



झारखण्ड राज्य विद्युत नियामक आयोग JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION

JSERC/Case (Tariff) No. 07 of 2022/305
Date: 02nd December 2022

To

Shri Subrata Ghosal
Principal Chief Engineer (Coml.)
Damodar Valley Corporation (DVC)
Commercial Department
DVC Towers, VIP Road
Kolkata – 700054

Sub: Additional data requirement pertaining to 2nd deficiencies observed in the Petition for Annual Performance Review (APR) of FY 2021-22 and Determination of Aggregate Revenue Requirement (ARR) and Tariff for FY 2022-23 of Damodar Valley Corporation (DVC) – Regarding thereof.

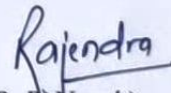
Sir,

Please find enclosed a copy of Order dt. 02.12.2022 passed by the Commission in Case (Tariff) No. 07 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 one week as ordered.

Thanking you.

Yours faithfully,


(R. P. Nayak)
Secretary

**JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION
RANCHI**

**FORM OF PROCEEDING
Case (Tariff) No. 07 of 2022**

Damodar Valley Corporation (DVC)

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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
4.	02.12.2022	<p>The reply dt. 02.11.2022 received from petitioner-DVC in respect of 1st discrepancy note relating to their Annual Performance Review (APR) for FY 2021-22 and determination Aggregate Revenue Requirement (ARR) and Tariff for FY 2022-23 have been scrutinized and thereafter several deficiencies/ discrepancies have been pointed out as shown in the office report dated 02.12.2022. The petitioner is directed to meet the 2nd discrepancy/deficiencies note and remove the defects within one week.</p> <p style="text-align: center;">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 reply dt. 02.11.2022 received from petitioner-DVC in respect of 1st discrepancy note relating to their Annual Performance Review (APR) for FY 2021-22 and determination Aggregate Revenue Requirement (ARR) and Tariff for FY 2022-23 have been scrutinized and thereafter several deficiencies/ discrepancies (2nd) have been pointed out in the petition as indicated below:

Additional Note on Discrepancies/ Data Gaps in respect of the Annual Performance Review for FY 2021-22 & Aggregate Revenue Requirement Petitions filed by DVC for FY 2022-23

1. The Petitioner has projected 22,451.33 MU's in its APR Petition and 22,464.57 MU's in its ARR Petition towards bilateral sale and short-term sale for FY 2021-22 and FY 2022-23 respectively. In this regard, the Petitioner is directed to submit all the Bilateral Agreement/ Power Purchase Agreement/ Power Sale Agreement entered between the beneficiaries and DVC, if any. Also, the Petitioner may summarise the details of the various Bilateral Agreements in the format below:

S No	Procurer	Start Date	End Date	Mode of Tariff Determination (Section 62/63)	Current Tariff

2. Petitioner has projected the Fixed Charges payable by the firm consumer of DVC for FY 2021-22 & FY 2022-23 by considering the Annual Fixed Charges of DVC's own generating stations and T&D system as claimed by DVC in its Tariff Petition submitted for determination of Tariff for the period 2019-24 for its generating stations and T&D System before the CERC.

However, Regulation 10(4) of the Central Electricity Regulatory Commission Generation Tariff Regulation, 2019 clearly states that in case of the existing projects, the generating company or the transmission licensee, as the case may be, shall continue to bill the beneficiaries or the long term customers at the capacity charges or the transmission charges respectively as approved by the CERC and applicable as on 31-03-2019 for the

period starting from 01-04-2019 till approval of final capacity charges or transmission charges by the CERC. The relevant extract of the Regulation is reproduced below:

“10. Determination of tariff

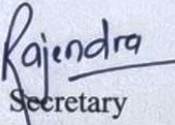
(4) In case of the existing projects, the generating company or the transmission licensee, as the case may be, shall continue to bill the beneficiaries or the long term customers at the capacity charges or the transmission charges respectively as approved by the Commission and applicable as on 31.3.2019 for the period starting from 1.4.2019 till approval of final capacity charges or transmission charges by the Commission in accordance with these regulations:

Provided that the billing for energy charges w.e.f. 1.4.2019 shall be as per the operational norms specified in these regulations.”

(Emphasis Provided)

In this regard, the Petitioner is directed to provide a detailed justification and re-compute the Fixed Charges after taking into account the aforesaid provisions of the Regulation.

3. Petitioner is directed to submit its existing transmission system/ evacuation facility for each of its generating plants and details of i.e., whether the evacuation is through DVC T&D system or through Central Transmission Utility (CTU) network.
4. Petitioner is directed to submit the allocation of DVC T&D system tariff between firm consumers and bilateral consumers outside command area.
5. Petitioner at para 39 of its Petition has mentioned that it has considered average Landed Price of Primary Fuel (LPPF) escalation factor of 3.34% while computing the energy charge rate of different own thermal generating stations for FY 2022-23. Further, as per Annexure-8 of the Petition, it seems that there is a minor increase in LPPF escalation since Oct-18. Also, the Petitioner is filing a separate Petition before this Commission for the determination of Fuel Price & Power Purchase Adjustment (FPPPA) for the part of their command area in Jharkhand. In this regard, the Petitioner is directed to submit a detailed justification as to why the escalation of 3.34% is considered when there is no fuel price by CIL.


Secretary