

**IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION
AT RANCHI**

Suo-Moto Case No. 15 of 2020

In the matter of:

Implementation/consideration of directions given by the Department of Energy, Government of Jharkhand, vide its letter no. 1384/ACS dated 16.07.2020 under Section 108 of the Electricity Act, 2003 for providing relief to the consumers due to Lock-down imposed by the Government to contain the spike COVID-19.

AND

In the matter of:

The Commission on its own motion

Vs

1. Department of Energy, Government of Jharkhand
2. Jharkhand Bijli Vitran Nigam Limited (JBVNL)
3. Damodar Valley Corporation (DVC)
4. Tata Steel Limited (TSL)
5. Tata Steel Utilities & Infrastructures Limited (TSUISL)
6. Steel Authority of India Limited (SAIL), Bokaro
7. M/s Sujata Picture Palace & anr.
8. Secretary General, FJCCI
9. Secretary, Jharkhand Small Industries Association
10. Vice President-Industry, Singhbhum Chamber of Commerce and Industry
11. Sri Ajay Bhandari and anothers

.....Respondents

**CORAM: HON'BLE MR. R.N. SINGH, MEMBER (ENGINEERING)
HON'BLE MR. P.K. SINGH, MEMBER (LEGAL)**

For the Respondents: Mr. Bijay Kumar Sinha, Ms. Anjana Shukla Das, Mr. V.P.Singh, Mr. A.N.Choudhary, Mr. Bishwajeet Kumar, Mr. Ajay Bhandari, Mr.Anjay Pacheriwala, Mr.Subrato Ganguly, Hari Budhiya – Representatives, Mr. M.S.Mittal, Mr. Saket Upadhayay, Mr. Srijit Choudhary, Mr. S.B.Gadodia- Advocates

ORDER

Date –21st September, 2020

1. The Department of Energy, Government of Jharkhand vide its letter no.1384/ACS dated 16.07.2020 has issued following directions under Section 108 of the Electricity Act, 2003 for providing reliefs to the consumer of Jharkhand in the following manner:-

“.....

- 1.1 *Moratorium of three months for payment of electricity bills, which are due between 01/04/2020 and 30/06/2020, without levying any Delayed Payment Surcharge (DPS) for all consumers of all the Distribution Licensee in the State.*
 - 1.2 *Waiver of Demand/Fixed Charges for the month of April, May and June 2020 for industrial & commercial consumers of all Distribution Licensee of Jharkhand.*
 - 1.3 *Above mentioned waiver may be considered while determining the Interest on Working Capital and the Tariff for FY 2020-21.*
2. The Commission taking cognizance upon the above said letter of the Department of Energy, Government of Jharkhand, registered a *Suo-Moto* case and published a general notice in the public interest; it was published in different newspapers and further uploaded at the website of the Commission, public comments and request for impleading as party Respondent in this *Suo-Moto* case was invited.
3. In response to the above said general notice, M/s Sujata Picture Palace & anr, Secretary General FJCCI, Secretary Jharkhand Small Industries Association, Vice-president-Industry Singhbhum Chamber of Commerce and Industry, Sri Ajay Bhandari and several others prayed for impleadment as party Respondent in this case, prayers were allowed. Several others have also given suggestions/comments in this *Suo-Moto* case.

Submission of the Respondents/Public comments may be summarized in the following manner:-

I. Department of Energy, Government of Jharkhand

- a. The Representative of the Department of Energy, Government of Jharkhand, reiterated the directions given under Section 108 of the Electricity Act, 2003 as stated above.
- b. The Representative clarified that the above mentioned reliefs are in the form of deferment of charges (Delayed Payment Surcharge for all consumers and fixed charge for industrial & commercial consumers) to consumers, it is submitted that it may result in reduction of revenue, increase of cost revenue gap

and working capital requirement of the DISCOMs. It is stated that the gap should be allowed to be recovered by the licensees through the Annual Revenue Requirement (ARR) and tariff determination process appropriately.

