

**JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION
RANCHI**

Case No. **12** of **2011**

Shri **Mukhtiar Singh**, Chairperson
Shri **T. Munikrishnaiah**, Member

Dated: 26th February 2011

ORDER

IN THE MATTER OF

Suo-Motu proceeding against Jharkhand State Electricity Board, Ranchi

Counsel as Amicus Curie	:	Shri Apresh K. Singh, Advocate
Counsel for the Commission	:	Shri Sudarshan Shrivastava, Advocate
For the JSEB	:	Shri S.C. Mishra, Chief Engineer, JSEB Shri Anil Kumar Singh, JSEB
For the State Government	:	Shri Vinod Kumar Mishra, Dy. Secretary Department of Energy, Govt. of Jharkhand

This case was fixed for today to submit the progress report by the licensee-JSEB on the point of Energy Auditing, T&D losses and viability of PTPS.

In compliance, the Chief Engineer (C&R), Jharkhand State Electricity Board submitted the progress report on the above points. Let this be kept on record. A copy of the progress report been handed over to the counsels appearing in this proceeding.

At the outset the learned counsel, Shri Apresh K. Singh, Advocate, who is Amicus Curie in the Public Interest Litigation being CWJC No. 1793 of 2001 (M.S. Mittal Vrs. Jharkhand State Electricity Board & others) before the Hon'ble Jharkhand High Court drawn the attention of the Commission to the provisions contained in Section 128 of the Electricity Act, 2003. He submitted that the Commission may direct an agency or person to investigate the affairs of the licensee-JSEB and to report to the Commission. He further submitted that on receipt of report the Commission may, after giving such opportunity to the licensee to make a representation in connection with the report as in the opinion

of the Commission seems reasonable as provided in Section 128 (6) of the Electricity Act, 2003 and thereafter publish the report submitted by the Investigating authority or such portion thereof as may appear to it to be necessary.

It has been submitted on behalf of the licensee-JSEB that the work relating to Energy Auditing has been awarded to M/s HCL Infosystem Ltd., New Delhi and the same will be completed in Urban areas of thirty towns by September 2012.

As regards the T&D loss, it has submitted that the present T&D loss of JSEB is 35% whereas in the financial year it was 36.60%. As such the loss has been reduced during the year 2010-11. It has further been submitted that the Board is utilizing its resources to reduce the T&D loss. Raids are being conducted regularly, inspections are being done and all JEEs to General Manager-cum-Chief Engineers in the field have been assigned with definite task for their personal performance. It has been assured to reduce the T&D loss by 0.5-0.75% quarterly in the financial year 2011-12.

So far PTPS is concerned, it has been submitted that at present two units of PTPS viz. Unit Nos. 4 & 6 are running and generating 75-80 MW per day. The stock of coal for running these two units are available for two months generation. Units No. 9 & 10 having capacity of 110 MW each are under repair. Unit No.10 is scheduled for coming up in generation in the month of October 2011 and Unit No.9 in February 2012. The Board has requested the State Government to go in for modernization and expansion of PTPS through tariff based bidding route or joint venture with NTPC as deemed fit by the Government. The decision has to be taken by the Government.

The learned counsel, Shri Apresh K. Singh, filed a copy of the order dated 1.5.2008 and 21.12.2009 passed by the Hon'ble Jharkhand High Court in CWJC No. 1793 of 2001 (M.S. Mittal Vrs. JSEB & others) and submitted that Hon'ble Jharkhand High Court in its order dated 1.5.2008 had directed that the State Government should take steps to ensure that either the plants of JSEB are repaired or decision is taken to abandon them and to build new power plants. He added that the State Government should immediately float tenders to invite other Government agencies or private licensees to construct power plants in the State. He has further submitted that this order has been upheld upto the Hon'ble Supreme Court and the Hon'ble Jharkhand High Court in its order dated 21.12.2009 has further observed that the State Government has to comply this direction/order and take a decision in the light of the order recorded above.

The report filed by the licensee-JSEB on the three issues which were listed on the last date does not reflect the actual state of affairs as we had asked the licensee-JSEB to intimate whether study has been conducted on the energy auditing. From the report it transpires that the work has been entrusted to M/s HCL Infosystem Limited. The report does not point out as to what is the scope of work of consultancy and as such it is not clear whether the work relating to energy auditing has been entrusted to M/s HCL Infosystem Limited or not. On the T&D losses also the situation is the same. As regards PTPS, the Commission had not asked the status of PTPS, rather the Commission wanted to know whether the viability study of PTPS has been done to understand whether these plants can be revived after putting into some investments or they need to be scrapped altogether. A comparison of the extent of repair of the exiting units of PTPS with that of the cost of new power plant is a must. With this purpose, the viability study was asked for. During the course of hearing it was pointed out

that two units have been studied by BHEL. The findings of BHEL on the two units have not been mentioned in the report.

In view of the above and after hearing the learned counsels appearing in this case, it was agreed by the licensee-JSEB to submit a report on the T&D loss reflecting voltage-wise and feeder-wise actual losses along with the T&D losses of major cities/towns and Divisional Headquarters. In order to understand the scope of work, it was also agreed that a copy of agreement entered into between JSEB and HCL Infosystem limited be filed and the representative of HCL Infosystem along with the officer of JSEB dealing with the matter be present on the next date. The report of BHEL about the said two units, if available, and the report on the other remaining sick units, if any study has been conducted, should also be placed before the Commission. It was also agreed that a report/decision of the State Government on the compliance of the direction/order dated 1.5.2008 and 21.12.2009 passed by the Hon'ble Jharkhand High Court in CWJC No. 1793 of 2001 (M.S.Mittal Vrs. JSEB & Ors) would also be submitted on the next date.

With the consent of the parties the case is posted on **26.3.2011** at **11.30 AM** for further hearing.

Sd/-
(T. Munikrishnaiah)
Member

Sd/-
(Mukhtiar Singh)
Chairperson