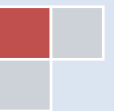


JHARKHAND BIJLI VITRAN NIGAM LIMITED (JBVNL)

Petition for Revised True- up of FY 2019-20



**JHARKHAND BIJLI VITRAN NIGAM
LIMITED**



Before the Hon'ble Jharkhand State Electricity Regulatory Commission, Ranchi

Filing Number: _____

Case Number: _____

IN THE MATTER OF: Filing of Petition for approval of True-up for FY 2019-20, under Section 45, 46, 61, 62, 64 and 86 of the Electricity Act, 2003 and as per the Regulations of Jharkhand State Electricity Regulatory Commission (JSERC) Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015

AND IN THE MATTER OF: Jharkhand Bijli Vitran Nigam Limited (hereinafter referred to as "JBVNL", or "erstwhile JSEB -Distribution function" which shall mean for the purpose of this Petition the "Licensee" or "Petitioner") having its registered office at HEC, Dhurwa, Ranchi

The Petitioner respectfully submits hereunder:

1. The erstwhile Jharkhand State Electricity Board ("Board" or "JSEB") was a statutory body constituted under Section 5 of the Electricity (Supply) Act, 1948 and was engaged in electricity generation, transmission, distribution and related activities in the State of Jharkhand.
2. Jharkhand Urja Vikas Nigam Ltd. (herein after to be referred to as "JUVNL" or "the Holding company") has been incorporated under Indian Companies Act, 1956 pursuant to decision of Government of Jharkhand to reorganize erstwhile Jharkhand State Electricity Board (herein after referred to as "JSEB"). The Petitioner submits that the said 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 Holding company has been incorporated on 16th September 2013 with the Registrar of Companies, Jharkhand, Ranchi and has obtained Certificate of Commencement of Business on 12th November 2013.
3. Jharkhand Bijli Vitran Nigam Ltd. (herein after to be referred to as "JBVNL" or "the Petitioner" or erstwhile "JSEB-Distribution function" has been incorporated on 23rd October 2013 with the Registrar of Companies, Jharkhand, Ranchi and has obtained Certificate of Commencement of Business

on 28th November 2013. 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 6th January 2014. The Distribution Company - Jharkhand Bijli Vitran Nigam Ltd. is duly registered with the Registrar of Companies, Ranchi on 23rd October 2013

4. Pursuant to the enactment of the Electricity Act, 2003, every utility is required to submit its Aggregate Revenue Requirement (ARR) for control period and Tariff Petitions as per procedures outlined in section 61, 62 and 64, of Electricity Act 2003, and the governing regulations thereof.
5. The present Petition is being filed by JBVNL before the Hon'ble Commission for approval of Provisional True-up for FY 2019-20 as per the Electricity Act, 2003 and as per the provisions of the Jharkhand State Electricity Regulatory Commission (JSERC) (Terms and Conditions For Determination of Distribution Tariff) Regulations, 2020 notified by the Hon'ble and JSERC (Terms and Conditions For Determination of Distribution Tariff) Regulations, 2015.

Jharkhand Bijli Vitran Nigam Limited
Petitioner

Ranchi

Dated:

Table of Contents

1. Background and Procedural History	8
1.1. Background	8
1.2. Distribution Tariff Regulations	8
1.3. Tariff Order for FY 2020-21	11
1.4. ARR and Tariff Petition for FY 2021-22 (including provisional True-up for FY 2019-20 and APR for FY 2020-21)	11
2. True Up for FY 2019-20	12
2.1. Introduction	12
2.2. Energy Sales	12
2.3. Power Purchase Expense	12
2.4. Energy Balance	14
2.5. Intra-State Transmission Charges	16
2.6. Operation and Maintenance Expenses	16
2.7. Capital Expenditure Schedule	17
2.8. Calculation of Normative GFA, Loan and Equity	18
2.9. Depreciation	19
2.10. Interest & Finance Charges	19
2.11. Interest on Working Capital	21
2.12. Return on Equity	21
2.13. Revenue from Sale of Power	22
2.14. Non- Tariff Income	22
2.15. Disallowance on account of AT&C losses	23
2.16. Impact on Sales due to Lockdown to curb Covid-19	23
2.17. Resource Gap Funding	25
2.18. Aggregate Revenue Requirement (ARR) for FY 2019-20 after final Truing Up	26
3. Prayers	27
4. Review on the Tariff Orders for True-Up of FY 2018-19, APR of FY 2019-20, ARR and Tariff of FY 2020-21	28
5. Annexure: 1 True-Up Formats	29
6. Annexure: 2 Annual accounts of JBVNL audited by the Statutory Auditor for FY 2019-20	30

List of Tables

Table 2-1: Energy Sales (MUs) of JBVNL for FY 2019-20	12
Table 2-2: Power purchase quantum and cost for JBVNL for FY 2019-20	13
Table 2-3: Energy balance for JBVNL for FY 2019-20.....	15
Table 2-4: Intra-state transmission charges of JBVNL for FY 2019-20	16
Table 2-5: Employee cost of JBVNL for FY 2019-20.....	16
Table 2-6: Repair and Maintenance expense of JBVNL for FY 2019-20	17
Table 2-7: A&G Expenses of JBVNL FY 2019-20	17
Table 2-8: Capital Expenditure Schedule of JBVNL for FY 2019-20.....	17
Table 2-9: Actual Capital work in progress of JBVNL for FY 2019-20	18
Table 2-10: Consumer contribution and grants of JBVNL for FY 2019-20	18
Table 2-11: Source of Funding of GFA for FY 2019-20 (Rs. Crore)	18
Table 2-12: Financing of the Capital Investments in FY 2019-20 (Rs. Crore).....	19
Table 2-13: Allowable Interest & finance charges of JBVNL for FY 2019-20 (Rs. Crore).....	20
Table 2-14: Interest on consumer deposit of JBVNL for FY 2019-20 (Rs. Crore).....	20
Table 2-15: Interest and Finance Charges for FY 2019-20 (Rs. Crore).....	20
Table 2-16: Interest on Working Capital of JBVNL for FY 2019-20 (Rs. Crore).....	21
Table 2-17: Return on Equity RoE for FY 2019-20 (Rs. Crore)	22
Table 2-18: Non-tariff income of JBVNL for FY 2019-20 (Rs. Crore)	22
Table 2-19: Impact of Lockdown on Energy Sales & Revenue for March 2020 as compared to March 2019.....	24
Table 2-20: Disallowance on account of Collection efficiency of JBVNL for FY 2019-20	24
Table 2-21: Disallowance on account of Distribution loss	25
Table 2-22: Resource gap funding received by JBVNL for FY 2019-20.....	25
Table 2-23: Aggregate Revenue Requirement (ARR) for FY 2019-20 (Rs. Crore).....	26

