

Office Report

The petition dated 11.1.2019 of Damodar Valley Corporation (DVC) for Annual Performance Review for the year FY 2018-19 and determination of Aggregate Revenue Requirement (ARR) and Tariff for FY 2019-20 has been scrutinized and several deficiencies have been found in the petition as indicated below :-

A. General:

1. The Petitioner should submit bills for the following consumers: 33kV Industrial, 132 kV Industrial, 132 kV Traction and 220 kV consumers for the months of October to December 2018.
2. The Petitioner should submit the actual monthly billing data for all the HT consumers for FY 2016-17, FY 2017-18 and FY 2018-19 (till December 31) in the excel format enclosed.
3. The Petitioner should submit the details of actual and proposed power sale to JBVNL before and from 1 January, 2019 including quantum tiedup - alongwith off-take points, quantum contracted at each off-take point, voltage level of each off-take point along with rate of supply from April 2018 to March 2019 and for FY 2019-20.
4. The Petitioner should submit the details of sales to JBVNL as a consumer at different off-take points (Please specify the voltage level), respective revenue (Fixed Charge and Variable Charge) billed for such sales for FY 2018-19 and that projected for FY 2019-20.
5. The Petitioner has submitted the load curve for FY 2016-17. The same should be submitted for FY 2017-18 and for FY 2018-19(Till 31 December, 2018).
6. The Petitioner should submit proposal for voltage wise wheeling charge for FY 2019-20 along with supporting calculations.
7. Based on the submission made by the Petitioner, it is observed that the directives on supply below 33 kV, Facilitation of Applications for new connections, Quality of Power and SoP, Strengthening CGRF, Bank Guarantee, Optimisation of Power Purchase Cost and Approval of PPAs are not complied satisfactorily by the Petitioner. The same should be clarified with further submission, if any.

B. Sales and Power Purchase:

8. The Petitioner should provide category wise details of no. of consumers, connected load and sales for the past years (FY 2013-14, FY 2014-15, FY 2015-16, FY 2016-17, FY 2017-18 and FY 2018-19 till 31 December, 2018).

9. The Petitioner should submit the basis for projection of generation from each generating station along with the actual generation for each station over the past years (FY 2015-16, FY 2016-17, FY 2017-18 and FY 2018-19 till 31 December, 2018).
10. It is observed that the sales at 33kV is proposed by the Petitioner to reduce drastically for FY 2019-20. The reason for the same should be clarified.
11. It is observed that the energy proposed to be wheeled for FY 2018-19 has increased drastically from the previous years. The Petitioner should provide justification for the same.
12. The Petitioner should submit bills for NTPC, NHPC and PTC for October 2018 to December 2018. The Petitioner should also submit the actual average variable charges for all the thermal stations (Rs./kWh) paid in the month of October to December 2018.
13. The Petitioner should submit documentary evidence of actual energy charges for power procured from its own power stations and the basis for increase in energy charges from FY 2018-19 (based on actuals till 31 December, 2018).
14. The Petitioner should submit the documentary evidence of actual Plant Availability Factor of its Generating Stations over the past years (FY 2013-14, FY 2014-15, FY 2015-16, FY 2016-17, FY 2017-18 and FY 2018-19 till 31 December, 2018), certified by Load Dispatch Centre.
15. It is observed that the cost of contingency power purchased from Maithon is very high ~Rs. 5.00/unit. The Petitioner should submit justification for the same.
16. The Petitioner should submit the PPA for Renewable Power Purchase. In addition, the REC Rates proposed are not as per the latest rates discovered in IEX. The Petitioner should provide justification for the same.
17. The Commission has observed that the sale to JBVNL is not considered as firm sales. The Petitioner should provide justification for the same.

C. Other Fixed Expenses:

18. The basis for calculation of Interest on Consumer Security Deposit (CSD) claimed for FY 2018-19.
19. The Petitioner should submit documentary evidence for the claim of Rs. 20 Lakh and Rs. 25 Lakh respectively for FY 2018-19 and FY 2019-20 towards Water Cess.
20. The Petitioner should submit the total NTI and its allocation of Rs. 27 Crore and Rs. 25 Crore of NTI to Distribution Business for FY 2018-19 and FY 2019-20 respectively with relevant documentary evidence and basis of such allocation.
21. The Petitioner should submit supporting documents for the claim of Rs. 0.73 Crore and Rs. 0.77 Crore towards Tariff Filing and Publication Expenses for FY 2018-19 and FY 2019-20 with relevant documentary evidence.

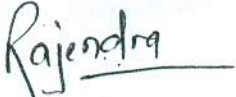
22. It is observed that the Petitioner has not considered the cost for power purchased from own generating stations and transmission charges for calculation of Interest on Working Capital. The Petitioner should submit justification for the same.

D. Tariff Proposal:

23. The Petitioner has proposed TOD and Non-TOD Tariffs. However, the same has not been proposed for all HT consumers. The Petitioner should provide necessary justification for the proposed selective approach for applicability of TOD Tariffs.

24. The Petitioner should submit the actual data for FY 2017-18, based on which rebates/surcharges are projected for FY 2019-20 and justify the same with actuals for FY 2018-19 (till 31 December, 2018).

25. The Petitioner has proposed to recover the complete fixed expenses incurred through fixed charges. The Petitioner should provide justification for the same.


Law Officer