



# ASSOCIATION OF DVC HT CONSUMERS OF JHARKHAND

## President

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## Joint Secretary

Sri Pramod Agarwal

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9431144078

Giridih

ADHCJ/JSERC/09/2020-21

August 16, 2020

To,  
The Secretary,  
Jharkhand State Electricity Regulatory Commission,  
New Police Line Road,  
Opposite C.M. House,  
Kanke Road, Ranchi  
Jharkhand

**Sub:** Submission of Comments on Suo Moto Case No. 15 of 2020 on behalf of Association of Consumers of DVC

**Ref.:** 1. Public Notice seeking comments from public on Suo Moto Case No. 15 of 2020.

2. Government of India, MoP Letter dated 15.05.2020 and subsequent corrigendum dated 16.05.2020

Dear Sir,

It is submitted that imposition of lockdown post outbreak of COVID-19 has thrown many challenges before Electricity Consumers. Due to lockdown major operations of the Industrial consumers are totally at a standstill making it difficult for the industrial consumers to pay the electricity bills within due date. In view of the same, the Government of Jharkhand has issued directions under Section 108 of the Electricity Act, 2003 to the Hon'ble Commission to provide relief to the industrial category consumers in terms of waiver in fixed/demand charges and moratorium in payment of electricity bills without imposition of DPS.

Subsequently, the Hon'ble Commission has registered Suo moto Case No. 15 of 2020 in order to provide relief and sought comments on the same from various stakeholders. The Damodar Valley Corporation (DVC) has opposed the proposed relief to the industrial category consumers proposed by the Government of Jharkhand.

Office:- Kalyani Apartment, 1<sup>st</sup> floor, Gandhi Chowk, Giridih-815301 (Jharkhand)

Ph: 06532-250073/250821, Fax: 06532-229326

Email ID - jcadvc@gmail.com

For any query contact person:- Rahul Kr. Saha

Mob:- 9204555468

We hereby submit our comments pursuant to the submissions made by DVC in the instant case.

**Comments:**

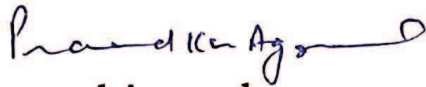
1. It is submitted that considering the pandemic situation across the country and economic slowdown on account of close down of operations of Industrial and commercial activities, industrial consumers are not in position to make payment of their electricity bills. Therefore, relief to all the industrial consumers through moratorium in energy bills and waiver of fixed/demand charges may kindly be provided. Also, delayed payment surcharge should not be levied during the moratorium period.
2. Further, as per MoP letter dated 15.05.2020 (**copy attached as Annexure-1**), it was made public that all Central public sector generation companies under Ministry of Power including their Joint Ventures/subsidiaries and central public sector transmission company had decided to offer rebate to the Distribution companies for passing on to the end consumers for the lock down period on account of COVID-19 pandemic. Following rebates were provided to the DISCOMs by the Central Generating and transmission companies:
  - a. Deferment of Capacity charges for power not scheduled, to be payable without interest after the end of the lockdown period in three equal monthly instalments.
  - b. Rebate of about 20-25% on power supply billed (on fixed charge) to DISCOMs and inter-state transmission charges levied by PGCIL.
3. In view of the above, DISCOMs were eligible for above said reliefs from the Central Public Sector generation companies and PGCIL. Therefore, considering such relief to DISCOMs, financial condition of DISCOMs shall not be affected considerably.
4. DVC is a company which undertakes integrated functions of generation, transmission and retail distribution. Hence, DVC is also obligated to provide such rebates in compliance with MoP letter dated 15.05.2020. Therefore, it is submitted that similar relief for all the DVC consumers in line with MoP letter dated 15.05.2020 ought to be provided by DVC. However, it is surprising that DVC has not informed the Hon'ble Commission of the quantum of financial relief which it will be giving to the consumers in view of MoP letter dated 15.05.2020. The fact that similar reliefs have been provided by NTPC, PGCIL, NHPC, etc. is being evidenced through a letter dated 10.6.2020 which has been written by MoP to Principal Secretary (Energy), Govt. of Uttar Pradesh (**copy attached as Annexure-2**).