List of abbreviations

Abbreviation	Full Form
A&G	Administration & General
ABCIL	Aditya Birla Chemicals Indian Limited
Act	The Electricity Act, 2003
ADP	Annual Development Plan
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
APNRL	Adhunik Power & Natural Resources Limited
AT&C	Aggregate Technical & Commercial
Capex	Capital Expenditure
Commission	Jharkhand Electricity Regulatory Commission
Cr.	Crore
CS	Commercial Services
CWIP	Capital Work-In-Progress
DDUGJY	Deen Dayal Upadhyay Gram Jyoti Yojana
DPS	Delayed Payment Surcharge
DVC	Damodar Valley Corporation
EA 2003	The Electricity Act, 2003
EHT	Extra High Tension
FY	Financial Year
GFA	Gross Fixed Assets
GoJ	Government of Jharkhand
HT	High Tension
IEX	Indian Energy Exchange Limited
IPDS	Integrated Power Development Scheme
IPP	Independent Power Producer
ISTS	Inter-State Transmission System
JSBAY	Jharkhand Sampurna Bijli Achchhaadan Yojana
JSEB	Jharkhand State Electricity Board
KVA	Kilo Volt Ampere
kWh	Kilo Watt Hour
LT	Low Tension
MOD	Merit Order Dispatch
MU	Million Units
MW	Mega Watt
MYT	Multi-Year Tariff
NHPC	National Hydro Power Corporation
NTPC	National Thermal Power Corporation
NTI	Non-Tariff Income
NVVNL	NTPC Vidyut Vyapar Nigam Limited
O&M	Operation and Maintenance

Abbreviation	Full Form
PGCIL	Power Grid Corporation of India Ltd.
PLR	Prime Lending Rate
POSOCO	Power System Operation Corporation Limited
PoC	Point of Connection
PPA	Power Purchase Agreement
PTC	Power Trading Corporation
R&M	Repair and Maintenance
R-APDRP	Restructured Accelerated Power Development and Reforms Programme
RE	Renewable Energy
REC	Renewable Energy Certificate
RGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
RoE	Return on Equity
SBI	State Bank of India
SECI	Solar Energy Corporation of India
SERC	State Electricity Regulatory Commission
SHPS	Sikidri Hydro Power Station
T&D	Transmission & Distribution
TVNL	Tenughat Vidyut Nigam Limited
UDAY	Ujjwal Discom Assurance Yojana
UI	Unscheduled Interchange

1. *Background and Procedural History*

1.1. *Background*

- 1.1.1. Jharkhand Bijli Vitran Nigam Ltd. (herein after to be referred to as “JBVNL” or “the Petitioner” or “erstwhile JSEB-Distribution function) has been incorporated under Indian Companies Act, 1956 pursuant to decision of Government of Jharkhand to reorganize erstwhile Jharkhand State Electricity Board (herein after referred to as “JSEB”).
- 1.1.2. The Petitioner submits that the said 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 6th January 2014. The distribution company, Jharkhand Bijli Vitran Nigam Ltd has been incorporated on 23rd October 2013 with the Registrar of Companies, Jharkhand, Ranchi and has obtained Certificate of Commencement of Business on 28th November 2013.
- 1.1.3. 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. The Petitioner is functioning in accordance with the provisions envisaged in the Electricity Act, 2003 and is engaged, within the framework of the Electricity Act, 2003, in the business of Distribution of Electricity to its consumers situated over the entire State of Jharkhand.
- 1.1.4. Section 62 of the Electricity Act, 2003 requires the licensee to furnish details as may be specified by the Commission for determination of tariff. In addition, as per the regulations issued by the Hon’ble Commission, JBVNL is required to file for all reasonable expenses, it believes it would incur over the next financial years forming part of MYT Control Period and seek the approval of the Hon’ble Commission for the same. The filing is to be done based on the projections of the expected revenue and costs, which should be arrived at by a reasonable methodology adopted by the Petitioner.

1.2. *Distribution Tariff Regulations*

- 1.2.1. The present Petition for True-up for FY 2019-20, APR for FY 2020-21, Approval

of MYT-ARR for Control Period (FY 2021-22 to FY 2025-26) has been prepared in accordance with the following acts/policies/regulations:

- a) Electricity Act, 2003
- b) Provisions of National Electricity Policy;
- c) Provisions of National Tariff Policy;
- d) JSERC (Terms and Conditions for Distribution Tariff) Regulations, 2015
- e) JSERC (Terms and Conditions for Distribution Tariff) Regulations, 2020

1.2.2. Further, due to COVID-19 an extension in timeline for audit of balance sheet for FY 2019-20 has been provided. Accordingly, after the availability of the Annual Accounts for FY 2019-20 the JBVNL is submitting the revised true-up for FY 2019-20 based on annual accounts audited by the Statutory Auditor. Hence, the Hon'ble Commission is requested to kindly admit the Final True-up for FY 2019-20.

1.2.3. Also, the total revenue gap is subject to change based on the annual accounts audited by the Statutory Auditor for FY 19-20. Hence, JBVNL is requesting to consider the same based on annual accounts audited by the Statutory Auditor for FY 2019-20 and Final True-up for FY 2019-20.

1.2.4. Hon'ble Commission has issued last Tariff Order on 01st October 2020 and JBVNL has to file Petition on or before 30th November 2020 as per Regulations. Owing to delay in issuance of tariff order and ongoing pandemic situation, JBVNL has got only limited time for compliance of directives. JBVNL undertakes to submit compliance to certain directives which are due as of now along with the next tariff filing.

1.2.5. The petition is prepared in line with the letter sent by Energy Dept., Govt of Jharkhand vide letter no 4020 dated 20.10.17 to Hon'ble Commission which specifies that Resource Gap Funding (RGF) shall not be provided to JBVNL and upcoming Tariff fixation shall be done without considering the impact of Resource Gap funding. However, considering the significant gap between revenue required and actual realization, there has been an accumulation of power purchase liabilities for which JBVNL has been forced to depend upon the support from the State Government. Accordingly, Government support to the tune of Rs. 600 cr. has been received in 2019-20.

