



# झारखण्ड राज्य विद्युत नियामक आयोग JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION

JSERC/Case (Tariff) No. 14 of 2022/302

Date: 02<sup>nd</sup> December 2022

To

The General Manager (C&RA)  
Jharkhand Urja Sancharan Nigam Ltd.  
JUSNL Building  
Kusai Colony  
Doranda, Ranchi-834002

Sub: Additional data requirement pertaining to deficiencies observed in the Petition for Business Plan of MYT Control Period FY 2021-22 to FY 2025-26, True-up for FY 2019-20, Annual Performance Review (APR) for FY 2020-21, Annual Revenue Requirement (ARR) for the MYT Control Period FY 2021-22 to FY 2025-26 and Tariff proposal of FY 2021-22 of Jharkhand Urja Sancharan Nigam Limited (JUSNL) – Regarding thereof.

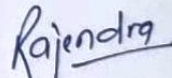
Sir,

Please find enclosed a copy of Order dt. 02.12.2022 passed by the Commission in Case (Tariff) No. 14 of 2022 along with office report dt. 02.12.2022 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 ordered.

Thanking you.

Yours faithfully,

  
(R. P. Nayak)  
Secretary



**JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION  
RANCHI  
FORM OF PROCEEDING**

Case (Tariff) No. 14 of 2022

Jharkhand Urja Sancharan Nigam Ltd. (JUSNL)

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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.	02.12.2022	<p>The petition dated 13.10.2022 for Business Plan of MYT Control Period FY 2021-22 to FY 2025-26, True-up for FY 2019-20, Annual Performance Review (APR) for FY 2020-21, Annual Revenue Requirement (ARR) for the MYT Control Period FY 2021-22 to FY 2025-26 and Tariff proposal of FY 2021-22 of the petitioner - JUSNL has been scrutinized and several deficiencies/ discrepancies have been pointed out as shown in the office report dated 02.12.2022.</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: center;">Sd/- Chairperson</p>	





**Office Report**

The petition dated 13.10.2022 for Business Plan of MYT Control Period FY 2021-22 to FY 2025-26, True-up for FY 2019-20, Annual Performance Review (APR) for FY 2020-21, Annual Revenue Requirement (ARR) for the MYT Control Period FY 2021-22 to FY 2025-26 and Tariff proposal of FY 2021-22 of the petitioner - JUSNL has been scrutinized and several deficiencies/ discrepancies have been found in the petition as indicated below:

**Note on Discrepancies/ Data gap in respect of the True-Up petition for FY 2019-20, Annual Performance Review of FY 2020-21, MYT & Business Plan for 3<sup>rd</sup> control period for FY2021-22 to 2025-26, ARR of FY 2021-22 and STOA for FY 2021-22 of JUSNL, Ranchi**

i. *It is directed to submit:*

- *All the letters/ correspondences/ annexures should be submitted in MS Word, PDF*
- *All the Formats / Templates & Models should be submitted in MS Excel with all linkage.*

ii. *In case any submission which has already been submitted to this Commission and if the same is being referred here below, the same shall be re-submitted to make it part of the present proceedings.*

JUSNL is required to provide the following clarifications/ information on the petition submitted for True-up for FY 2019-20, APR of FY 2020-21, MYT & Business Plan for 3rd control period for (FY 2021-22 -2025-26), ARR for FY 2021-22 and STOA for FY 2020-21:

**TRUE UP of FY 2019-20**

1. The Petitioner has claimed the O&M expenses on an actual basis as per the annual accounts for the FY 2019-20. The Petitioner is directed to submit the details of arrears paid in the FY 2019-20 on account of the pay revision applicable from 1.1.2016.
2. The Petitioner has submitted that a major portion of the A&G expenses is of consultancy charges. The Petitioner is directed to submit complete details of the same.



3. Further, the Petitioner has submitted that its employee strength is 50% of the overall sanctioned posts. The Petitioner is directed to submit employee strength details as per Format F5(a) for FY 2019-20.
4. As per Table 4, the petitioner has claimed Capital Expenditure of Rs. 912.31 Crore against Rs. 896.47 Crore as approved in the Order dated 24-02-2018. In this regard, the petitioner is directed to furnish the justification for the same.
5. The Petitioner is directed to submit the DPRs for all the projects capitalized during FY 2019-20 along with a detailed cost-benefit analysis.
6. The Petitioner is directed to submit the Fixed Asset Register up to FY 2019-20 along with asset category-wise and location-wise summary in excel.
7. The Petitioner is directed to submit the detailed computation of the Interest on Loan Claimed for the FY 2019-20. The Interest on Loans is claimed considering the loan amounts received from the State Government, while the same should be calculated only based on the part of Capitalisation financed by Debt. Hence, the Petitioner should submit the Interest Charges considering the actual capitalization and repayment equal to depreciation. The Petitioner should also provide the computation of the weighted avg. interest rate applicable for the FY 2019-20 based on the actual long-term loan portfolio of JUSNL.
8. The Equity component considered is more than the normative equity of 30% of the GFA. The Petitioner has claimed equity addition of Rs. 2 crores in FY 2019-20 towards the Restructuring Account pending Adjustment. In this regard, the Petitioner is directed to provide proper justification.
9. The Petitioner is directed to submit the actual debt, equity, grant, consumer contribution etc. for the FY 2019-20 and those claimed in the true-up petition as per the format below:

*(Amount in Rs. Crore)*

<b>Funding</b>	<b>As per the Actuals</b>	<b>Claimed in the True-up Petition</b>
Debt		
Equity		
Grant		
Others (Consumer Contribution, deposit works, etc.)		
<b>Total</b>		



10. The Petitioner is directed to submit the Normative Annual Transmission System Availability factor (NATSAF) and month-wise availability for the FY 2019-20, along with the detailed computation of the element-wise and over-system availability. The same shall be certified by the SLDC.
11. The Petitioner is directed to submit the actual transmission losses for the JUSNL system for FY 2019-20 duly certified by the SLDC.

**APR of FY 2020-21**

1. The Petitioner has claimed the O&M expenses on an actual basis as per the unaudited annual accounts for the FY 2020-21. The Petitioner is directed to submit the normative O&M expenses in line with Regulation 7.36. The Petitioner is also to submit the details of arrears paid in the FY 2020-21 on account of the pay revision applicable from 1.1.2016.
2. The Petitioner is directed to submit the DPRs for all the projects projected to be capitalized in the FY 2020-21 along with a detailed cost-benefit analysis.
3. The Petitioner is directed to submit the proposed debt, equity, grant, consumer contribution, etc. for the FY 2020-21 as per the format below:

*(Amount in Rs. Crore)*

<b>Funding</b>	<b>FY 2020-21</b>
Debt	
Equity	
Grant	
Others (Consumer Contribution, deposit works, etc.)	
<b>Total</b>	

4. The Petitioner is directed to submit the relevant documents for the Loans Sanctioned along with the amount sanctioned and the amount capitalized of the sanctioned loan for calculation of interest on a loan for the FY 2020-21.
5. The Petitioner is directed to submit the detailed computation of the Interest on Loan Claimed for the FY 2020-21. The Interest on Loans is claimed considering the loan amounts received from the State Government, while the same should be calculated only based on the part of the proposed Capitalization financed by Debt. Hence, the Petitioner



should submit the Interest Charges considering the proposed capitalization equal to allowable depreciation. The Petitioner should also provide the computation of the interest rate considered for FY 2020-21.