5. It is submitted that as per MoP letter dated 15.05.2020, DVC was obligated to provide relief for both generation function and transmission function. Subsequently, the benefit of the same need to be passed on to the end consumers. It is pertinent to mention here that the said relief in terms of MoP letter dated 15.05.2020 is not to be compensated through the ARR and is a relief which has been provided by the Central Government.
6. DVC has submitted that they don't have any objection if the moratorium period is allowed as per the Order issued by Hon'ble WBERC on 06.05.2020. We submit that consumers from the Jharkhand would be governed under the Regulatory framework of the JSERC. Therefore, it is not binding upon the Hon'ble JSERC to follow or implement the directive on the similar line of the directions issued by Hon'ble WBERC w.r.t. the relief to the consumers amid COVID-19.
7. DVC in its submission has stated that the Hon'ble JSERC doesn't have the jurisdiction to grant any relief pursuant to Section 108 directions by Government of Jharkhand. We submit that the economic condition of every class of the society during this lockdown have been affected and in order to overcome this crisis in the larger interest of society such relief is extremely required. Section 108 of Electricity Act 2003 provides that State Commission shall be guided by directions in matters of policy involving public interest as the State Government may give to it in writing. Also it provides that decision of the State Government shall be final. Thus the directions issued by the State Government involving public interest have a guiding force. In view of this, we are of the view that claim of DVC that the Hon'ble Commission doesn't have jurisdiction to grant any relief is not tenable.
8. We are of the view that the proposed reliefs may be granted in the following manner:
  - a. **Moratorium of energy bills without imposition of DPS:** The impact of carrying cost may be computed at the Bank Rate for the moratorium period and allowed in the ensuing year's ARR. Since, there is already a revenue surplus for the past years, the impact of such carrying cost for the moratorium period can be adjusted against the revenue surplus of past years.
  - b. **Rebate in fixed charges:** Firstly, the DVC is anyways required to provide rebate upto 20-25% of the fixed charges towards its generation and transmission business in line with MoP letter dated 15.05.2020. The same is to be borne by DVC and cannot be allowed through the ARR. Balance whatever amount is the shortfall/requirement in terms of providing rebate in fixed charges,

may be claimed by DVC in the ensuing year's ARR or adjusted against the revenue surplus of past years.

We request Hon'ble Commission to consider our above comments/submission while issuing final Order on above said Suo Moto Case.

Thanking You,  
Yours faithfully,  
for **Association of DVC HT Consumers of Jharkhand**



**Pramod Agarwal**

**Joint Secretary**

Ph: 9431144078

Address: Chowk Bazar  
Opp. Circuit House.  
Giridih - 815301  
Jharkhand

Encl.: 1) MoP letter dated 15/05/2020 & 16/05/2020  
2) MoP Letter to Principal Secretary (Energy), Govt. of Uttar Pradesh dated 10/06/2020



**CORRIGENDUM**

**No. 11/16/2020-Th-II (C.No. 252648)  
Government of India  
Ministry of Power  
Shram Shakti Bhawan, Rafi Marg,**

**New Delhi, 16<sup>th</sup> May, 2020**

**To,**

- 1. All Power Generation and Transmission CPSEs under Ministry of Power**
- 2. All Subsidiaries/ Joint Ventures of Power Generation and Transmission CPSEs under Ministry of Power**

**Subject: Rebate to Distribution Companies (DISCOMS) by Central Generating and Transmission Companies of Ministry of Power for the Lock down period on account of Covid-19 pandemic**

Sir/ Madam,

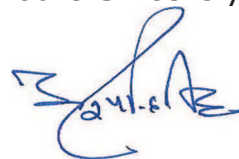
Please refer to the Advisory/ letter of even No. issued on 15.05.2020 (Copy enclosed) on the above subject. The Para 2 ii of the said Advisory/ letter may please be read as follows:

**"Rebate of about 20-25% on power supply billed (fixed cost) to Discoms and inter-state transmission charges levied by PGCIL."**

Enclosures: as above

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Yours Sincerely,



**(Anoop Singh Bisht)**

Under Secretary to the Govt. of India  
PH. 23719710

Copy to :

- 1. Chief Secretaries of all States/UTs.**
- 2. Secretaries of Power of all States/UTs** for kind information and necessary action please.

