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**JHARKHAND STATE ELECTRICITY REGULATORY
COMMISSION, RANCHI**

**JSERC (Levy and Collection of Fees and Charges by State Load Despatch
Centre) Regulations, 2020**

No. 76 In exercise of power under Section 181(2)(g) of the Act, the Jharkhand State Electricity Regulatory Commission, hereby makes the JSERC (Levy and Collection of Fees and Charges by SLDC) Regulations, 2020). A Regulation guided by the principles contained in Sections 61 and 62 of the Act to encourage efficient functioning of SLDC, as the apex body to ensure efficient monitoring and integrated operation of the power system in the State of Jharkhand.

CHAPTER I:

SCOPE, EXTENT AND DEFINITIONS

A 1. Short Title and Commencement

- 1.1 These Regulations shall be called the Jharkhand State Electricity Regulatory Commission (Levy and Collection of Fees and Charges by SLDC) Regulations, 2020.
- 1.2 These Regulations shall come into force for the period from April 01, 2021 to March 31, 2026, after its publication in the Official Gazette of the Government of Jharkhand and unless reviewed earlier or extended by the Commission, shall remain in force upto March 31, 2026.
- 1.3 These Regulations shall extend to the whole State of Jharkhand.
- 1.4 These Regulations shall supersede the Jharkhand State Electricity Regulatory Commission (Levy of collection of fees and charges by SLDC) Regulations, 2010 read with all amendments thereto, as the case may be.

Explanation:- For all purposes, including review matters pertaining to the period till March 31, 2021, the issues relating to determination of Fees and Charges of SLDC shall be governed by the provisions of the Jharkhand State Electricity Regulatory Commission (Levy of collection of fees and charges by SLDC) Regulations, 2010, including amendments thereto, as may be applicable.

A 2. Scope of Regulations and Extent of Application

- 2.1 These Regulations shall be applicable for determination of fees and charges to be collected by State Load Despatch Centre from the Generating Companies, Transmission Licensees, Distribution Licensees, Open Access Consumers, Captive Generating Plants, Buyers, Sellers and any other users.

A 3. Definitions and Interpretation

- 3.1 In this Regulation unless the context otherwise requires:
 - a) **‘Accounting Statement’** means for each Financial Year:
 - i. The Balance Sheet, prepared in accordance with the form contained in the Companies Act, 2013 and its predecessors, as applicable;
 - ii. Cash Flow Statement, prepared in accordance with the applicable Accounting Standards of the Institute of Chartered Accountants of India;
 - iii. Cost Accounting Records prescribed by the Central Government under Section 148 of the Companies Act, 2013 and its predecessors, as applicable.

- iv. Notes on accounts thereto, and such other supporting statements and information forming part of financial statements or as the Commission may direct from time to time.
- v. Profit and Loss Account, complying with the requirements contained in The Companies Act, 2013 and its predecessors, as applicable;
- vi. Report of the Statutory Auditors, including any annexure and appendix thereto, as applicable;
- vii. Any or all the formats as notified by the Commission under these Regulations for Tariff Regulation including Multi Year Tariff Regulations pertinent to the relevant year.
- viii. Reconciliation Statement, duly certified by the Statutory Auditors, showing the reconciliation between the total expenses, revenue, assets and liabilities, of the entity as a Company and the expenses, revenue, assets and liabilities, separately for each Business regulated by the Commission and unregulated business operations.

Provided also that till the SLDC remains a part of JUSNL, separate Books of Accounts for SLDC shall be maintained by the JUSNL and shall be Audited and Certified by the Statutory Auditor;

- b) **‘Act’** means the Electricity Act, 2003 (36 of 2003) and subsequent amendments thereof;
- c) **‘Additional Capitalisation’** means the capital expenditure incurred and capitalised or projected to be capitalised, after the date of commercial operation of the project and admitted by the Commission after prudence check;
- d) **‘Aggregate Revenue Requirement’** or **‘ARR’** means application for each year, the costs pertaining to the State Load Despatch Centre Business which are admissible, in accordance with these Regulations, to be recovered in the form of fees and charges as determined by the Commission;
- e) **‘Applicant’** means SLDC who has filed the Petition for determination of Fees and Charges or a Petition for truing up or annual performance review in accordance with the Act and these Regulations and includes SLDC whose Fees and Charges is subjected to review by the Commission;

- f) **‘Auditor’** means an auditor appointed by the SLDC/JUSNL, in accordance with the provisions of the Companies Act, 2013, as amended from time to time, or any other law for the time being in force;
- g) **‘Bank Rate’** means the one-year Marginal Cost of Lending Rate (MCLR) of the State Bank of India from time to time or any replacement thereof for the time being in effect;
- h) **‘Base Year’** means the Financial Year 2020-21 and used for the purposes of these Regulations;
- i) **‘Buyer’** means a person buying power through medium term or long-term access and whose scheduling, metering and energy accounting is coordinated by the State Load Despatch Centre;
- j) **‘Capital Cost’** means the cost incurred in the schemes but not limited to the following:
- i. Supervisory control and data acquisition (SCADA) System, Wide Area Measurement System (WAMS), Renewable Energy Management Centre (REMC), Weather Portal and other such related information systems;
 - ii. Computer systems, hardware and software, Cyber Security Systems, Multiple Video conferencing facilities, Voice Recording Systems;
 - iii. Ergonomically designed office furniture/equipment;
 - iv. Auxiliary power supply system comprising Uninterrupted Power Supply, Diesel Generating Set and DC power system;
 - v. Communication system including redundant communication infrastructure – Satellite communication in addition to conventional systems;
 - vi. Other infrastructure facilities, such as air-conditioning, fire-fighting and construction and renovation of buildings, roof-top solar units for energy efficiency etc.;
 - vii. Any innovative schemes R&D projects and pilot projects for better system operation, such as Synchro-phasors, System Protection Scheme;
 - viii. Disaster Recovery (Main-I & Main-II) control centres for RLDCs and NLDC;
 - ix. Surveillance System;
 - x. Dual redundant internet connectivity for Web Servers of LDCs;
 - xi. NMS (Network Management System) & Asset management tool for Network & IT Asset Monitoring;
 - xii. Market Management System Software;
 - xiii. Cyber Security System infrastructure facilities such as Anti-APT (Advanced Persistent Threat) monitoring, Vulnerability Assessment for Persistent Threat (VAPT) & control Device, Local Area Network (LAN) Zone & Layer, Secure

