting

दिनांक 10.09.2024 को संपन्न हुए राज्य सलाहकार समिति की बैठक की कार्यवृत्ति

राज्य सलाहकार समिति की बैठक श्री महेन्द्र प्रसाद, माननीय सदस्य (विधि), झारखण्ड राज्य विद्युत नियामक आयोग, राँची की अध्यक्षता में दिनांक 10.09.2024 को होटल जडे स्वचेयर, डोरण्डा, राँची में संपन्न हुई । इस बैठक में राज्य सलाहकार समिति के निम्नांकित सदस्य/ सदस्य के प्रतिनिधि उपस्थित हुए:-

क्र० सं०	सदस्यों के नाम	सदस्य/ प्रतिनिधि
1	श्री अतुल कुमार, माननीय सदस्य (तकनीकी), झारखण्ड राज्य विद्युत नियामक आयोग, राँची ।	सदस्य
2	श्री एम०एम० अंसारी, उप-सचिव, उर्जा विभाग, झारखण्ड सरकार, राँची ।	प्रतिनिधि
3	श्री अरविंद कुमार, कार्यकारी निदेशक (वाणिज्य एवं राजस्व) झारखण्ड बिजली वितरण निगम लिमिटेड, अभियंत्रण भवन, एच०ई०सी०, धुर्वा, राँची ।	प्रतिनिधि
4	श्री आर० के० अग्रवाल, प्रबंध निदेशक (लेखा एवं राजस्व), झारखण्ड बिजली वितरण निगम लिमिटेड, अभियंत्रण भवन, एच०ई०सी०, धुर्वा, राँची ।	प्रतिनिधि
5	श्री मनोज कुमार करमाली, नदेशक (परियोजना), झारखण्ड उर्जा संचरण निगम लिमिटेड, एस०एल०डी०सी० भवन, कुसई कॉलोनी, डोरंडा, राँची । श्री आशीष कुमार, महाप्रबंधक (वाणिज्य एवं राजस्व), जे०यु०एस०एन०एल०, राँची । श्री राजीव रंजन, डी०जी०एम०, जे०यु०एस०एन०एल०, राँची	प्रतिनिधि
6	श्री अतिलेश गौतम, विद्युत कार्यपालक अभियंता, जेडा, राँची ।	प्रतिनिधि
7	श्री एस० आर० सिंह, विद्युत कार्यपालक अभियंता, तेनुघाट विद्युत निगम लिमिटेड, डिनू, राँची ।	प्रतिनिधि
8	श्री संजय कुमार, वरीय महाप्रबंधक, दामोदर घाटी निगम, डी०वी०सी० टावर, कोलकाता - 700 054	प्रतिनिधि
9	श्री अभिषेक बोस, मुख्य प्रबंधक, टाटा पावर कंपनी लिमिटेड, जमशेदपुर ।	प्रतिनिधि
10	श्री संजय गौतम, प्रमंडलीय प्रबंधक, टाटा स्टील युटिलिटीज इन्फ्रास्ट्रक्चर सर्विसेज लिमिटेड, जमशेदपुर	प्रतिनिधि



1 1	श्री मनोज कुमार, वरीय प्रबंधक, बोकारी स्टील प्लांट, बोकारो, झारखण्ड।	प्रतिनिधि
1 2	श्री आनंद लॉरेंस, Sr. DEE/TRD/RNC, दक्षिण पूर्व रेलवे, राँची ।	प्रतिनिधि
1 3	श्री आर०पी० सिंह, सी०सी०एल०, राँची ।	
1 4	प्रोफेसर एस०के० समदर्शी, सेंट्रल युनिवर्सिटी झारखण्ड, राँची ।	सदस्य
1 5	श्री बी०के० तुलस्यान, फेडरेशन ऑफ झारखण्ड चैम्बर ऑफ कॉमर्स एण्ड इंडस्ट्रीज, राँची	सदस्य
1 6	श्री कैलाश चन्द्र गोयल, महासचिव, धनबाद फ्लावर मिल्स एसोसिएशन, धनबाद।	सदस्य

