

# **PRESS RELEASE**

## **SALIENT FEATURES**

### **ARR & Tariff related**

1. The Commission has approved ARR for the MYT Control period FY 2016-17 to FY 2020-21 and Retail supply Tariff for the FY 2016-17.
2. The Commission has approved ARR of Rs. 5244.85 Cr against ARR proposed by JBVNL of Rs. 8836.66 Cr for the FY 2016-17.
3. The Commission has estimated the revenue gap for FY 2016-17 as Rs. 705.22 Cr as against 5721.63 Cr proposed by the JBVNL.
4. An approximate hike of around 21.12 % would be required to meet the entire revenue gap, estimated by the Commission.
5. The Commission has allowed a nominal tariff increase to meet the provisionally approved revenue gap only partially while the remaining gap shall be adjusted at the time of true-up on the basis of audited accounts.
6. There has been no increase for JBVNL for the last one and half year while the costs incurred by the Petitioner has gone up due to:
  - a) Capital expenditure incurred towards strengthening of its network as well as rural electrification.
  - b) Increase in Power Purchase cost which constitutes more than 90% of the total costs of JBVNL
  - c) Inflationary increase in other costs such as O&M expenses
7. **Overall tariff increased by the Commission is 12.24%** as against the proposed hike of 67.83%. The approved tariff will be applicable from 1st July 2017.
8. Increase in Kutir Jyoti (metered) consumer category has been restricted to 5% only.
9. In line with the trajectory specified in the UDAY MoU the Commission has considered Distribution Loss trajectory and Collection efficiency targets as per JSERC Distribution Tariff Regulations. 2015.

### **Tariff for FY 2016-17**

10. The Commission has determined the retail tariffs keeping in mind the provisions of the National Tariff Policy 2016 and ensuring reduction in cross subsidy gradually and also that the tariffs move towards reflecting the cost of supply within +/- 20% of the average cost of supply.

### **Changes in the Tariff Schedule**

11. The Commission has amended to the effect that in case the maximum demand of the consumer exceeds 110% of the contract demand then the excess demand over the contract demand shall be billed at 1.5 times the normal charges. Other conditions with respect to penalty for exceeding billing/ contract demand shall remain unchanged.
12. The Commission has amended the clause of power factor rebate to incentivize consumers maintaining power factor 90% and above instead of existing 85%.

### **Consumer Benefits**

13. The Commission has not accepted the Proposal of the Petitioner to increase the number of slabs in the Domestic and Non-Domestic Category as it makes the tariff structure cumbersome without adding any significant values to the Petitioner as well as to the end consumer.
14. The Commission has disallowed increase in Delayed Payment Surcharge from the existing 1.5% to 2% and is of the view that JBVNL should propose innovative mechanism such as one time settlements, fixed rate on DPS, etc. to ensure that long due arrears are recovered and improve revenue efficiency as well as benefit the consumers
15. The Commission has disallowed the proposal for change in Power Factor Penalty as it would result in burdening of the consumers.
16. The Commission has also disallowed the proposal for change in Load Factor Penalty and Rebate and Voltage Rebate as same are against principles of equity and would result in burdening consumers.
17. The Commission has not accepted the proposal for removal of Restriction of Connected Load for Demand Based Tariff.
18. The Commission has not accepted the proposal for removal of Clause 13 of HT agreement keeping in mind the interest of the consumers.
19. The Commission has not accepted the proposal of the Petitioner for the levy of DSM fund creation and levy of DSM charge as the Petitioner was not able to provide adequate justification for the same.
20. The Commission has not accepted the proposed changes of the Petitioner in clauses related to related to billing demand in the LTIS, HTS, RTS and MES categories.