- Sockets Layer (SSL) Certificate, SSL Virtual Private Network (VPN) and Security Information & Event Management (SIEM);
- xiv. Infrastructure to ensure high availability of the Information Technology (IT) and Operational Technology (OT) applications;
- xv. Redundant communication links / distribution path for IT / OT equipment
- a. Redundant site infrastructure – Disaster Recovery
 - b. Multiple independent distribution path serving the equipment
 - c. Dual powered and fully compatible with the site topology
 - d. Cooling equipment dual powered including air-conditioning system
 - e. Fault tolerant site infrastructure with electrical power storage, standby power supply, distribution facility
 - f. Physical access security needs to be ensured for IT – OT infrastructure with biometric access, CCTV surveillance, fire alarm and firefighting system.
- xvi. Additional infrastructure facilities like “Digital Signature”, “Instant Messaging for Business”, “Centralized Patch Management and Antivirus server”, “Syslog Server” and Enterprise class Backup and replication software” etc.;
- xvii. Future Technologies like Cloud Computing (e.g. PaaS (Platform as a Service), SaaS (Software as a Service) and DaaS (Desktop as a Service) are available on Public Cloud, Private Cloud and Hybrid Cloud), Big Data Analytics tools and Advanced data visualization tool (with GIS interfacing) etc.;
- xviii. Ergonomically designed office equipment.
- k) **‘Captive Generating Plant’** means generating plant as defined in Electricity Act 2003;
- l) **‘CERC’** means the Central Electricity Regulatory Commission;
- m) **‘Charges’** means recurring payments on monthly basis to be collected from the Users by the State Load Despatch Centre for the services rendered;
- n) **‘Change in Law’** means occurrence of any of the following events:
- (i) the enactment, bringing into effect or promulgation of any new Indian Law; or
 - (ii) adoption, amendment, modification, repeal or re-enactment of any existing Indian law; or
 - (iii) change in interpretation or application of any Indian law by a competent court, Tribunal or Indian Governmental Instrumentality which is the final authority under law for such interpretation or application; or

- (iv) change by any competent statutory authority in any condition or covenant of any consent, clearances or approval or licence available or obtained for the project; or
- (v) coming into force or change in any bilateral or multilateral agreement/treaty between the Government of India and any other Sovereign Government having implication for the SLDC regulated under these Regulations;
- o) **‘Commission’** means the Jharkhand State Electricity Regulatory Commission (JSERC);
- p) **‘Contracted Capacity’** means the capacity arranged through long term or medium-term open access;
- q) **‘Conduct of Business Regulations’** means the JSERC (Conduct of Business) Regulations 2016, as amended from time to time;
- r) **‘Control Period’** means a multi-year period fixed by the Commission, from April 01, 2021 and up to March 31, 2026;
- s) **‘Day’** means the 24-hour period starting at 0000 hours;
- t) **‘De-capitalization’** for the purpose of the tariff under these Regulations, means reduction in Gross Fixed Assets of the project corresponding to the assets taken out of service;
- u) **‘Expenditure Incurred’** means the fund, whether the equity or debt or both, actually deployed and paid in cash or cash equivalent, for creation or acquisition of a useful asset and does not include commitments and the liabilities for which no payment has been made;
- v) **‘Fees’** means the non-refundable one-time payment or payment in a defined periodicity collected by the State Load Despatch Centre, for the services rendered for commencement of grid access and scheduling and on account of registration, membership or any other purpose as specified by the Commission from time to time;
- w) **‘Financial Year’** means a period commencing on April 01 of a calendar year and ending on March 31 of the subsequent calendar year;
- x) **‘Force Majeure Event’** means, with respect to any party, any event or circumstance, or combination of events or circumstances, which is not within the reasonable control of, and is not due to an act of omission or commission of that party and which, by the exercise of reasonable care and diligence, could not have

been prevented; and, without limiting the generality of the foregoing, shall include the following events or circumstances:

- (i) acts of God, including but not limited to lightning, storm, action of the elements, earthquakes, flood, torrential rains, drought and natural disaster or any act of God beyond the control of any party or due to any restraint of the State Government or Central Government or any other Statutory Authority;
 - (ii) strikes and industrial disturbances having a State-wide or extensive impact in the area of operation of SLDC, but excluding strikes and industrial disturbances in the SLDC's own organisation;
 - (iii) acts of war, invasion, armed conflict or act of foreign enemy, insurrections, riots, revolution, terrorist or military action;
 - (iv) unavoidable accident, including but not limited to fire, explosion, radioactive contamination and toxic chemical contamination;
 - (v) any shutdown or interruption of the grid, which is required or directed by the concerned Load Despatch Centre;
- y) **'Grid Access'** means the permission granted by the concerned RLDC for integration of the generating station including a stage or unit of the generating station including captive generating stations, or licensees, buyers and sellers with the grid on meeting the technical requirements;
- z) **'Grid Code'** means the JSERC (Grid Code) Regulations, 2008, as amended or replaced from time to time;
- aa) **'Licensee'** means a person or a company granted a licence under Section 14 of the Act;
- bb) **'Market Operation Function'** includes functions of scheduling, despatch, metering, data collection, energy accounting and settlement, transmission loss calculation and apportionment, operation of pool account and congestion charge account, administering ancillary services, information dissemination and any other functions assigned to the State Load Despatch Centre by the Electricity Act 2003 or by JSERC Regulations and Orders;
- cc) **'National Load Despatch Centre'** or **'NLDC'** means the Centre established under sub-section (1) of Section 26 of the Act;
- dd) **'Non-Tariff Income'** means the net income relating to the regulated Business other than from SLDC Charges;

- ee) **‘Open Access Consumer’** means any Licensee or Consumer or buyer or a person engaged in generation who has been granted Open Access in accordance with the JSERC (Terms and Conditions for Intra-State Open Access) Regulations, 2016, as amended from time to time;
- ff) **‘Prudence Check’** means scrutiny of reasonableness of any cost or expenditure incurred or proposed to be incurred in accordance with these Regulations by the SLDC;
- gg) **‘Regional Load Despatch Centre’ or ‘RLDC’** means the Centre established under sub-section (1) of Section 27 of the Act;
- hh) **‘Seller’** means a person supplying power through medium term or long-term access and whose scheduling, metering and energy accounting is coordinated by State Load Despatch Centre;
- ii) **‘State’** means the State of Jharkhand;
- jj) **‘State Load Despatch Centre’ or ‘SLDC’** means the Centre established under subsection (1) of Section 31 of the Act;
- kk) **‘System Operation Function’** includes monitoring of grid operations, supervision and control over the Intra-State Transmission System, real-time operations for grid control and Despatch, system restoration following grid disturbances, compiling and furnishing data pertaining to system operation, congestion management, black start coordination and any other function(s) assigned to the State Load Despatch Centre by the Electricity Act 2003 or by JSERC Regulations and orders;
- ll) **‘State Transmission Utility’ or ‘STU’** means the Board or the Government Company specified as such by the State Government under sub-section (1) of Section 39 of the Act;
- mm) **‘Tariff Period’** shall mean the period from April 01, 2021 and up to March 31, 2026, for which Tariff is determined by the Commission under these Regulations;
- nn) **‘User’** means the generating companies, distribution licensees, buyers, Bulk consumers (SEZ), sellers and open access consumers, captive generating stations, as the case may be, who use the intra–state transmission network or the associated facilities and services of State Load Despatch Centre;
- oo) **‘Year’** means a financial year;

3.2 Words and expressions used in these Regulations and not defined herein but defined in the Act shall have the meanings respectively assigned to them in the Act.