- c. It is submitted that a request by JBVNL for financial support from Government of Jharkhand did not find favour with the Department of Energy, as the COVID-19 has also affected the internal resources of The State Government. Letters have been annexed.
- d. It is submitted that with regard to the methodology of the implementation of the directives and recovery of the gap in ARR and tariff, this Commission may decide suitably and the decision of the Commission shall be final and binding.

II. M/s Sujata Picture Palace &anr.

- a. Learned Counsel for the Respondent M/s Sujata Picture Palace & anr Submitted that in view of the letter of the Government of Jharkhand, the relief given by way of the waiver of fixed charges is for the months of March, April, May, June 2020 only, whereas for various establishment such as the present intervenor, business activities continues to remain suspended, in terms of the various notifications / orders issued both by the Ministry of Home Affairs as well as the Home, Prison, Disaster Management Department of the Government of Jharkhand.
- b. Learned Counsel further submitted that the State Government by its order dated 26.06.2020 specifically mentioned that “Hotels/lodges/Dharamshalas/restaurants (dine in) and other hospitality services” and “cinema halls.....” shall continue to remain prohibited”. Further, vide order dated 30.07.2020, the restrictions currently in the State of Jharkhand were extended till 31.08.2020.
- c. Learned Counsel vehemently argued that the waiver of fixed charges cannot be confined only up to June, rather it should be extended till such time that the State Government allows cinema halls to become operational.
- d. Learned Counsel while quoting Clause IX of A-14 under the Heading “A-14TERMS AND CONDITIONS OF SUPPLY” of the Tariff Order for the year 2019-20 submitted that it has been provisioned that if a consumer is unable to use electricity to be supplied by the Respondents, then the fixed charges / demand charges set out in the tariff shall be reduced.

Clause IX of A-14 reads as

“If any time any consumer is prevented from receiving or using the electric energy to be supplied by JBVNL either in whole or in part due to strike, riots, fire, floods, explosion, act of God or any other case reasonably beyond control if JBVNL is prevented from supplying or unable to supply such electric

energy owing to any or all of the causes mentioned above, then the fixed charges/demand charges set out in the Tariff Schedule for that particular category of consumer shall be reduced in the manner prescribed below
.....”

- e. Learned Counsel further submitted that such direction of the State Government makes it apparent that the alleged Waiver of Fixed charges provided by the State Government is not actually waiver but only a deferment of fixed charges since the order of the State Government provided for adjustment of the amount so waived in the Tariff of FY 2020-21. However, since the tariff order itself provides for appropriate reduction of fixed charges, JBVNL cannot be allowed to collect the same and the State Government certainly cannot direct this Commission to adjust the same in the tariff for 2020-21.
- f. Learned Counsel has concluded by submitting that relief with regard to benefit of the Fixed charges / Demand charges be extended till the State Government -allows cinema halls to reopen and the impact of the waivers in respect of Fixed charges / Demand charges should not be considered while framing the tariff for the FY 2020-21.

III. Federation of Jharkhand Chamber of Commerce & Industries

- a. Learned Counsel for the Respondent submitted that this Commission in its tariff order for FY 2019-2020 under the heading A 14, which provides for “Terms and Conditions for Supply”, specifically under clause IX, provides inter alia for “Reduction in Fixed charges”, and also provides for a formula for determining the Reduced Fixed Tariff.
- b. Learned Counsel submitted that the Ministry of Power, Government of India, vide its letter dated 28.03.2020, while issuing directions under Section 107 of the Electricity Act, 2003 for reduction of Late Payment Surcharge, to the Central Electricity Regulatory Commission had in clear terms recognized the present situation as an event of **Force Majeure**, and the same was even recorded in the order of the CERC dated 03.04.2020.
- c. Learned Counsel reiterated that because of COVID-19 pandemic and subsequent orders of the Government, the commercial and industrial consumers of Distribution Licensees were disabled from using the supply of Electricity for no fault of their own as such they should be exempted from paying the fixed charges levied for the fact of supply of Electricity.
- d. Learned Counsel pointed out that in the letters dated 16.07.2020 and 23.07.2020, the State Government has directed this Commission to provide a waiver of fixed/demand charges, while subsequently suggesting for realising the lost revenue in the subsequent years, however “Waiver” means relinquishment

and not deferment. It is submitted that the directions as given is contrary to the Clause IX under the heading A-14, of the Tariff Order for 2019-20, which only provides for reduction, and not deferred realization of fixed/demand charges in the subsequent Financial years.

