

Jharkhand State Electricity Regulatory Commission

**Tariff Order
on
Annual Revenue Requirement
for
Financial Years 2007-08, 2008-09, 2009-10 & 2010-11
and
Determination of Distribution Tariff
for
Financial Year 2010-11
for
Tata Steel Limited
(TSL)**

Ranchi

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List of Abbreviations

Abbreviation	Description
A&G	Administrative and General
ARR	Annual Revenue Requirement
CWIP	Capital Work in Progress
DPS	Delayed Payment Surcharge
DS	Domestic Service
DS HT	Domestic Service High Tension
DVC	Damodar Valley Corporation
FAS	Financial Accounting System
FOR	Forum of Regulators
FY	Financial Year
GFA	Gross Fixed Assets
GoI	Government of India
HT	High Tension
JSERC	Jharkhand State Electricity Regulatory Commission
JUSCO	Jamshedpur Utilities and Services Company Limited
LT	Low Tension
kV	Kilovolt
kVA	Kilovolt-ampere
kW	Kilowatt
kWh	Kilowatt-hour
MMC	Monthly Minimum Charges
MU	Million Units
NTI	Non Tariff Income
O&M	Operations and Maintenance
PLF	Plant Load Factor
PLR	Prime Lending Rate
PPA	Power Purchase Agreement
PSD	Power Service Division
R&M	Repair and Maintenance
RoE	Return on Equity
Rs	Rupees
SAP	System, Application and Production
SBI	State Bank of India
TPCL	Tata Power Company Limited
TPTCL	Tata Power Trading Company Limited
SLM	Straight Line Method
TSL	Tata Steel Limited

A1: INTRODUCTION

Jharkhand State Electricity Regulatory Commission (JSERC)

- 1.1 The Jharkhand State Electricity Regulatory Commission (herein after referred to as the “JSERC” or “the Commission”) was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commission Act, 1998 on August 22, 2002. The Commission became operational w.e.f. April 24, 2003. The Electricity Act, 2003 (hereinafter referred to as “the Act” or “EA, 2003”) came into force w.e.f. June 10, 2003; and the Commission is now deemed to have been constituted and functioning under the provisions of the Act.
- 1.2 The Government of Jharkhand vide its notification dated 22.08.2002 defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commission Act, 1998 to be the following, namely:-
 - (a) to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case may be, in the manner provided in section 29;
 - (b) to determine the tariff payable for the use of the transmission facilities in the manner provided in Section 29;
 - (c) to regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply in the State;
 - (d) to promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.
- 1.3 With the Electricity Act, 2003 being brought into force, the earlier Electricity Regulatory Commission Act of 1998 stands repealed and the functions of JSERC are now defined as per Section 86 of the Act.
- 1.4 In accordance with the Act, the JSERC discharges the following functions: -
 - (a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State;

Provided that where open access has been permitted to a category of consumers under Section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;

- (b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
- (c) facilitate intra-state transmission and wheeling of electricity;
- (d) issue licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- (f) adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
- (g) levy fee for the purposes of this Act;
- (h) specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;
- (i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
- (j) fix the trading margin in the intra-state trading of electricity, if considered, necessary;
- (k) discharge such other functions as may be assigned to it under this Act.

1.5 The Commission advises the State Government on all or any of the following matters, namely :-

- (a) promotion of competition, efficiency and economy in activities of the electricity industry;
- (b) promotion of investment in electricity industry;
- (c) reorganisation and restructuring of electricity industry in the State;
- (d) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.

- 1.6 The State Commission ensures transparency while exercising its powers and discharging its functions.
- 1.7 In discharge of its functions, the State Commission is guided by the National Tariff Policy as brought out by GoI in compliance to Section 3 of the Act. The objectives of the National Tariff Policy are to:
- (a) ensure availability of electricity to consumers at reasonable and competitive rates;
 - (b) ensure financial viability of the sector and attract investments;
 - (c) promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
 - (d) promote competition, efficiency in operations and improvement in quality of supply.

Tata Steel Limited (TSL)

- 1.8 Tata Steel Limited (hereinafter referred to as 'TSL' or the 'Petitioner'), formerly known as Tata Iron and Steel Company Limited (TISCO), is a company incorporated under the provisions of the Companies Act, 1956. It is distributing electricity in Jamshedpur under the license granted u/s 14 of the Electricity Act 2003.
- 1.9 The Petitioner has been distributing electricity in Jamshedpur township since 1923 through a sanction/license granted under section 28(1) of the erstwhile Indian Electricity Act, 1910. Post enactment of the EA, 2003, the Petitioner filed an application for a distribution license for Jamshedpur township on December 24, 2003 u/s 15 of the Act. In the absence of the final regulations and in view of the provisions of Section 14, proviso one and Section 172(b) of the Act, JSERC vide order dated March 24, 2004 permitted Tata Steel to continue operating under the provisions of the repealed Act till the time regulations regarding the same were notified by the Commission.
- 1.10 After notification of the JSERC (Terms and Conditions for Distribution Tariff) Regulation, 2004, action for issue of license for Jamshedpur town was initiated and subsequently the license was issued to Tata Steel Limited (TSL) on January 12, 2006 w.e.f. March 24, 2004.
- 1.11 The area of the Petitioner is bounded as under:
- (a) **North:** River Subarnarekha
 - (b) **South:** Tracks of South Eastern Railways
 - (c) **East:** Eastern boundaries of Mouza Jojobera and Nildhand.
 - (d) **West:** River Kharkai

Scope of Present Order

- 1.12 This Order relates to the ARR and Tariff Petition filed by the Petitioner before the Commission for approval of the ARR for FY 2007-08, FY 2008-09, FY 2009-10 and FY 2010-11 and determination of distribution tariff for FY 2010-11. The Order is in accordance with Sections 61, 62 and 64 of the Act and provisions of the JSERC (Terms and Conditions for Distribution Tariff) Regulation, 2004 (hereinafter referred to as 'Distribution Tariff Regulations, 2004')
- 1.13 While determining tariff for the Petitioner for FY 2010-11, the Commission has taken into consideration the following:
- (a) Provisions of Section 86 of the Act;
 - (b) Provisions of the National Electricity Policy;
 - (c) Provisions of the National Tariff Policy; and
 - (d) Principles laid down in the 'Distribution Tariff Regulations, 2004'

A2: PROCEDURAL HISTORY

Background

- 2.1 As per the 'Distribution Tariff Regulations, 2004', the distribution licensees need to file a tariff application with statements containing the expected revenue from the tariff charges including miscellaneous income and other charges, if any, for the ensuing financial year by 1st November every year.
- 2.2 The Commission had issued its last Tariff Order for the Petitioner in January, 2010, approving the ARR for FY 2007-08, FY 2008-09 and FY 2009-10. The Commission had decided to not increase the tariff applicable in the licensed area for FY 2009-10 as the Petitioner was projected to have a net surplus up till FY 2009-10. Also, since the effective time period remaining for implementing the new tariff structure was less, Commission had decided to not make any reduction in tariffs and to carry forward the revenue surplus to the next tariff year.
- 2.3 The Petitioner has filed the present tariff petition in May 2010 for approval of Annual Revenue Requirement for FY 2007-08, FY 2008-09, FY 2009-10 and FY 2010-11 and determination of distribution tariff for FY 2010-11.
- 2.4 While the true-up of FY 2007-08 was conducted by the Commission in the previous Tariff Order of FY 2009-10, the Petitioner has requested the Commission to revise the figures for certain components on the basis of audited accounts and the actual data made available by the Petitioner.
- 2.5 The Commission has decided to review only those components for which the Petitioner has asked revision and accordingly conduct the second true up for FY 2007-08.
- 2.6 This Tariff Order addresses the petition filed by the Petitioner before the Commission for approval of its ARR for FY 2007-08, FY 2008-09, FY 2009-10 and FY 2010-11 and determination of tariff for FY 2010-11 for the licensed area of the Petitioner.

Information Gaps in the Petition

- 2.7 During the course of exercise for ARR and tariff determination, several deficiencies were observed in the tariff petition submitted by the Petitioner. These information gaps were communicated to the Petitioner vide letter no. JSERC/12/2010/TSL/331 dated August 24, 2010.
- 2.8 The Petitioner submitted the additional information/data via email on August 28, 2010 in response to the aforementioned deficiencies and additional data requirements.
- 2.9 The Commission's representatives also visited Jamshedpur to validate the data and observe the functioning of the distribution system.

- 2.10 The Commission observed further discrepancies in the additional information submitted by the Petitioner and sought further information from the Petitioner. The Petitioner finally submitted the information after rectifying the various discrepancies on October 14, 2010.

Inviting Public Response

- 2.11 After the initial scrutiny of ARR Petition filed by the Petitioner, the Commission directed the Petitioner to issue public notice for inviting comments/suggestions from public and to make available copies of the ARR and tariff petition to the general public. The public notice was subsequently issued by the Petitioner in various newspapers, as detailed hereunder:

Table 1: List of newspapers and dates on which the public notice appeared

Newspaper	Date
Hindustan	04.08.2010 & 05.08.2010
Dainik Jagran	04.08.2010 & 05.08.2010
The Hindustan times	04.08.2010 & 05.08.2010
The Telegraph	04.08.2010 & 05.08.2010

- 2.12 A period of twenty-one (21) days was provided for submitting the comments/suggestions. The Commission subsequently issued advertisement on its website www.jserc.org and various newspapers for conducting the public hearing on the ARR and Tariff filing by the Petitioner for FY 2010-11. The newspapers in which the advertisement for public hearing was issued by the Commission are detailed hereunder:

Table 2: List of newspapers and dates in which the public notice by JSERC appeared

Newspaper	Date
AAJ	07.09.2010
Hindustan	07.09.2010
Prabhat Khabar	07.09.2010
Ranchi Express	07.09.2010
Dainik Jagran	07.09.2010
Uditvani	07.09.2010
The Hindustan Times	07.09.2010
The Pioneer	07.09.2010
Quami Tanzeem (Urdu Daily)	07.09.2010
Farooqui Tanzeem (Urdu Daily)	07.09.2010

Submission of objections, conduct of public hearing and another opportunity to Petitioner

- 2.15 The public hearing was held on 12th September, 2010 at Nirmal Bhawan, Jamshedpur and many respondents gave their comments and suggestions on the ARR filing by the Petitioner. The comments/suggestions of the public as well as the Petitioner's response to them are detailed in the section dealing with the public consultation process.
- 2.16 After the Public hearing, the Petitioner requested for a meeting with the Commission to clarify its position on certain data gaps that had been pointed out by the Commission earlier. Even though the Petitioner had already been allowed to submit its position during the public hearing, the Commission provided the Petitioner another opportunity to discuss various issues pertaining to the ARR & Tariff petition submitted by the Petitioner.
- 2.17 The following issues were discussed in detail with the Petitioner on the 20th October, 2010 in the office of the Commission:
- (a) *Segregation of O&M costs into Employee Costs, R&M Expenses and A&G Expenses:* The Petitioner stated that it has outsourced the maintenance of its operations to JUSCO and the payment for the same was made in total and not for specific activities. It also stated that for activities that were not outsourced, it apportions cost of certain divisions of TSL between the Steel Works and the power distribution business and it was difficult for it to classify such expenditure as per the required formats. The Petitioner, however, accepted the need for segregation of accounts into employee cost, R&M expenses and A&G expenses. It also agreed to submit the O&M expenses under separate heads as per the formats prescribed by the Commission, in the next tariff petition. The Petitioner also agreed to provide a list of all employees, partially or wholly, involved with the distribution business with the next tariff petition.
 - (b) *Recalculation of Depreciation as per Distribution Regulations, 2004:* The Petitioner expressed willingness to undertake recalculation of depreciation as per the rates given in the relevant regulations. It has proposed to get expert opinion on the subject and has agreed to compute the depreciation as per the rates prescribed in the relevant regulations from the next tariff petition.
 - (c) *Treatment of Steel Works as a consumer:* The Petitioner agreed that it had, vide letter number PBD/461/59/05 dated 6th September 2005, acceded that the Steel Works of the Petitioner should be treated as a consumer. It also accepted that Steel Works may be treated as an HT consumer of the plant but requested that no demand charge should be applied on the Steel Works as it was difficult, for the time being, to record the actual maximum demand of the Steel Works.

- (d) *Allowing Surcharge on Electricity Duty as an expense in the ARR:* The Petitioner requested the Commission to allow surcharge on electricity duty as it was a cost to the utility. It also stated that it taken legal opinion on the matter and confirmed that this expense could indeed be recovered from the consumer in ARR. It promised to provide documentary evidence confirming the payment of the said duty for verification by the Commission.

- (e) *Separation of line losses on sales to HT and LT consumers:* The Petitioner agreed to provide details of distribution loss separately for power supplied to JUSCO, Steel Works and other HT and LT consumers. It may be noted that this information was not received by the Commission till the time of finalisation of this Tariff Order.

A3: SUMMARY OF ARR & TARIFF PETITION

Overview

- 3.1 Tata Steel Limited (TSL) is an integrated steel manufacturing company which is also managing the electricity distribution system in its licensed area, through its wholly owned subsidiary- Jamshedpur Utilities and Service Company Limited (JUSCO), which was earlier a division of Tata Steel Limited. The Petitioner has outsourced the maintenance of power distribution services to Power Service Division (PSD) of JUSCO. The Petitioner has submitted that the majority of the operation and maintenance activities related to the power distribution are carried out by PSD and the costs of these activities are charged by JUSCO to the Petitioner.
- 3.2 The present petition for FY 2010-11 contains:
- True-up of ARR for FY 2007-08 and FY 2008-09 based upon the audited accounts;
 - Review of components of ARR for FY 2009-10 based on the provisional figures in the books of TSL and;
 - Determination of tariff for FY 2010-11 as per the Electricity Act, 2003 and as per the provisions of the Distribution Regulations, 2004 issued by the Commission.
- 3.3 As stated earlier, the Petitioner has requested the Commission to revisit certain figures for FY 2007-08 and FY 2008-09 based on the audited accounts and other actual information for the respective years.