1.2.6. The Petitioner has filed Appeal No. 22 and 223 of 2018, against Hon'ble Commission Order dated 27th April, 2018 regarding following issues:

- a) Consideration of loan restructured under UDAY scheme for reducing revenue gap
- b) Reduction in Fixed charge of CS-Urban consumer category
- c) Non-consideration of carrying cost for the revenue gap created in FY 15-16
- d) Disallowance of AT&C loss as per UDAY Trajectory
- e) Imposition of Penalty of 2% of ARR of FY 17-18 for non-compliance of directives

1.2.7. Furthermore, the Petitioner has also filed Review Petition before Hon'ble Commission in Case No. 23 of 2020 against Order dated 1st October, 2020 regarding True-up for FY 2018-19, APR for FY 2019-20 and ARR & Tariff for FY 2020-21. The Petitioner has made following prayers to Hon'ble Commissions regarding the impugned Order:

- a) Consideration of loss take over under UDAY scheme as revenue in FY 2018-19, FY 2019-20 and FY 2020-21
- b) Consideration of low Power Purchase Cost from DVC- KTPS in APR for FY 19-20 and ARR for FY 20-21
- c) Consideration of Meter Rent in Non-Tariff Income for FY 2020-21
- d) Revision of Minimum Billed Demand (101 KVA) for HT Consumers

1.2.8. The above Appeal and Review Petition are still pending and therefore the Petitioner for the purpose of present Petition has considered some of the numbers as per the impugned orders in interest of the consumers to understand the Petition. However, submissions made in this Petition are without prejudice to the prayers made in above mentioned Appeal and Review Petition. If Hon'ble APTEL and Hon'ble Commission dispose the Appeal and Review Petition in favour of the Petitioner (in part or full), it is requested that the effect of the same should be passed on to the Petitioner and the figures considered, wherever applicable, shall be subject to revision.

1.2.9. Furthermore, Hon'ble Commission in its Order in Case no. 06 of 2019 dated 30th September 2020 has partially allowed Review Petition on True-up for FY 2016-17 & FY 2017-18, APR for FY 2018-19 and ARR & Tariff for FY 2019-20 filed by JBVNL limited to following matters:

- a) To rectify the treatment of DVC Delayed payment surcharge of Rs 352.85 crore, along with the other incidental components of Annual Revenue

Requirement of FY 2017-18

- b) To revise the depreciation allowed for the FY 2017-18, FY 2018-19 and FY 2019-20 along with the other incidental components of Annual Revenue Requirement

JBVNL requests Hon'ble Commission to give an effect to above Order in its subsequent Order on instant Petition.

- 1.2.10. It is submitted that the Petitioner is committed towards improving the electricity availability in the State, while achieving the operational turnaround for a sustained business model in future and reduced dependence on the State Government finances. A slew of measures are being undertaken and activities are being carried out at considerable level to achieve the greater goal of becoming a sustainable power utility.
- 1.2.11. The following sections of the Petition presents the details of expenses of Aggregate Revenue Requirement, underlying approach & methodology and rationale for True-up.
- 1.2.12. Hence, it is requested that the Hon'ble Commission may admit the Petition and provide opportunity to JBVNL to supply any deficient information, for expeditious disposal of this Petition.

1.3. Tariff Order for FY 2020-21

- 1.3.1. The Petitioner had submitted its Petition for ARR and Tariff Petition for FY 2020-21 (including True-up for FY 2018-19 and APR for FY 2019-20) on 30th December 2019. In response to the same, the Hon'ble Commission has issued Order for True-up for FY 2018-19, APR for FY 2019-20 and ARR & Tariff for FY 2020-21 on 01st October 2020.

1.4. ARR and Tariff Petition for FY 2021-22 (including provisional True-up for FY 2019-20 and APR for FY 2020-21)

- 1.4.1. The Petitioner had submitted its Business Plan Petition for the Control Period from FY 2021-22 to FY 2025-26, ARR and Tariff Petition for FY 2021-22 (including Provisional True-up for FY 2019-20 and APR for FY 2020-21) on 30th November 2020.
- 1.4.2. Accordingly, in this Petition, the Petitioner is hereby submitting its True-up for FY 2019-20 based on annual accounts audited by the Statutory Auditor under MYT Regulations, 2015 along with the prescribed tariff formats.

2. True Up for FY 2019-20

2.1. Introduction

- 2.1.1. This chapter summarizes the components of APR approved by the Hon'ble Commission in its Tariff Order dated 01st October'20 for FY 2019-20. The True-up for FY 2019-20 has been carried out on basis of annual accounts audited by the Statutory Auditor with consideration of:
- Clause 9.3 “Review during the Control Period” and Chapter A10: “Truing Up” of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015
 - Methodology adopted by the Hon'ble Commission in previous Tariff Orders
- 2.1.2. The Petitioner hereby submits the annual accounts audited by the Statutory Auditor for FY 2019-20 (submitted in Annexure: 2) for the consideration of Hon'ble Commission, based on which the Revised True up for FY 2019-20 has been prepared. The Petitioner had filed the provisional True-up dated 30th November 2020 on the basis of provisional balance sheet available at that time.

2.2. Energy Sales

- 2.2.1. The energy sales of JBVNL for FY 2019-20 based on the annual is provided for the kind consideration of Hon'ble Commission. On overall basis, actual intra-state energy sales for FY 2019-20 got increased by 127.61 MU as compared to the energy sales approved by the Hon'ble Commission in its tariff order dated 01st Oct' 2020 in APR for FY 2019-20.
- 2.2.2. The following Table summarizes the consumer category-wise sales for FY 2019-20 for kind consideration of the Hon'ble Commission:

Table 2-1: Energy Sales (MUs) of JBVNL for FY 2019-20

Particulars	Approved (MUs)	Actual (MUs)
Domestic	5,442.39	5,664.64
Commercial/Non-Domestic	713.28	877.60
Public Lighting / SS	20.81	45.96
Irrigation / IAS	211.29	193.91
Industrial LT / LTIS/LTIS-D	221.88	219.08
Industrial HT / HTS / S/ EHT	2,481.08	2,312.70
RTS/MES	96.56	-
Total Sales	9,187.28	9,314.89

- 2.2.3. The Hon'ble Commission is requested to approve the consumption parameters as submitted in the above Table.

