



झारखण्ड राज्य विद्युत नियामक आयोग JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION

JSERC/Case (Tariff) No.04 of 2020/ 188

Date: 07th October 2022

To

The Executive Director (C&R)
Jharkhand Bijli Vitran Nigam Ltd. (JBVNL)
Engineering Building
H.E.C., Dhurwa, Ranchi – 834004

Sub: Additional data requirement pertaining to 2nd deficiencies observed in the Petition for Truing-up for FY 2019-20, APR for FY 2020-21 and Business Plan & MYT for Control Period for FY 2021-22 to FY 2025-26 and Tariff for FY 2021-22 of Jharkhand Bijli Vitran Nigam Limited (JBVNL) – Regarding thereof.

Sir,

Please find enclosed a copy of Order dt. 07.10.2022 passed by the Commission in Case (Tariff) No. 02 of 2018 along with office report dt. 07.10.2022 pointing out some discrepancies (2nd) 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. **04** of **2020**

Jharkhand Bijli Vitran Nigam Limited (JBVNL)

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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.	07.10.2022	<p>The reply dt. 06.09.2021 received from petitioner-JBVNL in respect of 1st discrepancy note relating to their Truing-up for FY 2019-20, APR for FY 2020-21 and Business Plan & MYT for Control Period for FY 2021-22 to FY 2025-26 and Tariff for FY 2021-22 have been scrutinized and thereafter several deficiencies/ discrepancies have been pointed out as detailed in the office report dated 07.10.2022. The petitioner is directed to meet the 2nd discrepancy/deficiencies note and remove the defects within one week.</p> <p>Put on receipt of replies.</p> <p style="text-align: center;">Sd/- Member (L)</p> <p style="text-align: center;">Sd/- Member (T)</p>	



Office Report

The reply dated 06.09.2021 received from petitioner-JBVNL in respect of 1st discrepancy note relating to their Truing-up for FY 2019-20, APR for FY 2020-21 and Business Plan & MYT for Control Period for FY 2021-22 to FY 2025-26 and Tariff for FY 2021-22 have been scrutinized and thereafter several deficiencies/discrepancies (2nd) have been pointed out in the petition as indicated below:-

2nd Additional Data Gaps for JBVNL for Truing-up for FY2019-20, APR for FY 2020-21, Business Plan and MYT for FY 2021-22 to FY 2025-26

- ❖ JBVNL is required to provide following additional clarifications/information on the Petition.
- ❖ **Petitioner should submit the reply within 7 days to the following queries in soft and hard copies.**

A. General

1. The Petitioner should submit the MS Excel Revised True-up for FY 2019-20 and Business Plan and MYT Model (including Sales and Revenue Model) with proper linkages and formulas including any with associated files containing computation to conduct prudence of the same.
2. The Petitioner should submit the formats in soft copy for Truing-up for FY2019-20, APR for FY 2020-21, Business Plan and MYT for FY 2021-22 to FY 2025-26.
3. Further, the reply submit in 1st Additional data requirements should be submitted by the Petitioner in soft copy along with the Annexures.
4. The Petitioner is required to submit Audited Accounts of FY 2015-16 to FY 2020-21

True-up for FY 2019-20

1. The Petitioner were directed to submit the consumer category wise sales duly certified by the statutory auditor in 1st Additional data requirement under point 3. However, it has been observed that petitioner in its reply has submitted Note -23 to annual accounts for FY 2019-20 which is revenue from operation . Therefore, the Petitioner is directed to submit the consumer category wise sales, connected load and no. of consumers duly certified by the Energy auditor for FY 2019-20.
2. The Petitioner is required to submit the monthly MOD followed during the FY 2019-20.
3. In the Bifurcation of Power Purchase Expenses for FY 2019-20 submitted by the Petitioner in Annexure -F of 1st Additional data requirement under point 5 and under Table -2.2 of the revised petition discrepancy has been observed in Actual Quantum and Power Purchase Cost. In this regard, the Petitioner is required to remove discrepancy and submit the revised amount.

4. The Petitioner is required to submit Summary of Power Purchase Bill in soft copy (Excel) and the same in hard copy. Further, Petitioner is required to submit reconciliation of power purchase cost with the statement vis-à-vis power purchase cost as per audited accounts submitted by the Petitioner along with the Revised Petition.
5. The Petitioner is required to submit the compliance made against the RPO target approved by the Commission for FY 2019-20 for Solar and Non-Solar separately.
6. The Petitioner has claimed adjustment (credit) of Rs. 2.96 Crore in APRNL Power Purchase bill. In this regard, the Petitioner is required to submit documentary evidence for the same.
7. In 1st Additional Data requirement, the Petitioner were required the documentary evidence towards claim of Rs. 210.24 Crore towards Inter-State Transmission Charges however, the Petitioner has not submitted the same. In this regard, the Petitioner is required to submit Bill Summary Statement of Inter-State Transmission Charge along with the reconciliation with bill summary statement and as per the audited accounts. Further, the petitioners to submit actual bills for the same in hard Copy.
8. The Petitioners are required to submit the actual inter-State transmission loss (52 week region wise actual Inter-State transmission loss in percentage in a workable excel sheet) for FY 2019-20.
9. The Petitioner is required to submit actual bills in hard Copy towards claim of Rs. 206.28 Crore towards Intra-State Transmission Charges. Further, the Petitioner is required to submit Bill Summary Statement of Intra-State Transmission Charge along with the reconciliation with bill summary statement and as per the audited accounts.
10. The Petitioners are required to submit the actual intra-State transmission loss of JUSNL in percentage for FY 2019-20.
11. In reply to 1st Additional Data requirement under point -9 the Petitioner has submitted that day wise deviation in schedule and actual drawl and resultant deviation charges along with additional deviation charges is attached in Annexure-H. However, it has been observed that Annexure-H has not been submitted to the Commission. Therefore, the Petitioner are required to submit the same in hard and soft copy.
12. The Petitioner in reply to 1st Additional data requirement has submitted that due to pay revision the employee expenses has increased by 10% (i.e., Rs. 18 Crore). In this regard the Petitioner is required to submit bifurcation of sub head wise of Employee Expenses for FY 2019-20.
13. It has been observed that in revised true-up petition the A&G and R&M Expenses has increased against the approved value for FY 2019-20. In this regard, the Petitioner is required to submit justification for this increase.

14. In 1st Additional data requirement under point 15, the Petitioner is required to provide the documentary evidence of Grants and Consumer Contribution as submitted in the Petition. Further, the Petitioner is also required to provide the detail of actual amount received under grants and Consumer Contribution. However, it has been observed that Petitioner has not submitted the same to the Commission. Therefore, the Petitioner is required to submit the same.
15. The Petitioner should submit the scheme wise reasons for deviation in capitalisation of assets as claimed in revised petition against that approved in the MYT Order.
16. In 1st Additional data requirement under point 16, the Petitioner were required to provide the project/scheme completion certificate certifying that the project/scheme- is completed and in operation/put to use. The same has not been submitted by the Petitioner in Annexure-J. Therefore, the Petitioner is required to submit the same duly signed by statutory auditor.
17. The Petitioner should confirm that depreciation in FY 2019-20 is not more than 90% of GFA for all assets since assets cannot be depreciated beyond 90% of GFA in accordance with Tariff Regulations.
18. The Petitioner is required to submit Fixed Asset Register (FAR) in accordance with the provision of the Tariff Regulations for FY 2019-20 in a workable excel sheet. Further, the Petitioner is required to submit the computation of depreciation in a workable excel sheet with all linkages in accordance with the provision of the Tariff Regulations.
19. The Petitioner should submit the details of the actual loan portfolio as on 1st April, 2019, for calculation of weighted average rate of interest as per Regulation 6.24 of the Tariff Regulations, 2015 in a workable excel sheet.
20. The Petitioner has claimed Bank/ Finance Charges of Rs. 0.05 Crore in revised petition. In this regard, the Petitioner provide break-up of the same.
21. The Petitioner had claimed Interest on Consumer Security Deposit (CSD) as Rs. 58.25 Crore in the revised Petition. However, as per audited accounts under note -16 the CSD mention is Rs. 63.23 Crore. In this regard, the Petitioner is required to remove discrepancy and submit the revised amount. Further, the Petitioner is required to provide the details of actual interest disbursed to consumers against the above amount.
22. The Annexure-L, submitted by the Petitioner in 1st Additional data requirement under point -19 is unreadable. Therefore, the Petitioner to resubmit the Annexure in readable form.

Business Plan and MYT for Control Period

23. The Petitioner is required to submit actual consumer wise sales, connected load and no. of consumer for FY 2020-21 duly certified by the Energy auditor.
24. The Petitioner in 1st Additional data requirement reply under point -32 has submitted that the excel calculation for projection of sales, connected load and no. of consumers is attached in Annexure-N. However, it is observed that same is not attached. Therefore, the Petitioner to resubmit the Annexure in workable excel along with all linkages and formula and any associated files linked for computation purpose.
25. The Petitioner is required to submit details of allocated existing stations as well as the new capacity additions which are expected to become operational during the Control Period as per the Annexure -1.
26. The Petitioner is required to submit Generating Station wise actual availability for FY 2020-21 in workable excel.
27. Further, the Petitioner is required to submit justification for consideration of 5% increase in power purchase cost for each generating stations except for renewable sources for each year of the Control Period.
28. The Petitioner is required to submit whether it shall be able to meet RPO compliance against the RPO target approved by the Commission for Solar and Non-Solar separately for each year of the Control Period as Regulation 5.2 of JSERC (Renewable Energy Purchase Obligation and its compliance) (First Amendment) Regulations, 2021. Further, the Petitioner is required to provide detailed power procurement plan to meet the RPO compliance and its cost.
29. The Petitioner has considered Distribution loss of 15% for each year of the Control Period. In this regard, the Petitioner shall submit rational and justification for consideration of Distribution loss of 15%.
30. Further, the Petitioner is required to submit actual distribution loss for FY 2020-21.
31. The Petitioners are required to submit the actual inter-State transmission loss (52 week region wise actual Inter-State transmission loss in percentage in a workable excel sheet) for FY 2020-21 and FY 2021-22.
32. The Petitioners are required to submit the actual intra-State transmission loss of JUSNL in percentage for FY 2020-21 and FY 2021-22.
33. As per Clause 6.7 of MYT Distribution Regulations, 2020, the Petitioner is required to provide the purpose of investment, DPR & Load Flow Analysis, Capital Structure, Capitalization Schedule, Implementation schedule including timelines, Cost-benefit

analysis and Rate reasonability, etc. The Petitioner is required to comply the MYT regulations and provide the above said detail.

34. Further, the Petitioner shall provide scheme (for each scheme separately) details in following manner:-

- a) Scheme Name
- b) Scheme Cost
- c) Purpose/ Objective
- d) Scheme details
- e) Tentative BOQ
- f) SLD/Diagram (if applicable)
- g) How does this scheme impact area of supply
- h) Benefits
- i) Whether this scheme has been approved by the Managing Director/ Board. If not reason for the same.
- j) Capital Structure of Scheme
- k) Execution and Capitalization Plan
- l) Proposed Financing Plan
- m) Improvement in Operational efficiency envisaged in the control period after implementation of the scheme
- n) Details BOM and Costing
- o) Completion Schedule
- p) Cost Benefit Analysis

35. The Petitioner is required to submit scheme wise computation of Capital Expenditure Plan and Capitalisation for each year of the Control Period in workable excel sheet. Further, funding of capital expenditure shall be submitted for each year of the Control Period in workable excel sheet as Tariff Regulations, 2020.

36. The Petitioner has not submitted Human Resource Plan. Therefore, as per Regulation 6.11 of Tariff Regulations, 2020 the Petitioner is required to submit Human Resource Plan for each year of the Control Period detailing Manpower requirement and superannuating manpower. Further, the Petitioner shall provide detailed justification of requirement of additional manpower of each year of the Control Period.

37. The Petitioner is required to submit details of existing manpower including contractual employees upto 31st March, 2020 and 31st March, 2021 as per following table given below:-

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Opening Manpower			
Less: Manpower Superannuating during the Year			
Manpower additions during the Year			
Closing Manpower during the Year			

38. In projection of Operation and Maintenance, the Petitioner has not submitted the Base Value computation for Employee Expenses, A&G Expenses and R&M Expenses. Further, K-factor computation for R&M Expenses has not been submitted by the Petitioner. In this regard, the Petitioner is required to submit computation of the same in workable excel.

39. The Petitioner is required to submit Fixed Asset Register (FAR) considering depreciation rate in accordance with the provision of the Tariff Regulations, 2020 for FY 2021-22 in a workable excel sheet. Further, the Petitioner is required to submit the computation of depreciation in a workable excel sheet with all linkages in accordance with the provision of the Tariff Regulations.

40. The Petitioner in 1st Additional data requirement reply under point -39 has submitted that it has attached the RGF letter no. 4020 dated October 20, 2017 in Annexure-R. However, it is observed that same is not attached. Therefore, the Petitioner to submit the same.

41. The Petitioner in 1st Additional data requirement reply under point -42 has submitted that it is unable to submit the details. In this regard, The Petitioner is directed to submit the details duly certified by the Energy Auditor or Authorized officer of JBVNL.


42. It is observed that the Petitioner submission and compliance is not found satisfactory for the following directions of the Commission issued in its earlier Orders:

- a) Abolishment of unmetered category
- b) Quality of power/ Reliability Indices and Standard of Performance (SOP)
- c) Strengthening of Distribution Network
- d) Energy Audit & T&D Loss Reduction Plan
- e) Interest on Consumer Security Deposit
- f) Quarterly forecast of the Quantum of Short Term Power to be purchased
- g) Computation of SAIDI
- h) Safety Regulations Compliance
- i) Monitoring of Compliance to Directives
- j) Employee Performance Appraisal

The Petitioner should submit compliances to the above directions.

43. The Petitioner should submit the details of consumer category wise revenue from fixed charges, variable charges, rebates (separate head for each) , surcharge (separate head for each) for FY 2020-21 and FY 2021-22 along with proper formulae and linkages in workable excel detailing the ABR for each category of consumers.

Enclosure- Annexure-1


Secretary

Annexure -1

[illegible]