ARR and Tariff Determination

- 3.4 The summary of ARR as submitted by the Petitioner is detailed hereunder:

Table 3: ARR Requirement for FY 2007-08, FY 2008-09, FY 2009-10 & FY 2010-11(Rs Cr)

Parameters	FY 2007-08 (Actual)	FY 2008-09 (Actual)	FY 2009-10 (Provisional)	FY 2010-11 (Projected)
Power Purchase Cost	319.60	396.72	509.72	584.22
O&M Cost	31.77	39.33	39.17	43.08
Interest & Finance Charges	3.77	5.78	6.92	9.36
Depreciation	4.60	4.63	4.70	4.80
Provision for Bad debts	-	-	1.55	2.97
Income Tax	3.39	4.13	4.71	5.99
Total Costs	363.13	450.58	566.76	650.43
Add: Reasonable Return	4.21	4.34	4.75	6.00
Less: Non-tariff Income	5.87	3.16	5.72	5.72

Annual Revenue Requirement	361.47	451.76	565.79	650.71
Revenue@ Existing Tariff	380.12	444.01	522.97	580.03*
Revenue (gap)/ Surplus	18.65	(7.75)	(42.82)	(70.68)*

*As per the additional information submitted by the Petitioner

- 3.5 In its tariff petition for FY 2010-11, the Petitioner has submitted that there has not been any change in the Tariff for last four years and it feels that the entire gap proposed should be recovered in FY 2010-11. Accordingly, the Petitioner has requested for an increase in the tariff of FY 2010-11. The proposed tariff schedule is given in Table 4 below

Table 4: Tariff proposed by the Petitioner for FY 2010-11

Consumer category and consumption slabs	Fixed Charge/Demand Charge		Energy Charge (Rs/kwh)	
	<i>Existing</i>	<i>Proposed</i>	<i>Existing</i>	<i>Proposed</i>
DS (0-100 Units)	Rs 10/month (220 V, upto 5 kW),	Rs 40/month (upto 20 kW)	1.70	1.70
DS (101-400 Units)	Rs 20/month (440V, above 5 kW)	Rs 4/ kW/month (above 20 kW)	2.80	3.15
DS (Above 400 Units)			3.00	3.40
Domestic Temporary Supply	-		3.00	3.40
Domestic High Tension – DSHT	Rs 275/ consumer/month	Rs 100/kVA/ Month	2.70	2.70
Commercial Category	Rs 25/conn/ month (220 V, upto 5 kW) / Rs 75 /conn/month (440V, above 5 kW)	Rs 100/ month (upto 20kW) Rs 100 plus Rs 100/kW/month on incremental load	4.30	4.50
High Tension I	Rs 200/kVA/ month	Rs 215/ kVA /month	3.30	3.65
High Tension II	Rs 200/kVA/ month	Rs 215/ kVA /month	3.25	3.60
High Tension III	Rs 180/kVA/ month	Rs 195/ kVA /month	3.20	3.55
Utilities/Street Light	Rs 20/ month		2.90	2.95
Temporary supply	Rs 30/ month	Rs 90/month	5.00	5.00
Sale to JUSCO*	-	-	2.91*	3.16*

*The existing and proposed rates for the power sold to other licensee is based on the weighted average power purchase rate of TSL

A4: PUBLIC CONSULTATION PROCESS

Submission of comments/suggestions and conduct of public hearing

- 4.1 The tariff petition evoked response from some consumers. A public hearing was held on 12th September, 2010 in Jamshedpur to ensure the maximum public participation wherein the Petitioner presented a summary of the Petition filed by it to the Commission as well as the public.
- 4.2 The members of the public also put forth their comments and suggestions before the Commission in the presence of the Petitioner. Fifty-three members of the public took part in the public hearing process. The list of the attendees is attached in Annexure-I.
- 4.3 Further, there were three persons who filed written suggestions/comments on the Tariff petition filed by the Petitioner, listed hereunder:

Table 5 : List of persons who filed written suggestions/comments during Public Hearing

S. No.	Objector/Organization	Represented by
1	National Metallurgical Laboratory	Mr K.K Paul
2	B.S Tower Flat Owner's Welfare Association	Mr B.N Ghosh
3	Mr Rajesh Kumar	Self

- 4.4 During the course of public hearing, the Commission also allowed persons/representatives of entities, who had not submitted prior written representations but attended the public hearing, to express their views regarding the ARR and tariff petition filed by the Petitioner for FY 2010-11.
- 4.5 The issues raised by the participants along with the reply of the Petitioner and views of the Commission thereon are discussed in this chapter.

Re-Categorization of NML as a DS HT Consumer

Public Comments/Suggestions

- 4.6 National Metallurgical Laboratory (NML) is a non-profit government research and development organisation. It is at present being treated as an HT Consumer of the Petitioner but has now requested that it be considered as an 'HT Domestic Consumer'.
- 4.7 It has also pointed out that the Petitioner has proposed to change the fixed charges levied on HT Domestic Consumers from Rs 275 per connection per month to Rs 100 per kVA per month which will greatly increase the cost burden of these consumers.

Petitioner's Response

- 4.8 The Petitioner has stated that with regards to the categorization of the consumer, the Commission may decide considering the various provisions of the EA 2003.
- 4.9 Further, it has submitted that the change in the fixed charge has been proposed considering the nature of the category, connected load and load factor.

Views of the Commission

- 4.10 The Commission shall separately take up this issue with the consumer and the Petitioner.
- 4.11 The Commission has set forth its views on the issue of tariff revision/rationalization in Section 9 of this Tariff Order.

Change in the Tariff Rates of Domestic Category (0-100 units slab)

Public Comments/Suggestions

- 4.12 The objector stated that though the quality of power supply is good and there has been no change in the tariff for last five years, the rates for 0-100 units/month slab should not be increased.

Petitioner's Response

- 4.13 The Petitioner submitted that it has suggested a marginal hike in the tariff on the overall basis, the energy charges for 0-100 units slab have been retained at existing levels but a nominal hike has been suggested in the fixed charges keeping in view recovery of fixed charges such as power purchase fixed component, O&M etc.

Views of the Commission

- 4.14 The Commission has set forth its views on the issue of tariff revision/rationalization in Section 9 of this Tariff Order.

High Disconnection and Reconnection Charges

Public Comments/Suggestions

- 4.15 The consumer has raised concern over the high disconnection and reconnection charges being recovered by distribution licensee for re-connection of service.

Petitioner's Response

- 4.16 The Petitioner has stated that the disconnection and reconnection charges are being recovered as per the rate approved by the Commission.

Views of the Commission

- 4.17 The Commission agrees with the objection raised by the consumer that the disconnection/re-connection charges are very high in the licensed area.
- 4.18 The Commission has therefore decided to review the connection/re-connection charges, along with other miscellaneous charges, being recovered from the consumer. The Commission has further detailed its views in Section 9 of this Tariff Order. Fixed Charges (Minimum Rate)

Public Comments/Suggestions

- 4.19 The quality of service provided by the Petitioner is good but the minimum rate should not be increased.

Petitioner's Response

- 4.20 The Petitioner has submitted that the minimum/fixed charges are required to compensate for the increase in fixed cost of the distribution licensee. It feels that it is a good practice to ensure recovery of variable cost of power purchase and other expenses from energy charges and recovery of fixed costs from fixed charges.

Views of the Commission

- 4.21 The Commission has set forth its views on the issue of tariff revision/rationalization in Section 9 of this Tariff Order.

Other Comments

Public Comments/Suggestions

- 4.22 The following are the relevant comments/ suggestions of the public
- a) Power connection to 'Bastis' in JUSCO area should be connected to Tata Steel's area;
 - b) Meters should be installed out of consumer premises and signature should be taken after meter reading is taken;
 - c) Cash collection centres should be increased;
 - d) The licensee must take strict actions against theft;
 - e) The tariff rates should be reduced for street lights, temples and also for old aged widows;
 - f) The consumer wanted to know the criterion for release of residential connections and the basis of consumer growth;

- g) The Commission should align the installation charges for the licensee in line with that of JSEB;
- h) The Licensee should take prior permission from the Commission for short term power purchase.

Petitioner's Response

4.23 The Petitioner has offered the following responses on the above comments/suggestions:

- a) The Petitioner has submitted that within Jamshedpur, JUSCO does not have license for distribution of electricity and it is managing distribution on behalf of the licensee. It appears to be a misunderstanding on the roles of JUSCO.
- b) The Petitioner has stated that the installation of meters outside the premises is a welcome move. However the same will involve minor costs as per prevailing regulations/ orders which will have to be paid by consumers to Tata Steel. Hence a consensus will have to be taken from all consumers and accordingly after prior approval from Commission the same can be done;
- c) The Petitioner has submitted that installation of more cash collection machines will mean more risks for handling such huge volume of cash. However, it will try to tie-up with some banks for collection of cash for electricity bills;
- d) The Petitioner has submitted that the actions are being taken against thefts informed to them. However, the consumers will have to be pro-active and start using metered consumption and also inform the licensee about such thefts/ unauthorized connections in the licensed area.
- e) The Petitioner has submitted that the tariff is proposed in line with the National Tariff Policy. As per National Tariff Policy, the subsidy is granted by the State Government to any consumer or class of consumers. Therefore any subsidy given to any class of consumers will have to be granted by the State Government;
- f) The Petitioner has submitted that the methodology and assumptions used for increase in sales and number of consumers has been detailed out in the Petition from Section 5.2 to 5.4;
- g) The Petitioner has submitted that the installation charges differ from JSEB as it is charged on actual basis and also due to the usage of standard materials while installation;
- h) The Petitioner has submitted that the requirement of short term power purchase is only when there are forced or planned outages and also stated the quantum of requirement is miniscule. The Petitioner further submitted that in case of forced outages which are normally for 4-5 days, the procedure for taking prior approval from Commission itself takes minimum 3-4 days therefore, it has been taking post-facto approval from Commission for such purchases.

Views of the Commission

4.24 The views of the Commission on the above comments/suggestions are detailed hereunder:

- a) The 'Bastis' in the JUSCO area are not covered in the licensed area of the Petitioner and hence power to them cannot be supplied by the Petitioner.
- b) The Commission directs the Petitioner to prepare a scheme for installation of meters outside consumer premises. The Commission shall review and take decision on the implementation after hearing from other stakeholders including the consumers.
- c) The Petitioner must make all efforts to make the process of bill payment more consumer friendly. It should increase the avenues and facilities for bill payment through tie up with some banks for collection of cash, electronic payment, bill payment at ATMs etc.
- d) The Commission believes that Petitioner must make all efforts to reduce the distribution losses in the system, including the losses incurred due to theft of power. The Petitioner can undertake anti-theft enforcement drives, revamping the new connection energization procedure for speedy execution, voluntary disclosure schemes, and consumer education drives to eliminate the theft of power in the licensed area.
- e) The Commission agrees with the reply given by the Petitioner.
- f) The basis for consumer growth has been outlined by the Petitioner in Section 5.2 to 5.4 of the tariff petition for FY 2010-11.

The procedure/criteria for release of residential connections are defined in the JSERC (Electricity Supply Code), Regulations, 2005 as amended from time to time. The said regulations can be found on the website of the Commission, www.jserc.org.

- g) While the Commission acknowledges that the Petitioner might be forced to charge higher installation charges to ensure quality and reliability of the work carried out, the Commission directs the Petitioner to provide the detailed break-up of installation/supervision charges to new consumers prior to taking up the installation work.

The consumer may also be allowed to carry out the installation work on its own. The applicable charges/conditions for the same have been outlined in the JSERC (Electricity Supply Code), Regulations, 2005 as amended from time to time. The said regulations can be found on the website of the Commission, www.jserc.org.

- h) The Commission views that the petitioner should take prior approval of any short-term purchase for planned outages whereas it can take post facto approval, at the first available opportunity, for purchases under emergency situations like breakdown etc. The Commission also directs the Petitioner to ensure that the principle of merit order of purchase is followed while purchasing power from short term sources.

A5: TRUE-UP FOR FY 2007-08 AND FY 2008-09

- 5.1 The Petitioner has sought approval for the truing-up of certain components of ARR namely power purchase cost and operation and maintenance expenses based on the actual expenditure and revenue for FY 2007-08 and FY 2008-09, as per the audited accounts.
- 5.2 Based on the audited accounts and other information made available by the Petitioner, the Commission has analysed all the components of revenue and expenditure for FY 2007-08 and FY 2008-09 and has undertaken the truing-up exercise of said components after a prudence check.
- 5.3 The component-wise description of the Petitioner's submission and the Commission's analysis on the same is provided hereunder.

Energy Balance*Petitioner's Submission*

- 5.4 The Petitioner has submitted that the figures for energy sales, distribution loss and power purchase approved by the Commission in the previous Tariff Order are identical to the annual accounts except for some negligible difference arising due to energy transfer to steel works from the energy pool in FY 2007-08 and FY 2008-09.
- 5.5 The Table 6 details the energy balance for FY 2007-08 and FY 2008-09 as was approved by the Commission in the Tariff Order of FY 2009-10 and as per the audited accounts submitted by the Petitioner for the respective years.

Table 6 : Energy Balance for FY 2007-08 (MUs)

Particulars	Approved by JSERC in TO of FY 2009-10	Audited as submitted by the Petitioner
Energy Requirement		
Energy Sales		
LT Supply	119.15	119.15
HT Supply	975.24	975.24
Total energy sales	1094.39	1094.39
Overall distribution losses %	9.33%	9.42%
Overall distribution losses	112.67	113.81
Total Energy Requirement	1207.06	1208.20
Energy Availability		
Power Purchase		
Tata Power Company Ltd (A)	1435.08	1435.15

Damodar Valley Corporation (B)	237.99	237.99
Others (C)	-	-
Total pooled energy availability (D=A+B+C)	1673.07	1673.14
Less: Energy transferred to steel works (E)	466.01	464.94
Net energy available for distribution business (F=D-E)	1207.06	1208.20

- 5.6 Table 7 details the energy balance for FY 2008-09 as was approved by the Commission in the Tariff Order of FY 2009-10 and as per the audited accounts submitted by the Petitioner for the respective years

Table 7 : Energy Balance for FY 2008-09 (MUs)

Particulars	Approved by Commission in TO of FY 2009-10	Audited as submitted by the Petitioner
Energy Requirement		
Energy Sales		
LT Supply	126.84	126.84
HT Supply	1127.92	1127.92
Total energy sales	1254.76	1254.76
Overall distribution losses %	7.79%	7.74%
Overall distribution losses	105.97	105.29
Total Energy Requirement	1360.73	1360.05
Energy Availability		
Power Purchase		
Tata Power Company Ltd (A)	1523.01	1523.43
Damodar Valley Corporation (B)	400.90	400.90
Others (C)	26.12	26.12
Total pooled energy availability (D=A+B+C)	1950.03	1950.45
Less: Energy transferred to steel works (E)	589.30	590.40
Net energy available for distribution business (F=D-E)	1360.73	1360.05

Commission's analysis

- 5.7 The Commission has approved the power purchased units from TPCL for FY 2007-08 and FY 2008-09 based on TPCL Tariff Order of FY 2009-10 and FY 2010-11 respectively and power purchased from DVC and other sources for said years on the basis of audited accounts of the respective years.
- 5.8 The power transferred to steel works for FY 2007-08 and FY 2008-09 has been revised based on the audited accounts of the respective years.
- 5.9 The Table 8 details the energy sales, distribution losses and power purchase as submitted by the Petitioner and approved by the Commission for truing up of FY 2007-08 and FY 2008-09:

Table 8: Approved Energy Balance FY 2007-08 & FY 2008-09 (MUs)

Particulars	FY 2007-08		FY 2008-09	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Energy Requirement				
Energy Sales				
LT Supply	119.15	119.15	126.84	126.84
HT Supply	975.24	975.24	1127.92	1127.92
Total energy sales	1094.39	1094.39	1254.76	1254.76
Overall distribution losses %	9.42%	9.42%	7.74%	7.74%
Overall distribution losses	113.81	113.75	105.29	105.29
Total Energy Requirement	1208.20	1208.13	1360.05	1360.05
Energy Availability				
Power Purchase				
Tata Power Company Ltd (A)	1435.15	1435.08	1523.43	1523.53
Damodar Valley Corporation (B)	237.99	237.99	400.90	400.90
Others (C)	-	-	26.12	26.12
Total pooled energy availability (D=A+B+C)	1673.14	1673.07	1950.45	1950.55
Less: Energy transferred to steel works (E)	464.94	464.94	590.40	590.50
Net energy available for distribution business (F=D-E)	1208.20	1208.13	1360.05	1360.05

Power Purchase Cost

Petitioner's Submission

- 5.10 The Petitioner is procuring power from TPCL, DVC and Others for its steel works and for consumption in the licensed area. The power purchase cost of this pooled power is apportioned by it on the basis of share of Steel Works and power distribution business in the total pool.
- 5.11 The Petitioner has stated that for FY 2007-08, the power was sourced from TPCL –Unit II and Unit-III and Damodar Valley Corporation. The Petitioner submitted that there is a minor difference between the power purchase cost as per the audited accounts and the cost approved by the Commission in the previous Tariff Order for FY 2009-10 which is on account of slight difference in the energy purchased from TPCL as well as energy transferred from pooled power to steel works.
- 5.12 For FY 2008-09, the Petitioner submitted that the difference is only in the power purchase cost from TPCL which is due to the power purchase from TPCL is recomputed in line with the average rate of power being submitted by TPCL in its tariff petition for FY 2010-11. The Commission in the Tariff Order had determined the cost of power for Unit-II and Unit-III as Rs 2.46/kWh and Rs 2.48 /kWh respectively while the Petitioner in the present petition has considered the cost of power form Unit-II and Unit-III as Rs 2.55/kWh and Rs 2.56/kWh respectively based on the tariff petition filed by TPCL for FY 2010-11.
- 5.13 The Table 9 details the power purchase cost of FY 2007-08 and FY 2008-09 as approved by the Commission in the previous Tariff Order of FY 2009-10 and the actual power purchase cost submitted by the Petitioner in the tariff petition of FY 2010-11.