- e. Learned Counsel in its conclusion prayed for complete waiver of Fixed/demand charges for industrial and/or commercial establishment for the period starting from 01.03.2020 to 30.06.2020 and further waiver of fixed/demand charges for all such industrial/commercial establishments whose activities remain suspended even beyond the period of 30.06.2020 until such time that their activities are allowed and to be resumed by the State Government Directives.

IV. Singhbhum Chamber of Commerce and Industry

- a. The Respondent submitted that due to the Lockdown imposed by the Government of India, Ministry of Home Affairs as well as the Home, Prison, Disaster Management Department, Government of Jharkhand, the business activities of the applicant as well as other consumers of electricity came to a halt and prevented the members of the applicant from consuming electricity and from running its units and using the electric energy supplied by DVC wholly and the same is beyond their control.
- b. The Respondent submitted that the bilateral agreement entered between the consumers and DVC contained a provision under Clause 4, for “**Force Majeure**” and the Lock down directives issued by the Government of India in light of the COVID-19 pandemic disrupted all business activities of the applicant and created a situation beyond its control and is a prima facie in the nature of force majeure, it cannot be said that the DVC had to be in readiness of any kind to supply power as it was known to all that there cannot be any unit working/functioning during the Lockdown.
- c. The Respondent in its conclusion prayed for declaration that the closure of industry pursuant to notification of Central Government will come under the ambit of force majeure and also to direct the Distribution Licensee not to impose fixed/demand charges for the period, the industry of the commercial and industrial consumers remained closed. It is further prayed for a relief of waiver of the fixed/demand charge for the period of Lockdown imposed due to COVID-19 upon the applicant who is a consumer of DVC.

V. Jharkhand Small Industries Association through Mr. Anjay Pachariwala

- a. The Respondent submitted that this Hon’ble Commission in case no. 06 of 2020 has provisionally reduced the rate of LPS

of 6% per annum, the benefit so derived by the JBVNL should be considered while determining the interest on working capital and Tariff. It is further submitted that DISCOM such as JBVNL has not paid interest on consumer security deposit which was to be adjusted in the month of April, 2020; the benefit earned by JBVNL through interest earned due to non payment/adjustment of interest on consumer security deposit should be factored while determining the interest on working capital and tariff.

- b. The Respondent pointed out that as per the tariff order, minimum demand charge of 75% of contract demand for HT consumer and 50% of contract demand for LTIS is to be charged and in the period of Covid Lock down, the consumer has not been able to consume electricity and therefore only the minimum demand charge is liable to be paid but the Licensee JBVNL has billed to LTIS consumer on basis of average consumption beyond the provision of Tariff order.
- c. The Respondent further pointed out that as per Claus 13 of HT agreement, if the consumer is prevented from the use of Electricity, proportionate relief in demand charge shall be provided and also in the Tariff order dated 28.02.2019, formula for calculation of non-supply hours has been specified but the said formula assumes to a situation, wherein the Licensee fails to supply, since in the present situation, consumer is prevented from use of electricity which is not covered in the tariff order. However, the provision of HT agreement continues to be applicable and therefore consumers are entitled to proportionate relief in demand. Thus, JBVNL is not entitled to claim the demand charges for the Lock down period, as such no claim towards interest on working capital and tariff should be allowed to JBVNL on demand charges for Lock down period.
- d. The Respondent in its conclusion prayed that as the Central Government has provided assistance to States to meet the situation arising due to COVID-19 and financial support has also been given to States, these costs/losses to JBVNL should be adjusted form the COVID-19 assistance fund and not to be passed in the Tariff.