2.3. Power Purchase Expense

- 2.3.1. It is submitted that JBVNL has firm allocations of power from central allocations like NTPC, NHPC, DVC and other sources such as DVC, PTC etc. In addition to these, JBVNL has also

purchased power from private stations like APNRL, Inland Power, ABCIL, Rungta Mines and some quantum from renewable sources during FY 2019-20.

- 2.3.2. The following Table provides for station wise Power Purchase quantum and cost for FY 2019-20 as approved in APR vide Order dated 01st October'2020 and actual based on annual accounts for FY 2019-20 of JBVNL.

Table 2-2: Power purchase quantum and cost for JBVNL for FY 2019-20

Particulars	Power Purchase Quantum		Power Purchase Cost	
	Approved (MUs)	Actual (MUs)	Approved (Rs Cr.)	Actual (Rs Cr.)
NTPC				
FARRAKA	883.41	840.85	295.81	291.99
FARRAKA III		456.30	89.05	193.23
Kahalgaon I	487.52	188.19	158.65	60.45
Talcher	506.17	455.27	154.50	138.87
Kahalgaon STPS II	131.44	161.47	42.28	47.96
Barh	645.98	546.68	227.51	259.48
Korba	291.36	352.54	87.64	99.08
Nabinagar	-	88.59	35.89	40.42
Darilpalli		30.53	105.00	10.48
Total	2,945.88	3120.41	1,196.33	1142.22
NHPC				
Rangit	58.23	46.09	17.12	17.51
Teesta	326.54	337.66	65.16	79.14
Total	384.77	383.75	82.28	96.65
PTC				
Chukha	171.15	191.18	41.10	46.09
Tala	306.25	339.00	66.15	73.10
Total	477.40	530.18	107.25	119.20
Total Central Sector	3,808.05	4,034.34	1,385.86	1,358.07
DVC	4137.99	4178.90	1570.12	2131.96
State Sector				
SHPS	48.16	36.12	18.03	10.39
TVNL	1,080.24	2122.73	396.47	852.27
Total State Sector	1,128.40	2158.85	414.50	862.66
Private				
Inland Power	409.77	385.27	166.85	191.12
APNRL	756.30	964.13	298.83	387.91
APNRL Adjustment		0.00		-2.96
APNRL Add	369.74	517.97	146.10	222.95
Total Private Sector	1,535.81	1867.37	611.78	793.96
RE				
Solar IPPs	18.19	16.20	32.68	29.10

Particulars	Power Purchase Quantum		Power Purchase Cost	
	Approved (MUs)	Actual (MUs)	Approved (Rs Cr.)	Actual (Rs Cr.)
SECI	16.00	16.05	9.65	9.77
Wind Total	785.21	606.48	267.84	201.78
Total RE	819.40	638.73	310.17	240.65
Rungta Mines	-	29.54	-	9.26
ABCIL	1.56	50.90	0.12	17.58
KANTI	-	122.68	24.69	65.79
PGCIL (Rs. Cr.)		0.00	147.36	210.24
Posoco (ERLDC)		0.00		1.01
Posoco (Railway)		0.00		-0.07
ERLDC(APNRL)	-	0.00	-	51.50
UI Payable		110.96	-	66.88
UI Receivable		-88.20		-3.57
SER Deviation Receivable		0.00		-3.22
PTC (IEX) Purchase	-	285.29		110.94
PTC (IEX) Sale		-769.95		-199.76
Suppl. Bill/REA		0.00		108.98
Grand Total	11,431.20	12,619.40	4,464.59	5,827.67

- 2.3.3. JBVNL would like to submit that including Interstate Transmission charges Hon'ble Commission in its Order dated 01.10.2020 had approved power purchase cost of Rs. 3.90/kWh in APR for FY 2019-20. The lower power purchase was due to consideration of very low tariff from DVC (Rs. 3.7/kWh) and also due to non-consideration of power purchase from costlier power sources like NTPC Farakka III & Nabi Nagar and TVNL. JBVNL would like to submit that owing to variation in its demand pattern it is also forced to offtake power from costlier sources like TVNL and Farakka III. However, at time of off-peak load it exercises Merit Order Despatch (MOD) and backs down costlier power plants. Further JBVNL has also filed Review Petition in Case No. 23 of 2020 regarding consideration of low power purchase cost from DVC in APR for FY 20-21 and ARR for FY 21-22.
- 2.3.4. JBVNL prays to the Hon'ble Commission to approve the power purchase as per the annual accounts of FY 2019-20 as summarized in the Table above and approve the power purchase cost accordingly.

2.4. Energy Balance

- 2.4.1. It is submitted that energy availability for FY 2019-20 has been computed based on the actual Power purchase and sales as per the annual accounts for FY 2019-20.
- 2.4.2. JBVNL would like to submit that power purchased from various sources has been

segregated into different heads, while calculating the energy balance for the control period. The various sources are listed below:

- Power Purchase from Outside JSEB Boundary – i.e. Power sourced from NTPC, NHPC, PTC, APNRL, part of TVNL, NVVNL, SECI
- Energy Input Directly to State Transmission System - Input of power from TVNL through TVNL-PTPS directly to State Transmission System
- State-owned Generation- SHPS, Rungta Mines, ABCIL, Inland Power
- Direct Input of Energy to Distribution System- DVC and Solar IPPs.

2.4.3. It is submitted that the Petitioner has computed the energy requirement based on the below mentioned formulae:

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

2.4.4. Based on the information provided above, Energy Balance of JBVNL for FY 2019-20 is provided in the Table below:

Table 2-3: Energy balance for JBVNL for FY 2019-20

Particulars	2019-20	
	Approved	Actual
Power Purchase from Outside JSEB Boundary (MU)	6,415.86	7,137.06
Loss in External System (%)	3.00%	3.00%
Loss in External System (MU)	192.48	214.11
Net Outside Power Available (MU)	6,223.38	6,922.95
Energy Input Directly to State Transmission System (MU)	411.34	465.71
State-owned Generation (MU)	447.85	821.53
Energy Available for Onward Transmission (MU)	7,082.57	8,210.19
Transmission Loss (%)	2.23%	4.78%
Transmission Loss (MU)	157.94	392.07
Net Energy Sent to Distribution System (MU)	6,924.63	7,818.12
Direct Input of Energy to Distribution System (MU)	4,156.18	4,195.10
Total Energy Available for Sales (MU)	11,080.81	12,013.22

2.4.5. JBVNL would like to submit that it has calculated transmission losses (Both inter and intra State) by subtracting total input energy received at 33 kV from total energy purchased from various power plants. JBVNL thereafter considers 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, JBVNL segregates Intra-State Transmission Loss by subtracting Inter-State Transmission Charges from total Transmission losses.