Table 9 : Power Purchase Cost for FY 2007-08 and FY 2008-09

Particulars		FY 2007-08		FY 2008-09	
		<i>Approved by the Commission in TO of FY 2009-10</i>	<i>Audited as submitted by the Petitioner</i>	<i>Approved by the Commission in TO of FY 2009-10</i>	<i>Audited as submitted by the Petitioner</i>
Tata Power Company Ltd. (A)					
Units Purchased (MUs)	Unit-II	735.60	736.08	761.50	733.21
	Unit-III	699.02	699.07	761.50	790.22
	Total	1435.08	1435.15	1523.01	1523.43
Per Unit Price (Rs/kWh)	Unit-II	2.37	2.37	2.46	2.55
	Unit-III	2.41	2.41	2.48	2.56
	Total	2.39	2.39	2.47	2.56
Power Purchase Cost (Rs Cr)	Unit-II	174.34	174.45	187.67	186.97
	Unit-III	168.32	168.48	188.57	202.30
	Total	342.66	342.93	376.24	389.26

Damodar Valley Corporation (B)				
Units Purchased (MUs)	237.99	237.99	400.90	400.90
Per unit price (Rs/kWh)	4.19	4.19	3.88	3.88
Power Purchase Cost (Rs Cr)	99.66	99.66	155.44	155.44
Others (C)				
Units Purchased (MUs)	-	-	26.12	26.12
Per unit price (Rs/kWh)	-	-	9.28	9.28
Power Purchase Cost (Rs Cr)	-	-	24.24	24.24
Total pooled power purchased (A+B+C)				
Units Purchased (MUs)	1673.07	1673.14	1950.03	1950.45
Per unit price (Rs/kWh)	2.64	2.65	2.85	2.92
Power Purchase Cost (Rs Cr)	442.32	442.59	555.92	568.94
Transferred to steel works				
Units Purchased (MUs)	466.00	464.94	589.30	590.40
Power Purchase Cost (Rs Cr)	123.20	122.99	168.00	172.22
Net Power for distribution business (F=D-E)				
Units Purchased (MUs)	1207.07	1208.20	1360.73	1360.05
Power Purchase Cost (Rs Cr)	319.12	319.60	387.92	396.72

Commission's Analysis

- 5.14 The Commission has approved the power purchase cost of TPCL based on the quantum of power purchase and rate approved by the Commission for FY 2007-08 in the Tariff Order of TPCL of FY 2009-10 while for FY 2008-09, 2009-10 and 2010-11, the power purchase cost has been approved as per the rates approved in the Tariff Order of TPCL of FY 2010-11.
- 5.15 The power purchase cost of power procured from DVC and other sources is approved on the basis of annual accounts of FY 2007-08 and FY 2008-09.
- 5.16 The Table 10 details the power purchase cost submitted by the Petitioner in the tariff petition of FY 2010-11 and now approved by the Commission for FY 2007-08 and FY 2008-09:

Table 10: Approved Power Purchase Cost for FY 2007-08 & FY 2008-09

Particulars		FY 2007-08		FY 2008-09	
		Submitted by the Petitioner	Approved by the Commission	Submitted by the Petitioner	Approved by the Commission
Tata Power Company Ltd. (A)					
Units Purchased (MUs)	Unit-II	736.08	736.39	733.21	733.28
	Unit-III	699.07	698.69	790.22	790.25
	Total	1435.15	1435.08	1523.43	1523.53

Per Unit Price (Rs/kWh)	Unit-II	2.37	2.37	2.55	2.54
	Unit-III	2.41	2.41	2.56	2.55
	Total	2.39	2.39	2.56	2.55
Power Purchase Cost (Rs Cr)	Unit-II	174.45	174.34	186.97	186.38
	Unit-III	168.48	168.32	202.30	201.56
	Total	342.93	342.67	389.26	387.94
Damodar Valley Corporation (B)					
Units Purchased (MUs)		237.99	237.99	400.90	400.90
Per unit price (Rs/kWh)		4.19	4.19	3.88	3.88
Power Purchase Cost (Rs Cr)		99.66	99.66	155.44	155.44
Others (C)					
Units Purchased (MUs)		-	-	26.12	26.12
Per unit price (Rs/kWh)		-	-	9.28	9.28
Power Purchase Cost (Rs Cr)		-	-	24.24	24.24
Total pooled power purchased (A+B+C)					
Units Purchased (MUs)		1673.14	1673.07	1950.45	1950.55
Per unit price (Rs/kWh)		2.65	2.64	2.92	2.91
Power Purchase Cost (Rs Cr)		442.59	442.33	568.94	567.62
Transferred to steel works					
Units Purchased (MUs)		464.94	464.94	590.40	590.50
Power Purchase Cost (Rs Cr)		122.99	122.92	172.22	171.84
Net Power for distribution business (F=D-E)					
Units Purchased (MUs)		1208.20	1208.13	1360.05	1360.05
Power Purchase Cost (Rs Cr)		319.60	319.41	396.72	395.78

Operation and Maintenance expenses

Petitioner's Submission

- 5.17 The Petitioner has submitted that it has outsourced its power distribution operations to JUSCO and majority of the O&M activities are undertaken by JUSCO only.
- 5.18 The Petitioner has submitted that there is a minor difference in the O&M expenses for FY 2007-08 and FY 2008-09 approved by the Commission in the previous Tariff Order of FY 2009-10 and the actual expenses as per audited accounts, which is due to the fact that the audited accounts were not finalised at the time of submission of previous tariff petition. Table 11 details the O&M expenses approved by the Commission in the previous Tariff Order of FY 2009-10 and the actual expenses as per audited accounts submitted by the Petitioner for FY 2007-08 and FY 2008-09.

Table 11: O&M Expenses submitted by the Petitioner (Rs Cr)

Particulars	FY 2007-08		FY 2008-09	
	Approved by Commission in TO of FY 2009-10	Submitted by the Petitioner	Approved by Commission in TO of FY 2009-10	Submitted by the Petitioner
O&M expenses	31.47	31.77	39.52	39.33

Commission's Analysis

- 5.19 The O&M expenses for FY 2007-08 and FY 2008-09 are approved on the basis of audited accounts made available by the Petitioner for the respective years.
- 5.20 The Petitioner had claimed surcharge on electricity duty as an expense in the O&M costs. The Petitioner submitted that it is paying surcharge on electricity duty at the rate of 2 paise per unit of sales (other than sales to JUSCO). The Commission has verified that the Petitioner is indeed paying surcharge on electricity duty from the challans submitted by the Petitioner. It has allowed surcharge on electricity duty at the rate of 2 paise per unit of approved sales (other than sales to JUSCO) as claimed by the Petitioner but adjusted for 1% the rebate on timely payment.
- 5.21 The Table 12 below details the O&M cost submitted by the Petitioner and now approved by the Commission for FY 2007-08 and FY 2008-09.

Table 12: Approved O&M Expenses (Rs Cr)

Particulars	FY 2007-08		FY 2008-09	
	Submitted by the Petitioner	Approved by the Commission	Submitted by the Petitioner	Approved by the Commission
O&M expenses	31.77	31.76	39.33	39.30

Other Components of the ARR*Petitioner's Submission*

- 5.22 The Petitioner has submitted that the other heads of the ARR including depreciation, interest and finance charges, income tax, reasonable return and non-tariff income have been adopted entirely in accordance with the previous Tariff Order of the Commission.

Commission's Analysis

- 5.23 The Petitioner has not asked for any revision in the other heads of ARR. Therefore, for other heads, except Revenue at existing tariff, the Commission has approved the same figures as were approved in the Previous Tariff Order of FY 2009-10.

- 5.24 For revenue at existing tariff for FY 2007-08 and FY 2008-09, the Commission has approved the revenue from sales to all consumers other than the 'Other Licensee' as per the accounts submitted by the Petitioner. The revenue from sales to 'Other Licensee', JUSCO, has been approved as per the power purchase cost approved for JUSCO in the Tariff Order for JUSCO of FY 2010-11 for the said years.

Summary of ARR for FY 2007-08 and FY 2008-09

- 5.25 The Table 13 contains the summary of ARR and revenue gap as submitted by the Petitioner and approved by the Commission for FY 2007-08 and FY 2008-09.

Table 13: Approved Summary of Annual Revenue Requirement (Rs Cr)

Annual Revenue Requirement	FY 2007-08		FY 2008-09	
	<i>Submitted by Petitioner</i>	<i>Approved by Commission</i>	<i>Submitted by Petitioner</i>	<i>Approved by Commission</i>
Costs				
Power Purchase Cost	319.60	319.41	396.72	395.78
O&M Expenses	31.77	31.76	39.33	39.30
Interest & Other Finance Charges	3.77	3.76	5.78	5.78
Depreciation	4.60	4.60	4.63	4.63
Income tax	3.39	3.39	4.13	4.13
Bad Debts				
Total Costs	363.13	362.92	450.58	449.62
<i>Add: Return on Equity</i>	4.21	4.21	4.34	4.34
<i>Less: Non-tariff income</i>	5.87	5.87	3.16	3.16
Annual Revenue Requirement	361.47	361.26	451.76	450.79
Revenue @ Existing tariff	380.12	380.00	444.01	444.06
Revenue (Gap)/Surplus	18.65	18.74	(7.75)	(6.73)

A6: COMMISSION'S ANALYSIS OF ARR FOR FY 2009-10 AND FY 2010-11

- 6.1 This section contains summary of the Commission's analysis of the ARR submitted by Petitioner for FY 2009-10 and FY 2010-11.

Treatment of Steel Works

Views of the Commission

- 6.2 The total power procured by the Petitioner from TPCL, DVC and Other Sources is utilised not only for meeting the power requirements of its licensed area, but also the energy needs of the Steel Works owned by the Petitioner. The Steel Works of the Petitioner draw power from the total pool for its electricity needs over and above its captive sources. Hitherto, the Steel Works is not being considered a consumer of the electricity distribution business and the power purchase cost of the pooled power is apportioned on the basis of unit share for steel works and power distribution business of the Petitioner.

- 6.3 However, with the enactment of the Electricity Act, 2003, the steel works should be treated as any other consumer of the electricity distribution business. The Petitioner had also, vide letter number PBD/461/59/05 dated 6th September 2005, acceded to treat steel works as a separate consumer. The Petitioner had stated:

“With the enactment of Electricity Act, 2003 we agree that Steel works will have to be considered as a consumer for its electricity needs over and above captive sources.

Accordingly, a scheme is being formulated to meet the above scenario with a prime condition that “there should not be any adverse impact on any category of consumers”. With this as a background, the scheme will be put up for the Commission's concurrence and implemented hereafter.”

- 6.4 The said “scheme” has not been submitted for the Commission's approval in spite of the directives given in this regard. The Petitioner has stated in section 7.1 of its tariff petition for FY 2010-11 that the said “scheme” has not been implemented because “*the matter is sub-judice with the Hon'ble Supreme Court*”.

- 6.5 The Commission observes that the matter under consideration with the Hon'ble Supreme Court is the treatment of Unit II and III of TPCL at Jojobera as captive units of the Petitioner. In this regard, the Hon'ble Appellate Tribunal of Electricity (APTEL) has already ordered that "*Jojobera Unit II and III are not to be treated as captive units*" of the Petitioner and accordingly, at present, the two units are not being treated as captive units of the Petitioner and generation tariff for Unit II and Unit III is being determined by the Commission. It is therefore only logical, at present, to treat the steel works of the Petitioner as a separate consumer, as agreed to by the Petitioner earlier. Also, it may be noted that the Steel Works receive power from the pool of power procured from TPCL, DVC and other sources and not just from TPCL. The Commission has therefore decided that the Steel Works of the Petitioner shall henceforth be treated as a consumer of the electricity distribution business.
- 6.6 With respect to the categorization and tariff applicability of the Steel Works, the Commission has observed that power to Steel Works is being supplied at 132kV from various points from the Petitioner's network. As per the tariff schedule approved by the Commission in Section A10:, the applicable category for Steel Works would thus be the HT III category and the applicable tariff for Steel Works would thus be the approved tariff for HT III category of consumers.

Number of Consumers and Connected Load

Petitioner's Submission

- 6.7 The Petitioner has submitted provisional figures for the number of consumers and connected load for FY 2009-10.
- 6.8 For FY 2010-11, the Petitioner has projected the number of consumers on the basis of past trends and field information available. The growth in connected load has been projected based on the corresponding increase in number of consumers.

Commission's Analysis

- 6.9 The Commission, for FY 2009-10, has approved the number of consumers and connected load based on the provisional figures submitted by the Petitioner.
- 6.10 For FY 2010-11, the Commission has approved the number of consumers and connected load on the basis of past trends and the actual additions in the number of consumers/connected load till August 2010, as per the additional information sought from the Petitioner.
- 6.11 For the category 'Street Lights' the Petitioner has submitted only one consumer for FY 2009-10 and FY 2010-11. However, each point of street light is required to be considered as a connection and accordingly the Commission has taken the number of consumers for this category to be equal to the number of points of connections or number of street lights to which power is supplied.

- 6.12 The Table 14 contains the number of consumers and connected load, as submitted by the Petitioner and approved by the Commission for FY 2009-10.

Table 14: Number of Consumers and Connected Load for FY 2009-10

	Number of Consumers		Connected Load		
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	Units	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Domestic LT	19,319	19,319	kW	79,124	79,124
Domestic - DS HT	73	73	kVA	16,225	16,225
Commercial	6,952	6,952	kW	38,061	38,061
Temporary Supply					
High Tension I	43	43	kVA	7,461	7,461
High Tension II	14	14	kVA	21,795	21,795
High Tension III	9	9	kVA	1,97,900	1,97,900
Street Lights	1	328*	kW	1563	1563
Other Licensee	-	-			
Steel Works	-	-			
Total	26411	26738			

*No of streetlight points to which power is supplied- provided by the Petitioner in the additional information.

- 6.13 The Table 15 contains the number of consumers and connected load, as submitted by the Petitioner and approved by the Commission for FY 2010-11.

