

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

Case No. 14 of 2025

Tata Steel Utilities and Infrastructure Services Limited (TSUISL)..... Petitioner

Vrs

Tata Steel Limited (TSL)..... Respondent

**CORAM: HON'BLE MR. JUSTICE NAVNEET KUMAR, CHAIRPERSON
 HON'BLE MR. MAHENDRA PRASAD, MEMBER (LAW)
 HON'BLE MR. ATUL KUMAR, MEMBER(TECHNICAL)**

For the Petitioner : Mr. Saket Upadhyay, Advocate

For the Respondent : Mr. P.A.S. Pati and Mr. Shivam Singh, Advocates

Date – 18th November, 2025

1. The instant Petition has been filed by the Petitioner-Tata Steel Utilities and Infrastructure Services Limited (TSL) under section 86(1)(b) and 94 of the Electricity Act, 2003 read with clause 6.29 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulation 2020 seeking approval of Power Purchase Agreement between the Petitioner-TSUISL and the Respondent-TSL.
2. The Prayers of the Petitioner-TSUISL are as under: -
 - (i) To approve the Power Purchase Agreement between TSL and TSUISL for its inter-connection point at 132 kV, 33 kV and 6.6 kV.
 - (ii) To pass suitable orders to allow petitioner to enhance/reduce the Contract Demand under the said agreement as per the provisions given in the agreement to meet the demand of consumers in the Licensed area.
 - (iii) To condone any inadvertent omissions/errors/shortcomings and permit Tata Steel Utilities and Infrastructure Services Limited formerly JUSCO, to add/change/modify/alter this filing and make further submissions as may be required in future dates.

The factual matrix of the case as submitted by the parties may be appreciated in the following manner:

Submission of the Petitioner

3. Learned Counsel for the Petitioner submitted that the Petitioner is a second Power-Distribution Licensee for Seraikela-Kharsawan district in Jharkhand by way of License granted by the Commission on 1st Dec 2006 and subsequent to the Grant of Electricity Distribution License, the petitioner has been creating power distribution network to wheel power into the License area.
4. It was submitted that the Petitioner's network is currently connected to Tata Steel Limited (TSL) at two interconnection points namely:
 - a) 132 kV Jojobera Jamshedpur Substation and

b) 6.6 kV Bistupur Jamshedpur Substation.

5. It was submitted that the Petitioner is presently having contract demand of 71 MVA (70 MVA at 132kV & 1 MVA at 6.6 kV). However, in addition to existing source, the Petitioner is willing to get another 10 MVA at 132 kV level (from Jojobera substation) and 7 MVA at 33 kV level from another two interconnected points (Sonari and Bistupur).
6. It was submitted that the Petitioner's existing sources have almost reached to its full capacity and now, petitioner is unable to add new consumer reliably due to constraints in source capacity and there is increase in demand from the consumers of Adityapur and other two newly developed areas namely Dobo & Purushili which are in the vicinity where TSL 33KV sources is available, as such the Petitioner approached TSL for additional connectivity at 33KV to wheel further power as detailed below:
- a) TSL's 132/33 kV Substation, Sonari Jamshedpur for Electronic Manufacturing Cluster area, Dobo & Purushili (new developing area) and
- b) TSL's 33 kV Bistupur Substation for Adityapur Residential & Market area.
7. Learned Counsel pointed out that the Petitioner to meet the growing demand, liked to change the Contract Demand as detailed below:

Sl. No.	Voltage Level	Interconnection Point	Existing Contract Demand	New Contract Demand
1.	132 KV (existing)	TSL's 132 kV S/S Jojobera, Jamshedpur	70 MVA	80 MVA
2.	33 kV (New)	TSL's 132/33 kV S/S, Sonari		05 MVA
3.	33 kV (New)	TSL's 33 kV substation, Bistupur		02 MVA
4.	6.6 kV (existing)	TSL's S-11 S/S, Bistupur	01 MVA	01 MVA

8. Learned Counsel submitted that the Petitioner had been purchasing power from TSL at weighted average cost of power procurement of TSL and the weighted average cost of power for TSL is determined by the Commission based on quantity and cost of power purchased by TSL from various sources. It was further submitted that Petitioner proposes that the same method may be followed for these additional power supply at 132 kV level. However, for 33kV and 6.6kV level power supply, Petitioner has agreed with the proposal of TSL Licensee to keep the rate of power purchase at 33 kV level and 6.6 kV level as weighted average rate of all sources of TSL + applicable Transformation/Transmission loss at 1.5 % for 33 kV supply, and 3.0% for 6.6 kV supply + applicable wheeling charges. For the quantity of power supply at 33 kV and 6.6 kV level, wheeling charges as determined in the Tariff order of TSL may be charged to TSUISL.
9. It was submitted by the learned counsel that Petitioner was earlier named as "Jamshedpur Utilities and Services Company Limited (JUSCO)" and therefore the earlier 'power purchase agreement' was also in the name of "Jamshedpur Utilities and Services Company Limited". In Dec 2019, the name of the petitioner was changed to Tata Steel Utilities and Infrastructure Services Company Limited (Tata Steel UISL) as such the new agreement would be in the name

of “Tata Steel Utilities and Infrastructure Services Limited” (Tata Steel UISL).

10. Learned Counsel for the Petitioner submitted that the petitioner in the proposed PPA has proposed following changes:
- a) Name of the Company- from "Jamshedpur Utilities and Services Company Limited" to "Tata Steel Utilities and Infrastructure Services Company Limited".
 - b) Quantum of Power from existing 71 MVA to 88 MVA; i.e. additional 10 MVA at 132kV and Additional 7MVA at 33kV.
 - c) Additional Charges for Transformation/Transmission loss and wheeling charge for power supply at 33kV and 6.6kV
 - I. Transformation/ Transmission loss: 1.5% for 33 kV and 3.0 % for 6.6kV
 - II. Wheeling charge as determined by the Commission in respective tariff orders.

Submission of the Respondent

11. Learned Counsel for the Respondent has consented for approval of the Power Purchase Agreement.

Commission’s Observations and findings

12. The Commission has considered the submissions made by the Petitioner and perused the materials available on records.
13. Under section 86(1)(b) of the Electricity Act, 2003, the State Commission has the responsibility to regulate the electricity purchase and procurement process of distribution licensees. The relevant Section of the Electricity Act, 2003 reads as under: -

“Section 86 Function of State Commission: -

(1) The State Commission shall discharge the following functions, namely: -

.....

(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;

.....

14. Clause 6.29 of JSERC (Terms and Conditions for Determination of Distribution Tariff) regulations, 2020 deals with the prior approval of power purchase agreement/arrangement by the Commission. The relevant excerpts have been reproduced as under: -

“6.29: Every agreement or arrangement for power procurement by a Distribution Licensee from a Generating Company or Licensee or from other source of supply entered into shall come into effect only with the prior approval of the Commission:

Provided that the prior approval of the Commission shall be required in respect of any agreement or arrangement for power procurement by the Distribution Licensee from a Generating Company or Licensee or from any other source of supply on a standby basis:

Provided further that the prior approval of the Commission shall be required for any change to an existing arrangement or agreement for power procurement, whether or not such existing arrangement or agreement was approved by the Commission.”

15. It is evident from the above that under section 86(1)(b) of the Act read with Clause 6.29 of

JSERC (Terms and Conditions for Determination of Distribution Tariff) regulations, 2020 the distribution licensee is obligated to get the Power Purchase Agreement, approved by the Commission.

ORDER

16. Considering the facts and circumstances of the case as discussed above herein, the prayers of the petitioners are partly allowed. The Commission hereby approves the Power Purchase Agreement for procurement of additional 10 MVA at 132 kV and 7 MVA at 6.6 kV of power supply at the aforesaid interconnection points. It is hereby clarified that the applicable tariff shall be the weighted average power procurement cost of TSL, as determined by the Commission from time to time.
17. Accordingly, the petition stands disposed off.

Sd/-
Member(T)

Sd/-
Member(L)

Sd/-
Chairperson