



झारखण्ड राज्य विद्युत नियामक आयोग

JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION

JSERC/Case (Tariff) No. 14 of 2024/475
Date: 24th December 2024

To

The Executive Director (C&R)
Jharkhand Bijli Vitran Nigam Ltd. (JBVNL),
Engineering Building, H.E.C.,
Dhurwa, Ranchi – 834 004.

Sub: Additional data requirement pertaining to deficiencies observed in the Petition for Audited True-up for FY 2023-24, Annual Performance Review for FY 2024-25 and approval of Aggregate Revenue Requirement for FY 2025-26 and tariff proposal for the control period (FY 2021-22 to FY 2025-26) of Jharkhand Bijli Vitran Nigam Ltd. (JBVNL) – Regarding thereof.


Sir,

Please find enclosed a copy of Order dated 24.12.2024 passed by the Commission in Case (Tariff) No. 14 of 2024 along with office report dated 24.12.2024 pointing out some discrepancies in the petition as cited.

A compliance report to this effect removing the discrepancies together with required additional data may please be sent within two weeks as order.

Thanking you.

Yours faithfully,


(R. P. Nayak)
Secretary

**JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION
RANCHI**

FORM OF PROCEEDING

Case (Tariff) No. 14 of 2024

Jharkhand Bijli Vitran Nigam Limited (JBVNL)

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Petitioner

Sl. No.	Date of proceeding	Proceedings of the Commission with signature	Office action taken with date
1	2	3	4
2.	24.12.2024	<p>The petition dated 02.12.2024 for Audited True-up for FY 2023-24, Annual Performance Review for FY 2024-25 and approval of Aggregate Revenue Requirement for FY 2025-26 and tariff proposal for the control period (FY 2021-22 to FY 2025-26) of the petitioner - JBVNL has been scrutinized and several deficiencies/discrepancies have been pointed out as shown in the office report dated 23.12.2024.</p> <p>The petitioner is directed to meet the deficiency and remove the defects within two weeks.</p> <p>Put on receipt of replies.</p> <p style="text-align: center;">Sd/- Member (T)</p> <p style="text-align: right;">Sd/- Member (L)</p>	



Office Report

The petition dated 02.12.2024 for Audited True-up for FY 2023-24, Annual Performance Review for FY 2024-25 and approval of Aggregate Revenue Requirement for FY 2025-26 and tariff proposal for the control period (FY 2021-22 to FY 2025-26) of the petitioner - JBVNL has been scrutinized and several deficiencies/discrepancies have been found in the petition as indicated below:

Note on Discrepancies/ Data gaps in respect of the Petition for Audited True-up of FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26 filed by The Jharkhand Bijli Vitran Nigam Limited (JBVNL).

True-up of FY 2023-24

1. The petitioner is required to provide the Working Model (MS Excel) (i.e. including True-up for FY 2023-24, APR for FY 2024-25, ARR & Tariff for FY 2025-26, Sales & Revenue Model, Power purchase model reconciliation with Audited account).
2. The Petitioner is directed to furnish the details of monthly injection and drawl of energy at inter/intra state Transmission level for FY 2023-24.
3. As per table 2-1 of the petition, the Petitioner has claimed the energy sale for Industrial LT/ LTIS as 270.12 MU against 317.83 MU approved in APR FY2023-24. In this regard, the Petitioner is required to provide the proper justification for such a decrease in energy sales.
4. As per table 2-2 of the Petition, the petitioner has submitted that it has procured short term power from IEX/ PXIL. In this regard, the petitioner must submit whether it has taken prior approval of the Commission for procurement of power from IEX/PXIL on a short-term power requirement basis for FY 2023-24 as per Regulation 6.31-6.37 of the JSERC (Terms and Condition for Determination of the Distribution Tariff) Regulations, 2020.
5. Further, the Petitioner is directed to submit the time-block power purchase and sale rate on the IEX/ PXIL. Also, the Petitioner is required to submit documentary evidence for such purchase and sale.

6. The Petitioner is required to provide the basis for scheduling of power from each source on daily basis. Further, the Petitioner is required to demonstrate along with documentary evidence whether Merit Order Dispatch is followed while scheduling the power.
7. As per table 2-4 of the petition, the Petitioner has claimed the Transmission Loss as 6.41% against the 2.23% approved in the Business Plan for FY 2023-24. In this regard, the Petitioner should justify its claim with substantial evidence.
8. The Petitioner at para 2.5.8 has submitted that the actual distribution loss for FY 2023-24 as 31.26% whereas it has submitted actual distribution loss for FY 2022-23 as 30.28% in its previous filing. In this regard, the Petitioner is directed to submit a detailed justification for a higher distribution loss for FY 2023-24 as the distribution loss is controllable parameter according to clause 6.44 of JSERC (Distribution Tariff Regulation) 2020. Further, the Petitioner is directed to submit the detailed reason for the increase in distribution loss to 31.26% for FY 2023-24 instead of decreasing.
9. As per table 2-5 of the petition, the Petitioner has claimed Repair and Maintenance expenses as Rs 343.30 Cr against the Rs 294.93 Cr approved in APR for FY2023-24. In this regard, the Petitioner is required to submit proper justification for such an increase in R&M expenses.
10. As per table 2-6 of the petition, the Petitioner has claimed A&G expenses as Rs.182.45 Cr against Rs.116.26 Cr approved for FY 2023-24 in APR for FY2023-24. In this regards the Petitioner is required to submit proper justification for such an increase in A&G expense.
11. As per table 2.7 it is observed that the addition to Capital Expenditure for FY 2023-24 is Rs.740.04 Cr. In this regard, the Petitioner is directed to submit the scheme-wise Capital Expenditure details. The Petitioner shall submit the detailed scheme-wise comparison of Capitalization approved by the Commission vis-à-vis claimed for FY 2023-24. Further, in addition to above, the Petitioner is required to provide project/ scheme completion certificate certifying that the project/ scheme is completed and in operation/put to use.
12. As per table 2-8 of the petition, the Petitioner has claimed under consumer contribution as Rs.38.31 Cr for FY 2023-24. In this regard, the Petitioner is required to provide the documentary evidence for Grants and Consumer Contribution. Also, the Petitioner is directed to submit the details of the actual amount received under Grants and Consumer Contribution.