- 3.3 Reference to any Act, Rules and Regulations shall include amendment or consolidation or re-enactment thereof.
- 3.4 All proceedings under these Regulations shall be governed by the JSERC (Conduct of Business) Regulations, 2016, as amended or re-enacted from time to time.

A 4. State Load Despatch Centre

General

- 4.1 The State Load Despatch Centre shall be a Centre established by the State Government to be operated by a Government company or any Authority or Corporation established or constituted by or under the State Act, as may be notified by the State Government.

Provided that until a State Government notify or any authority or corporation is notified by the State Government, the State Transmission Utility shall operate the State Load Despatch Centre:

Provided further that no State Load Despatch Centre shall engage in the business of trading in electricity.

Registration

- 4.2 The users shall register through application with the State Load Despatch Centre (SLDC) for commencement of Grid Access for availing system operation services of SLDC as under:

- a. All generating stations, distribution licensees, intra-State transmission licensees or any other user defined under **Clause 3.1** of these Regulations intending to avail the Grid Access shall register themselves with State Load Despatch Centre responsible for scheduling, metering, energy accounting and switching operations, not less than 30 days prior to intended date of commencement of Grid access, by filing an application in the format prescribed as **Appendix-II** to these Regulations;

Provided that when a unit is added to a generating station or an element is added to a transmission system, the generating company or transmission licensee, as the case may be, shall send an intimation to the SLDC within two days of such addition for updating its records;

- b. The Power exchanges and traders who intend to avail the services of SLDC shall register themselves with the SLDC by filing an application in the format prescribed as **Appendix-II** to these Regulations.

- 4.3 The application for registration shall be accompanied by a one-time fee of Rs. 2 Lakh either through cheque or demand draft. The existing users shall register themselves with the SLDC by filing an application along with the fees of Rs. 2 Lakh within a month of coming into force of these Regulations.

- 4.4 Upon submission of the application for registration, acknowledgement for receipt of application shall be issued by the SLDC promptly.
- 4.5 After scrutiny, SLDC shall intimate the deficiencies in the application, if any, to the applicant within one week of receipt of application. The applicant shall rectify the deficiency within one week thereafter, failing which the application shall be closed.
- 4.6 The SLDC, after scrutinizing applications for registration and on being satisfied with correctness of the information furnished in the application shall register the applicant and send a written intimation to the applicant.
- 4.7 SLDC shall maintain a list of registered users on its website along with their date of registration.
- 4.8 SLDC may, after issuing notice of at least one month, de-register a user in case of persistent default in payment of SLDC Fees and Charges for more than 90 days or termination of connectivity. A user can subsequently re-register once the default has been cured or connectivity re-established by paying 50% of the original registration charges.

Functions, Duties and Obligations of SLDC

- 4.9 In discharge of functions, obligations and duties under Section 32 and Section 33 of the Act, the State Load Dispatch Centre shall comply with the relevant provisions of the Act and Regulations of the Commission.
- 4.10 The SLDC shall not give any preferential treatment to any of the Open Access Consumers.
- 4.11 The State Load Dispatch Centre shall upload on its website as well as submit the following reports to the Commission:
- a. Monthly Energy Accounting Statement indicating source-wise input and Discom/Open Access Consumer wise output of energy;
 - b. The reports on its operation as specified in
 - i. Commission's various Orders on Generation Tariff and Transmission Tariff;
 - ii. Or other Regulations.

Prohibited Activities

- 4.12 State Load Dispatch Centre shall not engage in the business of trading in electricity.

Accounts of SLDC

- 4.13 Unless otherwise permitted by the Commission the financial year shall be from first (1st) April to the following thirty-first (31st) March.
- 4.14 From the date the SLDC is established by the Government of Jharkhand under Section 31 of the Electricity Act, 2003, SLDC shall maintain its financial accounts separately.

Provided that till the time SLDC remains a part of JUSNL, separate Books of Accounts for SLDC shall be maintained by the JUSNL and shall be Audited and Certified by the Statutory Auditor;

CHAPTER II:

TARIFF FRAMEWORK AND GUIDING PRINCIPLES

A 5. MYT Framework

- 5.1 The MYT Framework shall commence from April 01, 2021 and unless reviewed earlier or extended by the Commission, shall be applicable till March 31, 2026. The ARR filings for the Control Period shall be done in accordance with the MYT framework contained in these Regulations.
- 5.2 The SLDC shall file MYT Application along with supporting documents before the Commission as per the timelines specified in **Section A 26** of these Regulations.
- 5.3 The MYT Application shall include statements containing ARR along with its break up for the Years of the previous Control Period based on Audited Accounts for FY 2015-16 to FY 2019-20, segregated amongst Transmission and SLDC Businesses, revised estimates for Base Year FY 2020-21, and projections for each year of the Control Period.

Provided that in case the Audited Accounts are not segregated, SLDC shall file MYT Application on the basis of allocation of the assets/expenses/Revenue between Transmission Business and SLDC Business based on the audited statements/Trial Balance.

- 5.4 The Guiding Principles for MYT Framework are described in **Section A 6** of these Regulations.
- 5.5 The principles for determination of ARR for the Control Period is described in **Chapter III** of these Regulations and the procedure for Annual Filing during the Control Period is described in **Chapter IV** of these Regulations.

A 6. Guiding Principles for MYT Framework

- 6.1 The Commission shall adopt Multi Year Tariff Framework for approval of ARR and expected revenue from fees and charges. The ARR shall be determined for each year of the Control Period.
- 6.2 The Multi Year Tariff framework shall be based on the following:
 - a. **Business Plan** of the SLDC for the entire Control Period shall be filed before the Commission for approval, along with MYT Petition prior to the start of the Control Period or within such period as the Commission may direct;

- b. Applicant's forecast of expected ARR for each year of the Control Period, along with the forecast of expected fees and charges for each year of the Control Period, based on reasonable assumption laid down under these Regulations, and on the basis of the Business Plan;
- c. Trajectory for specific parameters shall be stipulated by the Commission, where the performance of the Applicant is sought to be improved through incentives and disincentives;
- d. **Annual Review** of performance shall be conducted vis-à-vis the approved forecast and the fees and charges shall be revised based on submissions made by the Petitioner during the Annual Review.
- e. Mechanism for sharing approved gains or losses on account of controllable and uncontrollable factors.