VI. Tata Steel Limited (TSL) & Tata Steel Utilities Infrastructure and Services Company Limited (TSUISL)

- The representatives of the Respondent Companies submitted that imposition of such moratorium of three months in payment of electricity bills without levying any DPS will entitle all the category of consumers to defer pending payment of electricity bills/dues for the period between 01.04.2020 to 30.06.2020 and it will eventually disentitle TSL & TSUISL from receiving electricity bill/due amount from its consumer till September,

2020, which will affect the cash flow of the Respondent Companies and will cause financial difficulties for them.

- The Representative also submitted that under the provision of JSERC (Electricity Supply Code) Regulations, 2015, the Respondent demands & retains estimated amount of power consumption of only 75 days towards energy security deposit and by allowing moratorium of three months, pending energy consumption bills as on 30.06.2020, will become unsecure sales amount for the Respondent, as such these unsecure sales amount may result to bad debt in future.
- The Representative further submitted that the direction of the State Government is a general direction, it is to be considered that the establishments like hospitals, medical shops, commercial banks, water supply organisation, ration shops, manufacturing industries, street lights and other offices involved in emergency services, etc. were not affected by Lockdown and they remained open during the Lockdown period and they were accepting money in lieu of services rendered by them, as such giving relief to those consumers who have not been affected by Lockdown at the cost of financial health of the Respondent Licensees would not be appropriate.
- The Representatives pointed out in terms of direction for waiver of Demand/Fixed charges the Respondent was required to pay the capacity charges for its power purchase even during the Lock down period and waiving the demand/fixed charges will adversely affect the cash flow of the Licensees and also in view of provisions of prompt payment rebate and late payment surcharge, several consumers with paying capacity have already paid the bills in the above referred period. It is also submitted that by waiving any charges at this stage would amount to refund of the bills (demand/fixed charges) already paid by some of the consumers to the Respondent Companies.
- It was further pointed out that for commercial and industrial consumers, electricity is one of the inputs to their operations and cost of electricity is not borne by them rather it is passed onto the end of consumers by including the same in their product/service cost and then into the price they charge for their services/product.
- The Representative in its conclusion prayed that moratorium of three months for payment of electricity bills which are due between 01.04.2020 to 30.06.2020 without levying any delayed payment Surcharge be allowed to those consumers whose total pending bills as on 30.06.2020 was less than 2000 and for those industrial and commercial consumers whose average energy consumption in April'20, May'20 and June'20 was less than 30% of the FY 2020, average monthly consumption. The Representatives further prayed that no waiver of demand/fixed charges for the months of April, May and June 2020 for

industrial and commercial consumers of the Respondent companies be allowed.

VII. Bokaro Steel Plant, Bokaro (SAIL)

- a. Learned Counsel for the Respondent submitted that the Respondent Company is basically engaged in a steel manufacturing company and is incurring loss for a quite long time because of the low demand and cut throat competition in the market, it has further been aggravated due to the present time pandemic issues and the management of the company is reeling under survival threat in the market.
- b. Learned Counsel pointed out that 95% of the consumers base of the Respondent Company are users of own quarters and as they did not face any problems of reduction in their salary, they are in position to pay the consumed electricity charges without much problem. It was also pointed out that rest 5% of the consumers base comprises of business community to whom the Respondent Company has allotted plots to cater the need and they are being charged on the basis of actual consumptions of electricity consumed in addition to the fixed meter charges, hence the direction will be applicable only for the 5% of the users.
- c. Learned Counsel submitted that any direction for moratorium or waiver, to satisfy the need of 5% of users will open the *pandora's* box of complaints and dissatisfaction among 95% of the consumers as few among 95% of the consumer may feel deprivation from the moratorium benefit.
- d. Learned Counsel in its conclusion prayed to allow them to maintain the status quo during this pandemic time in the interest of justice, peace and harmony in the society at large.