Table 15: Number of Consumers and Connected Load for FY 2010-11

Particulars	Number of Consumers		Connected Load		
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	Units	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Domestic LT	20,092	19,966	kW	82,216	80,053
Domestic - DS HT	88	88	kVA	21,850	21,850
Commercial	7,300	7,300	kW	39,801	39,801
Temporary Supply				-	-
High Tension I	45	45	kVA	7,761	7,941
High Tension II	15	16	kVA	23,295	23,295
High Tension III	11	12	kVA	2,40,900	2,40,900
Street Lights	1	328*	kW	1563	1563
Other Licensee	-	-		-	-
Steel Works	-	-		-	-
Total	27551	27755		-	-

*No of streetlight points to which power is supplied- provided by the Petitioner in the additional information.

Energy Sales

Petitioner's Submission

- 6.14 The Petitioner has submitted consumer category wise sales for FY 2009-10 as per the provisional sales recorded by it. It has also stated that the sales recorded for the year were higher than that approved by the Commission in its Tariff Order for FY 2009-10, primarily due to higher than anticipated demand by industrial consumers.
- 6.15 For 2010-11, the Petitioner has projected sales for various consumer categories based on the past trend. Wherever the trend was considered to be unreasonable by the Petitioner, the growth factors have been corrected to arrive at more realistic projections.

Commission's Analysis

- 6.16 The Commission has approved sales for FY 2009-10 on the basis of the provisional sales figures submitted by the Petitioner.
- 6.17 For FY 2010-11, the Commission has projected sales for Domestic LT, Commercial and HT II consumer categories on the basis of the long term trend in sales for the respective category. For DS HT, HT I, HT III and Streetlights consumer categories the projections of sales made by the Petitioner have been taken as sales for FY 2010-11 as there was no set pattern/trend observed from the historical information available for these categories.
- 6.18 Since the Steel Works is now being treated as a separate consumer, Power transferred to the Steel Works, as submitted by the Petitioner, has been taken as the sale of energy to the Steel Works and has been included in computing the total projected sales for FY 2010-11.
- 6.19 The Table 16 contains the consumer category wise sales submitted by the Petitioner and approved by Commission for FY 2009-10 and FY 2010-11. For the purpose of this Tariff Order sales to steel works have been shown separately; it will be shown as a part of HT III category in subsequent Tariff Orders.

Table 16: Category wise Sales for FY 2009-10 and FY 2010-11(MUs)

Particulars	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Domestic LT	84.11	84.11	94.21	89.33
Domestic - DS HT	69.99	69.99	76.99	76.99
Commercial	40.91	40.91	45.49	45.45
Temporary Supply	2.41	2.41		2.41
High Tension I	11.25	11.25	11.81	11.81
High Tension II	80.08	80.08	84.08	89.61
High Tension III	1,111.29	1,111.29	1,227.98	1,227.98

Street Lights	8.63	8.63	8.89	8.89
Other Licensee	127.88	127.88	155.81	159.57
Steel Works	-	-	155.37	155.37
Total	1,536.56	1,536.56	1,860.63	1,867.40

Distribution Loss and Energy Balance

Distribution Loss

Petitioner's Submission

6.20 The Petitioner has submitted a distribution loss level of 7.88% for FY 2009-10. It has projected a distribution loss level of 7.75% for FY 2010-11.

Commission's Analysis

- 6.21 The Petitioner has calculated a provisional distribution loss level of 7.88% for FY 2009-10 on its sales to its HT and LT consumers and to the Other Licensee (JUSCO) as against a distribution loss level of 7.75% that was approved by the Commission in its last Tariff Order. The Commission believes that the Petitioner must adhere to the distribution loss level targets approved by the Commission and has accordingly approved 7.75% distribution loss level for FY 2009-10.
- 6.22 From FY 2010-11 the Commission has decided to change the method of calculation of distribution loss level of the Petitioner since the sales to Steel Works is now considered as sales to a HT consumer.
- 6.23 The Petitioner, in its tariff petition, submitted an overall loss of 7.75%, including loss on sale of power to the Other Licensee (JUSCO). The Commission observed that power is being sent to the Other Licensee (JUSCO) at either 132 kV and 33kV voltage level and, for the purpose of finalisation of this Tariff Order, asked the Petitioner to submit details of line losses and power sold to the Other Licensee, separately for 132kV and 33 kV level. The Petitioner, however, did not submit this information to the Commission. However, in its discussion with the Commission, the Petitioner admitted that the distribution losses on power sold to the Other Licensee is minimal.
- 6.24 In view of the above, the Commission has considered the distribution losses on sale of power to the Other Licensee as negligible.
- 6.25 Also, no distribution losses have been reported by the Petitioner on the power transferred to the Steel Works in its petition. Considering that power to the Steel Works is also being supplied at either 132 kV voltage level, the distribution loss on sale of power to the Steel Works has also been taken as negligible.

- 6.26 The distribution losses in the system have thus been considered only on account of the power sold to the other HT and LT consumers of the Petitioner as the Commission, after due discussion with the petitioner, has taken a stand that distribution losses should be calculated only as a percentage of energy required to supply power to these consumers. This method is a better representation of the ground realities and would give a more accurate view of the distribution loss level of the Petitioner. Therefore, from FY 2010-11 onwards, the distribution loss level will be calculated only on sale of power to other HT and LT consumers of the Petitioner unless it is verified that there are some losses observed on Power sold to Other Licensee(JUSCO) and Steel works of the petitioner.
- 6.27 Following the above methodology, the distribution loss level of the Petitioner for FY 2009-10 has been computed at 8.39%. Accordingly, the Commission has approved a distribution loss level of 7.75% for FY 2010-11.

Energy Balance

Petitioner's Submission

- 6.28 The Petitioner has submitted that it purchases power from Damodar Valley Corporation, TPCL and Others (TPTCL) to meet its power requirements and has submitted the provisional figures for quantum of power procured from each source in FY 2009-10.
- 6.29 For FY 2010-11, the power availability from TPCL has been projected based on the projections made by TPCL in its tariff petition for FY 2010-11. The availability from DVC has been projected taking into account past trend. Procurement from Others has been projected to meet short term power requirements during the period when TPCL units are shut for routine maintenance.
- 6.30 The Table 17 contains the energy balance as submitted by the Petitioner for FY 2009-10 and FY 2010-11.

Table 17: Energy Balance as submitted by the Petitioner (MUs)

Particulars	FY 2009-10	FY 2010-11
	<i>Submitted by Petitioner</i>	<i>Submitted by Petitioner</i>
ENERGY REQUIREMENT		
<i>Energy Sales</i>		
LT Supply	136.06	148.58
HT Supply	1,400.49	1,556.68
Total Energy Sales	1,536.56	1,705.25
Overall Distribution Losses %	7.88%	7.75%
Overall Distribution Losses	131.51	143.26
Total Energy Requirement for Distribution	1,668.07	1,848.52
Energy Units Disallowed	-	
Add Energy Transferred to Steel Works	209.65	155.37
Total Energy Requirement	1,877.71	2,003.90

-		
ENERGY AVAILABILITY		
<i>Power Purchase</i>		
- Tata Power Company Ltd (A)	1,450.89	1,533.51
- Damodar Valley Corporation (B)	426.10	445.39
- Others (C)	0.72	25.00
Total Pooled Energy Availability (D = A+B+C)	1,877.71	2,003.90

Commission's Analysis

- 6.31 The Commission has approved total quantum of power purchased in FY 2009-10 from DVC and 'other sources' (TPTCL) as per the bills raised by these companies on the Petitioner. The total quantum of power purchased from TPCL in FY 2009-10 has been approved as per the provisional net generation approved for TPCL in its Tariff Order for FY 2010-11.
- 6.32 The expected availability of power from TPCL for FY 2010-11 has also been approved as per the Tariff Order for TPCL for FY 2010-11. With regards to the expected availability from 'other sources', for short term power requirement, the Commission considers the Petitioner's projection of 25 MUs to be unreasonably high. Given that only 0.76 MUs of power was purchased in FY 2009-10 and no power has been purchased for short term purposes till September 2010, the Commission has approved 10 MUs of power purchase from 'other sources'. The same shall be tried up in the next Tariff Order depending on the actual quantum of purchase subject to the short-term purchases being approved by the Commission on as and when basis.
- 6.33 Also, till FY 2009-10, the total power requirement of the distribution business was exclusive of the power supplied to the Steel Works. However, since the Steel Works is now being treated as a consumer of the power distribution business, from FY 2010-11 onwards, the power transferred to steel works is being included in the total power requirement of the licensed business.
- 6.34 The Table 18 contains the energy balance submitted by the Petitioner and approved by the Commission for FY 2009-10.

Table 18: Energy Balance for FY 2009-10 (MUs)

Particulars	FY 2009-10	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
ENERGY REQUIREMENT		
<i>Energy Sales</i>		
LT Supply	136.06	136.06
HT Supply	1,400.49	1,400.49
Total Energy Sales	1,536.56	1,536.56
Overall Distribution Losses %	7.88%	7.75%
Overall Distribution Losses	131.51	129.09

Total Energy Requirement for Distribution	1,668.07	1,665.64
Energy Units Disallowed	-	0.49
Add Energy Transferred to Steel Works	209.65	209.65
Total Energy Requirement	1,877.71	1,875.78
-		
ENERGY AVAILABILITY		
<i>Power Purchase</i>		
- Tata Power Company Ltd (A)	1,450.89	1,448.92
- Damodar Valley Corporation (B)	426.10	426.10
- Others (C)	0.72	0.76
Total Pooled Energy Availability (D = A+B+C)	1,877.71	1,875.78

6.35 The Table 19 contains the approved energy balance for FY 2010-11. The table also contains approved energy balance (as per the new representation) for FY 2009-10 for comparison.

Table 19: Energy Balance for FY 2009-10 and FY 2010-11 (MUs)

Particulars	FY 2009-10	FY 2010-11
	<i>Approved by the Commission</i>	<i>Approved by the Commission</i>
ENERGY REQUIREMENT		
<i>Sales to Other Licensee</i>	127.88	159.57
Distribution Losses on Sales to Other Licensee	0.00%	0.00%
Units Lost on Sales to Other Licensee	-	-
Energy Requirement for Sales to Other Licensee	127.88	159.57
<i>Sales to Steel Works</i>	209.65	155.37
Distribution Losses on Steel Works	0.00%	0.00%
Units Lost on Sales to Steel Works	-	-
Energy Requirement for Steel Works	209.65	155.37
<i>Sales to Other Consumers</i>	1,408.67	1,552.45
Distribution Losses on Sales to Other Consumers	8.39%	7.75%
Units Lost on Sales to Other Consumers	129.09	130.42
Energy Units disallowed in FY 2010-11	0.49	-
Energy Requirement for Sales to Other Consumers	1,538.26	1,682.88
Total Energy Requirement	1,875.78	1,997.82
ENERGY AVAILABILITY		
<i>Power Purchase</i>		
- Tata Power Company Ltd (A)	1,448.92	1,533.56
- Damodar Valley Corporation (B)	426.10	454.26
- Others (C)	0.76	10.00
Total Pooled Energy Availability (D = A+B+C)	1,875.78	1,997.82

Power Purchase Cost

Petitioner's Submission

- 6.36 The Petitioner is procuring power from TPCL, DVC and Others for its steel works and for consumption in the licensed area. The power purchase cost of this pooled power is apportioned by it on the basis of share of Steel Works and power distribution business in the total pool.
- 6.37 The Petitioner has submitted the power purchase cost for FY 2009-10 considering the per unit price of power for FY 2009-10 quoted by TPCL in its tariff petition for FY 2010-11 and the actual cost of power purchased from DVC and other sources.
- 6.38 For FY 2010-11, the expected power purchase cost has been calculated based on the expected energy requirement, the per unit price of power for FY 2010-11 quoted by TPCL in its Tariff Petition for FY 2010-11 and expected price per unit of power of DVC and 'Others'.
- 6.39 The expected per unit price of power of DVC has been calculated as Rs 4.10, considering a demand charge of Rs 365 per kVA per month, an energy charge of Rs 1.63 per kWh and a fuel cost surcharge of Rs 1.3845 per kWh and also the expected voltage rebates. The total cost of power purchased from DVC is estimated to be Rs 182.70 Cr.
- 6.40 The Petitioner has projected weighted average price of power from Other Sources at Rs 5.71 per kWh. This is equal to the combined weighted average price of power procured through UI, traders and power exchanges for 2009 as per Annual Report for 2009 of Market Monitoring Cell, which has been constituted by the CERC.

Commission's Analysis

- 6.41 The Commission has computed the per unit cost of power for FY 2009-10 on the basis of the per unit price of power and quantum of power approved for TPCL for FY 2009-10 in its Tariff Order of FY 2010-11, the actual payment made to DVC and 'Other sources' (TPTCL) as per bills raised by these companies on the Petitioner.
- 6.42 As per the bills raised by 'Others'(TPTCL) on the Petitioner, the Petitioner purchased 0.76 MUs of power at a total cost of Rs 0.28 Cr against the 0.72 MUs and Rs 0.34 Cr submitted by the Petitioner in its petition. Accordingly, the Commission has approved only Rs 0.28 Cr as the cost of power purchased from 'Others' for FY 2009-10.
- 6.43 The total power purchase cost for FY 2009-10 was then calculated by multiplying the approved per unit cost of power from purchased from various sources and the approved energy requirement for the licensed area.

- 6.44 As already mentioned, from FY 2010-11, the Steel Works is being treated as a consumer of the power distribution business and thus the cost of power supplied to Steel Works is being included in the total power purchase cost.
- 6.45 For FY 2010-11, the Commission has approved the cost of power procured from TPCL on the basis of the per unit price of power and quantum of power approved for TPCL for FY 2010-11 in its Tariff Order of FY 2010-11.
- 6.46 With regards to the expected cost of power from DVC for FY 2010-11, the Commission has noted that DVC was charging the Petitioner a demand charge of Rs 365 per kVA per month, an energy charge of Rs 1.63 per kWh and a fuel cost surcharge of Rs 1.3845 per kWh up to April 2010. But from May 2010, DVC has been charging a provisional rate of Rs 2.943 per kWh for power supplied to the Petitioner. The reduction in the rate charged by DVC is due the fact that the tariff fixed by CERC for DVC has been challenged by DVC in the Hon'ble Supreme Court. DVC is meanwhile claiming a provisional tariff of Rs 2.943/kWh till the matter is finalized.
- 6.47 The Commission has therefore approved the power purchase cost for April 2010 as per the actual payment made by the Petitioner to DVC. For projecting the power purchase cost for the remaining months of FY 2010-11, the Commission has considered the revised rate of DVC (Rs 2.943 per kWh) and the approved energy requirement of the Petitioner. Accordingly, the Commission has approved Rs 3.02/ kWh as cost of power procured from DVC. However, the same shall be subject to true up in the next tariff order according to order of the Hon'ble Supreme Court on the rate to be charged by DVC.
- 6.48 With respect to the cost of power purchased from 'other sources' (TPTCL), since there has not been any purchase till September 2010, the rate at which power was procured from 'other sources' (TPTCL) in FY 2009-10 has been taken as the expected per unit cost of power purchase for FY 2010-11.
- 6.49 The Table 20 contains summary of power purchase cost as submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11.