सर्वप्रथम आयोग के सचिव द्वारा राज्य सलाहकार समिति के सभी सदस्यों का स्वागत किया गया। तत्पश्चात् माननीय सदस्य (विधि) महोदय की अनुमति से बैठक की कार्यवाही प्रारंभ की गई।

तत्पश्चात् श्री मंतोष मनी सिंह, झारखण्ड बिजली वितरण निगम लिमिटेड (जे०बी०भी०एन०एल०) ने पी०पी०टी० के माध्यम से FY 2022-23 का True-up, FY 2023-24 का Annual Performance Review (APR) तथा FY 2024-25 का ARR and Tariff का संक्षिप्त विवरणी पेश किया ।

श्री बी०के० तुलस्यान ने Security deposit पर Interest के संबंध में कहा कि वर्तमान में यह सिर्फ एच०टी० उपभोक्ताओं को ही दिया जा रहा है और गैर एच०टी० उपभोक्ताओं की समस्या अभी भी अनसुलझी है और इसमें निर्देश देने की आवश्यकता है । Commercial consumer के संबंध में उन्होंने कहा कि इनको Demand based टैरिफ प्रस्तावित है लेकिन इस पर कोई Clarity नहीं दिया गया है । उन्होंने कहा कि एक श्रेणी के सभी उपभोक्ताओं के लिए समान टैरिफ होना चाहिए । जैसे सभी एल०टी० उपभोक्ताओं चाहे वे घरेलू, वाणिज्यिक, औद्योगिक आदि हों । इसी प्रकार 11 KV एच०टी० और 33 KV

एच0टी0 उपभोक्ताओं के लिए भी होना चाहिए । उन्होंने कहा कि एच0टी0 उपभोक्ताओं को आपूर्ति के घंटों के आधार पर फिक्स चार्ज में कटौती की अनुमति दी जा रही है यह कटौती एल0टी0आई0एस0 उपभोक्ताओं को भी दी जानी चाहिए । उन्होंने कहा कि टैरिफ निर्धारण से पहले इसलिए इस पर गंभीरता से विचार किया जाना चाहिए ।

श्री अरविंद कुमार, कार्यकारी निदेशक (वाणिज्य एवं राजस्व) जे0बी0भी0एन0एल0 ने श्री तुलस्यान द्वारा उठाये गये विंदुओं के संबंध में कहा कि विगत दो वर्षों से सभी एच0टी0 उपभोक्ताओं को Security deposit पर Interest दिया जा रहा है और पिछले साल हमलोगों ने 6 लाख और इस वर्ष लगभग 16 लाख एल0टी0 उपभोक्ताओं को Security deposit पर Interest दिया गया है और बाकी बचे हुए उपभोक्ताओं का डाटाबेस तैयार किया जा रहा है । उन्होंने श्री तुलस्यान द्वारा उठाये गये अन्य विंदुओं पर विचार किये जाने की बात कही ।

श्री कैलाश चन्द्र गोयल ने Security deposit पर Interest के संबंध में कहा कि नियमानुसार उपभोक्ताओं को मई - जून के बिल में Security deposit का Interest घटाकर दिया जाना है लेकिन वर्तमान में यह एच0टी0 उपभोक्ताओं के अलावा किसी को भी नहीं दिया जा रहा है । उन्होंने कहा कि बार-बार टैरिफ बढ़ाने के बावजूद भी जे0बी0भी0एन0एल0 घाटे में ही रहता है इसका मुख्य कारण इनका लाइन लॉस है । ये लाइन लॉस ठीक करने के बजाय उपभोक्ताओं पर भार बढ़ाते जा रहे हैं । हमें 22 घंटे के बजाय 12-13 घंटे ही बिजली मिल पाती है इससे हमारे दूसरे खर्च जैसे जेनरेटर, इनवर्टर आदि का खर्चा भी बढ़ जाता है और यह दो तरफा भार सहन करना मुश्किल है । उन्होंने कहा कि फिक्स चार्ज को समाप्त कर इनर्जी चार्ज में एडजस्ट करने की बात कही । उन्होंने कहा कि ये 22 घंटे बिजली की आपूर्ति को सुनिश्चित करें