Determination of Baseline

- 6.3 The values for the Base Year of the Control Period shall be determined based on the audited accounts available for FY 2015-16 to FY 2019-20. In the absence of audited accounts of any such year, the Commission may consider best estimate for such years after carrying out due, prudence check and after taking into account other factors as considered relevant by the Commission.
- 6.4 The Commission shall normally not revise the performance targets during the Control Period, unless the Commission is of the view that there is a major variation in approved numbers vis-à-vis actuals.

Business Plan

- 6.5 The SLDC shall file for the Commission's approval, a Business Plan approved by the Board of Directors, as per the timelines specified in **Section A 26** of these Regulations.
- 6.6 The Business Plan shall be for the entire Control Period and shall, inter alia, contain:
 - a. **Capital Investment Plan:** This should be commensurate with infrastructure requirement and quality improvement proposed and to ensure efficient work and integrated operation of the power system in the State of Jharkhand. The Capital expenditure plan should also include corresponding capitalisation schedule and financing plan;

SLDC shall also submit scheme-wise capital structure and cost of financing (interest on debt) and return on equity, Grant, Deposit Works along with terms of the existing loan agreements, etc., as a part of Capital Investment Plan;

- b. The appropriate **capital structure and cost of financing** (interest on debt) and return on equity, terms of the existing loan agreements, etc;
- c. **Human Resource Plan:** This shall include, designation-wise existing man power, details of the estimated year wise manpower addition and retirements for the Control Period to meet its responsibilities and obligations as an SLDC;
- d. A set of targets proposed for other controllable items such as return on equity, depreciation, working capital requirement, performance targets, Employee, R&M and A&G Expenses etc., along with detailed break up and any other information used for preparing projections of various performance parameters and other components during the Control Period.
- e. **Other Information:** This shall include any other details considered appropriate by the SLDC for consideration during determination of fees and charges.

Capital Investment Plan

- 6.7 The Commission may approve the Capital Investment Plan after carrying out due Prudence Check of the plan submitted by the SLDC, based on the load growth forecast during the Control Period. The same would be considered for computation of ARR, wherein the amount of electricity handled by the SLDC shall be projected considering the estimated growth plan of its Beneficiaries and any plans of new transmission system, based on network expansion plans within the State.
- 6.8 Capital Investment plan submitted by the SLDC shall also provide details of ongoing projects that will spill into the Control Period and new projects that will commence during the Control Period but may extend beyond the Control Period.
- 6.9 The Capital Investment Plan shall be in conformity with the plans made by the STU and with the capital investment plans of the Distribution Licensees and the Generating Companies. The CAPEX plan shall inter-alia include:
 - a. Purpose of investment;
 - b. Approval of Competent Authority;
 - c. Detailed Project Report;
 - d. Capital Structure;

- e. Capitalization Schedule;
- f. Implementation schedule including timelines;
- g. Financing Plan;
- h. Cost-benefit analysis and Rate reasonability;
- i. Improvement in operational efficiency envisaged in the Control Period.

6.10 During the Annual Performance Review, the Commission shall monitor the year-wise-progress of the actual capital expenditure incurred by the SLDC vis-à-vis approved capital expenditure. The SLDC shall submit the actual capital expenditure incurred and capitalisation during the year under review along with the Annual Performance Review Filing.

6.11 The Commission shall review the actual capitalisation at the end of each year of the Control Period vis-à-vis the approved capitalisation schedule.

Provided that the actual capital expenditure incurred shall be only for the schemes as per the approved CAPEX plan.

6.12 In case the capital expenditure is required for emergency work which has not been approved in the Capex plan, the SLDC shall submit a petition (containing all relevant information along with reasons justifying emergency nature of the proposed work seeking approval by the Commission wherever possible. The SLDC may however, take up the work prior to the approval of the Commission provided that the emergency nature of the scheme has been certified by the Board of Directors provided that the SLDC gets the same approved by the Commission at the earliest.

Controllable & Uncontrollable Parameters

6.13 The 'Controllable Parameters' shall comprise but not be limited to the following parameters, which are within the control of, and are attributable to the applicant:

- a) Capital Expenditure and additional capitalization
- b) Interest & Finance Charges
- c) Return on Equity
- d) Depreciation
- e) Interest on working capital
- f) Operation and Maintenance expenses

6.14 The 'Uncontrollable Parameters' shall comprise but not limited to the following factors, which are beyond the control of the applicant:

- a) Terminal Liabilities of Employees
 - b) Foreign Exchange Rate Variations
 - c) Taxes and duties
 - d) Non-Tariff Income
- 6.15 The variation on account of uncontrollable parameters shall be treated as a pass through to be ultimately charged to the Users, subject to prudence check and approval by the Commission.
- 6.16 The Commission shall also permit pass-through of variations in controllable items on account of Force Majeure events and due to Change in Law event(s) in the ARR, based on the submission of actual values by the SLDC and subsequent validation and approval by the Commission.
- 6.17 The variation from targets specified by the Commission on account of controllable parameters shall be subject to incentive and penalty framework, as detailed in the subsequent section.

Incentive and Penalty Framework

- 6.18 Certain elements of the ARR of the SLDC will be subject to incentive and penalty framework as per the terms specified in this section. The overall aim shall be to incentivise better performance and penalise poor performance, compared to the performance norms/benchmarks specified by the Commission.
- 6.19 The gains/losses shall be computed on aggregate basis Operation & Maintenance Expenses (excluding Terminal Liabilities) considered collectively on annual basis. The computations shall be based on the data submitted by the SLDC in the Annual Performance Review and Audited Annual Accounts and shall be subject to prudence check by the Commission.
- 6.20 In case of **aggregate gains**, the aggregate gain shall be shared between the SLDC and the Users in the ratio of **50:50** respectively.
- 6.21 The gains to be shared shall be passed on to the consumers through Tariff during the Annual Performance Review for each year of the Control Period.
- 6.22 In case of **any loss** on account of underperformance with respect to the controllable parameters, the SLDC shall bear the entire losses and no proportion of losses shall be passed on to the Users.
- 6.23 In addition, the net savings due to refinancing of Loans by the SLDC shall be shared between the Users and the SLDC, as the case may be, in the ratio of **50:50**.

A 7. Truing-up

- 7.1 The SLDC shall submit along with the application for truing up, details of capital expenditure including additional capital expenditure, sources of financing, human resource expenditure, operation and maintenance expenditure, etc incurred for each year of the Control Period, true up duly audited and certified by the auditors during the control period for true up as per the Timelines stipulated in the **Section A 26**.
- 7.2 Where after the truing up, the revenue recovered exceeds the ARR approved by the Commission under these Regulations, the SLDC shall refund to the users, as the case may be, the surplus amount so recovered as specified in **Clause 7.4** of these Regulations.
- 7.3 Where after the truing up, the revenue recovered is less than the ARR approved by the Commission under these Regulations, the SLDC shall recover from the users, as the case may be, the gap amount in accordance with **Clause 7.4** of these Regulations.
- 7.4 The amount under-recovered or over-recovered, along with interest at the rate equal to Bank Rate as on April 01 of the respective year plus 350 basis points, shall be recovered or refunded by SLDC, in six equal monthly instalments starting within three months from the date of the Tariff Order issued by the Commission:

Provided that no carrying cost on the duration of delay shall be allowed on unrecovered gap if SLDC fails to submit the Petitions as per the timelines stipulated in **Section A 26**.