**No. 11/16/2020-Th-II**  
**Government of India**  
**Ministry of Power**  
**Shram Shakti Bhawan, Rafi Marg,**

**New Delhi, 15<sup>th</sup> May, 2020**

**To,**

- 1. All Power Generation and Transmission CPSEs under Ministry of Power**
- 2. All Subsidiaries/ Joint Ventures of Power Generation and Transmission CPSEs under Ministry of Power**

**Subject: Rebate to Distribution Companies (DISCOMS) by Central Generating and Transmission Companies of Ministry of Power for the Lock down period on account of Covid-19 pandemic**

Sir/ Madam,

This is in the light of the announcements made by Honb'le Finance Minister on 13.05.2020 under the Atmanirbhar Bharat (आत्मनिर्भर भारत) special economic and comprehensive package including therein the liquidity infusion by PFC/REC of Rs.90,000 crore to DISCOMs against receivables and loans to be given against State guarantees for exclusive purpose of discharging liabilities of DISCOMS to power Generating companies (Gencos), and also giving rebate to DISCOMs by Central Public Sector Generation Companies for passing on to the final consumers.

2 In view of the above, it has been decided that all Central Public Sector Generation Companies under Ministry of Power including their Joint Ventures/Subsidiaries and Central Public Sector Transmission Company, may consider to offer following rebate to the Distribution Companies (Discoms) for passing on to the end consumers for the lockdown period on account of Covid-19 pandemic:

- i. Deferment of capacity charges for power not scheduled, to be payable without interest after the end of the lockdown period in three equal monthly instalments.



- ii. Rebate of about 20-25% on power supply billed to Discoms and inter-state transmission charges levied by PGCIL
3. Accordingly, Central Public Sector Generation Companies and PGCIL may kindly consider taking necessary action in this regard, including concurrence of respective Board of Directors required, if any.

This issues with the approval of Hon'ble Minister of State (Independent Charge) for Power and New & Renewable Energy.

Yours Sincerely,



**(Anoop Singh Bisht)**

Under Secretary to the Govt. of India

PH. 23719710

Copy to :

1. **Chief Secretaries of all States/UTs.**
2. **Secretaries of Power of all States/UTs** for kind information and necessary action please.



No.11/16/2020-Th-II  
Government of India  
Ministry of Power  
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Shram Shakti Bhawan, Rafi Marg,  
New Delhi dated the 10th June, 2020

To,

Sh. Arvind Kumr, IAS  
Principal Secretary and CMD UPPCL  
Shakti Bhawan, 14, Ashok Marg,  
Lucknow, Uttar Pradesh  
Ph: 0522-2238122  
Email: cmd@uppcl.org

**Sub: Deferment of Capacity charges/Rebate to Distribution Companies (DISCOMS) by Central Generating and Transmission Companies of Ministry of Power for the lockdown period on account of COVID-19 pandemic.**

Sir,

Reference is invited to our letter of even number dated 16.05.2020 enclosing therein advisory issued on 15.05.2020 on the subject mentioned above wherein it was conveyed that all Central Public Sector Generation Companies under Ministry of Power including their JV/Subsidiaries and Central Public Sector Transmission Company will offer deferment of capacity charges for power not scheduled and rebate to the DISCOMs on power billed (fixed cost) and inter-state transmission charges for passing on to the end consumers for the lockdown period on account of Covid-19 pandemic.

2. The details of rebate as offered by various Central Public Sector Generation & Transmission Companies under Ministry of Power to State of UP as per aforementioned advisory are mentioned here as under:

S. No.	CPSU under Ministry of Power	Rebate by CPSU (amount in crores)
1.	NHPC Limited	34.00
2.	NTPC Limited*	148.80
3.	PGCIL	134.26
4.	THDC Limited	15.84
5.	SJVNL	10.30
Total		343.20



\*Amount by NTPC to UPPCL = 148.8 Crores.

3. In this regard, in continuation of the earlier advisory of Ministry of Power (MoP) dated 16.05.2020, you are hereby requested to furnish a detailed statement alongwith timeline indicating how the State Govt shall be actually passing on the benefits of this special rebate to the end consumers. The information may please be mailed at [anoopsingh.bisht@nic.in](mailto:anoopsingh.bisht@nic.in).

**Encl: As above.**

Yours faithfully,



**(Anoop Singh Bisht)**  
**Under Secretary to the Government of India**  
**Tele: 011-23719710**