13. As per table 2-12 of the Petition, the Petitioner has claimed Interest on Consumer Security Deposit as Rs 108.08Cr. In this regard, the Petitioner is required to provide the details of the actual interest disbursed against the claimed amount.
14. As per table 2-13 it is observed that, the Petitioner has claimed bank and finance charges as Rs 2.38 Cr for FY 2023-24. In this regard, the Petitioner is required to provide proper justification regarding the reason for which the charged are being levied by the bank. Also, the Petitioner is directed to submit the bills towards bank and finance charges.
15. The petitioner gets government fund under various scheme in the form of loan and grant. In this regard, the petitioner is required to provide the balance confirmation certificate.

Annual Performance Review for FY 2024-25

16. As per para 3.3.2, the Petitioner has projected AT&C loss of 19% for FY 2024-25 respectively against the distribution loss of 13% as approved by the Commission for the control period. In this regard, the petitioner is directed to provide the proper justification.
17. As per para 3.4.4, the Petitioner has considered an escalation of 5% against transmission and scheduling charges. The Petitioner is directed to provide the justification for considering the same.
18. As per para 3.8.2, 3.8.4 and 3.8.6 the Petitioner has considered an inflation factor of 2 % for escalating employee, Repair and Maintenance (R&M) and A&G expense. The Petitioner is directed to provide justification for considering the same.
19. As per table 3-6 the Petitioner has projected terminal benefits of Rs 83.94 for FY 2025-26. However, under clause 10.6 (Note-3) of JSERC (Terms and Conditions of Distribution Tariff) Regulation, 2020 states that terminal liabilities will be approved as per the actual submitted. In this regard, the Petitioner is directed to submit a detailed justification for such claim.
20. As per para 3.10.5 the Petitioner has projected addition to Capital Expenditure for FY 2024-25 of Rs. 2439.31 Cr as against 1366.54 Cr in APR for FT 2024-25. In this regard, the Petitioner is directed to submit the scheme-wise Capital Expenditure details.

21. As per para 3.12.7, the Petitioner has considered an escalation rate of 5% over the accumulated consumer security of FY 2023-24 for FY 2024-25. In this regard, the Petitioner is directed to provide the justification for considering the same.
22. It is observed that the Petitioner has estimated bank charge to the tune of Rs.2.38 Cr. The Petitioner is directed to provide details for such consideration.

ARR for FY 2025-26

23. As per Table 4.1, JBVNL has provided projections for consumption parameters (consumer numbers, connected load and sales) and has considered escalation as described in para 4.1. The Petitioner has directed to provide details for assumption based on which the projections are made and provide calculations sheets is any for the same.
24. As per para 4.2 the Petitioner has projected distribution loss of 19% against the approved value of 13% by the Commission. As such the Petitioner is directed to provide justification for the same and necessary actions for achieving the approved trajectory by the Commission.
25. As per para 4.3 the Petitioner has projections for its Power purchase by considering unit escalation of 5% on the generating units of FY 2024-25 for FY 2025-26 and has also confirmed for measures for reducing dependency on costlier plants. The Petitioner is directed to provide basis for such escalation.
26. As such considering the present scenario the Petitioner is directed to provide details of its power procurement as per Merit order Dispatch methodology if any.
27. As per para 4.5.3 the Petitioner has considered intrastate transmission loss of 6.41% against the approved figure of 2.23%. The Petitioner is directed to provide basis for such consideration.
28. As per para 4.6.2 the Petitioner has projected an escalation of 5% on intra state transmission charges upon FY 2024-25 to arrive at FY 2025-26. As such the Petitioner is directed to provide basis for such escalation.
29. As per para 4.7.3 the Petitioner has projected terminal benefits of Rs 85.62 Cr with an escalation factor of 2.00% for FY 2025-26. However, under clause 10.6 (Note-3) of JSERC (Terms and Conditions of Distribution Tariff) Regulation, 2020 states that terminal liabilities will be approved as per the actual submitted. In this regard, the Petitioner is directed to submit a detailed justification for such claim.

30. As per para 4.9.8 the Petitioner has projected capital expenditure of Rs.2582.43 Cr and transfer to GFA as Rs.2454.04 Cr. In this regard the Petitioner is directed to provide details of the same.
31. As per table 4-11, the Petitioner has projected Govt grant of Rs.630.67 Cr and Consumer contribution of Rs 38.31 Cr. As such the Petitioner is directed to provide details for such consideration.
32. As per para 4.12.1 the Petitioner has considered an escalation of 5% for FY 2025-26 over the accumulated consumer security deposit over the previous year. The Petitioner is directed to provide basis for such consideration.
33. As per para 4.13.1 the Petitioner has projected bank and finance charges as 2.38 Cr. The Petitioner is directed to provide justification for such consideration.


Secretary