Table 20: Power Purchase Cost (Rs Cr)

Particulars		FY 2009-10		FY 2010-11	
		<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Tata Power Company Ltd (A)					
Units Purchased (MU's)	Unit II	701.27	702.67	744.98	745.02
	Unit III	749.62	746.24	788.53	788.54
	Total	1,450.89	1,448.92	1,533.51	1,533.56
Per Unit Price (Rs. / kWh)	Unit II	2.82	2.81	2.86	2.69
	Unit III	2.83	2.82	2.83	2.67
	Total	2.83	2.82	2.85	2.68

Power Purchase Cost (Rs. Crs)	Unit II	197.76	197.39	210.83	200.68
	Unit III	212.14	210.57	225.52	210.82
	Total	409.90	407.96	436.35	411.50
Damodar Valley Corporation (B)					
Units Purchased (MU's)		426.10	426.10	445.39	454.26
Per Unit Price (Rs. / kWh)		3.84	3.84	4.10	3.02
Power Purchase Cost (Rs. Cr)		163.55	163.55	182.70	137.18
Others (C)					
Units Purchased (MU's)		0.72	0.76	25.00	10.00
Per Unit Price (Rs. / kWh)		4.67	3.66	5.71	3.66
Power Purchase Cost (Rs. Cr)		0.34	0.28	14.28	3.66
Total Pooled Power Purchased (D = A+B+C)					
Units Purchased (MU's)		1,877.71	1875.78	2,003.90	1997.82
Power Purchase Cost (Rs. Cr)		573.78	571.78	633.33	552.34
Per Unit Price (Rs. / kWh)		3.06	3.05	3.16	2.76
Transferred to Steel Works					
Units Purchased (MU's)		209.65	209.65	155.37	-
Power Purchase Cost (Rs. Cr)		64.06	63.91	49.11	-
Net Power for Distribution Business					
Units Purchased (MU's)		1,668.07	1,665.64	1,848.52	1,997.82
Power Purchase Cost (Rs. Cr)		509.72	507.73	584.22	552.34

Operation and Maintenance Expenses

Petitioner's Submission

- 6.50 The Petitioner has outsourced its power distribution operations to Jamshedpur Utilities and Service Company Limited (JUSCO). Majority of the expenses related to the O&M activities of the licensed operations of TSL is being undertaken by JUSCO.
- 6.51 The Petitioner has submitted provisional O&M expenses of Rs 39.17 Cr for FY 2009-10, which are lower as compared to the O&M expenses approved by the Commission in its previous Tariff Order of FY 2009-10.
- 6.52 The Petitioner has also submitted that its O&M expenses per unit of energy sales have been showing a decreasing trend. The O&M expenses per kWh have come down from 31.34 paise per kWh in FY 2008-09 to 25.49 paise per kWh in FY 2009-10 and are projected to lower to 25.27 paise per kWh in FY 2010-11.

6.53 The O&M expenses for FY 2010-11, have been submitted considering a hike of 10% on the expenses incurred in the previous year.

Commission's Analysis

6.54 The Commission, during the course of finalization of this Tariff Order, had asked the Petitioner to submit detailed break-up of O&M expenses incurred by it. It was asked to classify O&M expenses under the heads of Employee Cost, A&G Expenses and R&M Expenses. The Petitioner was, however, unable to provide the requisite details in the required format.

6.55 The Commission directs the Petitioner to submit the detailed break-up of O&M expenses in the next petition as per the forms annexed in 'JSERC distribution Regulations, 2004' as amended from time to time. The Commission has also passed suitable orders in this regard in the directives section of this Tariff Order.

6.56 Meanwhile, the Commission has approved the O&M expenses for FY 2009-10 based on the provisional figures available for the year. The O&M expenses for FY 2010-11, have been approved considering an increase of 5% on the expenses incurred in the previous year. However, the same shall be tried-up subject to the prudence check by the Commission.

6.57 The Petitioner had claimed surcharge on electricity duty as an expense in the O&M costs. The Petitioner submitted that it is paying surcharge on electricity duty at the rate of 2 paise per unit of sales (other than sales to JUSCO). The Commission has verified that the Petitioner is indeed paying surcharge on electricity duty from the 'challans' submitted by the Petitioner. It has allowed surcharge on electricity duty at the rate of 2 paise per unit of approved sales (other than sales to JUSCO) as claimed by the Petitioner but adjusted for 1% the rebate on timely payment.

6.58 The Table 21 contains the O&M expenses submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11.

Table 21: O&M Expenses (Rs Cr)

Particulars	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
O&M Expenses	39.17	39.15	43.08	41.56

Capital Expenditure Plan

Petitioner's Submission

6.59 The Petitioner has submitted a capital expenditure plan of Rs 163.05 Cr and its phasing for next five years. It plans to incur capital expenditure of Rs 23.35 Cr in FY 2010-11.

Commission's Analysis

- 6.60 The Petitioner in its petition has proposed to undertake further expenditure of Rs 4 Cr on the 132kV Transmission Line from Jojobera to Sonari, a line which has already been finished and capitalised in FY 2009-10. This discrepancy was pointed out to the Petitioner. In response the Petitioner stated that the figure of Rs 4 Cr was inadvertently submitted instead of Rs 40 lakh. The Petitioner clarified that Rs 40 lakh are required to be spent further on the line in FY 2010-11, primarily for finishing the work on boundary walls, etc.
- 6.61 The Petitioner was also asked to provide detailed cost estimates of the capital schemes that it plans to undertake. The Petitioner, however, did not submit the required details. Regarding the status of work on the various schemes, the Petitioner stated: *“Detailed scheme has been prepared. After approval of Commission, the detailed scheme will be put up to management for sanction.”*
- 6.62 Meanwhile, given that no details were made available to the Commission and that no work has started on the various schemes till now, the Commission has approved only Rs 10.08 Cr as capital expenditure for FY 2010-11. However, the same shall be tried up in the next tariff petition, after prudence check, according to the actual capital expenditure incurred by the Petitioner.

CWIP and Gross Fixed Asset*Petitioner's Submission*

- 6.63 The Petitioner has submitted provisional figures of GFA and CWIP for FY 2009-10. For FY 2010-11, the Petitioner has projected capitalization of 40% of the total capital expenditure and closing GFA of Rs 147.85 Cr.

Commission's Analysis

- 6.64 The Commission has approved GFA and CWIP for FY 2009-10 as per the provisional figures submitted by the Petitioner.
- 6.65 For FY 2010-11 the GFA has been approved based on the approved capital expenditure, and capitalization of 35% of the total CWIP for the year. Table 22 contains the GFA and CWIP as submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11.

Table 22: GFA and CWIP (Rs Cr)

Particulars	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>

Opening CWIP	21.18	21.18	1.82	1.82
Capex during the year	2.98	2.98	23.35	10.08
Total CWIP	24.15	24.15	25.17	11.90
Less: Assets transferred to fixed assets	22.33	22.33	8.81	4.16
Closing CWIP	1.82	1.82	16.36	7.74
Opening GFA	116.70	116.70	139.04	139.04
Add: Assets transferred from CWIP	22.33	22.33	8.81	4.16
Closing GFA	139.04	139.04	147.85	143.20

Depreciation

Petitioner's Submission

6.66 The Petitioner has submitted that its computation of depreciation is based on Straight Line Method of computation on the rates as prescribed in Schedule XVI of the Companies Act, 1956 and not as per the depreciation rates prescribed by the Commission as it is impractical for the Petitioner, as of now, to undertake reclassification of the Fixed Assets of the licensed operations as per the requirement of the Regulations.

6.67 The depreciation submitted is net of depreciation on account of assets created out of consumer contribution.

Commission's Analysis

6.68 The Commission recognises that it might be difficult for the Petitioner to compute depreciation as per the rates prescribed by the Commission in 'JSERC distribution Regulations, 2004'. However, it is essential for the Petitioner to file ARR as per the said regulations as amended from time to time and no deviations from it can be accepted by the Commission.

6.69 Thus while the Commission has approved the net depreciation as submitted by the Petitioner for FY 2009-10 and FY 2010-11, it directs the Petitioner to calculate depreciation as per the said regulations as amended from time to time in its next tariff petition. If the Petitioner is unable to submit the depreciation as per the schedule given in the Regulations in the next petition, the Commission shall disallow depreciation while computing the ARR for the Petitioner from next Tariff Order.

6.70 Table 23 contains the gross and net depreciation as submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11.

Table 23: Depreciation (Rs Cr)

Particulars	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Gross Depreciation	5.35	5.35	5.55	5.38

Depreciation on Account of Consumer Contribution	0.64	0.64	0.75	0.73
Net Depreciation	4.70	4.70	4.80	4.65

Interest and Other Finance Charges

Interest on Loan

Petitioner's Submission

6.71 The Petitioner has submitted normative interest on loan as per the methodology prescribed by the Commission in previous Tariff Orders and using an interest rate of 10.25% p.a.

Commission's Analysis

6.72 In accordance with the JSERC 'Distribution Tariff Regulations, 2004', the Commission has computed the normative loan for the year equal to 70% of the closing GFA. The GFA has been considered at net of consumer contribution. Normative repayment is deemed to be equal to the depreciation charge during the year.

6.73 In accordance with the JSERC 'Distribution Tariff Regulations, 2004', interest on normative loan has been calculated on the average normative loan as outstanding during the year at the interest rate of 10.25% p.a.

6.74 The Table 24 contains the interest on loan as submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11.

Table 24: Interest on Loan (Rs Cr)

Particulars	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Opening Balance of Normative Loan	22.30	22.30	30.52	30.52
Deemed Addition during the year	12.92	12.92	3.83	1.02
Deemed Repayments	4.70	4.70	4.80	4.65
Closing Balance of Deemed Loan	30.52	30.52	29.55	26.89
Average balance during the Year	26.41	26.41	30.03	28.70
Interest Rate	10.25%	10.25%	10.25%	10.25%
Interest Payment	2.71	2.71	3.08	2.94

Interest on Security Deposits

Petitioner's Submission

6.75 The Petitioner has provided for interest on security deposits at an interest rate of 6% p.a. for FY 2009-10 and FY 2010-11.

Commission's Analysis

6.76 As per the JSERC 'Distribution Tariff Regulations, 2004', "*interest on consumer security deposits shall be equivalent to the bank rate or more, as may be specified by the Commission from time to time.*"

6.77 Accordingly, for FY 2009-10 the Commission has approved interest on security deposits using an interest rate of 5.75% p.a, as was approved in the previous Tariff Order.

6.78 The Commission has approved an interest rate of 6% for FY 2010-11, which is equal to the prevailing bank rate.

6.79 The Table 25 contains the interest security deposits as submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11.

Table 25: Interest on Security Deposits (Rs Cr)

Particulars	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Opening Security Deposit	3.99	3.99	4.95	4.95
Security Deposit received during FY	0.96	0.96	0.96	0.18
Closing Security Deposit	4.95	4.95	5.91	5.13
Average Security Deposit (Rs. cr)	4.47	4.47	5.43	5.04
<i>Interest rate (%)</i>	6.00%	5.75%	6.00%	6.00%
Interest on Security Deposit (Rs. cr)	0.27	0.26	0.33	0.30

Interest on Working Capital*Petitioner's Submission*

6.80 The Petitioner has submitted normative interest on working capital at Rs 3.94 Cr for FY 2009-10 as per the methodology prescribed by the Commission considering an interest rate of 12.25%.

6.81 For FY 2010-11, the Petitioner has proposed that the working capital should be computed normatively based on a formula and interest should be allowed on such normative working capital irrespective of the fact whether it is actually incurred by the utility or not. The Petitioner has proposed the following formula for calculation of normative working capital:

- (a) One-twelfth of the amount of Operation and Maintenance expenses for such financial year; plus
- (b) One-twelfth of the sum of the book value of stores, materials and supplies including fuel on hand at the end of each month of such financial year; plus
- (c) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus
- (d) Amount held as security deposits under clause (a) and clause (b) of subsection (1) of Section 47 of the Act from consumers and Distribution System Users; minus
- (e) One month equivalent of cost of power purchased, based on the annual power procurement plan.

Commission's Analysis

6.82 The Commission has allowed interest on working capital for FY 2009-10 as per the provisional figures submitted by the Petitioner. The applicable interest rate, in line with the 'Distribution Tariff Regulations, 2004', is the sub-prime lending rate of SBI on 1st April 2009, which is 12.25% p.a. Accordingly, the Commission has approved a total of Rs 3.94 Cr as interest on working capital for FY 2009-10.

6.83 For FY 2010-11, the Commission has considered the request of the Petitioner and has decided to adopt a new formula to calculate the normative working capital. The new methodology is in line with the formula used by other SERCs.

6.84 The normative working capital shall be given by the following formula:

- (a) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; plus
- (b) One-twelfth of the amount of Operation and Maintenance expenses for such financial year; plus
- (c) Maintenance spares @ 1% of opening GFA; minus
- (d) Amount held as security deposits under clause (a) and clause (b) of subsection (1) of Section 47 of the Act from consumers and Distribution System Users; minus
- (e) One month equivalent of cost of power purchased, based on the annual power procurement plan.

6.85 The applicable interest rate for FY 2010-11 is in line with the 'Distribution Tariff Regulations, 2004' and is the short-term prime lending rate of SBI on 1st April 2010, which is 11.75% p.a.

6.86 The Table 26 contains the calculation of working capital as per the new formula adopted by the Commission.

Table 26: Interest on Working Capital (Rs Cr)

Particulars	FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Interest on Working Capital		
One month's O&M Cost	3.59	3.46
Maintenance Spares @ 1% of Opening GFA	-	1.39
Two month's receivables	99.14	106.38
Less: One month's Power Purchase Cost	48.68	46.03
Less: Security Deposit	5.43	5.04
Total Working Capital	48.62	60.16
Rate of interest	12.25%	11.75%
Interest on Working Capital (Rs. Cr)	5.96	7.07

6.87 The interest on working capital calculated by the Commission for FY 2010-11 is higher than the amount proposed by the Petitioner. This is because the approved revenue considered by the Commission in calculating working capital is higher than the revenue used by the Petitioner in its calculation of working capital.

6.88 The Table 27 contains the total interest and other finance charges as submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11.

Table 27: Interest and Other Finance Charges (Rs Cr)

Particulars	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Interest on Debt	2.71	2.71	3.08	2.94
Interest on Security Deposit	0.27	0.26	0.33	0.30
Interest on Working Capital	3.94	3.94	5.96	7.07
Total Interest and Finance Charges	6.92	6.91	9.36	10.31

Return on Equity (RoE)

Petitioner's Submission

6.89 The Petitioner has submitted that following the methodology prescribed by the Commission, normative return on equity has been computed at the rate of 14% on the average balance of normative equity for FY 2009-10.

6.90 For FY 2010-11, the Petitioner has requested for a higher rate of return on equity at 16%.

Commission's Analysis

- 6.91 In accordance with the 'Distribution Tariff Regulations, 2004', the Commission has considered the equity base to be equal to 30% of GFA. The GFA has been considered net of consumer contribution.
- 6.92 The Commission has also permitted a rate of return of 14% on equity for each financial year as specified by Regulation 20.1 of the 'Distribution Tariff Regulations, 2004'.
- 6.93 The Table 28 contains the return on equity as submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11.

Table 28: Return on Equity (Rs Cr)

Particulars	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Closing Balance of Normative Equity	36.69	36.69	38.33	37.13
Average Equity	33.92	33.92	37.51	36.91
RoE (%)	14%	14%	16%	14%
RoE	4.75	4.75	6.00	5.17

Income Tax*Petitioner's Submission*

- 6.94 The Petitioner has submitted that it has calculated income tax based on the provisions of the IT Act 1961. The Petitioner's tax computations are based on adding back non-cash items i.e. Interest on Normative Loan and Normative Interest on Working Capital for the purpose of the computation of Taxable Income as well as the resulting Normative Income Tax.
- 6.95 The corporate tax rate has been taken as 33.99% for FY 2009-10 and 33.22% for FY 2010-11.

Commission's Analysis

- 6.96 The Commission has considered the method of computation of income tax used by the Petitioner and computed the income tax accordingly.
- 6.97 Table 29 contains the normative income tax as submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11

Table 29: Normative Income Tax (Rs Cr)

Particulars	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Return on Equity	4.75	4.75	6.00	5.17
Income Tax Rate	33.99%	33.99%	33.22%	33.22%
Gross RoE	7.19	7.19	8.99	7.74
Normative Interest on Loan	2.71	2.71	3.08	2.94
Add: Normative Interest on Working Capital (excluding Security Deposit)	3.94	3.94	5.96	7.07
Taxable Income	13.84	13.84	18.02	17.75
Income Tax	4.71	4.71	5.99	5.90

Non Tariff Income (NTI)*Petitioner's Submission*

- 6.98 The Petitioner has submitted non tariff income of Rs 5.72 Cr for FY 2009-10 as per provisional figures in its books of accounts. However, the Petitioner later noted that fixed charges at Rs 49 lakh were mistakenly included in both revenue at existing tariff and NTI. It has requested the Commission to decrease the NTI by the same amount.
- 6.99 The Petitioner has proposed the same amount as non tariff income for FY 2010-11.

Commission's Analysis

- 6.100 The Non tariff income includes meter rent, equipment charges, hire charges from electrical installations and supervision charges. The Commission has approved Rs 5.23 Cr as non tariff income for FY 2009-10 after deducting Rs 49 lakh from Rs 5.72 Cr as requested by the Petitioner.
- 6.101 The Commission has computed non tariff income as a percentage of approved revenue at existing tariff for FY 2009-10, and has considered the same percentage along with the approved revenue at existing tariff for FY 2010-11 to compute the expected non tariff income for FY 2010-11. Accordingly, the Commission has approved non tariff income of Rs 5.88 Cr for FY 2010-11.

Revenue from Existing Tariff*Petitioner's Submission*

- 6.102 The Petitioner has submitted total revenue of Rs 522.97 Cr for FY 2009-10 as per its provisional accounts.

- 6.103 For FY 2010-11, the Petitioner had submitted expected revenue of Rs 594.85 Cr in its petition. Later, the Petitioner requested the Commission to consider Rs 580.03 Cr as expected revenue for FY 2010-11.
- 6.104 The revision was due to the fact that in its earlier calculation, the Petitioner had computed Demand Charges for HT consumers using 100% contract demand whereas the Demand Charges for these consumers is calculated on 75% of contract demand or maximum recorded demand in a month, whichever is higher. For its revised estimates, the Petitioner has considered an increase of 10% in revenue from Demand Charge over the previous year.

Commission's Analysis

- 6.105 The Commission has calculated total revenue of Rs 524.42 Cr for FY 2009-10 based on the provisional figures for sales, connected load and number of consumers approved by the Commission.
- 6.106 For FY 2010-11, the Commission has considered Steel Works of the Petitioner as an HT III consumer of the Petitioner. The revenue from sale of power to Steel Works has been calculated accordingly and has been included in the total revenue.
- 6.107 The Commission had decided in its previous Tariff Orders that the sale of power to JUSCO for its Saraikela Kharsawan business shall be at a rate equal to the average power purchase cost of the Petitioner. However, due to the delay in filing the petition by the Petitioner, the Tariff Order for JUSCO was finalised before this Tariff Order. Thus, the Commission has computed revenue from sale of power to JUSCO as per the power purchase cost approved for JUSCO in its Tariff Order for FY 2010-11. However, the same shall be trued up in the next Tariff Order as per the actual information made available to the Commission.
- 6.108 The Commission has decided to remove monthly minimum charges as applicable to the HT consumers in the licensed area from FY 2010-11. This would bring the tariff structure in the licensed area in line with the tariff structure applicable in other regions of the state of Jharkhand.
- 6.109 The Petitioner has projected total revenue of Rs 2.52 Cr from MMC in FY 2010-11. Given that MMC has already been charged from the consumers for seven months of this financial year, the expected loss in revenue from abolition of MMC is expected to be around Rs 1.05 Cr for FY 2010-11. Accordingly, the revenue from existing tariff for FY 2010-11 has been approved at Rs 638.29 Cr.

Summary of ARR for FY 2009-10 and FY 2010-11

6.110 Table 30 contains a summary of ARR as submitted by the Petitioner and approved by the Commission for FY 2009-10 and FY 2010-11.

Table 30: Summary of ARR for FY 2009-10 and FY 2010-11 (Rs Cr)

	FY 2009-10		FY 2010-11	
	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>	<i>Submitted by the Petitioner</i>	<i>Approved by the Commission</i>
Power Purchase Cost	509.72	507.73	584.22	552.34
O&M Expenses	39.17	39.15	43.08	41.56
Interest & Other Finance Charges	6.92	6.91	9.36	10.31
Depreciation	4.70	4.70	4.80	4.65
Income tax	4.71	4.71	5.99	5.90
Bad Debts	1.55	-	2.97	-
Total Costs	566.76	563.20	650.43	614.76
Add: Return on Equity	4.75	4.75	6.00	5.17
Less: Non-tariff income	5.72	5.23	5.72	5.88
Annual Revenue Requirement	565.79	562.72	650.71	614.05
Revenue @Existing tariff	522.97	524.42	580.03	638.29
Revenue (Gap)/Surplus	(42.82)	(38.30)	(70.68)	24.24

A7: SUMMARY OF ARR AND TREATMENT OF REVENUE GAP/SURPLUS

Summary of Annual Revenue Requirement

7.1 In view of the above analysis, the Annual Revenue Requirement along with the revenues at existing tariffs and revenue gap for FY 2007-08, FY 2008-09, FY 2009-10 and FY 2010-11 are summarized below.

Table 31: Summary of Annual Revenue Requirement (Rs Cr)

Particulars	FY 2007-08		FY 2008-09		FY 2009-10		FY 2010-11	
	Submitted by the Petitioner	Approved by the Commission	Submitted by the Petitioner	Approved by the Commission	Submitted by the Petitioner	Approved by the Commission	Submitted by the Petitioner	Approved by the Commission
Power Purchase Cost	319.60	319.41	396.72	395.78	509.72	507.73	584.22	552.34
O&M Expenses	31.77	31.76	39.33	39.30	39.17	39.15	43.08	41.56
Interest & Other Finance Charges	3.77	3.76	5.78	5.78	6.92	6.91	9.36	10.31
Depreciation	4.60	4.60	4.63	4.63	4.70	4.70	4.80	4.65
Income tax	3.39	3.39	4.13	4.13	4.71	4.71	5.99	5.90
Bad Debts					1.55	-	2.97	-
Total Costs	363.13	362.92	450.58	449.62	566.76	563.20	650.43	614.76
Add: Return on Equity	4.21	4.21	4.34	4.34	4.75	4.75	6.00	5.17
Less: Non-tariff income	5.87	5.87	3.16	3.16	5.72	5.23	5.72	5.88
Annual Revenue Requirement	361.47	361.26	451.76	450.79	565.79	562.72	650.71	614.05
Revenue @ Existing tariff	380.12	380.00	444.01	444.06	522.97	524.42	580.03	638.29
Revenue (Gap)/Surplus	18.65	18.74	(7.75)	(6.73)	(42.82)	(38.30)	(70.68)	24.24
(Gap)/Surplus for FY06 & FY07								18.48
Cumulative Revenue (Gap)/Surplus upto FY 2010-11							(84.12)	16.43

A8: TREATMENT OF REVENUE GAP/SURPLUS

Petitioner's submission

- 8.1 The Petitioner has proposed an average increase of 10.32%, which is expected to generate additional revenue of Rs 60.19 Cr. It has also proposed to recover the entire gap from the consumers in the ensuing financial year.
- 8.2 The Petitioner has submitted that there has not been any change in the tariff for last four years and it is logical to recover the entire gap in the ensuing financial year. Further, it has submitted that any step of postponement of recovery of gap shall have a spiralling effect as this gap is mainly a direct impact of increase in power purchase cost on which licensee has no control.

Views of the Commission

- 8.3 According to the ARR and the revenues at existing tariff determined by the Commission, the Commission has projected a cumulative revenue surplus of Rs. 16.43 Cr as against the envisaged revenue gap of Rs 84.12 Cr submitted by the Petitioner. Since there is no revenue gap, the Commission disallows the proposal for tariff hike submitted by the Petitioner.
- 8.4 The Commission has decided to carry forward the surplus of Rs. 16.43 Cr to next year for utilization in case tariff stabilization is required next year.
- 8.5 The applicable tariff schedule for the Petitioner for FY 2010-11 has been given in Section A10: of this Tariff Order.

A9: TARIFF RELATED OTHER ISSUES

Tariff Rationalization

Petitioner's submission

- 9.1 The Petitioner has submitted that its average cost of supply is expected to be approximately Rs 3.82 per kWh in FY 2010-11. This is without considering the past recoveries on account of adjustment of revenue gap/ (surplus) for the period from FY 2005-06 to FY 2009-10. Against the same, the average realisation from all consumer categories is expected to be Rs 3.40 per kWh.
- 9.2 The Petitioner has also pointed out that there is a gap in the average cost of supply and average revenue from all the consumer categories except Commercial, HT-I and HT-II.

View of the Commission

- 9.3 The Commission has determined the average cost of supply as Rs. 3.29/kWh for FY 2010-11 and Rs 3.33/kWh after including revenue gaps/surplus for previous years. The average revenue per unit from existing tariffs is Rs. 3.42/ kWh, which is in fact higher than the average cost of supply. This clearly suggests that there is no requirement for increase in tariffs.

Table 32: Average CoS vs. Approved Average Revenue for FY 2010-11 (Rs/kWh)

Category	Average Cost of Supply	Average Cost of Supply (Including past recoveries)	Average Revenue @ Existing Tariff	Realization as % of Average Cost of Supply	Realization as % of Average Cost of Supply (Including past recoveries)
Total Domestic LT	3.29	3.33	2.79	84.73%	83.67%
Domestic - DS HT	3.29	3.33	2.70	82.23%	81.19%
Commercial	3.29	3.33	4.37	132.97%	131.30%
High Tension I	3.29	3.33	4.61	140.20%	138.44%
High Tension II	3.29	3.33	3.81	115.95%	114.49%
High Tension III	3.29	3.33	3.52	106.94%	105.60%
Street Lights	3.29	3.33	2.91	88.46%	87.35%
Total	3.29	3.33	3.42	104.12%	102.81%

- 9.4 As also submitted by the Petitioner, there are variations in the average Cost of Supply and average realization of different consumer categories. However, it is pertinent to mention that the average realization for Domestic and Domestic HT category, where average realisation is less than 100%, is in line with the provisions of the National Tariff Policy which guides towards a tariff regime within a range of $\pm 20\%$ of the average Cost of Supply.

Monthly Minimum Charges

Petitioner's submission

9.5 The Petitioner has proposed to continue MMC for the HT category.

Views of the Commission

9.6 The Commission has decided to discontinue MMC charges from FY 2010-11 onwards for all the licensees in the State of Jharkhand since the Commission has observed that most of the States where MMC has been in place either have single part tariff with no fixed charges or have removed the MMC once the fixed charges have been introduced.

9.7 Since the state of Jharkhand already has a two part tariff structure in place, there is no rationale in keeping the MMC for any categories. Accordingly, the Commission has decided to discontinue MMC for all categories.

Miscellaneous Charges

Petitioner's submission

9.8 The Petitioner has proposed a schedule for miscellaneous charges in Section 8 of its tariff petition.

Views of the Commission

9.9 The Commission believes that the charges being levied by the Petitioner for re-connection/disconnection, testing of meters, resealing of meters, replacement of fuses etc should be in line with the charges being levied by other utilities like JUSCO (in Saraikela-Kharsawan). The Commission has thus approved a revised schedule of miscellaneous charges, as shown in Section A10: of this Tariff Order.

A10: TARIFF SCHEDULE

APPLICABLE FROM 1ST NOVEMBER 2010

This tariff will come into effect from November 1, 2010 and apply to all consumers availing power supply from Tata Steel within its sanctioned Area.

The consumers classified under different categories will be charged different tariff for energy supplied to them as given below based on the nature of use of energy, supply voltage and demand of power.

The following terms & conditions indicated under following clauses shall govern the supply of power by Tata Steel to its consumers.

Clause I: (Billing Maximum Demand)

The minimum demand charge for the billing purposes shall be taken as maximum demand in KVA recorded during the month.

Clause II: (Power factor Surcharge/Rebate)

All the High Tension consumers will be required to draw power at power factor not less than 85%. In the event of average monthly power factor of the consumers falling below 85%, a surcharge of 0.1 paise per kWh sold, for every fall of power factor by 1% or part thereof, will be levied.

The consumers maintaining a power factor higher than 90% will be given an incentive of 0.1 paise per kWh sold, for every increase of power factor by 2% or part thereof up to 95% and maintaining load factor of not less than 55% on monthly basis.

This Surcharge/Rebate shall not be applicable to 'Steel Works of Tata Steel'.

Clause III: (Jharkhand Electricity Duty)

The charges in this tariff schedule are in addition to duties to the consumers as per provisions under the Jharkhand Electricity Duty Act, 1948 and the rules framed thereunder as amended from time to time and any other Statutory levy which may take effect from time to time after making corrections for the loss in the distribution system.

Clause IV: (Interest on Delayed payment)

An interest @1.25% per month or part thereof shall be chargeable to the consumers for delayed payment of balance monthly bill/arrears bill from the due date of payment.

Clause V:

The Jharkhand State Electricity Regulatory Commission (Electricity Supply Code) Regulation 2005 as amended from time to time will be followed wherever applicable.

Medium & Low Tension (MT & LT) Supply:

The tariff for MT & LT Supply will be charged under following categories:

Demand in kVA	Voltage of supply to be provided by Tata Steel	Consumer Category	Nature of use of energy
Upto 100 kVA	415 V or 220 V as per availability and discretion of Tata Steel	CS Commercial Category	Trade, Business, Shops, Cinemas, Clubs, Hotels, Public Offices, Private Hospital. Business establishments in the premises of Educational Institutions, Hostels, Religious Institutions. Other Commercial or business establishments.
Upto 100 kVA	415 V or 220 V as per availability and discretion of Tata Steel	DS Domestic Category	Domestic & Households, Educational Institutions and Hostels, Religious Institutions, Charitable & Social Welfare Institutions, Hospitals, municipal Services etc

High Tension (HT) Supply:

The tariff for HT Supply will be charged under following categories:

Demand in kVA	Voltage of supply to be provided by Tata Steel	Consumer Category
For demand more than 100 kVA upto 500 kVA	6.6 kV as per availability and discretion of Tata Steel	HT-1
For demand more than 500 kVA but less than 5000 kVA	6.6 kV as per availability and discretion of Tata Steel	HT-2
For demand 5000 kVA or more	33kV/132kV	HT-3

Interpretation/clarification

In case of doubt or anomaly, if any, in the applicability of tariff or in any other respect, the matter will be referred to the Jharkhand State Electricity Regulatory Commission and the Commission's decision thereon shall be final and binding.

A. Domestic Supply, (DS Category)

1. Applicability:

This schedule is applicable to Domestic & Households, Educational Institutions and Jharkhand State Electricity Regulatory Commission

Hostels, Charitable & Social Welfare Institutions and Govt & Industrial Hospitals.

2. Character of Service:

AC 50 Hz three phase at 415V or 220V within the specified variation limits as far as practicable.

3. Tariff

Energy Charge for DS

Description (Units/month)	Energy Charges
	<i>Rs/unit</i>
0-100	1.70
101-400	2.80
Above 400	3.00

Fixed Charges

Description	Fixed Charges
	<i>(Rs/month or part thereof)</i>
220V single phase up to 5 kW	10
415 V three phase above 5 kW	20

4. Meter Hire Charges

Description	Meter Hire Charge
	<i>Rs/month</i>
220 V single phase upto 5 kW	15
415 V three phase above 5 kW	35

5. Interest on delayed payment: As per Clause IV

B. Domestic Supply, HT category (DSHT Category)

1. Applicability:

This schedule is applicable to Domestic & Households and Housing Co-operative societies.

2. Character of Service:

AC 50 Hz three phase at 6.6 KV within the specified variation limits as far as practicable in line with the IE Rules 1956 and grid constraints.

3. Tariff**Energy Charge:**

Description (Units/month)	<i>Rs/unit</i>
Energy Charge	2.70

Fixed Charge

Description	<i>Rs/Consumer/month</i>
Fixed Charge	275

4. Meter Hire Charges per month: Rs 35**5. Interest on delayed payment: As per Clause IV****C. Commercial Supply (CS category)****1. Applicability:**

This schedule applicable for Trade, Business, Shops, Cinemas, Clubs, Hotels, Public Offices, Private Nursing Homes and Hospitals, Business establishments in the premises of Educational Institutions, Hostels, Religious Institutions, and any other Commercial or business establishments

2. Character of Service:

AC 50 Hz three phase at 415V or 220V within the specified variation limits as far as practicable in line with the IE Rules 1956 and grid constraints.

3. Tariff**Energy Charge**

Description	<i>Rs/unit</i>
Energy Charges	4.30

Fixed Charge

Description	Fixed Charges
220 V single phase upto 5kW	Rs 25/Consumer/month
415 V three phase above 5kW	Rs 75/Consumer/month

4. Meter Hire Charges

Description	Meter Hire Charge
	<i>Rs/consumer/month</i>
220 V single phase upto 5kW	15
415 V three phase above 5kW	75

5. Interest on delayed payment: As per Clause IV**D. High Tension Supply, (HT category)****I. HT-1 Category****1. Applicability:**

This schedule is applicable to Industrial and Commercial establishments and where contract demand agreement is more than 100 kVA but less than 500 kVA.

2. Character of Service:

AC 50 Hz three phase at 6.6 kV within the specified variation limits as far as practicable, in line with IE rules 1956 and grid constraints.

3. Tariff**Energy charge**

Description (Units/month)	<i>Rs/unit</i>
Energy Charges	3.30

Maximum Demand charge

Description	<i>Rs/kVA/month</i>
Maximum Demand Charge	200

4. **Meter Hire Charges:** Rs 500 per month
5. **Power Factor Surcharge/Rebate:** As per Clause II
6. **Electricity Duty:** As per Clause III
7. **Interest on delayed payment:** As per Clause IV

II. HT-2 Category

1. Applicability

This schedule is applicable to Industrial and Commercial establishments and where contract demand agreement is more than 500 kVA but less than 5000 kVA.

2. Character of Service

AC 50 Hz three phase at 6.6KV within the specified variation limits as far as practicable, in line with IE rules 1956 and grid constraints.

3. Tariff

Energy charge

Description (Units/month)	Rs/unit
Energy Charges	3.25

Maximum Demand charge

Description	Rs/kVA/month
Maximum Demand charge	200

Load factor Rebate

Description	Rebate %
For all Energy consumption above 65% and upto 70% load factor	5%
For all Energy consumption above 70% load factor	7.5%

NOTE: The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate.

4. **Meter Hire Charges:** Rs 500 per month

5. **Power Factor surcharge/Rebate:** As per Clause II
6. **Electricity Duty:** As per Clause III
7. **Interest on delayed payment:** As per Clause IV

III. HT-3 Category

1. Applicability

This schedule is applicable to Industrial establishments and where contract demand agreement is more than 5000 kVA or more.

2. Character of Service

AC 50 Hz three phase at 132kV/33kV within the specified variation limits as far as practicable.

3. Tariff

Energy charge

Description (Units/month)	Rs/unit
Energy Charges	3.20

Maximum Demand charge

Description	Rs/kVA/month
Maximum demand charge	180

Load Factor Rebate

Description	Rebate
For all Energy consumption above 70% load factor	7.5%

NOTE: The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. This Rebate shall not be applicable to 'Steel Works of Tata Steel'

4. **Meter Hire Charges:** Rs 500 per month
5. **Power Factor Surcharge/Rebate:** As per Clause II
6. **Electricity Duty:** As per Clause III
7. **Interest on delayed payment:** As per Clause IV

E. Utilities/Street Light Category**1. Applicability:**

The schedule is applicable to all utilities and municipal services like water and waste water, sewage treatment, street lights etc.

2. Character of Service

AC 50 Hz three phase at 415V or 220V within the specified variation limits as far as practicable.

3. Tariff**Energy charge**

Description (Units/month)	<i>Rs/unit</i>
Energy Charges	2.90

Fixed charge

Description (Units/month)	<i>Rs/month or part thereof</i>
Fixed Charge	20

Meter Hire charge

Description (Units/month)	Meter Hire Charges
	<i>Rs/month</i>
220V Single phase upto 5kW	15
415V three phase above 5 kW	35

4. Interest on delayed payment: As per Clause IV**F. Temporary Supply****1. Applicability**

Temporary supply connections are to be provided on request for an initial period of 3 (three) months maximum from the date of payment of estimated amount in advance and thereafter on discretion of the petitioner. Temporary Connection shall be provided on request for an initial period of 3 (three) months maximum from the date of payment of estimated amount in advance and thereafter on discretion of Tata Steel.

2. Tariff Rates

Fixed Charge

Description	<i>Rs/month</i>
Fixed Charges	30

Energy Charge

Description (Units/month)	<i>Rs/unit</i>
Energy Charges	5.00

Note: However for Durga Puja and other religious functions energy charge for temporary connections will be the highest slab of the prevailing domestic tariff ie. Rs 3/kWh

Schedule for Miscellaneous Charges

S No.	Purpose	Scale of Charges	Manner in which payment will be realized
1	Application fee		
	Agriculture	10	
	Street light	20	
	Domestic	15 (Kutir Jyoti) 20 (Others)	
	Commercial	20	
	Other LT categories	50	
	HTS	100	
	HTSS, EHTS, RTS	100	
2	Revision of estimate when a consumer intimates changes in his requirement subsequent to the preparation of service connection estimate based on his original application		
	Agriculture	10	Payable in cash in advance along with the intimation for revision
	Domestic	30	
	Commercial	30	
	Other LT categories	50	
	HT Supply	150	
3	Testing of consumers Installation		
	First test and inspection free of charge but should any further test and inspection be necessitated by faults in the installation or by not compliance with the conditions of supply for each extra test or inspection	100	(Payable in cash in advance along with the request for testing)
4	Meter test when accuracy disputed by consumer		
	Single phase	40	To be deposited in cash in advance. If the meter is found defective within the meaning of the Indian Electricity Rules 1956, the amount of advance will be refunded and if it is proved to be correct within the permissible limits laid down in the Rules, the amount will no be refunded.
	Three phase	100	
	Trivector of special type meter	650	
5	Removing/ Refixing of meter		
	Single phase	50	Payable in cash in advance along with the intimation for revision
	Three phase	100	
	Trivector of special type meter	300	
6	Changing of meter /meter equipment/fixing of sub meter on the request of the consumer/fixing of sub meter		
	Single phase	50	Payable in cash in advance along with the intimation for revision
	Three phase	100	
	Trivector of special type meter	300	
7	Resealing of meter when seals are found broken		

S No.	Purpose	Scale of Charges	Manner in which payment will be realized
	Single phase	25	Payable with energy bill
	Three phase	50	
	Trivector of special type meter	100	
8	Replacement of meter card, if lost or damage by consumer	10	Payable with energy bill
9	Fuse call – Replacement		
	Board fuse due to fault of consumer	15	Payable with energy bill
	Consumer fuse	15	
10	Disconnection/ Reconnection		
	Single phase	30	Payable in cash in advance along with the request by the consumer. If the same consumer is reconnected/ disconnected within 12 months of the last disconnection/ reconnection, 50% will be added to the charges
	Three phase	75	
	LT Industrial Supply	300	
	HT Supply	500	
11	Security Deposit		As per clause 10.0 of the JSERC (Electricity Supply code) Regulations, 2005

A11: STATUS OF EARLIER DIRECTIVES

Directives as per TO 2009-10	Status submitted by the Petitioner	Views of the Commission
<p>Separation of Accounts</p> <p>The Commission directed the Petitioner to separate the accounts of its Power Business Division from any other Business including Steel Works within six months from the date of issue of this order.</p> <p>The Petitioner was also directed to make appropriate arrangements to treat Steel Works as a consumer and propose a corresponding tariff for the same within six months of the issue of the order</p>	<p>The Petitioner has submitted that it is not maintaining separate books of accounts for its licensed business but it has been submitting the its annual accounts duly certified by practising chartered accountants for FY 2005-06, FY 2006-07, FY 2007-08 and FY 2008-09 to the Commission. The Petitioner has requested the Commission to allow similar arrangement of filing the certified annual accounts for the licensed operations for future years which is based on the audited accounts of the Company</p> <p>The Petitioner submitted that the directive for treating the steel works as consumer is sub-judice with the Supreme court.</p>	<p>The Commission views that even though the Petitioner has been submitting certified accounts for the licensed business, there are many expense components like O&M charges for which the methodology used is not as per the regulations notified by the Commission. The Commission directs the Petitioner to revise the methodology for the O&M charges as well as depreciation and prepare the accounts for the segregated business accordingly.</p> <p>As per the provisions under Section 51 of the Act, a distribution licensee has to maintain separate accounts for each business. Therefore, the Petitioner is again directed to segregate their accounts and submit the same along with the next tariff petition.</p> <p>As mentioned in the Tariff Order, the Commission has decided to treat steel works as a consumer and considered the sales to steel works for determination of ARR for FY 2010-11.</p>
<p>Cost of Supply</p> <p>The Commission directed the Petitioner to conduct the cost of supply study for each category within one year of the issue of the order and submit it to the Commission for review and finalization. The Petitioner was also directed to submit the scope of work and the methodology to be followed for conducting the CoS Study within one month of the issue of the order</p>	<p>The Petitioner has submitted that it is planning to appoint consultants which will also advice TSL in preparing the scope of work and methodology to be followed for conducting the CoS study and the same shall be submitted to the Commission before actually undertaking the process the study.</p> <p>The Petitioner has requested the Commission to relax the timelines till the filing of the next petition for FY 2011-12.</p>	<p>The Commission views that the Petitioner has delayed the process inordinately and does not look to be in a position to submit the methodology for CoS study as per the requested timelines.</p> <p>The Commission directs the petitioner to submit the scope of work and Methodology with the next tariff petition.</p>

Directives as per TO 2009-10	Status submitted by the Petitioner	Views of the Commission
<p>Expenditure on energy audit and GIS mapping</p> <p>The Commission directed the Petitioner to submit the progress report every quarter for the expenditure incurred on account of Energy audit & GIS mapping within one month of the issue of the order.</p>	<p>The Petitioner submitted that it has spent an amount of Rs 1.55 Cr on implementation of GIS mapping which has been completed and thereafter no capital expenditure has been incurred</p> <p>The Petitioner submitted that the output of the GIS system will be submitted shortly</p>	<p>The Petitioner has not complied with the directive.</p> <p>The Commission directs the petitioner to initiate submission of progress reports from 4th quarter of FY 2010-11, failing which, the Commission shall be compelled to proceed further as per law.</p>
<p>Study for implementation of ToU tariff regime</p> <p>The Petitioner was directed to collect information on the demand of various consumer categories at different times of the day as well as consumption during these intervals.</p> <p>The Petitioner was also directed to undertake study to estimate the cost implications of metering at sub-station level and consumer level to effectively implement ToU tariff regime. The Commission directed the Petitioner to submit the report within three months of the issue of the order.</p>	<p>The Petitioner has submitted that HT industrial consumers contributes more than three-fourth of the total energy consumption in its licensed operations where appropriate meters to capture the usage pattern are already in place. Also, while analyzing the data from the load despatch centre, it has observed that there is no major gap in the peak demand and off peak demand. Hence, implementation of ToU tariff regime will have no significant impact on their energy usage pattern.</p> <p>The Petitioner has submitted that it intends to seek expert advice in this regard and shall be appointing a consultant for the detailed analysis for the feasibility of the same and its likely impact on the load curve.</p> <p>The Petitioner has submitted that the outcome of the study will be submitted to the Commission and has requested the Commission to relax the timelines till the filing of the next tariff petition for FY 2011-12.</p>	<p>The Commission grants time as requested by the Petitioner.</p>
<p>Sales Estimates and Projections</p> <p>The Commission directed the Petitioner to undertake a detailed study for load research and demand forecast in order to correctly workout its short term and long term peak energy requirement.</p> <p>The Commission also directed the</p>	<p>The Petitioner has submitted that it plans to undertake a detailed study for the load research and demand forecast in order to correctly work out the its short term and long term peak and energy requirement. The Petitioner submitted that it is in search of the expert agency to carry out the same and targets to finish this exercise by the end of FY 2010-11.</p>	<p>The Commission grants extension till 31st March 2011 for undertaking the study. The Commission expects the results to be submitted by the deadline failing which the Commission shall be compelled to proceed further as per law.</p>

Directives as per TO 2009-10	Status submitted by the Petitioner	Views of the Commission
<p>Petitioner to estimate consumption for different categories including un-metered category, if any, and to furnish number of hrs of supply to various categories consumers for the previous years with next petition.</p>	<p>The Petitioner submitted that it does not have any un metered consumers except street lights and the network is such that the same feeder feeds power to domestic, commercial, industrial as well as other consumers and therefore it is not possible to maintain record for consumer category-wise number of hours of supply. However, the average availability in FY 2009-10 to all consumer categories has been approx. 99.80%.</p>	
<p>Distribution Loss Estimation</p> <p>The Commission directed the Petitioner to formulate a task force for supervising the Distribution loss in its licensed area. The task force should report to the Commission quarterly about the various efforts that have been undertaken to ascertain the loss levels. The Commission also directed the Petitioner to carry out energy audit of its system and provide quarterly reports to regarding the progress of energy audit and action taken to reduce Distribution loss and results achieved</p>	<p>The Petitioner submits that its distribution loss is the benchmark in the whole eastern region as well as comparable with any other private distribution utility in the country. It has taken proactive measures to achieve continuous reduction in the losses in its licensed area. However, it will start submitting the report for the action taken for reduction of distribution losses to the Commission by the second quarter of this FY.</p>	<p>The Commission has not received any report. The Petitioner is directed to submit the progress report from the fourth quarter of FY 2010-11, failing which the Commission shall be compelled to proceed further as per law.</p>
<p>Quarterly Reports on Meter Failures</p> <p>The Commission directed the Petitioner to, within three months of this order, submit a report on the metering technology used for various categories of consumers and also submit quarterly reports on the number of non-performing /defective meters for each category in the system and time taken to replace such meters.</p> <p>The Commission also directed the Petitioner to develop a process for installation of consumer purchased meters and issue relevant circulars within three months of this order.</p>	<p>The Petitioner has submitted a list of key features of the energy meters that have been used to provide power supply to its consumers in the licensed area.</p> <p>The Petitioner has submitted that it has developed IT based systems which generate reports related to information on non-performing/defective meters and the time taken for their replacement. It has further submitted that it is developing the process for installation of consumer purchased meters and the circular regarding this will be made soon.</p>	<p>The Commission directs the Petitioner to regularize the submission of quarterly reports from the fourth quarter of FY 2010-11.</p> <p>The Commission also directs the Petitioner to issue the circular for process of installation of consumer purchased meters within one month of the issue of this Order.</p>
<p>Standard of Performance</p> <p>The Petitioner was directed to submit the statement of record mandated under SoP Regulations along-with the amount of compensation/claim paid</p>	<p>The Petitioner has stated that no consumer has claimed any compensation against quality of supply for last five years.</p> <p>The Petitioner has submitted that it is not feasible to communicate information to</p>	<p>The Petitioner has not submitted an implementation plan for opening of new bill collection centre. The Commission directs the Petitioner to submit the same within two months of the issue</p>

Directives as per TO 2009-10	Status submitted by the Petitioner	Views of the Commission
<p>since inception and up to the 3rd quarter of FY 2009-10 and thereafter submit the same to the Commission on quarterly basis. The Commission also directs to submit the implementation plan for opening of new bill collection centre at Adityapur within three months of the issue of this order.</p> <p>The Commission further directed the Petitioner to submit an action plan for the disseminating the information regarding load shedding to its consumers through phone/ SMS by mobile phones, within three months of the issue of this order</p>	<p>every consumer through sms/mobile as it has a large consumer base. However, it communicates its consumers regarding the planned shutdowns through loud speaker announcements and JUSCO also operates a 24x7 call centres- 'JUSCO sahyog kendra' which facilitates consumers for getting information, submission of complaints etc.</p>	<p>of this Order.</p>
<p>Capital Investment Plan</p> <p>The Commission directed the Petitioner to submit scheme-wise details of actual capital expenditure incurred in FY 2008-09 & upto date for FY 2009-10 and also the scheme-wise implementation schedule for FY 2010-11, with the next tariff petition.</p>	<p>The Petitioner has submitted that scheme-wise details of capital expenditure for FY 2008-09 and FY 2009-10 will be submitted separately and the scheme-wise roll out plan of capex for next five years including FY 2010-11 is already submitted in the petition.</p>	<p>The Commission directs the Petitioner to comply with the directive with the next tariff petition for FY 2011-12.</p>
<p>Load factor study for HT and EHT consumers</p> <p>The Petitioner was directed to carry out a study on load factor considering the contract demand, the actual consumption, load factor, billing, collection, reasons for low load factor and submit it to the Commission within a period of six months from the date of tariff order.</p>	<p>The Petitioner submits that its HT consumers have been consistently operating at reasonable good load factor and there is no alarming deviation being noticed in the past few years.</p>	<p>The submission of the Petitioner is not as per the directive and the Commission has strong reservations on the casual attitude shown by the Petitioner on response/compliance to the directive of the Commission. The Petitioner is directed to ensure compliance of the directive by 31st January 2011.</p>
<p>Adjustment of bills as per revised Generation tariff of TPCL</p> <p>The Commission directed the Petitioner to reconcile the payment due/receipts with TPCL, in lieu of the revised Generation tariffs determined by the Commission for FY 2007-08, FY 2008-09 and FY 2009-10 vide the Commissions Tariff Order for TPCL dated 20th January 2010, within three</p>	<p>The Petitioner has submitted that it has reconciled the payment due/receipt with TPCL in lieu of the revised rate for sale of power as determined by the Commission for FY 2007-08, FY 2008-09 and FY 2009-10.</p>	<p>The Petitioner has complied with the directive.</p>

Directives as per TO 2009-10 month of the issue of the order	Status submitted by the Petitioner	Views of the Commission
<p>Adjustment of bills as per revised cost of power to JUSCO</p> <p>The Commission directed the Petitioner to reconcile the payment due/receipts with JUSCO, in lieu of the revised cost of power sold to JUSCO as determined by the Commission in the Tariff order, within one month of the issue of this order. The Petitioner was required to generate a supplementary bill for the reconciled billed amount and submit the same to JUSCO.</p>	<p>The Petitioner has submitted that it has reconciled the payment due/receipt with JUSCO in lieu of the revised rate for sale of power as determined by the Commission for FY 2007-08, FY 2008-09 and FY 2009-10.</p>	<p>The Petitioner has complied with the directive.</p>
<p>Data adequacy in the next Tariff Petition</p> <p>The Commission directed the Petitioner to come up with a next tariff petition for FY 2010-11 removing the various data deficiencies highlighted in the tariff order along with the latest information for FY 2009-10.</p> <p>The Commission also directed the Petitioner to file the next tariff petition for FY 2010-11 within one month of the issue of the order and also to ensure that the submission of subsequent ARR & tariff filings are done by 1st November every year previous to the tariff period.</p>	<p>The Petitioner has submitted that it has prepared the tariff petition of FY 2010-11 with the latest information for FY 2009-10 and has taken utmost care to ensure the completeness of data. However, it shall provide any additional information required by the Commission.</p>	<p>The Commission observes that the Petitioner has not filed the tariff petition for FY 2010-11 within the stipulated time and rather asked for extensions. It is pertinent to mention that delay in filing of ARR not only impacts the revenues of the Petitioner but is also a hindrance in the regulatory stability from the consumer's perspective. The Commission directs the Petitioner to adhere to the timelines for ARR filing in future.</p> <p>The Commission has also observed that the ARR petition for FY 2010-11 submitted by the petitioner had many discrepancies due to which there were inordinate delays in finalization of Tariff Order. The Commission directs the Petitioner to ensure sufficient information is provided with the ARR & tariff petition every year.</p>

A12: DIRECTIVES

- 12.1 The Commission is re-iterating the following directives issued by it in previous Tariff Orders as the Petitioner has not yet complied fully with these directives.

Separation of Accounts

- 12.2 As per the provisions under Section 51 of the Act, a distribution licensee has to maintain separate accounts for each business so as to ensure that the power supply business does not subsidize or burden its distribution assets to support other business activities of the licensee.
- 12.3 The Commission directs the Petitioner to separate the accounts of its Power Business Division from any other Business including Steel Works within six months from the date of issue of this order.
- 12.4 The Petitioner is also directed to make appropriate arrangements to treat Steel Works as a consumer and propose a corresponding tariff for the same within six months of the issue of the order.

Cost of Supply

- 12.5 The Commission directs the Petitioner to conduct the cost of supply study for each category and submit it to the Commission for review and finalization. The Petitioner must also submit the scope of work and the methodology to be followed for conducting the CoS Study with the next tariff petition for FY 2011-12.

Expenditure on Energy Audit and GIS Mapping

- 12.6 The Commission directs the Petitioner to submit the progress report every quarter for the expenditure incurred on account of Energy audit & GIS mapping from fourth quarter of this financial year, failing which the Commission shall be compelled to proceed further as per law.

Study for implementation of ToU tariff regime

- 12.7 The Petitioner is directed to collect information on the demand of various consumer categories at different times of the day as well as consumption during these intervals.
- 12.8 The Petitioner is also directed to undertake study to estimate the cost implications of metering at sub-station level and consumer level to effectively implement ToU tariff regime. The Petitioner must submit the report with the next tariff petition for FY 2011-12.

Sales Estimates and Projections

- 12.9 The Commission directs the Petitioner to undertake a detailed study for load research and demand forecast in order to correctly workout its short term and long term peak energy requirement.
- 12.10 To correctly estimate the energy demand, data related to the category wise actual consumption is must. The Commission directs the Petitioner to estimate consumption for different categories including un-metered category, if any, and to furnish number of hours of supply to various categories of consumers for the previous years by 31st March 2011.

Distribution Loss Estimation

- 12.11 The Commission directs the Petitioner to formulate a task force for supervising the distribution losses in its licensed area. The task force should report to the Commission quarterly about the various efforts that have been undertaken to correctly ascertain the loss levels, action taken to reduce distribution losses and results achieved. The Petitioner must submit the progress report from fourth quarter of FY 2010-11, failing which the Commission shall be compelled to proceed further as per law.

Metering Issues

- 12.12 The Commission directs the Petitioner to submit a report on the metering technology used for various categories of consumers and also submit quarterly reports, from the fourth quarter of FY 2010-11, on the number of non-performing /defective meters for each category in the system and time taken to replace such meters.
- 12.13 The Commission also directs the Petitioner to develop a process for installation of consumer purchased meters and issue relevant circulars within one month of this Order.

Standard of Performance

- 12.14 The Commission directs the Petitioner to submit the statement of record mandated under Standard of Performance Regulations along with the amount of compensation/claim paid on quarterly basis to the Commission. The Commission also directs the Petitioner to submit the implementation plan for opening of new bill collection centre at Adityapur within two months of the issue of this Order.

Capital Investment Plan

- 12.15 The Commission directs the Petitioner to submit scheme-wise details of actual capital expenditure incurred in up to FY 2010-11 and also the scheme-wise implementation schedule for FY 2011-12, with the next tariff petition.

Load factor study for HT and EHT consumers

12.16 The Petitioner is directed to carry out a study on load factor considering the contract demand, the actual consumption, load factor, billing, collection, reasons for low load factor and submit it to the Commission by 31st January 2011.

New Directives

12.17 In addition to the above, the Commission is also issuing the following directives to ensure further improvement in operational and financial areas of the Petitioner.

Operation and Maintenance Expenses

12.18 The Commission, during the course of finalization of this Tariff Order, had asked the Petitioner to submit detailed break-up of O&M expenses incurred by it. The Petitioner was, however, unable to provide the details in the required regulatory format.

12.19 While the Commission has approved the overall O&M expenses in this Tariff Order, the Petitioner is directed to submit the detailed break-up of O&M expenses in the next petition as per the forms annexed in 'JSERC Distribution Regulations, 2004', as amended from time to time.

12.20 Further, for determination of employee cost, the Petitioner must also maintain and submit to the Commission separate lists of all the employees that are partially and wholly engaged in the electricity distribution business, along with their role and responsibility and salary drawn as on 1st April 2010 within two months of the issue of this Order.

Depreciation

12.21 The Petitioner has hitherto been calculating depreciation based on Straight Line Method of computation on the rates as prescribed in Schedule XVI of the Companies Act, 1956 and not as per the depreciation rates prescribed by the Commission. The Commission finds this unacceptable and directs the Petitioner to calculate depreciation as per the Distribution Regulations, 2004 as amended from time to in its next tariff petition. If the Petitioner is unable to submit the depreciation as per the schedule given in the Regulations in the next petition, the Commission shall disallow depreciation while computing the ARR for the Petitioner from next Tariff Order.

Adjustment of Bills & payments/receipt as per revised Generation tariff of TPCL

12.22 The Commission directs the Petitioner to reconcile the payment due/receipts with TPCL, in lieu of the revised Generation tariffs determined by the Commission for FY 2007-08, FY 2008-09, FY 2009-10 and FY 2010-11 vide the Commission's Tariff Order for TPCL of July 2010, within three month of the issue of this Order.

Adjustment of Bills & payments/receipt as per revised cost of power sold to JUSCO

12.23 The Commission directs the Petitioner to reconcile the payment due/receipts with JUSCO, in lieu of the revised cost of power sold to JUSCO as determined by the Commission in this Order, within three months of the issue of this order. The Petitioner is required to generate a supplementary bill for the reconciled billed amount.

Data adequacy in the next Tariff Petition

12.24 The Commission has observed that the Petitioner did not file the tariff petition for FY 2010-11 within the stipulated time and rather asked for extensions. It is pertinent to mention that delay in filing of ARR not only impacts the revenues of the Petitioner but is also a hindrance in regulatory stability from the consumer's perspective. The Commission directs the Petitioner to adhere to the timelines for filing the ARR in the future.

12.25 The Commission has also observed that the tariff petition for FY 2010-11, submitted by the Petitioner, had many discrepancies due to which there were inordinate delays in finalization of this Tariff Order. The Commission directs the Petitioner to ensure sufficient information is provided with the ARR and tariff petition of FY 2011-12.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on this the 27th day of October, 2010.

Date: 27th October, 2010

Place: Ranchi

Sd/-
(T.MUNIKRISHNAIAH)
MEMBER (E)

Sd/-
(MUKHTIAR SINGH)
CHAIRPERSON

A13 : ANNEXURES**ANNEXURE-I****List of participating members of public in the public hearing**

S No	Name	Address / Organisation if any
1.	Prakash Barua	Kadma
2.	Jarnal Singh	Vijay Nagar Golmuri
3.	Abhimanyu Kumar	Teacher's colony Bhaltasa
4.	A.K. Sinha	JUSCO
5.	Rilesh Kumar	JUSCO
6.	Manmohan Singh	JUSCO
7.	Amit Kumar Agarwal	JUSCO
8.	Jayesh Chauhan	Feedback Ventures P. Ltd
9.	B.K. Ojha	Danik Jagran
10.	Santosh Kumar	JUSCO
11.	S. Roy	JUSCO
12.	Anjani Kumar	JUSCO
13.	K.K. Paul	National Metallurgical Laboratory
14.	Parvesh Kumar	National Metallurgical Laboratory
15.	Vinod Kumar	National Metallurgical Laboratory
16.	D.M. Choudhary	Tata Steel
17.	Arun Kumar Singh	JUSCO
18.	K.C.Jha	JUSCO
19.	D.Mitra	JUSCO
20.	Rajesh Kumar	Sonari
21.	A.K.Singh	Tata Steel
22.	Abhishek Kumar	Tata Steel
23.	Arvind Kumar Sinha	Tata Steel
24.	B.K.Prasad	Tata Steel
25.	Santosh Goyal	Tata Steel
26.	Rajesh Vyas	JUSCO
27.	P.P. Chatterji	Chairperson, C.G.R.F. (T.S.)
28.	M. Kumar	Hindustan Times
29.	Arvind Sharma	JUSCO

30.	S.K. Bhattacharya	Tata Steel
31.	U.S.Bapat	Tata Steel
32.	P.L. Manjrekar	Tata Steel
33.	Aveek Chatterjee	Tata Power, Jojobera
34.	Anirban Das	Tata Power, Jojobera
35.	Manoj Kumar Gupta	Tata Steel Ltd.
36.	D. Kumar	M/s Trivenle
37.	U.S. Upadhyay	Tata Steel Ltd.
38.	Yugal Kishor	Sonari
39.	Ravi Ranjan	Golmuri
40.	S.K.Singh	Agrico
41.	Dileep Kr. Jha	Sidham
42.	Ajitkar	Tata Steel
43.	Manmohan	SCCNNSW &
44.	Sharique Hussain	News Times
45.	S. K. Mishra	H.T.
46.	K. Anand	Prabhat Khabar
47.	Nand Singh	Sahara Samay
48.	Jitendra Kumar	Mas 11
49.	N. Kumar	News - 11
50.	P. Majum	The Telegraph
51.	Rajesh	AAJ
52.	Md. Imteayz	News Ispat Mail
53.	Partho Chakerberty	Aaj Hindi Dainik