VIII. Jharkhand Bijli Vitran Nigam Limited (JBVNL)

- a. The Representative of the Respondent Licensee- JBVNL submitted that any support to the consumers would lead to additional burden on JBVNL. The waiver provided in DPS would lead to requirement of additional working capital, which in turn would result in incurring of extra interest cost and also the waiver of demand/fixed charges to the industrial/commercial consumers would also lead to reduction in revenue.
- b. The representative submitted that any loss of revenue on account of waiver provided in fixed charges or DPS should be compensated to the DISCOMs and requested that while trying up the Annual Revenue Requirement of the period during which the relief would be provided, this Commission must not consider the loss of revenue as deemed revenue and may allow it as recoverable gap.

- c. The representative further submitted that fixed charge deferment during the Lock Down period should be only for those consumers whose installation were either closed or operated for very less time during the Lock down period and the best gauge of whether an installation has run during the Lock down period would be electricity units consumed by the consumers during the Lock down period.
- d. It was pointed out that the Commission may adopt the approach of Haryana Electricity Regulatory Commission given in order dated 01st June, 2020 regarding True up for the FY 2018-19, APR for FY 2019-20, ARR of UHBVNL and DHBVNL for the MYT control period 2020-21 to 2024-25 and distribution & retail supply tariff for the FY 2020-21, while providing reliefs to consumers by way of deferring fixed charges for the Lock down period.
- e. It was also pointed out that the present billing system of JBVNL has not been designed to reverse DPS accrued on billed amount of old bills and with more time lag, the steps for calculation of DPS reversal becomes increasingly large. It was further pointed out that in order to reverse DPS for old bills, the software agency would have to design, test and implement considerable changes in billing software which may take considerable time and would be too cumbersome and it may also affect billing in future billing and there may be error in consumer billing due to implementation of such a change.
- f. The Representative of JBVNL requested that the impact of any relief should be considered while calculating revenue deficit and should be passed on to relevant consumer categories while performing APR of FY 2020-21 as there is no financial support from Government of Jharkhand being extended to JBVNL. The representative further prayed to not to apply DPS waiver with retrospective effect as it would create significant changes in billing system which makes it difficult to implement.

IX. Damodar Valley Corporation (DVC)

- a. Learned Counsel submitted that moratorium may be allowed subject to additional interest burden to be allowed during the period of 2020-21. Interest on additional working capital is required to be allowed for four months for DVC.
- b. It was pointed out that 60% of fixed charges as approved by this Commission can only be recovered through demand charge and rest part of the approved fixed charges being embedded in variable charges which can be recovered through energy charges provided that the quantum of energy sold is not less than the approved energy sale.

- c. Learned Counsel prayed that if this Commission decides to further waive the demand charge, the waived quantum of demand charge should not be treated as deemed revenue and the amount should be adjusted as revenue deficit in APR and also during Truing up, after the year end along with suitable compensation for further additional Interest on Working Capital arising out of such waiver.
- d. Learned Counsel further submitted that DVC is passing through financial distress condition as DVC is not been able to recover monthly fixed costs in the months of April 2020/May, 2020 and fuel cost as well as power purchase cost but not relieved from paying to the bank, its contractors which are engaged for many O&M jobs or to its employees and also to Coal India Limited for procuring Coal during this period. It is submitted that there is no relief in outflow of cash, despite these difficulties Respondent company has maintained steady supply of power to the consumers and if the receipt of energy dues from the consumers decreases, the respondent may have to shut down/curtail its operations which may cause power interruptions.
- e. It was pointed out that the impact of moratorium for payment of electricity bills due between 01.04.2020 to 30.06.2020 without levying any DPS can be calculated easily considering the amount towards waiver of delay payment surcharge due to payment of bills beyond due date under this pandemic situation and this amount will also have carrying cost as this will be recovered at later stage. He has further submitted that any waiver of demand charge will make the Respondent company to shut down/curtail its operations putting out all the consumers.

X. Mr. Ajay Bhandari

- a. The Respondent-Mr. Ajay Bhandari submitted that the JBVNL has filed its tariff petition on the basis of voltage wise cost of supply and all costs incurred due to any waiver, remission, and moratorium should necessary be passed on to those consumer category, equivalent to the cost incurred by the Licensee.
- b. It was further pointed out that it will be against natural justice to recover the expenses incurred by the Licensee on bigger consumer and to recover from the smaller consumers, especially so, when the Licensee has proposed to bring down the tariff of bigger consumers, citing lower cost of supply.