उसके बाद ही इनके टैरिफ पर विचार किया जाना चाहिए, क्योंकि पहले सेवा प्रदान करें फिर पैसा लें । उन्होंने कहा कि इन सब बातों को ध्यान में रखकर टैरिफ आवेदन पर विचार करें ।

श्री अरविंद कुमार, जे०बी०भी०एन०एल० ने कहा कि पिछले साल JBVNL ने 6 लाख एल०टी० उपभोक्ताओं को Security deposit पर Interest दिया था । इस साल हमलोगों ने जनवरी से Security deposit पर Interest देना शुरू कर दिया है और 10 लाख उपभोक्ताओं का डाटाबेस तैयार कर लिया है जिसमें लगभग 27 करोड़ Security deposit पर Interest दिया जायेगा । उन्होंने कहा कि हमलोग सौभाग्य योजना में 17 लाख कनेक्शन दिये हैं उसमें किसी से कोई Security deposit नहीं लिया गया है । उन्होंने कहा की नये उपभोक्ताओं को Security deposit पर Interest देने में कोई दिक्कत नहीं है और पुराने उपभोक्ताओं का भी डाटाबेस तैयार कर रहे हैं ।

प्रोफेसर एस०के०समदर्शी, सी०यू०जे० ने बताया कि जे०बी०भी०एन०एल० अपना नया वेबसाइट/ऐप लॉन्च किया है जो पहले से काफी अच्छा है । उन्होंने यह भी बताया कि जे०बी०भी०एन०एल० अपने प्रस्ताव में इलेक्ट्रिकल वेहिकल का Tariff जो सोलर के लिए 7.86 एवं नन-सोलर के लिए 11.79 अलग-अलग दिया गया है यह मेरे समझ से परे है। इलेक्ट्रिकल वेहिकल के लिए बहुत सी कम्पनियाँ निवेश कर रही है। उन्होंने यह भी बताया कि इलेक्ट्रिकल वेहिकल के लिए जो टैरिफ है वह सामान्य उपभोक्ताओं के लिए क्यों नहीं है। उन्होंने यह भी बताया कि आर०पी०ओ० का अनुपालन वितरण कम्पनियों द्वारा 10 प्रतिशत के आस-पास हो रही है । उन्होंने यह भी बताया कि जे०बी०भी०एन०एल० बिलिंग करते है और सोलर पी०वी० को प्रमोट कर रहे है जो कि बिलिंग पर रिफ्लेक्ट नहीं हो रहा है यह बिलिंग पर रिफ्लेक्ट होना चाहिए जिसके कारण सोलर लगाने वाले उपभोक्ता

हतोत्साहित हो जाते हैं । उन्होंने अपने केन्द्रीय विश्वविद्यालय, झारखण्ड का उदाहरण देते हुए बताया कि एक मेगावाट के लिए हमारे यहाँ भूमि उपलब्ध है और यह लग भी गया है इससे अतिरिक्त सोलर उर्जा उत्पादित होती है । चूँकि विश्वविद्यालय बारह माह में छः माह अवकाश ही रहता है तो अतिरिक्त बिजली का क्या करे । उन्होंने कहा कि इनका ए० टी एण्ड सी० लॉस काफी अधिक है, इसे कम करने की आवश्यकता है साथ-ही-साथ भविष्य को ध्यान में रखकर योजना बनाकर कार्य करने की आवश्यकता है। उन्होंने कहा कि वातावरण स्वच्छ रहे इसका भी ख्याल रखा जाए ।

इसके बाद डी०वी०सी० के अधिकारी ने 11 के०वी० के Business Plan पर PPT के माध्यम से संक्षिप्त विवरण दिया, जिसके बाद आयोग ने डी०वी०सी० को JSERC (Parallel licensee) Regulation 2019 को Comply करने की बात कही । इस पर डी०वी०सी० के अधिकारी ने कुछ समय में लिखित जवाब देने की बात कही ।