- 2.4.6. It may be seen that Intra-State Transmission Losses of JUSNL is at very high level as compared to approved value by Hon'ble Commission. This may be due to sub-optimal upkeep of transmission system by JUSNL. Hon'ble Commission is requested to direct JUSNL to improve its system including increase in voltage level to reduce losses.

2.5. Intra-State Transmission Charges

- 2.5.1. It is submitted that in its Order dated 01st October 2020, the Hon'ble Commission approved transmission charges payable to Jharkhand Urja Sanchar Nigam Limited (JUSNL) based on Tariffs approved during FY 2019-20 and the units transmitted as per the Energy Balance approved.
- 2.5.2. The actual Intra-state transmission charges payable to JUSNL for FY 2019-20 are provided in the Table below for kind consideration of Hon'ble Commission:

Table 2-4: Intra-state transmission charges of JBVNL for FY 2019-20

Particulars	Unit	Approved	Actual
Transmission Charges	Rs. Crore	177.06	206.28

2.6. Operation and Maintenance Expenses

- 2.6.1. Operation and Maintenance Expenses (O&M expenses) comprises of Employee Expenses, Repair & Maintenance Expenses and Administrative & General Expenses.

Employee Expenses

- 2.6.2. Total Employee expenses comprise of Employee Cost (salaries, dearness allowance, bonus, leave encashment and staff welfare expenses) and terminal benefits in the form of pension & gratuity.
- 2.6.3. The employee cost for FY 2019-20 based on the annual accounts of FY 2019-20 is provided in the Table below for kind consideration of Hon'ble Commission:

Table 2-5: Employee cost of JBVNL for FY 2019-20

Particular	Approved	Actual
Employee Cost Inc. Terminal Benefits (Rs. Crore)	307.63	241.70
Employee Expenses (Rs. Crore)	288.87	219.26
Terminal Benefit (Rs. Crore)	18.75	22.43

Repairs & Maintenance Expenses (R&M)

- 2.6.4. The revised R&M expenses for FY 2019-20 as per the annual accounts of FY 2019-20 is provided in the Table below for kind consideration of Hon'ble Commission:

Table 2-6: Repair and Maintenance expense of JBVNL for FY 2019-20

Particulars	Approved	Actual
R&M Expenses (Rs. Crore)	105.66	109.19

2.6.5. Therefore, it is prayed that the Hon'ble Commission may kindly approve the actual R&M expenses, as per the annual accounts of FY 2019-20.

Administrative and General Expense (A&G)

2.6.6. The revised A&G expenses for FY 2019-20 as per the annual accounts of FY 2019-20 is provided in the Table below for kind consideration of Hon'ble Commission.

Table 2-7: A&G Expenses of JBVNL FY 2019-20

Particulars	Approved	Actual
A&G Expenses (Rs. Crore)	103.55	129.02

2.7. Capital Expenditure Schedule

2.7.1. The Scheme-wise actual capex schedule for FY 2019-20 as per JBVNL annual accounts of FY 2019-20 is detailed in the Table below:

Table 2-8: Capital Expenditure Schedule of JBVNL for FY 2019-20

Scheme wise	Approved	Actual
DDUGJY		1,485.63
IPDS		248.06
RAPDRP – A	15.50	54.40
RAPDRP – B		261.14
DDUGJY 12 th Plan		487.63
ADP + Misc.	638.18	201.98
Tilka Manjhi & AGJY	45.59	20.86
RE State Plan		3.94
JSBAY	961.00	1,003.22
RGGVY (10 th & 11 th Plan)		-
SAUBHAGYA	90.00	75.21
Total	1,750.27	3,842.08

2.7.2. It is submitted that capex of Rs. 3,842.08 crore has been incurred as against approved Capex of Rs. 1,750.27 Cr in FY 2019-20. This is testimony towards JBVNL success in implementing central and state government's scheme on the ground. This also substantiates JBVNL's claim in previous year's petition that the revision in capital expenditure is majorly due to timings of payments which are linked to completion of works under various schemes. The approved vs. actual capital works in progress are detailed below. It is also pertinent to mention that since implementation of large schemes such as Jharkhand Sampurna Bijli Achyadan Yojna (JSBAY) was started in 2018 itself, a significant amount still remains as

CWIP, despite transfer of Rs. 4,315.61 Cr. to GFA, as against Rs. 2,121.46 approved by Hon'ble Commission, as detailed in the Table below:

Table 2-9: Actual Capital work in progress of JBVNL for FY 2019-20

Particulars	Approved (Rs. Crore)	Actual (Rs. Crore)
Opening CWIP	5,745.22	5,745.22
Capex during the year	1,750.27	3,842.08
Transfer to GFA	2,121.46	3,211.86
Closing CWIP	5,374.04	6,375.44

- 2.7.3. 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 actual, however the Debt and Equity are estimated based on norms and principles adopted by Hon'ble Commission in its earlier orders.
- 2.7.4. The CCG of JBVNL, based on the annual accounts for FY 2019-20 vis-à-vis as approved by the Hon'ble Commission is provided in the Table below.

Table 2-10: Consumer contribution and grants of JBVNL for FY 2019-20

Particulars	Approved (Rs. Crore)	Actual (Rs. Crore)
CCG Opening	6,882.51	6,882.51
Addition in CCG	1,316.91	731.64
Closing CCG	8,199.42	7,614.15

2.8. Calculation of Normative GFA, Loan and Equity

- 2.8.1. The Petitioner has calculated Normative GFA from Debt & Equity, Loan and Equity as per approach adopted by Hon'ble Commission in its previous Tariff Orders.
- 2.8.2. The Petitioner has bifurcated GFA and Accelerated Depreciation into component from Debt & Equity (D&E) and from CCG as per approach by 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 Claus 6.16 of JSERC Distribution Tariff Regulation, 2015.
- 2.8.3. After netting Normative Equity from closing GFA (out of D&E), the Petitioner has deducted, accumulated depreciation pertaining to D&E component from the resultant to arrive at normative closing debt.
- 2.8.4. The calculation of Normative Debt and Equity is Tabulated below:

Table 2-11: Source of Funding of GFA for FY 2019-20 (Rs. Crore)