6. The Equity component considered is more than the normative equity of 30% of the GFA. The Petitioner has claimed equity addition of 2 crores in FY 2019-20 towards the Restructuring Account pending Adjustment. In this regard, the Petitioner is directed to provide proper justification.
7. The petitioner is directed to submit the basis of considering an interest rate of 10.95% for claiming interest on working capital for FY 2020-21.
8. The Petitioner is directed to submit the intra-state transmission losses and transmission system availability considered for the FY 2020-21 duly certified by the SLDC.
9. The Petitioner is directed to submit the detailed computation of the revenue gap and the carrying cost in an excel file as per the "Table 36 Cumulative Revenue Gap" in the petition.

**Business Plan & MYT for FY 2021-22 to FY 2025-26**

1. The Petitioner is directed to submit the detailed infrastructure as on dated 31.03.2022 of the transmission system as per the format below: -

**Transmission Line:**

Transmission Line		Transmission Voltage level	Type of Circuit	Line Length		Type of Conductor
From	to			Km	Ckm	

**Grid Substation:**

GSS name	Type of GSS	Voltage level of GSS	Transformation capacity (MVA)

2. The Petitioner is directed to submit the details of the existing and upcoming evacuation systems for generating stations.
3. The Petitioner is required to submit the process flow for approval of transmission projects and Capital Expenditure.



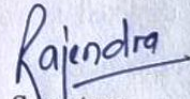
4. The Petitioner has submitted the proposed transmission loss for the control period is 5% whereas in the previous control period the proposed transmission loss was 2.23%. The Petitioner is directed to provide the justification and details of the computation for projecting the transmission loss. Further, as per regulation clause 6.6(b) operational plan, the petitioner is directed to submit the year-wise transmission loss of the previous control period.
5. The Petitioner is directed to submit the following details towards the capital investment plan as per clause 6.7 of the regulation:
  - i) Purpose of investment (e.g replacement of existing assets, meeting load growth, improvement in quality and reliability of supply. etc).
  - ii) Approval of competent authority.
  - iii) Details Project Report
  - iv) Cost-benefit analysis and rate reasonability.
  - v) Improvement in operational efficiency envisaged in the control period.
6. The Petitioner is directed to submit the details of the scheme-wise source of funding with all supporting documents of the Competent Authority.
7. The Petitioner is directed to re-submit Annexures of Business Plan - C, D, E, F, G, I & J as the excel sheet is not opening.
8. As per Table-13, under the capital investment Plan, the Petitioner has proposed investment under augmentation and renovation & modernization. The petitioner is directed to submit the scheme-wise details of the capital investment & capitalization schedule along with the amount.
9. As per Table -15, there is a deviation in the Total central sector allocation under the current power purchase allocation as submitted in the petition w.r.t submission in the supporting document as Annexure-A. The Petitioner is directed to provide the justification for the same.
10. The Petitioner is directed to submit the recent cost data sheet voltage-wise for line length and capacity-wise for GSS.
11. The Petitioner is directed to submit a justification for projecting the Non-tariff Income of Rs. 12.79 Crs for FY 2021-22 to 2025-26 as same as FY 2020-21.



12. The Petitioner is directed to submit the justification for the deviation in data in tariff format (F11) and in an audited account of FY 2019-20 & a provisional account of FY 2020-21 for Gross receivable from customers at the end of the year.
13. The Petitioner is directed to submit the linked excel file sheets used in tariff format.
14. The Petitioner is directed to submit the agreement copy of JUSNL signed between Railway & JBVNL mentioning details of power purchase allocation and all relevant data.
15. The Petitioner is directed to submit the fixed Asset Register up to FY 2021-22 along with asset category-wise and location-wise summary in excel.
16. The petitioner is directed to submit the details of electrical power served by the system month-wise for FY 2020-21 as per regulation 19.1 (b) of the JSERC (Terms and conditions for Intra-State Open Access) regulation, 2016 for the determination of STOA charges for FY 2021-22.

**Others:**

1. Status of the Energy Accounting and audit of its transmission system based on the energy meters installed.
2. Details to be submitted in respect of the efforts made by the Petitioner for re-financing of the loan or conversion of loan to grant by the state government.
3. Status of segregation of SLDC from JUSNL.

  
Secretary