Provided further that any adverse financial impact on account of variation in uncontrollable items due to lapse on part of SLDC or its suppliers/contractors shall not be allowed in truing up;

A 8. Annual Performance Review and Determination of Fees & Charges

- 8.1 The SLDC shall submit along with the application for Annual Performance Review, details of capital expenditure including additional capital expenditure, sources of financing, operation and maintenance expenditure, etc incurred for the year under review, as per the Timelines stipulated in **Section A 26**.
- 8.2 Along with Annual Performance Review Filing, the SLDC shall also claim revised ARR for the following year based on the truing up and annual performance review of the previous year(s).
- 8.3 The Scope of the Annual Performance Review shall be comparison of the approved expenses vis-à-vis revised estimates for the year/s and shall comprise the following:

- (1) Comparison of Approved Capital Expenditure and Capitalisation vis-à-vis revised estimates by the SLDC based on the latest actual data available;
 - (2) Comparison of Other Expenses such as Interest on Loan, Interest on Working Capital, Return on Equity, Depreciation and O&M Expenses approved by the Commission vis-à-vis the revised estimates by the SLDC based on the latest actual data available;
 - (3) Approved Revenue vis-à-vis revised estimates based on the latest actual data available;
 - (4) Any other Expenses/Revenues impacting ARR.
- 8.4 Provided that the Commission may consider any new scheme proposed on merits subject to prudence check as per this Tariff Regulation.
- 8.5 The SLDC may, as a result of additional information not previously known or available to them at the time the forecast was developed, apply for a modification in the approved forecast of ARR as part of the Annual Performance Review.
- 8.6 The Commission if, as a result of additional information not previously known or available to it at the time the forecast was developed, is of the view that the same may result in significant over/under recovery, either suo-motu or on an application made by any interested or affected party, modify the approved forecast of ARR for the remainder of the Control Period, as part of the Annual Performance Review.
- 8.7 Based on the analysis of Annual Performance Review and Truing up, the Commission, may revise the ARR, SLDC Fees and Charges for the ensuing year of the Control Period.

CHAPTER III:
DETERMINATION OF TARIFF

A 9. Principles for Determination of Tariff

9.1 The Transmission Licensee shall segregate its accounts into SLDC activity and Transmission Business not later than March 31, 2021. Till the time there is a complete segregation of accounts between Transmission Business and SLDC activity, the Transmission Licensee shall allocate the assets/expenses between Transmission Business and SLDC Business based on the audited statements/Trail Balance. The SLDC shall file its Business Plan and MYT Petition, based on bifurcation/Allocation Statement duly approved by the Board of the Transmission Licensee/SLDC, containing the apportionment of all costs, revenues, assets, liabilities, reserves and provisions between the Transmission Business, SLDC activity and any Other Business or the Segregated Audited Accounts as certified by the Statutory Auditor. The Allocation Statement/Audited Accounts shall also contain the methodology used for the apportionment between different businesses as specified in the JSERC (Power Regulatory Accounting) Regulations, 2016, and its amendments thereof.

Capital Cost

9.2 The capital cost as admitted by the Commission after prudence check for the SLDC shall form the basis for determination of annual charges.

9.3 The capital cost shall be computed in the following manner:

- i. The Capital Cost as admitted by the Commission based on the submission made by the SLDC for the Base Year based on its Annual Accounts excluding undischarged liability, if any;
- ii. Expenditure on account of Additional Capitalization determined in accordance with the **Clause 6.7**;
- iii. The fixed assets which have been replaced during Control Period shall be de-capitalized;
- iv. Interest During Construction on actual loans and Incidental Expenditure During Construction;
- v. Any grant received from the Central or State Government or any Statutory Body or Authority for execution of the project which does not carry any liability of repayment shall be excluded from the Capital Cost for the purpose of computation of interest on loan, return on equity and depreciation.

- 9.4 The Capital Cost shall be admitted after prudence check which may include scrutiny of the reasonableness of the Capital Expenditure, Financing Plan, Interest During Construction (IDC), Incidental Expenditure During Construction (IEDC), Financing Charges, any gain or loss on account of Foreign Exchange Rate Variation (FERV), cost over-run and time over-run and such other matters as may be considered appropriate by the Commission:

Provided that Interest During Construction shall be computed corresponding to the loan from the date of infusion of debt fund, and after taking into account the prudent phasing of funds duly adjusting IDC on account of time overrun if any:

Provided further that Incidental Expenditure During Construction shall be computed after prudence check duly adjusting the IEDC on account of time over run, if any, interest on deposits or advances, or any other receipts and liquidated damages recovered or recoverable corresponding to the delay.

- 9.5 SLDC shall submit the Auditor's Certificate for the Capital Expenditure incurred as on April 01, 2020 and a Management Certificate duly signed by an authorised person, not below the level of Director of the Company, for the projected Capital Expenditure for respective years of the Control Period:

Provided that the value of the assets not in use shall not form part of the Capital Cost.

Additional Capitalisation

- 9.6 The capital expenditure capitalised or projected to be capitalised for the assets already in service and the additional assets projected to be procured during tariff period may be admitted, by the Commission, subject to prudence check.
- 9.7 In case of de-capitalization of assets replaced or otherwise, the original cost of such asset as on the date of de-capitalization duly certified by its Statutory Auditor shall be deducted from the value of gross fixed asset along with corresponding adjustment in equity, outstanding loan, cumulative repayment of loan and depreciation in the year such de-capitalization takes place with corresponding adjustments in cumulative depreciation and cumulative repayment of loan shall be carried out duly taking into consideration the year in which it was capitalised.

Debt-Equity ratio

- 9.8 The Commission shall consider the normative debt equity ratio of the capital incurred as 70:30 for determination of tariff.
- 9.9 In case the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan:

Provided that where equity actually deployed is less than 30% of the capital cost, the actual equity shall be considered for determination of charges:

Provided further that the equity invested in foreign currency shall be designated in Indian Rupees on the date of each investment.

A 10. Computation of Annual Charges

10.1 The annual charges of SLDC shall contain but not limited to the following items:

- a. Return on equity;
- b. Interest on loan;
- c. Depreciation;
- d. Operation & Maintenance Expenses;
- e. Interest on Working Capital; and
- f. Non-Tariff Income.