Particulars	Approved (Rs. Crore)	Actual (Rs. Crore)
Opening GFA (A)	10,556.73	10,556.73

Particulars	Approved (Rs. Crore)	Actual (Rs. Crore)
CCG towards Opening CWIP (B)	2,425.57	2,425.57
CCG towards Opening GFA (C)	4,456.94	4,456.94
Opening GFA Less CCG (D = A- C)	6,099.79	6,099.79
Closing GFA (E)	12,678.19	13,768.59
CCG towards Closing GFA (F)	5,758.51	5,204.33
Closing GFA Out of D&E (G= E-F)	6,919.68	8,564.26
Accumulated Depreciation (H)	3,070.19	3,563.88
Accumulated Depreciation Out of D&E (I =H*G/E)	1,675.69	2,216.79
Closing Normative Equity (J = G* 30%)	2,075.91	2,670.81
Closing Normative Loan (K = G-J-K)	3,168.09	2,216.79

2.9. Depreciation

- 2.9.1. The Petitioner has first arrived at the opening and closing GFA of FY 2019-20, 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 approved by the Hon'ble Commission on the average GFA thus calculated to arrive at the total depreciation being claimed as part of the true-up exercise.
- 2.9.2. The depreciation calculated by the Petitioner based on the Hon'ble Commissions approach in Tariff Order for FY 2020-21 for JBVNL dated 01st October 2020 vis-à-vis as approved by the Hon'ble Commission is provided in the Table below:

Table 2-12: Financing of the Capital Investments in FY 2019-20 (Rs. Crore)

Particulars	Approved (Rs. Crore)	Actual (Rs. Crore)
Opening GFA (Less CCG) (Rs. Cr.)	6,099.79	6,099.79
Closing GFA (Less CCG) (Rs. Cr.)	6,919.69	8,564.26
Average GFA excluding Consumer Contributions and Grants (Rs. Cr.)	6,509.74	7,332.03
Depreciation Rate (%)	5.94%	5.94%
Depreciation Cost (Rs. Cr.)	386.68	435.52

2.10. Interest & Finance Charges

Interest on Long Term Loan

- 2.10.1. The opening debt for FY 2019-20 has been considered equal to closing value of FY 2018-19 as approved by Hon'ble Commission in True-up for FY 2018-19 of JBVNL in Order dated 01st October, 2020.
- 2.10.2. Closing debt for FY 2019-20 has been calculated above in above Table: 2-11 in line with the Regulation 6.16 of the JSERC Tariff Regulations, 2015.

- 2.10.3. In line with the Regulation 6.22 of the JSERC Tariff Regulations, 2015 repayment of loan for FY 2019-20 has been considered equal to Depreciation as calculated above.
- 2.10.4. Further, the rate of interest on long-term loan has been considered at the Base rate of SBI as applicable on April 1st of FY 2019-20 plus 200 basis points as per Regulation 6.24 of the JSERC Distribution Tariff Regulations, 2015. Interest cost thus calculated vis-à-vis as approved by the Hon'ble Commission is provided in the Table below:

Table 2-13: Allowable Interest & finance charges of JBVNL for FY 2019-20 (Rs. Crore)

Particulars	Approved	Actual
Opening Balance	2,719.29	2,719.29
Deemed Addition during the year	835.47	1,494.43
Deemed Repayments during the year	386.68	435.52
Closing Balance	3,168.08	3,778.20
Average balance during the Year	2,943.69	3,248.74
Interest Rate	11.05%	11.05%
Interest Expense	325.28	358.99

- 2.10.5. It is requested that the Hon'ble Commission may approve the interest and finance charges as submitted by the Petitioner.

Interest on Consumer Security Deposits

- 2.10.6. The Interest on consumer deposit for FY 2019-20 has been computed based on the actual interest on consumer deposit as per annual accounts for FY 2019-20.

Table 2-14: Interest on consumer deposit of JBVNL for FY 2019-20 (Rs. Crore)

Particulars	Approved	Actual
Consumer Deposit	624.26	632.38
Interest Rate	9.05%	9.05%
Interest on Consumer Security Deposit	56.50	58.25

Bank and Finance Charges

- 2.10.7. The Petitioner humbly submits that has incurred Bank and Finance charges to the tune of Rs. 0.05 Crore as per Annual Accounts for FY 2019-20 towards expenditures like Bank charges, finance charges, etc. The Petitioner requests to approve the same.
- 2.10.8. The following Table summarizes the Interest and Finance charges claimed by the Petitioner as against those approved by the Hon'ble Commission in the Tariff Order for FY 2019-20.

Table 2-15: Interest and Finance Charges for FY 2019-20 (Rs. Crore)

Particulars	Approved	Actual
A: Interest on Long Term Loans		
Interest Expenses	325.28	358.99
B: Finance and Other Charges		

Particulars	Approved	Actual
Interest on Consumer Security Deposits	56.50	58.25
Bank/ Finance Charges	-	0.05
Total Finance Charges	56.50	58.30
Total (A+B)	381.78	417.28

2.11. Interest on Working Capital

- 2.11.1. The Petitioner has calculated normative working capital requirement for FY 2019-20 in line with the Regulation 6.29 and 6.30 of the JSERC Tariff Regulations, 2015.
- 2.11.2. 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 6.31 of the JSERC Distribution Tariff Regulations, 2015.
- 2.11.3. The Petitioner has estimated the working capital requirement and interest thereof, as provided in the Table below:

Table 2-16: Interest on Working Capital of JBVNL for FY 2019-20 (Rs. Crore)

Particulars	Approved	Actual
O&M expenses for 1 month	43.07	39.99
Maintenance Spares (1% of GFA)	61.00	61.00
2 months Receivables	1,004.34	1,195.59
Less: 1 month cost of power purchase	386.81	443.88
Less: Security Deposit from Customers	624.26	632.38
Total Working Capital requirement	97.35	220.32
Interest rate on WC	12.55%	12.55%
Interest on Working Capital	12.22	27.65

2.12. Return on Equity

- 2.12.1. The Petitioner has considered the opening balance of normative equity for 2019-20 as per the closing balance for the FY 2018-19, as approved by Hon'ble Commission in True-up for FY 2018-19 in its Order dated 01st October, 2020.
- 2.12.2. Closing equity for FY 2019-20 has been calculated using normative debt equity ratio (70:30) as calculated above in Table: 2-11, as per the provisions of Regulation 6.16 of JSERC Distribution Tariff Regulations, 2015.
- 2.12.3. Further, the rate of Return on Equity (RoE) is considered to be 15.50% as per the provisions of Regulation 6.17 of JSERC Distribution Tariff Regulations, 2015.
- 2.12.4. The return on equity is provided in the Table below for kind consideration of Hon'ble Commission:

Table 2-17: Return on Equity RoE for FY 2019-20 (Rs. Crore)

Particulars	Approved	Actual
Opening Balance of Normative Equity	1,829.94	1,829.94
Deemed Additions	245.97	739.34
Closing Balance of Normative Equity	2,075.91	2,569.28
Average Equity	1,952.93	2,199.61
Return on Equity (%)	15.50%	15.50%
Return on Equity	302.70	340.94

2.13. Revenue from Sale of Power

2.13.1. The Hon'ble Commission had projected revenue from sale of power to Rs. 5,978.47 Crore in APR Tariff Order for FY 2019-20 dated 01st October 2020. The Annual Accounts have reported the actual revenue from sale of power to be Rs. 5,032.38 Crore towards electricity sales of 9,314.89 MU. The Petitioner requests the Hon'ble Commission to approve the same.

2.14. Non-Tariff Income

2.14.1. The Non-Tariff Income (Other Income) of JBVNL for FY 2019-20, based on the annual accounts has been provided for the kind consideration of Hon'ble Commission.

2.14.2. However, while computing the Non-Tariff income (Other Income) of JBVNL for FY 2019-20, the financing cost for corresponding receivables has to be reduced as accrued DPS is considered as NTI. It is pertinent to mention that 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 in allowance of working capital. For the 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.

2.14.3. The Hon'ble Commission in its Tariff order for Aggregate Revenue Requirement for MYT Period FY 16-17 to FY 20-21 and Tariff Order for FY 2019-20 dated 28th February, 2019 for JBVNL has also considered the above approach in line with the judgement of Hon'ble APTEL in Appeal no. 48 of 2016 and Appeal no.316 of 2016 & IA no.656 of 2016 dated 31st May, 2017, while approving the Non-Tariff income.

2.14.4. The Petitioner humbly prays to the Hon'ble Commission to approve the Non-tariff income for FY 2019-20 as outlined below:

Table 2-18: Non-tariff income of JBVNL for FY 2019-20 (Rs. Crore)

Non-Tariff Income	FY 2019-20	
	Approved	Actual
Interest Income from Investment in Fixed Deposits	-	16.04
D.P.S from Consumer	-	573.59
Interest from Bank (Other than FD)	-	9.76
Income from Staff Welfare activities	-	0.00

Non-Tariff Income	FY 2019-20	
	Approved	Actual
Supervision Charges	-	2.66
Miscellaneous Receipt	-	2.09
Meter Rent	-	41.40
Receipt from Consumers for capital works	-	25.09
Miscellaneous Charges from Consumers	-	0.09
Total	524.54	670.74
Interest rate for Receivables financing	12.55%	12.55%
Corresponding Receivables against DPS	2,460.01	3,186.62
Interest on Receivables against DPS	308.73	399.62
Net NTI to be considered	215.81	270.82

2.15. Disallowance on account of AT&C losses

- 2.15.1. JBVNL has undertaken several administrative measures to curb the AT&C losses along with the technical measures such as metering of un-metered consumers, focusing on billing efficiency and collection efficiency improvement through appointment of dedicated agencies. However, due to challenging circumstances in Jharkhand including, topographical issues, economic disparity, law & order aspects etc. it has not been able to achieve performance level specified by Hon'ble Commission.
- 2.15.2. The target of 100% of collection efficiency set by Hon'ble Commission is highly impracticable and even the most efficient utilities in the Country are not able to achieve the 100% collection efficiency. The Petitioner humbly submits that it has introduced several avenues for payment of bills by the consumers, to enhance the collections which includes:
- Payment by credit/ debit card through Mobile App (ezy-bzly),
 - Online web-based payment facility on JBVNL's website
 - Payment through Bharat Bill Payment System (BBPS)
 - POS machine and E-wallet facility through Urja Mitras
 - Collection through ~ 440 Post Offices
 - Collection through ~ 190 Any Time Payment (ATP) machines
- 2.15.3. One of the key reasons behind the lower than targeted collection efficiency is the addition of large number of rural consumers during FY 2018-19 under SAUBHAGYA and DDUGJY 12th Plan Scheme. The newly added consumers are from remote parts of state and have poor paying capacity due to limited income. In order to complete mandate of universal electrification, JBVNL is supplying electricity to them. Percent of receipt generated to such rural domestic consumers as number of bills issued is less than 10%.

2.16. Impact on Sales due to Lockdown to curb Covid-19

- 2.16.1. In addition, Considering the impact due to the pandemic of COVID-19 and recent lockdowns, the demand scenario of not only the State, but whole Country is very uncertain and unstable. The commercial, institutional and industrial categories demand has plummeted on account of lockdown restrictions, while domestic demand has increased due to people staying back at home. This has resulted in major reduction in load and also in the

consumption mix for the Discoms. Further, with large scale movement of the migrant labour population back to their native villages and large-scale income/ job loss, the economy is expected to come back on track gradually. In view of these developments and uncertain situations, the Petitioner's billing and collection efficiency got affected for FY 2019-20 and also for FY 2020-21 & FY 2021-22. Accordingly, the Hon'ble Commission is requested to consider the impact of COVID-19 pandemic for FY 2019-20 and future years while allowing and approving the billing and collection efficiency targets for the Petitioner.

- 2.16.2. It is observed that the impact on HT consumer sales and revenue during Lockdown in the month of March 2020 is around ~23% and ~14% respectively for the Licensee as compared to March 2019, which is shown in the Table below:

Table 2-19: Impact of Lockdown on Energy Sales & Revenue for March 2020 as compared to March 2019

Category wise Impact on Sales & Revenue due to Covid-19				
Sales	Sales (MU)		Revenue (Crore)	
	Mar-19	Mar-20	Mar-19	Mar-20
Industrial HTS/HTSS/EHT	201.05	152.14	136.43	117.67

- 2.16.3. In such a scenario it is impossible to achieve collection efficiency of 100% as mandated by Hon'ble Commission. Thus, the Hon'ble Commission is requested to approve the actual collection efficiency as submitted in the Table below.
- 2.16.4. The Petitioner prays to Hon'ble Commission that the amount of revenue which JBVNL has not been able to collect, may be allowed to be considered against the RGF received during FY 2019-20. The calculation for disallowance is done by considering the difference between the Commissions approved collection efficiency i.e. 100% and the actual collection efficiency of 86.42% in FY 2019-20. The details of the same have been provided in the Table below. The Petitioner humbly submits that the disallowance on account of Lower Collection efficiency shall be considered while adjusting RGF from ARR.

