

# PRESS RELEASE

## SALIENT FEATURES

### ARR & Tariff related

- The Commission has approved the Retail supply Tariff for the FY 2019-20 as given below and shall be applicable from 01.04.2019:uuc

Category/ Sub-Category	Sub-Category	Approved Tariff (FY 2019-20)	
		Energy Charges (Rs.)	Fixed Charges (Rs.)
Domestic	Rural	5.75/ kWh	20 / Conn./ Month
	Urban	6.25 / kWh	75 / Conn./ Month
	HT	6.00/kVAh	100 / kVA / Month
Commercial	Rural	6.00 / kWh	40 / Conn./ Month
	Urban	6.25 / kWh	150 / Conn./ Month
Streetlight		6.25 / kWh	100 / kW/ Month
Irrigation and Agriculture		5.00 / kWh	20 / HP/ Month
Low Tension Industrial Supply		5.75 / kVAh	100 / kVA / Month
HT Services	High Tension Industrial Supply	5.50 / kVAh	350 / kVA / Month
	High Tension Special Service		
	Railway Traction Services		
	Military Engineering Services		
	Other distribution licensee/ Deemed Licensee		

- The Commission appreciates the fact that the Petitioner has submitted the Petition as per the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015, on time which has enabled the Commission to issue this Order on time.
- The Commission has approved ARR of Rs. 7164.22 Crore against ARR proposed by JBVNL of Rs. 8375.24 Crore for the FY 2019-20. This is 17% higher than the last year's Tariff approved of Rs. 5973.46 Crore.
- The Commission has estimated the net revenue gap till FY 2019-20 at existing tariffs of Rs 692.70 Crore. Revenue gap is on the basis of no subsidy by the State Government.
- The Average Cost of Supply (ACoS) of JBVNL for FY 2019-20 has been approved as Rs 6.32/kWh vis-a-vis Rs. 5.98/kWh approved for FY 2018-19. Presently, cost recovery is 90% with JBVNL losing Rs 0.63 on every unit of energy sold.
- 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. All Consumers except Agricultural consumers are now within +/- 10%. Cross Subsidy to Agricultural Consumers stands at 19.52%.

7. Tariff have been rationalised with an objective to bring all the consumers close to Average Cost of Supply (ACoS).
8. The Commission has approved tariff hike mostly in energy charges while fixed /demand charges have been rationalised to meet the revenue gap for the FY 2019-20. The tariff has been fixed without considering Government subsidy. If the State Government provides subsidy directly to any consumer category through their energy bills, the effective Tariff would be less.

### **Changes in Tariff Structure**

9. The Commission has further simplified Tariff Structure. Domestic Consumers (except Domestic HT) and all other consumers except streetlight and Agricultural and allied services having contracted load upto 5 kW are now merged into Domestic category. Tariff for Domestic-HT category has been approved separately.
10. HT- Services Category has been created subsuming all the consumers connected at HT Voltage.
11. LTIS, Commercial, Agriculture (IAS) and Streetlight consumers have been retained as approved in the previous Order.
12. The Commission has approved kVAh based billing for LTIS & HT-DS categories to ensure grid discipline and stability.
13. As all consumers upto 5kW contracted demand are considered as Domestic consumers. Hence, installation based tariff has not been provided for LTIS consumers.
14. The Commission has rationalised the fixed charges, voltage rebates, prompt payment rebate, load factor rebate, taking into consideration the Average Cost of Supply.
15. The Commission has linked the Fixed Charges with no. of hours of supply available for all consumers. The Fixed Charges shall be reduced proportionately when the hours of supply go below an average of 20 hours a day computed on quarterly basis. JBVNL has been directed to publish on its website System Average Interruption Duration Index (SAIDI) every quarter. SAIDI indicates the average hours of supply available to the consumers.
16. The Commission has done away with the power factor rebate/penalty as major bulk of the consumption has moved to kVAh based metering.
17. The Commission has also simplified and rationalised the Miscellaneous Charges to reflect the current labour market trends and for easy understanding of consumers.
18. To promote online and timely payment, 0.5% of rebate would be provided for consumers who pay online in a timely manner. The minimum time for payment of bills has been enhanced from 15 days to 21 days for LT Domestic, Commercial and Agriculture Categories.

## **Consumer Benefits**

19. Considering the special needs for the Rural Consumers, the Commission has retained the Rural Category in Domestic and Commercial connections and has proposed lesser Tariffs as compared to its Urban counterparts.
20. The Commission has considered all consumers upto 5 kW contracted load as domestic consumers except Agriculture (IAS) and Streetlight loads. This will enable consumers doing small commercial/ household Industrial activities avail the benefit of domestic category tariffs. Need for two connections, one for household and another for business, would also not be necessary for such consumers. This facility would also be available to such Charitable Institutions for usage of electricity for product/services provided free of charges.
21. There has been no increase in Tariff for Agricultural and Allied Consumers.
22. The Commission has rationalised and simplified Tariffs to reflect the Average Cost of Supply (ACoS) and to reduce the cross-subsidy on HT/Commercial consumers.
23. The Fixed Charge recovery is linked to the average no. of hours of supply as recorded in the previous quarter. This will also emphasise the necessity for 24x7 power for all consumers. The mechanism shall be effective from second quarter of FY 2019-20.
24. The Commission has rationalised the Miscellaneous Charges to make it easily understandable by the consumers and incentivise the Petitioner to perform the works.
25. To encourage and promote rooftop solar, the Commission has provided a very lucrative tariff for rooftop solar PV projects for Gross Metering at Rs. 4.16/kWh and Net Metering at Rs. 3.80/kWh.

## **Key Directives**

26. The Commission has directed JBVNL to convert all unmetered connections to metered category by June 2019.
27. The Commission has directed the Petitioner to form a dedicated power purchase cell for optimization of power purchase cost which forms 80% of the cost of the Petitioner.
28. The Commission has directed the Petitioner to continuously update its data bases and submit the monthly compliance report to the Commission. The Petitioner has been required to submit data related to total amount of consumer security received by the Petitioner, interest payable on consumer security deposit and actual amount paid till date on quarterly basis to Commission.
29. 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.
30. The Commission has directed the Petitioner to continue submitting monthly and Quarterly report on Reliability Indices in MS-Excel format along with compliances of SoPs in true spirit in course of achieving 24x7 quality & reliable power.

31. The Commission has directed the Petitioner to conduct division-wise Energy Audit & prepare circle-wise T&D Reduction Plan
32. 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 3 months from the date of issuance of the order.
33. The Commission has directed the Petitioner to strengthen and increase effectiveness of its consumer grievance handling mechanism and submit a report to the Commission along with the next Tariff Order indicating- total number of complaints received, nature of complaint, complaints resolved, average resolution time, complaints pending etc in addition to the periodic SoP compliance.
34. The Commission has directed the Petitioner to submit the implementation and completion report of Enterprise Resource Planning (ERP) Implementation and further to submit the quarterly status report of implementation of Integrated Technology Roadmap - IT/OT Feasibility.
35. The Commission has directed the Petitioner to submit the rolling quarterly forecast of the quantum of short term power to be purchased in FY 2019-20.
36. The Commission has directed the Petitioner to optimise its power purchase cost. It also needs to get all its PPAs approved by the Commission.
37. The Commission has directed the Petitioner to expedite the conversion of State Government loan into grant/ equity as per the agreed UDAY MoU.
38. The Commission has directed the Petitioner to develop web based application where anyone can upload a picture/provide information about power theft. The Petitioner has also been directed to develop a suitable scheme for rewarding the people who provide credible/actionable information of power theft.
39. The Commission has directed the Petitioner to improve the Consumer Awareness Programme to enable the consumers to understand the Tariff Order as well as the Tariff Schedule for an improved understanding of the Electricity Tariffs applicable.
40. The Commission has directed the Petitioner to move towards prepaid meters to improve the collection efficiency.
41. The Commission has directed the Petitioner to follow the safety manual to reduce accidents and also to follow the continuous routine maintenance schedule for improved services to the consumers.

## JBVNL RETAIL TARIFFS FOR FY 2019-20

(APPLICABLE FROM 1<sup>st</sup> April 2019)

**NOTE: THESE TARIFFS ARE WITHOUT GOVERNMENT SUBSIDY. THE STATE GOVERNMENT SHALL PROVIDE SUBSIDY DIRECTLY TO PARTICULAR CONSUMER CATEGORIES THROUGH THEIR ENERGY BILLS.**

Category/ Sub-Category	Sub-Category	Existing Tariff in Rs. (FY 2018-19)		Proposed Tariff in Rs. (FY 2019-20)		Approved Tariff in Rs. (FY 2019-20)	
		Energy Charges	Fixed Charges	Energy Charges	Fixed Charges	Energy Charges	Fixed Charges
Domestic	Kutir Jyoti (Metered)	4.40 / kWh	20 / Conn./ Month	6.00 / kWh	75 / Conn./ Month	5.75/ kWh	20 / Conn./ Month
	Rural (Metered)	4.75 / kWh	35 / Conn./ Month				
	Rural (Unmetered)	-	250 / Conn./ Month			-	-
	Urban	5.50 / kWh	75 / Conn./ Month	6.25 / kWh	75 / Conn./ Month		
	HT	5.25 / kWh	200 / kVA / Month	6.00 / kWh	200 / kVA / Month	6.00 / kVAh	100 / kVA / Month
Commercial	Rural (Metered)	5.25 / kWh	60 / Conn./ Month	7.00 / kWh	225 / Conn./ Month	6.00 / kWh	40 / Conn./ Month
	Rural (Unmetered)	-	300 / kW / Month			-	-
	Urban	6.00 / kWh	225 / Conn./ Month			6.25 / kWh	150 / Conn./ Month
Irrigation and Agriculture	Metered	5.00 / kWh	20 / HP/ Month	5.00 / kWh	20 / HP / Month	5.00 / kWh	20 / HP/ Month
	Unmetered	-	400 / HP/ Month			-	-
Industrial	Low Tension Industrial Supply	5.50 / kWh	160 / kVA / Month	6.00 / kVAh	300 / kVA / Month	5.75 / kVAh	100 / kVA / Month
	High Tension Industrial Supply	5.75 / kVAh	300 / kVA / Month	6.00 / kVAh	400 / kVA / Month	5.50 / kVAh	350 / kVA / Month

Category/ Sub-Category	Sub-Category	Existing Tariff in Rs. (FY 2018-19)		Proposed Tariff in Rs. (FY 2019-20)		Approved Tariff in Rs. (FY 2019-20)	
		Energy Charges	Fixed Charges	Energy Charges	Fixed Charges	Energy Charges	Fixed Charges
	High Tension Special Service	4.00 / kVAh	500 / kVA / Month	6.00 / kVAh	400 / kVA / Month		
Institutional	Streetlight Service (Metered)	6.00 / kWh	100 / Conn./ Month	6.50 / kWh	100 / kW / Month	6.25 / kWh	100 / kW/ Month
	Streetlight Service (Unmetered)	-	500 / 100 W / Month			-	-
	Railway Traction Services	4.60 / kVAh	350 / kVA / Month	5.00 / kVAh	350 / kVA / Month	5.50 / kVAh	350 / kVA / Month
	Military Engineering Services	4.60 / kVAh	350 / kVA / Month	5.00 / kVAh	350 / kVA / Month		
	Other distribution licensee/ Deemed Licensee	4.60 / kVAh	350 / kVA / Month	4.70 / kVAh	350 / kVA / Month		