XI. DVC HT Consumers of Jharkhand

- a. It was submitted that due to close down of operations of industrial and commercial activities, industrial consumers are not in a position to make payment of their electricity bills,

therefore, relief to all the industrial consumers through moratorium in energy bills and waiver of fixed / demand charges may kindly be provided and also delayed payment surcharge should not be levied during the moratorium period.

- b. It was pointed out that in terms of MoP letter dated 15.05.2020 all Central Public Sector generation Companies under Ministry of Power including their Joint Ventures/Subsidiaries and Central Public Sector Transmission company decided to offer rebate to the Distribution Companies for passing on to the end consumers for the Lock down period on account of COVID-19 pandemic, viz. deferment of capacity charges for power not scheduled, to be payable without interest after the end of the Lockdown period in three equal monthly instalments and rebate of about 20-25% on power supply billed (on fixed charge) to DISCOMs and interstate transmission charges levied by PGCIL, hence, financial condition of DISCOMs shall not be affected considerably.
- c. It was submitted that as per the above said MoP letter, DVC was obligated to provide relief for both generation function and transmission function and the benefit was needed to be passed on to the end consumers.
- d. It was prayed that the impact of carrying cost may be computed at the Bank rate for the moratorium period and be allowed in the ensuing year's ARR and as there is already a revenue surplus for the past years, the impact of such carrying cost for the moratorium period can be adjusted against the revenue surplus of the past years. Further, it was prayed that since DVC is required to provide rebate upto 20-25% of the fixed charges in line with MoP letter dated 15.05.2020, the same is to be borne by DVC and cannot be allowed through the ARR and balance whatever amount is shortfall/requirement in terms of providing rebate in fixed charges, it may be claimed by the DVC in ensuing year's ARR or adjusted against the revenue surplus of past years.

XII. Deogarh Chamber of Commerce & Industries

It was submitted that in addition to directions of the State Government of Jharkhand, the reliefs made by the Govt. of Maharashtra i.e. an average of 8% Electricity Tariff cut for the next five years to help business and people to tide over the Covid-19 crises may be given and for moratorium and waiver, licensee should get relief as provided by Central Electricity Regulatory Commission.

XIII. M/s Ramkrishna Forgings Limited

- a. It was submitted that Clause-13 of the Electricity supply agreement with JBVNL provides for reduction of demand charge and guaranteed energy charge, upon the occurrence of certain events i.e. strike, riots, fire, floods, explosion, act of god or any

other case reasonably beyond control, and the current COVID-19 pandemic is an event which is reasonably beyond control of any person.

- b. It was also submitted that the direction of the State Government to allow waiver of fixed/demand charges is contrary to law and also contrary to Clause 13 of the Electricity Supply Agreement which only provides for reduction and not deferred realization of fixed /demand charges in the subsequent financial years, hence, it was prayed to waive/reduce the fixed/demand charges levied on them for the period 01.04.2020 to 30.06.2020.

XIV. Other than above **Adityapur Small Industries Association Jamshedpur, M/s Galaxy Exports pvt. Ltd., M/s P.S. Agro Industries, M/s Jamna Auto Industries, M/s Golden Leaf, Laghu Udyog Bharti, M/s LMB sons, M/s Renuka Fuels, M/s Dhanbad Abrasiv, M/s Mamta Refractories, M/s RidhiSidhi Iron Pvt. Ltd., M/s Kumardubi Steels Pvt. Ltd., Mr. Deepak Bagrecha, M/s Asian Refractories Pvt. Ltd., M/s Bihar Ispat Udyog, Dhanbad, M/s Unnati Ispat& Mineral Pvt. Ltd., Mr. Jayanti Lal Badiyani, Mr. Sitaram Singh, M/s Mamta Refractories & Ceramics Pvt. Ltd., M/s Shiv Shambhu AgrotechPvt. Ltd., M/s Ambay Cement, M/s Kamsa Steel Pvt. Ltd., M/s SrikalyaniAgritechPvt. Ltd., M/s Anindita Steels Limited, M/s Vaishnavi FerrotechPvt. Ltd., Mr. Vivek Lamba, Mr. Ajay Kumar Gautam, General Manager MMIPL India** prayed for moratorium of three months for payment of electricity bills which are due between 01.04.2020 and 30.06.2020 without levying any DPS and waiver of demand/fixed charges for the month of April, May and June 2020 in the similar line as prayed for by the Respondents detailed above.