Table 2-20: Disallowance on account of Collection efficiency of JBVNL for FY 2019-20

Particulars	FY 2019-20	
	Approved (Rs Cr.)	Actual (Rs Cr.)
Revenue from sale of power	5,978.47	5,032.38
Collection efficiency		86.42%
Uncollected revenue – to be adjusted against RGF		683.40

- 2.16.5. Further, the Hon'ble Commission has approved Distribution loss target of 14% for FY 2019-20. However, actual T&D loss for FY 2019-20 is coming to be 22.46%. Non-achievement of the loss target despite best efforts by the Petitioner is again due to addition of high number of rural domestic consumers. The Petitioner therefore prays to Hon'ble Commissioner to relax T&D loss from 14% to 18% for FY 2019-20. The Petitioner has estimated the disincentive for non-achievement of loss targets and has subtracted the same from power purchase expenditure for FY 2019-20, considering the methodology adopted by Hon'ble Commission previously. The excess cost to be disallowed is the 'Disincentive for non-

achievement of T&D loss targets', which needs to be appropriately adjusted against the Resource Gap Funding (RGF) is provided in Table below:

Table 2-21: Disallowance on account of Distribution loss

Particulars	Actual
Total Energy Sales to Intrastate consumers (MU)	9,314.89
Overall T&D loss (%) for intra-state consumers	22.46%
Total Energy requirement for intra- state consumers (MU)	12,013.22
Energy Available for Distribution (@18% T&D Loss) (MU)	11,359.63
Disallowed Units due to Excess Loss (MU)	653.59
Average Power Purchase Cost (Rs. / Unit)	4.45
Disallowed Cost due to Excess Loss (Rs. Crore)	290.89

- 2.16.6. The disallowed power purchase cost of Rs. 290.49 Cr. has been deducted from power procurement cost as calculated in Table: 2.2 and resultant power procurement cost comes to be Rs. 5,326.54 Crore.

2.17. Resource Gap Funding

- 2.17.1. The Petitioner would like to submit that resource gap funding is being provided by Government of Jharkhand to meet the disallowances and slashes made by the Hon'ble Commission during tariff determination process for various parameters such as higher T&D Loss, normative interest computation, normative generation cost etc.
- 2.17.2. A communication from the Energy department, Government of Jharkhand was also submitted vide letter dated 14th July 2014 stating that:

“Amount released towards resource gap may be utilized to meet the slashes/disallowances worked out by the Hon'ble commission while fixing the tariff”

- 2.17.3. In line with the above communication by the GOJ, the Petitioner prays that the Hon'ble Commission should consider adjusting the complete RGF towards disallowance/ slashes and remaining amount of RGF may be considered to meet the revenue gap. The resource gap funding available to meet revenue gap is provided below:

Table 2-22: Resource gap funding received by JBVNL for FY 2019-20

Particulars	Actual (Rs. Cr)
Resource Gap Funding Received	600
Disallowances – on account of AT&C losses	974.29
Net Resource Gap Funding available to meet revenue gap	(374.29)

- 2.17.4. Hence, Hon'ble Commission requested to approve the revenue gap for FY 2019-20.

2.18. Aggregate Revenue Requirement (ARR) for FY 2019-20 after final Truing Up

2.18.1. The Aggregate Revenue Requirement for FY 2019-20 after final truing up is summarised in the Table below:

Table 2-23: Aggregate Revenue Requirement (ARR) for FY 2019-20 (Rs. Crore)

Sr. No.	Particular	FY 2019-20	
		Approved	Actual
1	Power Purchase cost	4,641.66	5,743.07
2	Transmission charges (Inter and Intra State)	324.42	416.52
3	O&M expenses	516.84	479.90
4	Depreciation	386.68	435.52
5	Interest on Long Term Loan	325.28	358.99
6	Interest on Working Capital Loan	12.22	27.65
7	Interest on Consumer Security Deposit	56.50	58.25
8	Bank/ Finance Charges	-	0.05
9	Return on Equity Capital	302.70	340.94
10	Less: Non-Tariff Income	215.81	270.82
11	Annual Revenue Requirement	6,026.07	7,173.54

2.18.2. It is prayed to the Hon'ble Commission that the above ARR may be allowed and impact shall be passed on to JBVNL, while approving the tariff for FY 2021-22

3. Prayers

The Petitioner humbly prays that the Hon'ble Commission may be pleased to:

- a) Admit the True-up Petition accompanying annual accounts audited by the Statutory Auditor for FY 2019-20 in accordance with Regulation 9.3 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015;
- 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 pass such Orders as deemed fit and proper in the facts and circumstances of the case in the interest of justice.

4. Review on the Tariff Orders for True-Up of FY 2018-19, APR of FY 2019-20, ARR and Tariff of FY 2020-21

4.1.1. It is submitted that some of the claim in the Petition for True-Up of FY 2018-19, APR of FY 2019-20, ARR and Tariff of FY 2020-21, was disallowed by the Hon'ble Commission in Order dated 01.10.2020. The Petitioner has filed a Review Petition on the said Tariff Order before the Hon'ble Commission. The impact of said Review Petition will have a bearing in this Petition. In view thereof, it is submitted that the Petitioner's claim in the present Petition is without prejudice to its contentions in Review and it is requested to the Hon'ble Commission to consider the impact of the above in this Order. The issues, which the petitioner have raised under Review Petition are as follows:

- 1) Consideration of loss take over under UDAY scheme as revenue in FY 2018-19, FY 2019-20 and FY 2020-21.
- 2) Power Purchase Cost of DVC.
- 3) Consideration of Meter Rent in Non-Tariff Income.
- 4) Revision of Minimum Billed Demand (101 KVA) for HT Consumers.
- 5) Introduction of Per Bulb Tariff in case of Street Lights consumers where meter cannot be installed.
- 6) Reduction in Fixed Charges.
- 7) Arithmetical error in Power Procurement Table for FY 2019-20.

5. Annexure: 1 True-Up Formats

6. Annexure: 2 Annual accounts of JBVNL audited by the Statutory Auditor for FY 2019-20