Return on Equity

10.2 Return on equity shall be computed on equity base determined in accordance with **Clauses 9.8 and 9.9** of these Regulations.

10.3 Return on equity shall be computed on post-tax base rate of 14.00% for the Control Period:

Provided that the return on equity shall be allowed only on the equity employed on assets which are commissioned and are in use.

Income Tax

10.4 Tax on income, if any, on the Scheduling and Market Operation Business of the SLDC shall be limited to tax on the allowed return on equity.

10.5 The income tax actually payable or paid limited to the tax on allowed return on equity shall be included in the ARR while truing up. The actual assessment of income tax should take into account benefits of tax holiday, and the credit for carry forward losses applicable as per the provisions of the Income Tax Act, 1961 and its amendments thereof shall be passed on to the Users. Tax on the other income streams of the SLDC shall not be recovered from the Users.

Interest on Loan Capital

- 10.6 The loans arrived at in the manner indicated in **Clauses 9.8 and 9.9** of these Regulations shall be considered as gross normative loan for calculation of interest on loan.
- 10.7 The normative loan outstanding as on April 01, 2021 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021 from the gross normative loan.
- 10.8 The repayment for the year of the Control Period shall be deemed to be equal to the depreciation allowed for that financial year.
- 10.9 In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalization of such assets.
- 10.10 Notwithstanding any moratorium period availed by the SLDC, the repayment of loan shall be considered from the first year of operation of the scheme.
- 10.11 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the SLDC:
- Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points.
- 10.12 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.
- 10.13 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by any capital subsidy/grant.
- 10.14 The SLDC shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the users and the net savings shall be shared between the users and the SLDC, as the case may be, in the ratio of 50:50.

Depreciation

- 10.15 Depreciation shall be calculated every year on the amount of original cost of the fixed assets as admitted by the Commission:
- Provided that depreciation shall not be allowed on assets funded by any capital subsidy /grant.

10.16 Depreciation for each year shall be determined based on the methodology as specified in these Regulations along with the rates and other terms specified in these Regulations.

10.17 Depreciation shall be calculated annually based on 'Straight Line Method' and at rates as specified in **Appendix-I** to these Regulations.

Provided that the SLDC shall ensure that once the individual asset is depreciated to the extent of seventy (70) percent of the Book Value of that asset, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset.

10.18 Depreciation shall be charged from the first year of commercial operation of the asset. In case, the operation of the asset is for a part of the year, depreciation shall be charged on a pro-rata basis.

10.19 The residual value of the asset (excluding IT equipment and Software) shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset.

Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;

10.20 Assets fully depreciated shall be shown separately. Value of the assets not in use or declared obsolete shall be taken out from the capital cost for the purpose of calculation of depreciation.

10.21 The balance depreciable value as on the date of transfer shall be worked out by deducting the cumulative depreciation from the gross depreciable value of the assets appearing in the books of accounts of the State Transmission Utility for the SLDC as on the date of transfer.

10.22 In case of de-capitalization of assets, the cumulative depreciation shall be adjusted by taking into account the depreciation recovered through tariff corresponding to the decapitalised asset during its useful services.

Operation and Maintenance Expenses

10.23 Operation and Maintenance (O&M) expenses shall comprise of the following:

- a. Salaries, wages, pension contribution and other employee costs;
- b. Administrative and General costs;
- c. Repairs and maintenance expenses;

10.24 The SLDC shall submit details on O&M expenses as required by the Commission. The O&M expenses for the Base Year shall be approved by the Commission taking into account the audited accounts of FY 2015-16 to FY 2019-20, business plan filed by the SLDC, estimates of the actuals for the Base Year, prudence check and any other factor considered appropriate by the Commission.

10.25 O&M expenses permissible towards ARR for each year of the Control Period shall be determined using the formula detailed below:

$$\mathbf{O\&M_n = (R\&M_n + EMP_n + A\&G_n) + Terminal\ liabilities}$$

Where,

R&M_n – Repair and Maintenance Costs of the Licensee for the nth year;

EMP_n – Employee Costs of the Licensee for the nth year excluding terminal liabilities;

A&G_n – Administrative and General Costs of the Licensee for the nth year.

10.26 The above components shall be computed in the manner specified below:

a) $R\&M_n = K * GFA * (INDX_n / INDX_{n-1})$

Where,

‘K’ is a constant (expressed in %) governing the relationship between R&M costs and Gross Fixed Assets (GFA) and will be calculated based on the % of R&M to GFA of the preceding year of the Base Year after normalising any abnormal expenses;

‘GFA’ is the opening value of the gross fixed asset of the nth year;

b) $EMP_n + A\&G_n = [(EMP_{n-1}) * (1+G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1})$

Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/litigation expenses;

INDX_n – Inflation factor to be used for indexing the employee cost and A&G cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year before the base year;

G_n – is a growth factor for the n^{th} year and it can be greater than or lesser than zero based on the actual performance. Value of G_n shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the SLDC's Filing, benchmarking and any other factor that the Commission feels appropriate;

c) $INDX_n = 0.55 * CPI_n + 0.45 * WPI_n$;

Note 1: For the purpose of estimation, the same $INDX_n / INDX_{n-1}$ value shall be used for all years of the control period. However, the Commission will consider the actual values in the $INDX_n / INDX_{n-1}$ at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period;

Note 2: Any variation due to changes recommended by the Pay Commission, wage revision agreement, etc will be considered separately by the Commission.

Note 3: Terminal Liabilities will be approved as per actual submitted by the SLDC along with documentary evidence such as actuarial studies.

- 10.27 The SLDC, in addition to the above details shall also submit the detailed break-up of the Legal/Litigation Expenses for the previous Years (FY 2015-16 to FY 2019-20) along with the details and documentary evidence of incurring such expenses. The Commission shall approve the legal expenses as per the relevant provisions of the Jharkhand State Litigation Policy based on the necessary documentary evidence submitted for the Control Period and shall carry out due prudence check of legal expenses at the time of truing up.

Interest on Working Capital

- 10.28 The Commission shall determine the Working Capital requirement containing the following components:

- a. Operation and Maintenance expenses for one month;
- b. Receivables equivalent to 45 days of annual fixed cost; and
- c. Less: Interest on amount, if any, held as security deposits from the Users.

- 10.29 Rate of interest on working capital shall be equal to the Bank Rate as on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which truing up exercise has been undertaken.

- 10.30 The interest on working capital shall be payable on normative basis notwithstanding that the SLDC has not taken working capital loan from any outside agency.

Non-Tariff Income

- 10.31 The Commission in its MYT/Tariff Orders shall specify the manner in which non tariff income shall be accounted. The Commission may either deduct the same from the ARR or consider such revenue to fund capitalisation schemes.

Provided that in case the Commission allocates such income towards funding of capex schemes, no cost of capital (i.e., Interest on Loan or RoE) and depreciation shall be allowed to SLDC on Assets funded from such funds.