### **Key Directives**

21. The Commission directed the JBVNL to file the True-up Petition for FY 2011-12, FY 2012-13 and FY 2013-14 (upto 5th January 2015) for the distribution function of the erstwhile JSEB and for FY 2013-14 (from 6th January 2014 to 31st March 2014) , FY 2014-15, FY 2015-16 within three months from the date of issuance of the order.
22. The Commission has directed JBVNL to take appropriate steps to strengthen its distribution network and submit a detailed plan with expected benefits with the next tariff Petition.
23. The Commission has also directed the Petitioner to ensure interest on consumer security deposits is paid on time and all pending dues are cleared by September 2017.
24. The Commission has directed the Petitioner to prepare a metering plan to provide meters to all the unmetered consumers and also ensure that no new connection is released without a meter.
25. The Commission has directed the Petitioner to prepare a plan for the purpose of payment of such dues with changes in the methodology used for calculation of delayed payment surcharge as one time measure or so.
26. The Commission has directed the Petitioner to submit monthly report on Reliability Indices in MS-Excel format in course of achieving 24x7 quality & reliable power.
27. The Commission has directed the Petitioner to ensure that they procure renewable energy both solar & non-solar in accordance with JSERC (Renewable Energy Purchase Obligation and its compliance) Regulations, 2016. Failure to comply with RPO may attract penal action.
28. The Commission has directed the Petitioner to submit a report detailing the area-wise actual number of supply hours provided to rural areas for the FY 2016-17.
29. The Commission has directed the Petitioner to carry out a detailed technical study on voltage wise losses on Distribution network and furnish a report within 6 months from the date of issuance of the order.
30. The Commission has directed the Petitioner to undertake extensive consumer awareness programmes with an aim to apprise the consumers on various facets of power distribution through the following measures:
  - a) Distribute booklet issued by the Commission - "*Vidyut Upbhogta Sambandhit Jaanne Yogya Baatein*"- annually, latest by the month of August, along with the consumer bill and the same is to be uploaded on the Petitioner's website.
  - b) Publish every quarter, in one English and one Hindi newspaper, the contact details of the customer call centre as well as the nodal officers of the concerned units, for e.g. circle circle/division/sub-division/section, responsible for handling of consumer grievances.
  - c) Each key office of the Petitioner in every unit i.e. circle/division/sub-division/section, should clearly indicate information in the form of posters/boards, giving information on the mechanism for addressing consumer complaints as well

as the details of officers of the JBVNL to be approached so that the complaints are addressed in a timely manner.

31. The Commission has directed the Petitioner to ensure that all the Petitions, to be filed with this Commission in future, are in order and with the required details and documents.

**JBVNL RETAIL TARIFFS FOR FY 2016-17**  
**(APPLICABLE FROM 1<sup>st</sup> July 2017)**

Category	Units for Fixed Charges Units	Existing Tariff		Proposed Tariff		Approved Tariff	
		Fixed/Demand Charges (Rs/con/month or Rs/ kVA/M)	Energy Charges (Rs/kWh)	Fixed/Demand Charges (Rs/conn/month)	Energy Charges (Rs/kWh)	Fixed/Demand Charges (Rs/con/month or Rs/ kVA/M)	Energy Charges (Rs/kWh)
<b>Domestic</b>							
DS-I (a), Kutir Jyoti (metered) (0-50)	Rs/ Conn/Month	15.00	1.20	40.00	1.50	16.00	1.25
DS-I (a), Kutir Jyoti (metered) (50-100)	Rs/ Conn/Month	15.00	1.20	50.00	2.00	16.00	1.25
DS-I (a), Kutir Jyoti (Unmetered)	Rs/ Conn/Month	40.00	0.00	250.00	0.00	60.00	NIL
DS-I (b), metered (0-100)	Rs/ Conn/Month	27.00	1.50	100.00*	2.25*	30.00	1.60
DS-I (b), metered (101-200)				150.00*	2.50*		
DS-I (b), metered (above 201)	Rs/ Conn/Month	27.00	1.60	200.00	3.00	30.00	1.70
DS-I (b), unmetered	Rs/ Conn/Month	110.00	0.00	595.00	0.00	170.00	NIL
<i>DS-II, &lt; = 4 KW</i>							
<b>0-100</b>	Rs/ Conn/Month	43.00	2.60	120.00*	3.50*	50.00	3.00
<b>101-200</b>	Rs/ Conn/Month			140.00*	3.80*		

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		Fixed/Demand Charges (Rs/con/month or Rs/ kVA/M)	Energy Charges (Rs/kWh)	Fixed/Demand Charges (Rs/conn/month)	Energy Charges (Rs/kWh)	Fixed/Demand Charges (Rs/con/month or Rs/ kVA/M)	Energy Charges (Rs/kWh)
201-250	Rs/ Conn/Month	65.00	3.10	140.00*	3.80*	80.00	3.60
251 -500	Rs/ Conn/Month			160.00*	4.25*		
501 & above	Rs/ Conn/Month			200.00*	4.75*		
<i>DS- III, Above 4 KW (0-250)</i>	Rs/ Conn/Month	110.00	3.20	200.00*	4.10*	150.00	4.00
<i>DS- III, Above 4 KW (251 &amp; above)</i>	Rs/ Conn/Month			300.00*	5.25*		
<i>DS HT</i>	Rs/KVA/Month	80.00	2.80	250.00	4.00	110.00	3.50
Non Domestic							
NDS-I,<= 2 KW (0-100)	Rs/ Conn/Month	32.00	1.90	80.00	3.50	45.00	2.20
NDS-I, metered ( <= 2 kW) (101-250)	Rs/ Conn/Month	32.00	1.90	80.00*	4.00*	45.00	2.25
NDS-I, metered ( <= 2 kW) (above 250)	Rs/ Conn/Month			100.00*	4.50*		
NDS-I, unmetered (<= 2 KW)	Rs/ kW/Month	190 upto 1 kW	-			250 upto 1 kW	-
	Rs/ kW/Month	70 per additional 1 kW or part thereof	-	Rs 700	0.00	90 per additional 1 kW or part thereof	-
NDS-II	Rs/ kW/Month	190.00	5.65	400.00	6.15	225	6.00

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NDS-III (0-250)	Rs/Conn/Month	165.00	6.50	400.00*	6.00*	200	6.80
NDS-III (251-500)	Rs/Conn/Month			450.00*	6.50*		
NDS-III (500 & above)	Rs/Conn/Month			500.00*	7.00*		
Low Tension							
Installation Based	Rs/HP/month	140.00	5.30	200	5.75	160.00	5.50
Demand Based	Rs/kVA/month	255.00	5.30	350	5.75	275.00	5.50
Irrigation & Agricultural							
IAS- I	Rs/HP/month	-	0.65	-	1.50	-	0.70
IAS - I Unmetered	Rs/HP/month	75.00	-	300.00	-	100.00	-
IAS- II	Rs/HP/month	-	1.10	-	2.00	-	1.20
Agriculture - IAS - II (Unmetered)	Rs/HP/month	300.00	-	500.00	-	375.00	-
High Tension Service							
11 KV	Rs/kVA/month	255.00	5.85	350.00	6.35	300.00	6.25
33 KV	Rs/kVA/month	255.00	5.85	400.00	6.35	300.00	6.25
132 KV	Rs/kVA/month	255.00	5.85	450.00	6.35	300.00	6.25
HT Special S							
11 KV	Rs/kVA/month	440.00	3.50	500.00	4.50	490.00	4.00
33 KV	Rs/kVA/month	440.00	3.50	500.00	4.50	490.00	4.00
132 KV	Rs/kVA/month	440.00	3.50	500.00	4.50	490.00	4.00

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		Fixed/Demand Charges (Rs/con/month or Rs/ kVA/M)	Energy Charges (Rs/kWh)	Fixed/Demand Charges (Rs/conn/month)	Energy Charges (Rs/kWh)	Fixed/Demand Charges (Rs/con/month or Rs/ kVA/M)	Energy Charges (Rs/kWh)
Traction							
	RTS	Rs/kVA/month	235.00	5.85	235.00	6.30	235.00
Street Light Service							
	SS-I	Rs/Conn/Month	38.00	4.80	350.00	6.00	55.00
SS - II	Rs/Conn/Month	Rs. 150 per 100 watt lamp and Rs. 32.5 for every additional 50 watt and part thereof	-	500.00	-	Rs 250 per 100 watt lamp and Rs 55.00 for every additional 50 watt	-
MES	Rs/kVA/month	230.00	4.35	350.00	5.00	260	4.60

\* New slabs as proposed by the Petitioner.