माननीय सदस्य (तकनीकी) महोदय ने बिजली वितरण के अधिकारियों को सुझाव देते हुए कहा कि प्रोपर बिलिंग हो इसके लिए जे०बी०भी०एन०एल० को अपने सिस्टम को अपडेट करने की आवश्यकता है। सभी स्मार्ट मीटर में ए०बी०टी० आधारित मीटर लगा हुआ है जिससे उपभोक्ता के प्रारम्भिक एवं अंतिम विद्युत आपूर्ति की गणना का पूरी जानकारी उसमें रहती है। उन्होंने यह भी सुझाव दिया दिया प्रोपर बिलिंग नहीं होने से वितरण कम्पनी को हानि हो रहा है और वास्तविक स्थिति का भी पता नहीं चल पा रहा है और इस कारण भी ए०आर०आर० बढ़ रहा है साथ ही रिसोर्स गैप भी बढ़ रहा है। उन्होंने कहा कि जे०बी०भी०एन०एल० सुनियोजन नीति बनाकर अपने कार्य में सुधार लाए। उन्होंने यह भी कहा कि मीटर की प्रोपर जाँच एवं संबंधित एजेंसियों पर नियंत्रण हो ताकि मीटर में छेड़खानी, गलत बिलिंग ना हो इसका उत्तरदायित्व



भी सुनिश्चित हो। धरेलू उपभोक्ताओं को भी Interest on Security Deposit रिफण्ड होना चाहिए इसके लिए प्रोपर डाटा कलेक्ट करके वैसे उपभोक्ताओं को Interest on Security Deposit का रिफण्ड हो। उन्होंने यह भी बताया कि स्मार्ट मीटर वाले उपभोक्ताओं को फिक्स्ड चार्ज नहीं लेना है। उन्होंने यह भी बताया कि स्मार्ट मीटर से पूराने मीटर की तुलना में अधिक बिलिंग की शिकायतें आ रही हैं इसकी प्रोपर जाँच करके इसका शीघ्र निदान किया जाय तथा इससे संबंधित Minutes of Meeting बनाकर उसमें संबंधित अधिकारी का हस्ताक्षर सुनिश्चित हो। उन्होंने वितरण कम्पनी सुझाव देते हुए कहा कि इन दिनों सोलर की मांग बढ़ रही है लोग सोलर लगाने को इच्छुक हो रहे हैं इसको ध्यान में रखते हुए Contact की सुविधा उपलब्ध कराए।

अंत में माननीय सदस्य (विधि) महोदय ने सभी सदस्यों का बैठक में भाग लेने के लिए धन्यवाद ज्ञापन किया ।

ह0/-
(राजेन्द्र प्रसाद नायक)
सचिव

ज्ञाप सं0: झा0रा0वि0नि0आ0/27(Vol.-VII)/364

दिनांक:27.09.2024

प्रतिलिपि:-

राज्य सलाहकार समिति के सभी सदस्यों को सूचनार्थ एवं आवश्यक कार्य हेतु प्रेषित ।



Annexure-2

Letter No. 03/35.0.02/2020-21/14 — 1490 Dated 14.7.14

From, B.K. Tripathi
Principal Secretary

To, The Chairman-cum-Managing Director,
Jharkhand Urja Vikas Nigam Limited,
Corporate Office,
Engineering Building, HEC,
Dhurwa, Ranchi-834004.

Sub: Release of Rs. 1500 Crs. towards Resource Gap.

Sir,

The State Government provides Rs.1500 Cr. Per annum towards resource gap to the JUVNL (erstwhile J.S.E.B.). This amount may be utilized to meet the slashes/disallowances worked out by the Hon'ble Commission while fixing the tariff.

This is for information.

Yours faithfully,
B.K. Tripathi
(B.K. Tripathi)
Principal Secretary

CE(CRR)
14/7/14



Annexure-3

**Minutes of Meeting on JBVNL Tariff Petition for True-up of FY 2022-23,
APR for FY 2023-24, ARR & Tariff for FY 2024-25**

Ref: JSERC Case(T)No. 01 Of 2023/254 dated 07th August 2024

Date: 13.08.2024

Query No 1:

The Petitioner is required to provide the basis for considering 202.45 MUs of energy under theft and to cite the relevant regulations justifying this consideration.

JBVNL's Response:

The units have been considered based on the FIR lodged against theft for FY 2022-23 and fine has been imposed accordingly. JBVNL to submit detailed summary of FIR against theft of MU's and provide summary to the Commission.

Action Points: JBVNL to submit the details by 20th August 2024.

Query No.2:

The Commission has observed a discrepancy between the energy sales figures in the Excel model and the audited accounts for FY 2022-23.

JBVNL's Response: Tariff model against revenue projection against sales is for forecast and same has been done accordingly.

Query No.3:

The Petitioner is required to provide the basis for considering the 412.88 MU (TVNL to Bihar Sharif) through the interstate transmission line, and the subsequent return of the same power to JBVNL via interstate and intrastate transmission lines.

JBVNL's Response:

JBVNL is required to explore opportunities for power injection of TVNL so that the transmission losses is reduced.

Action Points: JBVNL to submit details within 20th Aug 2024.

12



Query No.4

The Petitioner is required to provide the proper justification of considering the higher Distribution loss. (30.83%)

JBVNL's Response: The losses considered has been calculated based on actual losses of JUSNL (8.46%), DVC line losses(3.36%) and remaining against billing losses. The same has been submitted in detailed during 1st data gap reply.

Action Points: JBVNL has already submitted details .

Query No.5

The Petitioner has failed to submit the month-wise power purchase bills and the corresponding Excel data. In this regard, the Petitioner is required to provide a proper justification for how the same power purchase has been considered in the True-Up, Annual Performance Review (APR), and Aggregate Revenue Requirement (ARR) petition.

JBVNL's Response:JBVNL to submit reconciled bills of power purchasr on monthly basis which should include details of LPS, fixed charges and other charges.

Action Points:JBVNL to submit the detail computation of power purchase bills within 20th August 2024.

Query No.6

The Commission has observed that the petitioner has purchase power from DVC KTPS plant through Scheduled mode, But the PPA of the same had been disallow by this Commission in Case No. 11 of 2019 on dated 09.01.2021. In this regard, the Petitioner is required to provide proper justification how the same power has been purchased from DVC without PPA approval.

JBVNL's Response: JBVNL is required to submit fresh petition with regard to the direction provided in Case No.11 of 2019 for approval of the Commission for Power procurement from DVC KTPS.

(Handwritten mark)



Query No.4

The Petitioner is required to provide the proper justification of considering the higher Distribution loss. (30.83%)

JBVNL's Response: The losses considered has been calculated based on actual losses of JUSNL (8.46%), DVC line losses(3.36%) and remaining against billing losses. The same has been submitted in detailed during 1st data gap reply.

Action Points: JBVNL has already submitted details .

Query No.5

The Petitioner has failed to submit the month-wise power purchase bills and the corresponding Excel data. In this regard, the Petitioner is required to provide a proper justification for how the same power purchase has been considered in the True-Up, Annual Performance Review (APR), and Aggregate Revenue Requirement (ARR) petition.

JBVNL's Response:JBVNL to submit reconciled bills of power purchasr on monthly basis which should include details of LPS, fixed charges and other charges.

Action Points:JBVNL to submit the detail computation of power purchase bills within 20th August 2024.

Query No.6

The Commission has observed that the petitioner has purchase power from DVC KTPS plant through Scheduled mode, But the PPA of the same had been disallow by this Commission in Case No. 11 of 2019 on dated 09.01.2021. In this regard, the Petitioner is required to provide proper justification how the same power has been purchased from DVC without PPA approval.

JBVNL's Response: JBVNL is required to submit fresh petition with regard to the direction provided in Case No.11 of 2019 for approval of the Commission for Power procurement from DVC KTPS.

AF



Query No.11

The Commission has observed that the terminal liabilities for FY 2022-23 has exponentially increase as compared with FY 2021-22. In this regard, the petitioner is directed to provide proper justification.

JBVNL's Response: Terminal benefit is abnormally high this year due to previous years impact however the same shall reduce in the upcoming years.100% disclosure along with reasons has been mentioned in accounts statement.

Query No.12

The Commission has observed that the petitioner has deviated from clause 10.26 of JSERC (Terms and Condition for determination of Distribution Tariff) Regulation,2020 along with its amendments and considered interest rate of loan as 9.10% (i.e. 7.10%+200 basis point). In this regard, the petitioner is required to provide the proper justification.

JBVNL's Response: Inadvertent error and shall relook into the same.

Query No.13

The Commission has observed that the petitioner has deviated from clause 10.32 of JSERC (Terms and Condition for determination of Distribution Tariff) Regulation,2020 along with its amendments and considered interest rate of loan as 10.25% (i.e. 6.75%+350 basis point). In this regard, the petitioner is required to provide the proper justification.

JBVNL's Response: Inadvertent error and shall relook into the same.

Query No.14

The Petitioner is required to provide proper justification for not considering the rebate on power purchase amount tune of Rs.23.08 Crore for FY 2022-23 under NTI.

JBVNL's Response: The same has been mentioned in account statement and the said amount has been deducted from Power purchase cost.

X./



Query No.15

The petitioner is instructed to provide an explanation as to why they did not consider the Additional surcharge, cross-subsidy charge, and other charges as per JSERC Distribution Tariff Regulation 2020 for the financial year 2024-25.

JBVNL's Response: Shall submit the charges considering previous years data.

Query No.16

The Petitioner is required to submit a detailed breakdown of the bank charges amounting to Rs. 11.00 crore. Additionally, the Petitioner must provide the specific regulation under which this amount has been claimed.

JBVNL's Response: All necessary details has been submitted to the Commission and further additional details shall be submitted to the Commission by 20th August 2024.

Query No.17

Despite several directions, the Petitioner has failed to submit the Green Energy Tariff proposal. In this regard, the Petitioner is required to provide the proper direction.

JBVNL's Response: The necessary details has been forwarded for internal approval and upon final approval from higher authority of JBVNL same shall be submitted to the Commission.

Query No.18

The Commission has observed that the Petitioner has computed revenue for FY 2023-24 and FY 2024-25 as per tariff Order dated May 31, 2023. In this regard, the Petitioner is directed to recalculate the revenue as well as accumulated revenue gap/surplus as per tariff Order dated February, 28, 2024.

JBVNL's Response: Shall submit the necessary proposal considering the impact of tariff hike of 28th Feb 2024.

Query No.19

The Commission has observed that the Petitioner has not considered any quantum of Energy for fulfilment of Renewable Purchase Obligation for FY

✓



2024-25. In this regard the Petitioner is required to provide justification against the same.

JBVNL's Response:JBVNL shall submit the necessary proposal within 20th August 2024.

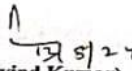
Query No 20.

The Commission has observed that the Petitioner has considered Transmission charges against the Power procured twice in the petitions for FY 2023-24 & FY 2024-25. In this regard the Petitioner is required to provide justification against the same.

JBVNL's Response:JBVNL shall resubmit the the details within 20th August 2024.

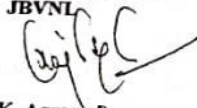

(Anita Prasad)
General Manager (Revenue)
JBVNL

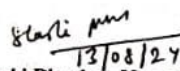
(Sanjay Singh)
General Manager (Commercial)
JBVNL


(Arvind Kumar)
Executive Director (C&R)
JBVNL



(Ujjwala K. Guria)
Sr. Manager (PPM-II)
JBVNL

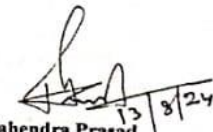

(Suyash Kumar)
Deputy General Manager (F&A)
JBVNL


(R.K. Agrawal)
General Manager (A&R)
JBVNL


(Shashi Bhushan Kumar)
Sr. Manager (E&A), JBVNL


(Sadash Jain)
H.C. (Accounts), JBVNL


Atul Kumar
Member(T)


Mahendra Prasad
Member(L)

Mailed dt 21/8/2024