Provided further that the SLDC shall submit full details of its forecast of Non-Tariff Income to the Commission in such form as may be stipulated by the Commission.

- 10.32 The Non-Tariff Income shall include:

1. Income from rent of land or buildings;
2. Income from sale of scrap;
3. Income from investments;
4. Interest accrued on advances to suppliers/contractors;
5. Interest income on loans / advances to employees;
6. Income from rental of staff quarters;
7. Income by rental from contractors;
8. Income by hire charges from contactors and others;
9. Income by supervision charges, etc.;
10. Supervision charges for capital works;
11. Income from advertisements;
12. Income from sale of tender documents;
13. Income from Registration Fees;
14. Profit from sale of assets, i.e. difference of Sale value & Book value;
15. Any other Non-Tariff Income:

Provided that the interest earned from investments made out of return on equity corresponding to the Scheduling and System Operation Business of the SLDC shall not be included in Non-Tariff Income.

Provided that the onus to substantiate, to the satisfaction of the Commission, that such investments have been out of Return on Equity shall be on the SLDC.

A 11. Levy and Collection of Fees and Charges

- 11.1 The SLDC Fees and Charges shall comprise State Load Despatch Centre Fees to be recoverable by SLDC towards registration for commencement of grid access and scheduling and annual charges to be collected in the form of Annual LDC Charges from users.
- 11.2 The Annual SLDC Charges shall correspond to the expenditure proposed to be incurred by the SLDC and as approved by the Commission. The Annual LDC Charges (ALC) as approved by the Commission shall be recovered on monthly basis.
- 11.3 The Monthly SLDC Charges shall be collected from the users as per the norms given below:

Monthly LDC Charges=Annual LDC Charges/12/ (Total Contracted Capacity)

Where,

Monthly LDC Charges is in Rs./MW/month

Annual LDC Charges is in Rs. (as approved by the Commission)

Total Contracted Capacity is the sum of the Average Transmission Capacity Contracted by the users during the month (in MW).

A 12. Billing

- 12.1 Bills shall be raised for the SLDC Charge on monthly basis by the SLDC in accordance with these Regulations, and payments shall be made by the users directly to the SLDC.
- 12.2 Persistent default in payment of SLDC fees and charges would be brought to the notice of the Commission.
- 12.3 In case the payment of any bill for charges payable under these Regulations is delayed by a User beyond a period of 60 days from the date of billing, a late payment surcharge shall be levied by the SLDC at the Bank Rate as on April 01 of the respective year plus 500 basis points shall be applicable for the first month, and for every month or part thereof delay, the rate of late payment surcharge shall increase by 50 basis points, subject to a maximum of Bank Rate as on April 01 of the respective year plus 700 basis points.
- 12.4 For payment of bills by the Users (Capacity Charge and Energy Charges) within 5 days of presentation of bills by the SLDC, a rebate of 2.00% shall be allowed.

Note: In case of computation of 5 days, the number of days shall be counted consecutively without considering any holiday. However, in case the last day or 5th

day is official holiday, the 5th day for the purpose of Rebate shall be construed as the immediate succeeding working day (as per the official State Government's calendar, where the Office of the Authorized Signatory or Representative of the Beneficiary, for the purpose of receipt or acknowledgement of Bill is situated).

CHAPTER IV:

PROCEDURE FOR FILING OF ARR

A 13. Multi Year Tariff Filing Procedure

- 13.1 The Multi Year Tariff filing shall be in such form and in such manner as may be decided by the Commission and as per the provisions of JSERC (Conduct of Business) Regulations, 2016, as amended or re-enacted from time to time.
- 13.2 The SLDC shall also submit the Multi Year Tariff filing in electronic format to the Commission.
- 13.3 The SLDC shall file the MYT Petition for the Fees and Charges to be applicable for the Control Period in accordance with the MYT framework and the timelines specified in **Section A 26** of these Regulations failing which:
- a) The Commission may issue the MYT order suo-motu;
 - b) The Commission may disallow the return on equity to the SLDC.

Before the Start of the Control Period

- 13.4 The SLDC shall file for the Commission's approval, as per the Timelines specified in **Section A 26**, a Business Plan and MYT Petition in accordance with **Clause 6.2** of these Regulations.

Annual Tariff Filings for the Control Period

- 13.5 The SLDC shall file a Petition for approval of Fees and Charges for each year of the Control Period, as per the timelines specified in **Section A 26** of these Regulations, before the commencement of each year of the Control Period.

A 14. Disposal of Application

- 14.1 The Commission shall process the filings made by the SLDC in accordance with these Regulations and the JSERC (Conduct of Business) Regulations, 2016, as amended from time to time.
- 14.2 Based on the SLDC filings, objections/ suggestions from public and other stakeholders, the Commission may accept the application with such modifications and/or such conditions as may be deemed just and appropriate and issue, within 120 days of the receipt of the application and after considering all suggestions and objections from public and other stakeholders, an Order containing inter alia, true up cost components for the year preceding the Base Year, estimation of parameters for the Base Year and determination of fees and charges for the Control Period. The Order shall also contain the approved Business plan for the Control Period.

A 15. Periodic Reviews

Review during the Control Period

- 15.1 To ensure smooth implementation of the Multi Year Tariff (MYT) framework, the Commission may undertake periodic truing up and annual performance review of SLDC performance during the Control Period, to address any practical issues, concerns or unexpected outcomes that may arise.
- 15.2 The SLDC shall submit information as part of annual performance review. This shall include annual statements of its performance and accounting statements and the fees and charges worked out in accordance with these Regulations.
- 15.3 During the Annual Performance Review, the Commission shall monitor the year wise progress of the actual capital expenditure incurred by the SLDC vis-à-vis the approved capital expenditure. SLDC shall submit the actual capital expenditure and capitalisation incurred along with the Annual Performance Review Filing.
- 15.4 The Commission shall, considering the impact of truing up and annual performance review of previous years, determine the revised ARR and calculate the fees and charges of ensuing year.
- 15.5 The Commission may also specify any modifications to the forecast of the SLDC for the remainder of the Control Period, with detailed reasons for the same.

Review at the end of the Control Period

- 15.6 Towards the end of the Control Period, the Commission shall seek to review whether the implementation of the principles laid down in these Regulations has achieved their intended objectives. While doing this, the Commission shall take into account, among other things, the industry structure, requirement of sector, consumer and other stakeholder expectations and SLDC's requirements at that point in time. Depending on the requirements of the sector to meet the objective of the Act, the Commission may revise the principles for the next Control Period.
- 15.7 The end of the Control Period shall be the beginning of the next Control Period and the SLDC shall follow the same procedure unless specified otherwise by the Commission. The Commission shall analyse the performance of the SLDC and based on the actual performance and other factors prevalent, determine the initial values for the next Control Period.