Commission's observation and findings

1. We have considered the submission made by the Respondents/Representatives and perused the materials available on record.
2. The Department of energy, Government of Jharkhand vide its letter no. 1384/ACS dated 16.07.2020 has given direction under section 108 of the Electricity Act, 2003. Several Respondents/stake holders through written communication to this Commission have highlighted the acute financial crisis faced by them due to the Lock down and in general also prayed for other grievances, as far as this case is concerned, it is to be decided in narrow compass of the directions given under Section 108 of the Electricity Act, 2003, vide the above said letter dated 16.07.2020.
3. The Commission acknowledges the gravity and unprecedented nature of the situation prevailing in the Country affecting on one hand to ensure

uninterrupted power supply by the DISCOMs, to maintain the distribution infrastructure and on the other hand the ability of the consumers to pay the dues in time and to pay the fixed charges of the electricity by the industrial and commercial consumers who are staring at a situation of low production/demand on service.

4. The Industrial and Commercial consumers were actually caught between the Devil and deep sea. On the one hand the Government asked them to shut down their establishment and on the other hand, Licensees were levying the demand / fixed charges from the consumers.
5. The Commission opines that in the present situation, while some relief have been made available to the DISCOMs under the directions of the State Government, by order dated 24.04.2020, passed in *Suo-Moto* case no. 06 of 2020, some respite also needs to be given to the electricity consumers who are adversely impacted by the Lock down situation. In order to mitigate to some extent, the difficulties being faced by the electricity consumers, the Commission after careful consideration of the situation at hand, decided to provide following relaxation:
 - I. Moratorium of three months for payment of electricity bills which were due between 01.04.2020 and 30.06.2020, without levying any Delayed Payment Surcharge (DPS) for all consumers of all the Distribution Licensee in the State of Jharkhand, till current month i.e. September, 2020.
 - II. Waiver of Demand/Fixed Charges (Provisionally) for the month of April, May and June, 2020 for all Industrial & Commercial consumers of all Distribution Licensee of Jharkhand.
 - III. The implementation of the above sub-clauses should not have any adverse affect on the applicable Tariff/rebate and other Terms & Conditions of Supply.
6. If the Licensees have received any amount from the consumers either against DPS or fixed/demand charge (Industrial & Commercial consumers only) for the period from 01.04.2020 to 30.06.2020, the said amount should be allowed as adjustment by way of reduction of said amount in the bills of subsequent month after the issuance of this order.
7. The Commission further feels that the Distribution Licensees will be required to borrow/avail additional working capital over and above those specified in the Regulations. The Distribution Licensees shall separately account for the financial impact in respective category of consumers, arising out of this order in their annual account and submit to the Commission at the time of submission of APR of FY 2020-21 and subsequent Tariff Order. The Commission will consider the additional expenses that are likely to be incurred by the Distribution Licensees on all these accounts after prudence check while evaluating the APR of FY 2020-21 for further processing. It is clarified that all costs incurred due to any waiver, remission, and moratorium shall necessarily be passed on

to beneficiary consumer category, equivalent to the cost incurred by the Licensee

8. The Commission hereby directs the DISCOMs under the jurisdiction of this Commission to strictly comply with the aforesaid decision of the Commission and further directions, if any, to be issued from time to time.
9. The *Suo-Moto* case is disposed of in terms of the above orders.
10. A copy of this Order be served upon the Department of Energy, Government of Jharkhand, in reference to its letter no. no.1384/ACS dated 16.07.2020.

Sd/-
Member (Legal)

Sd/-
Member (Engg.)