CHAPTER V:

MISCELLANEOUS PROVISIONS

A 16. Issue of Orders and Practice Directions

- 16.1 Subject to the provisions of the Act and these Regulations, the Commission may, from time to time, issue Orders and Practice Directions in regard to the implementation of these Regulations and procedure to be followed on various matters, which the Commission has been empowered by these Regulations to direct, and matters incidental or ancillary thereto.
- 16.2 Notwithstanding anything contained in these Regulations, the Commission shall have the authority, either suo motu or on a Petition filed by any interested or affected party, to determine the tariff of any Applicant.

A 17. Non-Compliance of Directions

- 17.1 State Load Despatch Centre may give such directions and exercise such supervision and control as may be required for ensuring integrated operation of the power system for achieving maximum economy and efficiency and every Licensee, generating company, sub-station and any other person connected with the operation of the power system shall comply with such directions.
- 17.2 If any Licensee, Generating Company or any other user/person fails to comply with the directions issued, shall be liable to a penalty as per Section 146 of the Electricity Act 2003.

A 18. Dispute Resolution

- 18.1 In case of dispute, any of the parties may make an application in accordance with the JSERC (Conduct of Business) Regulations, 2016, as amended from time to time, including statutory re-enactment thereof, for settlement of the dispute.

A 19. Power to remove difficulties

- 19.1 In case of any difficulty in giving effect to any of the provisions of this Regulation, the Commission may by general or special order, issue appropriate directions to the SLDC, to take suitable action, not being inconsistent with the provisions of the Act, which appear to the Commission to be necessary or expedient for the purpose of removing the difficulty.
- 19.2 The SLDC may make an application before the Commission and seek suitable orders to remove any difficulties that may arise in implementation of these Regulations.

A 20. Power of relaxation

- 20.1 The Commission may in public interest and for reasons to be recorded in writing, relax any of the provision of these Regulations.

A 21. Interpretation

- 21.1 If a question arises relating to the interpretation of any provision of these Regulations, the decision of the Commission shall be final.

A 22. Saving of Inherent Powers of the Commission

- 22.1 Nothing contained in these Regulations shall limit or otherwise affect the inherent powers of the Commission from adopting a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of the matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient to depart from the procedure specified in these Regulations.

A 23. Enquiry and Investigation

- 23.1 All enquiries, investigations and adjudications under these Regulations shall be done by the Commission through the proceedings in accordance with the provisions of the JSERC (Conduct of Business) Regulations, 2016, as amended from time to time.

A 24. Power to amend

- 24.1 The Commission may from time to time add, vary, alter, suspend, modify, amend or repeal any provisions of this Regulation.

A 25. Savings

- 25.1 Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary to meet the ends of justice or to prevent abuse of the process of the Commission.
- 25.2 Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.
- 25.3 Nothing in these Regulations shall, expressly or impliedly, bar the Commission dealing with any matter or exercising any power under the Act for which no

Regulations or Regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner it thinks fit.

(By order of the Commission)

(-----)

Secretary

Jharkhand State Electricity Regulatory Commission

A 26. Summary of Timelines

Sr. No.	Description	Filing of the Document by	Furnishing additional information as sought by the Commission	Disposal of the Application
1.	Business Plan for the Control Period and MYT Petition for the Control Period for FY 2021-22 to FY 2025-26	November 30, 2020	Within 30 days of filing of document	Within 120 days of acceptance of the filing
2.	True-Up for the previous year, Annual Performance Review for the current year and ARR & Fees and Charges Determination for the next year of the Control Period	November 30 of the financial year for which APR has been sought	Within 30 days of filing of document	Within 120 days of acceptance of the filing

Appendix-I: Depreciation Schedule

S. No.	Asset Description	Straight Line Depreciation (%)
	Land	
1.	Land owned under full ownership	0.00
2.	Land Under Lease	
	i. For investment in the land	2.67
	ii. For cost of clearing the site	2.67
	Other Assets	
3.	Building & Civil Engineering Works	
	i. Offices and Residential	2.67
	ii. Temporary erection such as wooden structures	100.00
	iii. Roads other than Kutcha roads	2.67
	iv. Others	2.67
4.	Transformers, kiosk sub-station equipment & other fixed apparatus (including plant foundations)	4.22
5.	Switchgear including cable connections	4.22
6.	Lightning Arrestors	4.22
7.	Batteries	12.77
8.	Underground Cable including joint boxes and disconnected boxes	4.22
9.	Cable duct system	4.22
10.	Overhead lines including cable support systems	4.22
11.	Meters	12.77
12.	Self-Propelled Vehicles	12.77
13.	Air Conditioning Plants	
	i. Static	4.22
	ii. Portable	7.60
14.	Furniture and Furnishing	
	i. Office Furniture and Furnishing	6.33
	ii. Office equipment	6.33
	iii. Internal wiring including fittings and apparatus	6.33
	iv. Streetlight Fittings	6.33
15.	Apparatus let on hire	
	i. Other than Motors	7.60
	ii. Motors	4.22
16.	Communication Equipment	6.33
17.	IT Equipment	15.00

S. No.	Asset Description	Straight Line Depreciation (%)
18.	Software	15.00
19.	Any other assets not covered above	4.22 (or as approved by the Commission considering asset life and residual value)

Appendix-II: Registration Form**(in compliance of Regulation 4.2 of the Regulations)**

1. Name of the entity (in bold letters):

2. Registered office address:

3. User category:

(i) Generating Station

(ii) Seller

(iii) Buyer

(iv) Transmission Licensee

(v) Distribution Licensee

4. User details (as on 31st March of last financial year):

(i). Category – Generating Station

a. Total Installed Capacity:

b. Maximum Contracted Capacity (MW) using Intra State Transmission System:

c. Points of connection to the Intra State Transmission System:

S. No.	Point of Connection	Voltage Level (kV)	Number of Special Energy Meters (Main) installed at this location

(ii). Category- Seller/ Buyer/ Distribution Licensee

a. Maximum Contracted Capacity (MW) using Intra State Transmission System:

b. Points of connection to the Intra State Transmission System:

S. No.	Point of Connection	Voltage Level (kV)	Number of Special Energy Meters (Main) installed at this location

(iii). Category- Transmission Licensee

a. Sub-stations

S. No.	Point of Connection	No. of Transformer	Total Transformation capacity or Design MVA handling capacity if switching station

b. Transmission lines

S. No.	Point of Connection	No. of Transmission Lines	Total (Ckt-kms)

11. Contact person(s) details for meters related to SLDC:

(i) Name:

(ii) Designation:

(iii) Landline Telephone No.:

(iv) Mobile No.:

(v) E-mail address:

(vi) Postal address:

The above information is true to the best of my knowledge and belief.

Signature of Authorised Representative

Place:

Name:

Date:

Designation:

Contact No.: