

# **Jharkhand State Electricity Regulatory Commission**



Order on  
True-up for FY 2023-24,  
Annual Performance Review for FY 2024-25, and  
Aggregate Revenue Requirement & Tariff for FY  
2025-26  
for  
Jharkhand Bijli Vitran Nigam Limited (JBVNL)

Ranchi,  
April 30, 2025



## **Contents**

<b>List of Tables .....</b>	<b>9</b>
<b>Chapter 1: INTRODUCTION .....</b>	<b>14</b>
Jharkhand State Electricity Regulatory Commission .....	14
The Petitioner-Jharkhand Bijli Vitran Nigam Limited .....	17
The Petitioner's Prayers .....	18
<b>Chapter 2: PROCEDURAL HISTORY .....</b>	<b>19</b>
Background .....	19
Information Gaps in the Petition .....	19
Inviting Public Comments/Suggestions .....	20
Meeting of the State Advisory Committee .....	21
Submission of Comments/Suggestions and Conduct of Public Hearing .....	22
<b>Chapter 3: BRIEF FACTS OF THE PETITION .....</b>	<b>23</b>
True-up for FY 2023-24: .....	23
Energy Sales, Load, Number of Consumer .....	23
Annual Revenue Requirement .....	24
Annual Performance Review 2024-25: .....	25
Energy Sales .....	25
Annual Revenue Requirement .....	26
Aggregate Revenue Requirement for FY 2025-26 .....	27
Energy Sales .....	27
Annual Revenue Requirement .....	29
<b>Chapter 4: PUBLIC CONSULTATION PROCESS .....</b>	<b>31</b>
<b>Chapter 5: TRUE-UP FOR FY 2023-24 .....</b>	<b>89</b>
Energy Sales .....	89
Energy Balance .....	91
Power Purchase Cost .....	97
Transmission Charge .....	106
Capital Expenditure and Capitalization .....	107
Consumer Contribution, Grants and Subsidies .....	109
Calculation of normative GFA, Loan and Equity .....	112
Operation and Maintenance Expenses (O&M) .....	114
Depreciation .....	122
Interest on Loan .....	126



Interest on Consumer Security Deposits .....	131
Return on Equity .....	132
Interest on Working Capital .....	133
Non-Tariff Income (NTI) .....	137
Disallowances on account of Excessive AT&C Losses .....	142
Revenue .....	143
Summary of Annual Revenue Requirement and Gap/(Surplus) .....	144
<b>Chapter 6: ANNUAL PERFORMANCE REVIEW FOR FY 2024-25.....</b>	<b>147</b>
Consumer Number, Connected Load, Energy Sales .....	147
Energy Balance .....	150
Power Purchase Cost.....	154
Transmission Charge.....	165
Capital Expenditure and Capitalization.....	166
Consumer Contribution, Grants and Subsidies .....	169
Operation and Maintenance Expenses .....	171
Depreciation .....	174
Interest on Loan.....	176
Interest on Consumer Security Deposits .....	178
Return on Equity .....	179
Interest on Working Capital .....	181
Non-Tariff Income (NTI) .....	183
Disallowances on account of Excessive AT&C Losses .....	185
Revenue .....	188
Summary of Annual Revenue Requirement and Gap/(Surplus) .....	188
<b>Chapter 7: AGGREGATE REVENUE REQUIREMENT &amp; TARRIF FOR FY 2025-26</b>	<b>191</b>
Consumer Number, Connected Load, Energy Sales .....	191
Energy Balance .....	194
Power Purchase Cost.....	198
Transmission Charge.....	209
Capital Expenditure and Capitalization.....	209
Consumer Contribution, Grants and Subsidies .....	211
Operation and Maintenance Expenses .....	213
Depreciation .....	216



Interest on Loan.....	217
Interest on Consumer Security Deposits .....	220
Return on Equity .....	221
Interest on Working Capital (IoWC).....	222
Non-Tariff Income (NTI) .....	224
Disallowances on account of Excessive AT&C Losses.....	226
Revenue .....	227
Summary of Annual Revenue Requirement and Gap/(Surplus) .....	227
<b>Chapter 8: REVENUE GAP AND ITS TREATMENT .....</b>	<b>230</b>
Treatment of Revenue Gap/(Surplus) .....	230
Revenue Gap/(Surplus) .....	230
<b>Chapter 9: DETERMINATION OF WHEELING CHARGE, WHEELING LOSSES AND CROSS SUBSIDY SURCHARGE FOR FY 2023-24. ....</b>	<b>233</b>
Wheeling Charges .....	233
Voltage-wise Cost of Supply .....	239
Cross Subsidy Surcharge.....	244
<b>Chapter 10: GREEN ENERGY TARIFF .....</b>	<b>247</b>
<b>Chapter 11: RETAIL TARIFF FOR FY 2025-26.....</b>	<b>256</b>
<b>Chapter 12: TARIFF SCHEDULE .....</b>	<b>258</b>
Consumer Tariff .....	258
Domestic Service- Rural and Urban.....	258
Domestic Service - HT .....	260
Irrigation & Agriculture Service (IAS) .....	262
Commercial Services.....	263
Low Tension Industrial Services.....	265
HT Services .....	267
Street Light.....	269
HT Institutional Services.....	270
Temporary Connections .....	272
Tariff for EV Charging.....	274
<b>Chapter 13: TERMS AND CONDITON OF SUPPLY .....</b>	<b>275</b>
<b>Chapter 14: STATUS OF EARLIER DIRECTIVES .....</b>	<b>282</b>
<b>Chapter 15: DIRECTIVES .....</b>	<b>297</b>
<b>Chapter 16: List of Public Who Participated in public hearing.....</b>	<b>300</b>



List of public who participated in the Public Hearing and submitted their Suggestions/Comments .....	300
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## List of Abbreviations

Abbreviation	Description
A&G	Administrative and General
ACS/ACoS	Average Cost of Supply
APR	Annual Performance Review
APTEL	Appellate Tribunal for Electricity
ARR	Aggregate Revenue Requirement
BG	Bank Guarantee
CC	Consumer Contribution
CGRF	Consumer Grievance Redressal Forum
CSD	Consumer Security Deposit
CWIP	Capital Works in Progress
DVC	Damodar Valley Corporation
FPA	Fuel Purchase Adjustment
FY	Financial Year
GFA	Gross Fixed Assets
GoJ	Government of Jharkhand
HP	Horse Power
HT	High Tension
IAS	Irrigation and Agriculture Services
IEX	Indian Energy Exchange
IFC	Interest & Finance Charge
IoWC	Interest on Working Capital
kW	kilo Watt
kWh	kilo Watt hour
kVA	kilo Volt Ampere
kVAh	kilo Volt-Ampere hour
MD	Maximum Demand



Abbreviation	Description
MES	Military and Engineering Services
MOD	Merit Order Despatch
MU	Million Units
NTI	Non-Tariff Income
O&M	Operation and Maintenance
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
REC	Renewable Energy Certificates
RoE	Return on Equity
RPO	Renewable Purchase Obligation
RTS	Railway Traction Services
SBI	State Bank of India
SERC	State Electricity Regulatory Commission
SOP	Standard of Performance
SS	Street Light

## List of Tables

Table 1: List of newspapers and dates of publication of public notice by Petitioner.....	21
Table 2: List of newspapers and dates of publication of Public Notice by the Commission. ....	21
Table 3: Sales (in MUs) as submitted by the Petitioner.....	23
Table 4: Connected Load (kVA) as submitted by the Petitioner. ....	23
Table 5: Number of Consumer as submitted by the Petitioner. ....	24
Table 6: ARR (Rs. Crore) as submitted by the Petitioner.....	24
Table 7: Sales (in MUs) as submitted by the Petitioner.....	25
Table 8: Connected Load (in kVA) as submitted by the Petitioner. ....	26
Table 9: Number of consumer as submitted by the Petitioner. ....	26
Table 10: ARR (Rs. Crore) as submitted by the Petitioner.....	27
Table 11: Sales (in MUs) as submitted by the Petitioner.....	28
Table 12: Connected Load (in kVA) as submitted by the Petitioner. ....	28
Table 13: Number of Consumer as submitted by the Petitioner. ....	28
Table 14: ARR (Rs. Crore) as submitted by the Petitioner.....	29
Table 15: Sales (in MUs) as submitted by the Petitioner.....	89
Table 16: Connected Load (kVA) as submitted by the Petitioner. ....	90
Table 17: Number of Consumer (Nos) as submitted by the Petitioner. ....	90
Table 18: Energy Sales (MUs) as submitted by the Petitioner and approved by the Commission.....	91
Table 19: Energy Balance (in MUs) as submitted by the Petitioner.....	93
Table 20: Energy Balance (MUs) as approved by the Commission. ....	96
Table 21: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner. ....	97
Table 22: Renewable Purchase Obligation (in MUs) as submitted by Petitioner.....	103
Table 23: Power Procurement Cost (Rs Crore) as approved by the Commission. ....	104
Table 24: Transmission Charge (in Rs Cr.) as submitted by Petitioner.....	106
Table 25: Inter/Intra Transmission Charge (Rs. Cr.) as approved by Commission. ....	107
Table 26: Actual Capital Expenditure (Rs. Crore) as submitted by Petitioner .....	107
Table 27: Actual capitalization (Rs Cr.) as submitted by the Petitioner.....	107
Table 28: Capital Expenditure (Rs. Cr.) as approved by the Commission .....	108
Table 26: Actual Capital Expenditure (Rs. Crore) as approved by the Commission.....	109
Table 29: Closing GFA (Rs Crore) as approved by the Commission.....	109
Table 30: Consumer contribution and grants (Rs. Crore) as submitted by the Petitioner.....	110
Table 31: Consumer contribution and grants (Rs. Crore) as approved by Commission.....	112
Table 32: Source of funding of GFA (Rs Crore) as submitted by the Petitioner. ....	112
Table 33: Source of funding of GFA (Rs Crore) as approved by the Commission. ....	114
Table 34: Employee cost (Rs Cr.) as submitted by the Petitioner.....	114
Table 35: A&G Expense (Rs Crore) as submitted by the Petitioner.....	115
Table 36: R&M Expenses (Rs Crore) as submitted by the Petitioner.....	115
Table 37: Normative Employee Expenses (Rs Crore) as approved by the Commission. ....	118
Table 38: Normative A&G Expenses (Rs Crore) as approved by the Commission. ....	119
Table 39: Normative R&M Expenses (Rs Crore) as approved by the Commission.....	119
Table 40: Normative O&M Expenses (Rs Crore) as approved by the Commission.....	119
Table 41: Total actual O&M Expenses (Rs Crore) as approved by the Commission.....	121
Table 42: O&M Expenses (Rs Crore) after sharing of gain/(loss) as approved by the Commission. ....	122
Table 43: Depreciation (in Rs. Crore) as submitted by the Petitioner. ....	123
Table 44: Depreciation (Rs Crore) as approved by the Commission.....	125
Table 45: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner .....	126
Table 46: Interest on Loan and Bank & Finance Charges (in Rs Crore) as approved by the Commission. ....	130
Table 47: Interest on CSD (Rs Crore) as submitted by the Petitioner. ....	131

Table 48: Interest on CSD (Rs. Crore) as approved by the Commission.....	132
Table 49: Return on Equity (Rs Crore) as submitted by the Petitioner.....	132
Table 50: Return on Equity (Rs Crore) as approved by the Commission.....	133
Table 51: Interest on Working Capital (Rs Crore) as submitted by the Petitioner. ....	134
Table 52: Interest on Working Capital (in Rs. Crore) as computed by the Commission.....	136
Table 53: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.....	137
Table 54: Non-Tariff Income (Rs Crore) as approved by the Commission.....	141
Table 55: Disallowance Distribution Loss (Rs Crore) as approved by the Commission.....	143
Table 56: Revenue (Rs Crore) as approved by the Commission. ....	144
Table 57: Summary of ARR (Rs. Crore) as submitted by the Petitioner. ....	144
Table 58: Summary of ARR (Rs Crore) as approved by the Commission. ....	145
Table 59: Consumer Number, Connected Load, Energy Sales as submitted by the Petitioner. ....	148
Table 60: Category-Wise Energy estimated energy Sales (MUs) as approved by the Commission. ....	149
Table 61: Category-Wise Energy estimated connected Load (kVA) as approved by the Commission. ..	149
Table 62: Category-Wise estimated number of consumer as approved by the Commission. ....	149
Table 63: Energy Balance (in MUs) as submitted by the Petitioner.....	151
Table 64: Energy Requirement (MUs) as approved by the Commission. ....	153
Table 65: Power Purchase quantum and cost as submitted by the Petitioner. ....	156
Table 66: Renewable Purchase Obligation (in MUs) for FY 2024-25 as submitted by the Petitioner. ....	160
Table 67: Power Purchase quantum and cost as approved by the Commission. ....	163
Table 68: Transmission Charge (in Rs. Crore) as submitted by Petitioner.....	166
Table 69: Transmission Charge (in Rs Crore) as approved by the Commission. ....	166
Table 70: Estimated Scheme wise capital investment (in Rs Crore) as submitted by the Petitioner.....	167
Table 71: Actual Capital work in progress (Rs. Crore) as submitted by Petitioner.....	168
Table 72: Capital work in progress (Rs. Crore) as approved by the Commission.....	169
Table 73: Estimated capitalization (Rs. Crore) as approved by the Commission.....	169
Table 74: Consumer Contribution submitted by the Petitioner .....	169
Table 75: CCG (Rs. Crore) as approved by the Commission. ....	170
Table 76: Source of funding of GFA (Rs. Crore) as approved by the Commission. ....	171
Table 77: Employee cost (Rs Crore) as submitted by the Petitioner. ....	172
Table 78: A&G Expense (Rs Crore) as submitted by the Petitioner.....	172
Table 79: R&M Expenses (Rs Crore) as submitted by the Petitioner.....	172
Table 80: Normative Employee Expenses (Rs Crore) as approved by the Commission .....	173
Table 81: Normative A&G Expenses (Rs Crore) as approved by the Commission. ....	173
Table 82: Normative R&M Expenses (Rs Crore) as approved by the Commission.....	173
Table 83: Normative O&M Expenses (Rs Crore) as approved by the Commission.....	174
Table 84: Depreciation (Rs. Crore) as submitted by the Petitioner .....	175
Table 85: Depreciation (Rs Crore) as approved by the Commission.....	175
Table 86: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner. ....	176
Table 87: Interest on Loan (in Rs Crore) and Bank & Finance Charge (Rs. Crore) as approved by the Commission. ....	178
Table 88: Interest on CSD (Rs Crore) as submitted by the Petitioner. ....	178
Table 89: Interest on CSD (Rs. Crore) as approved by the Commission.....	179
Table 90: Return on Equity (Rs Crore) as submitted by the Petitioner.....	180
Table 91: Return on Equity (Rs Crore) as approved by the Commission.....	180
Table 92: Interest on Working Capital (Rs Crore) as submitted by the Petitioner. ....	181
Table 93: Interest on Working Capital (in Rs. Crore) as approved by the Commission.....	182
Table 94: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.....	184
Table 95: Non-Tariff Income (Rs Crore) as approved by the Commission.....	185
Table 96: Disallowance Distribution Loss (Rs Crore) as approved by the Commission.....	187



Table 97: Revenue (Rs Crore) as approved by the Commission. ....	188
Table 98: Summary of ARR (Rs. Crore) as submitted by the Petitioner .....	188
Table 99: Summary of ARR (Rs Crore) as approved by the Commission. ....	189
Table 100: Consumer Number, Connected Load, Energy Sales as submitted by the Petitioner. ....	192
Table 101: Energy Sales as submitted by the Petitioner and approved by the Commission. ....	193
Table 102: Connected Load (kVA) as submitted by the Petitioner and approved by the Commission....	193
Table 103: Number of Consumer as submitted by the Petitioner and approved by the Commission.....	194
Table 104: Energy Balance (in MUs) as submitted by the Petitioner.....	195
Table 105: Energy Requirement (MUs) as approved by the Commission. ....	197
Table 106: Power Procurement Quantum and Cost as submitted by Petitioner .....	199
Table 107: Renewable Purchase Obligation (in Rs Crore) as submitted by Petitioner.....	202
Table 108: Renewable Purchase Obligation (Rs Crore) as approved by Commission.....	204
Table 109: Power Procurement Quantum and Cost as approved by the Commission.....	207
Table 110: Transmission Charge (in Rs Crore) as submitted by Petitioner.....	209
Table 111: Transmission Charge (in Rs Crore) as approved by the Commission. ....	209
Table 112: Estimated Scheme wise capital investment (in Rs Crore) as submitted by the Petitioner. ....	210
Table 113: Capital work in progress (Rs. Crore) as approved by the Commission.....	210
Table 114: Actual capitalization (in Rs Crore) as approved by the Commission. ....	211
Table 115: Consumer contribution and grants (Rs. Crore) as submitted by Petitioner. ....	211
Table 116: CCG (Rs. Crore) as approved by the Commission. ....	212
Table 117: Source of funding of GFA ( in Rs Crore) as approved by the Commission. ....	212
Table 118: Employee cost (Rs Crore) as submitted by the Petitioner. ....	213
Table 119: A&G Expense (Rs Crore) as submitted by the Petitioner.....	214
Table 120: R&M Expenses (Rs Crore) as submitted by the Petitioner.....	214
Table 121: Normative Employee Expenses (Rs Crore) as computed by the Commission. ....	215
Table 122: Normative A&G Expenses (Rs Crore) as approved by the Commission. ....	215
Table 123: Normative R&M Expenses (Rs Crore) as approved by the Commission.....	215
Table 124: Normative O&M Expenses (Rs Crore) as approved by the Commission.....	216
Table 125: Depreciation (in Rs Crore) as submitted by the Petitioner. ....	216
Table 126: Depreciation (Rs Crore) as approved by the Commission.....	217
Table 127: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner. ....	218
Table 128: Interest on Loan and Finance Charges (in Rs Crore) as approved by the Commission.....	219
Table 129: Interest on CSD (Rs Crore) as submitted by the Petitioner. ....	220
Table 130: Interest on CSD (Rs. Crore) as approved by the Commission.....	221
Table 131: Return on Equity (Rs Crore) as submitted by the Petitioner.....	222
Table 132: Return on Equity (Rs Crore) as approved by the Commission.....	222
Table 133: Interest on Working Capital (Rs Crore) as submitted by the Petitioner .....	223
Table 134: Interest on Working Capital (in Rs. Crore) as approved by the Commission.....	224
Table 135: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.....	224
Table 136: Non-Tariff Income (Rs Crore) as approved by the Commission.....	225
Table 137: Disallowance Distribution Loss (Rs Crore) as approved by the Commission.....	227
Table 138: Revenue (Rs Crore) as approved by the Commission. ....	227
Table 139: Summary of ARR (Rs. Crore) as submitted by the Petitioner. ....	228
Table 140: Summary of ARR (Rs Crore) as approved by the Commission. ....	229
Table 141: Revenue Gap/(Surplus) (in Rs Crore) as approved by the Commission for FY 2025-26 at existing Tariff.....	230
Table 142: Accumulated Revenue Gap with carrying cost at proposed Tariff for FY 2025-26 .....	230
Table 143: Cumulative Gap/(Surplus) (in Rs Crore) as approved by the Commission. ....	231
Table 144: Cumulative Gap/(Surplus) (in Rs Crore) as approved by the Commission. ....	232
Table 145: Segregation Ratio as submitted by Petitioner. ....	234



Table 146: Segregation of ARR (Rs. Crore) as approved by the Commission.....	235
Table 147: Estimated Cost of PSS (Rs Lakh) as approved by the Commission .....	236
Table 148: Estimated Cost of 33kV, 11 kV and LT lines (in Rs Lakh) as approved by the Commission .....	236
Table 149: Estimated Cost of DTRs (Rs. Lakh) as approved by the Commission .....	236
Table 150: Voltage-wise Asset Ratio as approved by the Commission for FY 2025-26. ....	237
Table 151: Voltage-wise ARR (Rs. Crore) of wire business as approved by the Commission .....	237
Table 152: Voltage-wise Energy sale (MU) as approved by the Commission. ....	237
Table 153: Sale Ratio as approved by the Commission.....	238
Table 154: Cost Stacking (Rs. Crore) as approved by the Commission. ....	239
Table 155: Wheeling Tariff as approved by the Commission. ....	239
Table 156: Voltage-wise Energy sale (MU) as approved by the Commission. ....	241
Table 157: Voltage-wise loss as approved by the Commission.....	242
Table 158: Voltage-wise Power as approved by the Commission for FY 2025-26.....	243
Table 159: Voltage-wise Power purchase cost as approved by the Commission for FY 2025-26. ....	243
Table 160: Network Cost as approved by the Commission for FY 2025-26. ....	244
Table 161: VCoS approved by the Commission for FY 2025-26.....	244
Table 162: Cross Subsidy Surcharge approved by the Commission (Rs/kWh).....	246
Table 163: Analysis of cost from Renewable Energy as approved by the Commission.....	254
Table 164: Analysis of Variable of power purchase from conventional source as approved by the Commission. ....	254
Table 166: Difference between RE and Non-RE (A-B) in Rs/kWh as approved by the Commission. ....	254



**BEFORE**

**Jharkhand State Electricity Regulatory Commission,  
Ranchi**

**Case (Tariff) No.: 14 of 2024**

**In the matter of:**

**Petition for**

True-up for FY 2023-24,  
Annual Performance Review for FY 2024-25, and Annual Revenue  
Requirement & Tariff for FY 2025-26

**In the matter:**

Jharkhand Bijli Vitran Nigam Limited (JBVNL),  
Ranchi..... **Petitioner**

**PRESENT**

Shri Mahendra Prasad  
Shri Atul Kumar

Member (Law)  
Member (Technical)

**Order dated April 30, 2025**

Jharkhand Bijli Vitran Nigam Limited (hereinafter referred to as 'JBVNL' or the 'Petitioner') has filed Petition dated December 2, 2024 for approval of True up of FY 2023-24, Annual Performance Review for FY 2024-25, and Annual Revenue Requirement for FY 2025-26.



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## **Chapter 1: INTRODUCTION**

### **Jharkhand State Electricity Regulatory Commission**

- 1.1 The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as the “JSERC” or “the Commission”) was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commissions Act, 1998 on August 22, 2002. The Commission became operational with effect from April 24, 2003.
- 1.2 The Government of Jharkhand, vide its notification dated August 22, 2002, had defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commissions 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 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 After the Electricity Act, 2003 (hereinafter referred to as the “Act”) came into force, the earlier Electricity Regulatory Commissions Act, 1998 got repealed and the functions of SERC’s are now defined under Section 86 of the Act.
- 1.4 In accordance with Section 86 (1) of 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:

1.5 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;

- (a) 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;
- (b) facilitate intra-State transmission and wheeling of electricity;
- (c) issue licensees to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (d) 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;
- (e) adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
- (f) levy fee for the purpose of this Act;
- (g) specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;
- (h) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
- (i) fix the trading margin in the intra-state trading of electricity,



if considered, necessary;

- (j) discharge such other functions as may be assigned to it under this Act.

1.6 The Commission has to also advise the State Government as per sub section 2 of Section 86 of the Act, 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) reorganization 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.

1.7 The State Commission ensures transparency while exercising its powers and discharging its functions.

1.8 In discharge of its functions, the State Commission is also guided by the Tariff Policy notified by the Government of India under Section 3 of the Act. The objectives of the 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.



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## **The Petitioner-Jharkhand Bijli Vitran Nigam Limited**

- 1.9 The erstwhile Jharkhand State Electricity Board (JSEB) was constituted on March 10, 2001 under the Electricity (Supply) Act, 1948 as a result of the bifurcation of the erstwhile State of Bihar. Before that, the Bihar State Electricity Board (BSEB) was the predominant entity entrusted with the task of generating, transmitting and supplying power in the State.
- 1.10 The Energy Department, Government of Jharkhand, vide its Letter No. 1/Board-01-Urja-26/13-1745 dated June 28, 2013 unbundled the erstwhile JSEB into following companies:
- (a) Jharkhand Urja Vikas Nigam Ltd. (JUVNL) being the holding company;
  - (b) Jharkhand Urja Utpadan Nigam Ltd. (JUUNL) undertaking the generation function of the erstwhile JSEB;
  - (c) Jharkhand Bijli Vitran Nigam Ltd. (JBVNL) undertaking the distribution function of the erstwhile JSEB;
  - (d) Jharkhand Urja Sancharan Nigam Ltd. (JUSNL) undertaking the transmission function of the erstwhile JSEB.
- 1.11 Jharkhand Bijli Vitran Nigam Ltd. (herein after to be referred to as “JBVNL” or “the Petitioner”) has been incorporated under Indian Companies Act, 1956 pursuant to decision of Government of Jharkhand to reorganize erstwhile JSEB.
- 1.12 Reorganization of the JSEB has been done by Government of Jharkhand pursuant to “Part XIII – Reorganization of Board” read with Section 131 of The Electricity Act 2003. The Petitioner is a Company constituted under the provisions of Government of Jharkhand, General Resolution as notified by transfer scheme vide notification no. 8, dated January 6, 2014, and is duly registered with the Registrar of Companies, Ranchi.
- 1.13 Jharkhand Bijli Vitran Nigam Ltd was incorporated on October 23, 2013 with the Registrar of Companies, Jharkhand, Ranchi and obtained



Certificate of Commencement of Business on November 28, 2013.

- 1.14 The Petitioner is a Distribution Licensee under the provisions of the Electricity Act, 2003 (EA, 2003) having license to supply electricity in the State of Jharkhand.
- 1.15 The Petitioner is functioning in accordance with the provisions envisaged in the Electricity Act, 2003 and is engaged in the business of Distribution of Electricity to its consumers situated over the entire State of Jharkhand.

### **The Petitioner's Prayers**

- 1.16 The Petitioner in this Petition has made the following prayers before the Commission:
- (a) Admit the tariff and ARR Petition for FY 2025-26 accompanying audited True-up for FY 2023-24 and APR for FY 2024-25 in accordance with the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.
  - (b) Allow the Petitioner to add/ change / alter / modify this application at a future date.
  - (c) To condone any inadvertent omissions/ errors/ shortcomings and permit the Petitioners to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date.
  - (d) To allow Petitioner to carryout adjustment of change in fuel price from FY 2023-24 and onwards in accordance with JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.
  - (e) To pass such Orders as deemed fit and proper in the facts and circumstances of the case in the interest of justice





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## **Chapter 2: PROCEDURAL HISTORY**

### **Background**

- 2.1 The Commission had performed True-up of JBVNL till FY 2015-16 through various Orders.
- 2.2 The Commission had issued the MYT Order on June 21, 2017 for Approval of Business Plan and ARR for MYT Control Period FY 2016-17 to FY 2020-21 and Retail Supply Tariff for FY 2016-17 under the provisions of The 'Distribution Tariff Regulations, 2015.
- 2.3 The Commission has issued the Tariff Order for JBVNL on February 28, 2019 on True-up for FY 2016-17 & FY 2017-18, Annual Performance Review for FY 2018-19 and ARR & Tariff for FY 2019-20.
- 2.4 The Commission has carried out the True up for FY 2018-19, Annual Performance Review for FY 2019-20, Annual Revenue Requirement and Tariff Determination for FY 2020-21 vide its Order dated October 01, 2020.
- 2.5 The Commission had passed Order on True-up for FY 2019-20, APR for FY 2020-21, Business Plan & MYT for Control Period from FY 2021-22 to FY 2025-26 and Tariff for FY 2021-22.
- 2.6 The Commission had passed Order on True-up for FY 2020-21, APR for FY 2021-22, and ARR for FY 2022-23 vide Order dated February 28, 2024.
- 2.7 The Commission had passed Order on True-up for FY 2021-22, APR for FY 2022-23, ARR for FY 2023-24 vide Order dated February 28, 2024.
- 2.8 The Commission had passed Order on True-up for FY 2022-23, APR for FY 2023-24, ARR for FY 2024-25 vide Order dated September 30, 2024

### **Information Gaps in the Petition**

- 2.9 The Commission in exercise of Tariff determination process, several deficiencies/information gaps were found in the petition submitted by the



- Petitioner and the same was communicated to the Petitioner vide letter no. JSERC/Case (Tariff) no.: 14 of 2024/475 dated December 24, 2024.
- 2.10 In response the Petitioner submitted the first data-gap reply vide letter no GM (Comm)/3392/2024/18 dated January 29, 2025
- 2.11 Furthermore, 2nd set of data-gap was send to the Petitioner vide letter no. JSERC/Case (Tariff) no.: 14 of 2024/534 dated January 31, 2025.
- 2.12 In response the Petitioner submitted the second data-gap reply vide letter no GM (Comm)/3544/2025/32 dated February 13, 2025
- 2.13 In order to find better clarity of the Petition, the Commission invited the Petitioner for a Technical Validation Session (TVS) vide letter no. JSERC/Case (Tariff) no.: 14 of 2024/609 dated February 27, 2025. The TVS was held on March 3, 2025.
- 2.14 The Commission has scrutinized the petition and the additional data/information furnished by the Petitioner with respect to the discrepancies identified and has considered the same while passing this Order.

### **Inviting Public Comments/Suggestions**

- 2.15 Based on the available facts and figure, the Commission vide letter no. JSERC/Case (Tariff) No. 14 of 2024/513 dated January 21, 2025 has directed the Petitioner to publish a Public Notice inviting comments/suggestions from public and to make available the copies of the petition to general public.
- 2.16 Accordingly, Public Notice was published by the Petitioner in the newspapers and a period of twenty-one (21) days was given for submitting the comments/suggestions by the general public:



**Table 1: List of newspapers and dates of publication of public notice by Petitioner.**

<b>Newspaper</b>	<b>Language</b>	<b>Date of Publication</b>
Prabhat Khabar	Hindi	31.01.2025, 01.02.2025
Hindustan	Hindi	31.01.2025, 01.02.2025
Times of India	English	31.01.2025, 01.02.2025
Hindustan Times	English	31.01.2025, 01.02.2025
Danik Bhaskar	Hindi	31.01.2025, 01.02.2025

2.17 In order to provide adequate opportunities to all stakeholder and general public, as mandated under 64(3) of the Electricity Act, 2003 and relevant provision of Regulation framed by the Commission and in order to ensure transparency in the process of tariff determination, the Commission has directed to publish a Public Notice in various newspapers to submit their comments/suggestions and also organize a Public Hearing on March 20, 2025, March 19, 2025, March 21, 2025, March 24, 2025, March 25, 2025 at Dhanbad, Chaibasa, Deoghar, Daltonganj, and Ranchi respectively. The newspapers wherein the Notice was published by the Commission are mentioned below:

**Table 2: List of newspapers and dates of publication of Public Notice by the Commission.**

<b>Newspaper</b>	<b>Language</b>	<b>Date of Publication</b>
Sanmarg	Hindi	08.03.2025
Dainik Bhaskar	Hindi	08.03.2025, 18.03.2025
Hindustan Dainik	Hindi	08.03.2025, 18.03.2025
Dainik Jagaran	Hindi	08.03.2025, 18.03.2025
Santhal Express	Hindi	18.03.2025
The Times of India	English	08.03.2025, 18.03.2025
The Hindustan Times	English	08.03.2025, 18.03.2025

## **Meeting of the State Advisory Committee**

2.18 The Commission has convened a meeting of the State Advisory Committee (SAC) on March 26, 2025 and prominently kept an agenda for discussion on the Petitions, filed by the Petitioner. The minutes of the SAC meeting is attached as **Annexure-1** to this Order.



2.19 The points discussed during the meeting and the suggestions made by the members of the SAC have been duly considered by the Commission.

### **Submission of Comments/Suggestions and Conduct of Public Hearing**

2.20 Objections/Comments/Suggestions on the Petition were received. The Objections/ Comments/Suggestions of the Public, Petitioner's responses and Commission's views thereon are detailed in **Chapter 4** of this Order.



## **Chapter 3: BRIEF FACTS OF THE PETITION**

3.1 The following chapter summarizes the Petition of truing-up for FY 2023-24, Annual Performance Review for FY 2024-25, and Aggregate Revenue Requirement & Tariff for FY 2025-26 as filed by the Petitioner for the Commission's approval.

### **True-up for FY 2023-24:**

#### **Energy Sales, Load, Number of Consumer**

3.2 The following table below summarizes the actual energy sales, connected Load and number of consumer for FY 2023-24 as submitted by the Petitioner against the sales approved in Tariff Order dated September 30, 2024.

**Table 3: Sales (in MUs) as submitted by the Petitioner.**

<b>Consumer Category</b>	<b>APR</b>	<b>Petition</b>
Domestic	5,523.78	5,724.19
Commercial/Non Domestic	1,464.90	1,132.06
Public Lighting / SS	80.39	93.71
Irrigation / IAS	188.36	100.98
Industrial LT / LTIS	317.83	270.12
Industrial HT / HTS / S/ EHT	2,605.86	2,622.35
RTS/MES	90.91	51.29
Theft		
<b>Total</b>	<b>10,272.03</b>	<b>9,994.70</b>

**Table 4: Connected Load (kVA) as submitted by the Petitioner.**

<b>Consumer Category</b>	<b>APR</b>	<b>Petition</b>
Domestic	49,68,047	65,54,225
Commercial/Non Domestic	7,12,022	9,69,187
Public Lighting / SS	11,661	14,300
Irrigation / IAS	69,453	1,77,343
Industrial LT / LTIS	3,62,821	4,95,931



Consumer Category	APR	Petition
Industrial HT / HTS / S/ EHT	9,91,576	10,66,056
RTS/MES	42,854	34,423
<b>Total</b>	<b>71,58,434</b>	<b>93,11,465</b>

Table 5: Number of Consumer as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	46,31,102	45,45,190
Commercial/Non Domestic	2,99,039	3,49,430
Public Lighting / SS	434	598
Irrigation / IAS	75,332	1,01,368
Industrial LT / LTIS	19,947	19,311
Industrial HT / HTS / S/ EHT	2,234	2,359
RTS/MES	8	8
<b>Total</b>	<b>50,28,088</b>	<b>50,18,256</b>

## Annual Revenue Requirement

3.3 The ARR for FY 2023-24 as submitted by the Petitioner vis-a-vis as approved by the Commission in Tariff Order dated September 30, 2024 is tabulated hereunder:

Table 6: ARR (Rs. Crore) as submitted by the Petitioner

Particulars	APR	Petition
<b>Total Power Purchase Expense</b>	<b>5460.55</b>	<b>8974.95</b>
<i>Power Purchase Expense</i>	5881.88	8092.43
<i>Less: Disallowance due to excess Distribution Loss</i>	1040.649	0.00
<i>Inter-state transmission charges</i>	358.82	549.18
<i>Intra-state transmission Charge</i>	260.49	333.34
<b>Operations and Maintenance Expenses</b>	<b>676.32</b>	<b>875.35</b>
<i>Employee Expense</i>	258.72	267.31
<i>Terminal Liability</i>	0.00	82.30
<i>Administration &amp; General Expense</i>	117.11	182.45



Particulars	APR	Petition
<i>Repair &amp; Maintenance Expense</i>	300.49	343.30
Depreciation	483.01	423.01
Return on Equity	500.80	463.77
Interest on Long Term Loan	440.43	538.14
Interest on Consumer Security Deposit	28.77	108.08
Interest on Working Capital Loan	9.77	15.00
Bank & Finance Charge	-	2.38
<b>Total Expenses</b>	<b>7599.65</b>	<b>11400.69</b>
Less: Non-Tariff Income	523.82	552.98
Add: Provision for Doubtful Debt		
<b>ARR after NTI</b>	<b>7075.83</b>	<b>10847.71</b>
<b>ARR Recoverable</b>	<b>7075.83</b>	<b>10847.71</b>
Revenue from Sales of power at existing tariff	6946.95	6912.13
<b>Gap/(Surplus) at Existing Tariff</b>	<b>128.88</b>	<b>3935.58</b>

## Annual Performance Review 2024-25:

### Energy Sales

3.4 The following table below summarizes the estimated energy sales, connected Load and Number of consumer for FY 2024-25 as submitted by the Petitioner against the sales approved in Tariff Order dated September 30, 2024.

**Table 7: Sales (in MUs) as submitted by the Petitioner.**

Consumer Category	ARR	Petition
Domestic	6,600.56	6,515.96
Commercial/Non Domestic	1,036.36	1,762.92
Public Lighting / SS	67.76	101.58
Irrigation / IAS	180.83	136.03
Industrial LT / LTIS	335.93	407.93
Industrial HT / HTS / S/ EHT	2,743.04	3,026.85

Consumer Category	ARR	Petition
RTS/MES	90.91	64.29
<b>Total</b>	<b>11,055.39</b>	<b>12,015.56</b>

**Table 8: Connected Load (in kVA) as submitted by the Petitioner.**

Consumer Category	ARR	Petition
Domestic	58,26,496	57,43,817
Commercial/Non Domestic	5,08,035	10,57,907
Public Lighting / SS	13,831	15,462
Irrigation / IAS	67,300	2,08,158
Industrial LT / LTIS	3,83,487	5,74,903
Industrial HT / HTS / S/ EHT	10,43,776	11,76,729
RTS/MES	42,854	57,644
<b>Total</b>	<b>78,85,779</b>	<b>88,34,620</b>

**Table 9: Number of consumer as submitted by the Petitioner.**

Consumer Category	ARR	Petition
Domestic	47,35,334	48,10,658
Commercial/Non Domestic	3,02,029	4,21,241
Public Lighting / SS	434	730
Irrigation / IAS	75,592	1,10,613
Industrial LT / LTIS	21,083	20,147
Industrial HT / HTS / S/ EHT	2,412	2,545
RTS/MES	8	9
<b>Total</b>	<b>51,36,892</b>	<b>53,65,944</b>

## **Annual Revenue Requirement**

3.5 The ARR for FY 2024-25 as submitted by the Petitioner vis-a-vis as approved by the Commission in Order dated September 30, 2024 is tabulated hereunder:





Table 10: ARR (Rs. Crore) as submitted by the Petitioner

Particulars	ARR	Petition
<b>Total Power Purchase Expense</b>	<b>6774.34</b>	<b>8072.51</b>
Power Purchase Expense	6098.84	7513.95
Less: Disallowance due to excess Distribution Loss		0.00
Inter-state transmission charges	358.82	558.56
Intra-state transmission Charge	316.68	0.00
<b>Operations and Maintenance Expenses</b>	<b>698.77</b>	<b>902.20</b>
Employee Expense	280.98	273.74
Terminal Liability		84.28
Administration & General Expense	107.13	186.84
Repair & Maintenance Expense	310.66	357.34
Depreciation	553.94	471.28
Return on Equity	573.24	467.52
Interest on Long Term Loan	559.61	490.03
Interest on Consumer Security Deposit	57.23	96.16
Interest on Working Capital Loan	32.10	9.77
Bank & Finance Charge		2.38
<b>Total Expenses</b>	<b>9249.23</b>	<b>10513.95</b>
Less: Non-Tariff Income	544.00	108.12
Add: Provision for Doubtful Debt		
<b>ARR after NTI</b>	<b>8705.23</b>	<b>10405.84</b>
Less Penalties		
<b>ARR Recoverable</b>	<b>8705.23</b>	<b>10405.84</b>
<b>Revenue from Sales of power at existing tariff</b>		<b>8922.08</b>
<b>Gap/(Surplus) at Existing Tariff</b>		<b>1483.76</b>

## Aggregate Revenue Requirement for FY 2025-26

### Energy Sales

3.6 The following table below summarizes the projected energy sales, connected load and number of consumers for FY 2025-26 as submitted

by the Petitioner against the sales approved in MYT Order dated May 31, 2023.

**Table 11: Sales (in MUs) as submitted by the Petitioner.**

Consumer Category	MYT	Petition
Domestic	8,364.92	6,991.59
Commercial/Non Domestic	1,372.10	2,022.83
Public Lighting / SS	81.42	111.74
Irrigation / IAS	331.64	149.63
Industrial LT / LTIS	279.89	416.09
Industrial HT / HTS / S/ EHT	2,478.47	3,307.68
RTS/MES		64.29
Theft		
<b>Total</b>	<b>12,908.44</b>	<b>13,063.86</b>

**Table 12: Connected Load (in kVA) as submitted by the Petitioner.**

Consumer Category	MYT	Petition
Domestic	61,07,743	61,15,965
Commercial/Non Domestic	9,54,578	12,11,425
Public Lighting / SS	28,165	17,008
Irrigation / IAS	80,657	2,28,973
Industrial LT / LTIS	4,83,907	5,86,401
Industrial HT / HTS / S/ EHT	12,93,109	12,89,783
RTS/MES		57,645
<b>Total</b>	<b>89,48,159</b>	<b>94,90,192</b>

**Table 13: Number of Consumer as submitted by the Petitioner.**

Consumer Category	MYT	Petition
Domestic	57,41,478	50,80,569
Commercial/Non Domestic	4,27,794	4,79,881
Public Lighting / SS	664	803
Irrigation / IAS	90,887	1,21,675
Industrial LT / LTIS	26,232	20,550



Consumer Category	MYT	Petition
Industrial HT / HTS / S/ EHT	2,386	2,798
RTS/MES		9
<b>Total</b>	<b>62,89,441</b>	<b>57,06,285</b>

## Annual Revenue Requirement

3.7 The ARR for FY 2025-26 as submitted by the Petitioner vis-a-vis as approved by the Commission in MYT Order dated May 31, 2023 is tabulated hereunder:

**Table 14: ARR (Rs. Crore) as submitted by the Petitioner**

Particulars	ARR	Petition
<b>Total Power Purchase Expense</b>	<b>6774.34</b>	<b>8808.18</b>
<i>Power Purchase Expense</i>	6098.84	8221.69
<i>Less: Disallowance due to excess Distribution Loss</i>		0.00
<i>Inter-state transmission charges</i>	358.82	586.49
<i>Intra-state transmission Charge</i>	316.68	0.00
<b>Operations and Maintenance Expenses</b>	<b>698.77</b>	<b>948.14</b>
<i>Employee Expense</i>	280.98	280.33
<i>Terminal Liability</i>		86.31
<i>Administration &amp; General Expense</i>	107.13	191.33
<i>Repair &amp; Maintenance Expense</i>	310.66	390.17
Depreciation	553.94	547.78
Return on Equity	573.24	543.41
Interest on Long Term Loan	559.61	581.80
Interest on Consumer Security Deposit	57.23	100.97
Interest on Working Capital Loan	32.10	18.24
Bank & Finance Charge		2.38
<b>Total Expenses</b>	<b>9249.23</b>	<b>11553.02</b>
Less: Non-Tariff Income	544.00	108.12
Add: Provision for Doubtful Debt		
<b>ARR after NTI</b>	<b>8705.23</b>	<b>11444.90</b>



Particulars	ARR	Petition
Less Penalties		
<b>ARR Recoverable</b>	<b>8705.23</b>	<b>11444.90</b>
<b>Revenue from Sales of power at existing tariff</b>		<b>9702.13</b>
<b>Gap/(Surplus) at Existing Tariff</b>		<b>1742.77</b>



## **Chapter 4: PUBLIC CONSULTATION PROCESS**

4.1 Several Stakeholders have responded to the petition. A Public Hearing was held by the Commission on March 19, 2025, March 20, 2025, March 21, 2025, March 24, 2025, March 25, 2025 at Chaibasa, Dhanbad Deoghar, Daltonganj, and Ranchi respectively for giving additional opportunity to all the stakeholders to submit their comments/suggestions on the said petition to ensure maximum public participation and transparency. Accordingly, stakeholders voiced their comments and suggestions. The list of the attendees is attached as **Chapter 16** of this Order.

4.2 The comments and suggestions of the public along with the response of the Petitioner and the views of the Commission are summarized in this Chapter. The issues raised by the stakeholders, which do not hold relevance to True-up, APR, and ARR & Tariff have not been discussed in this Chapter.

### **A. Objector- Tupudana Industries Association**

#### **a) Waiver of Demand / Fixed Charges (Suo-Moto Case No. 15 of 2020)**

4.3 Waiver of demand / Fixed charges (Provisionally) for the months of April, May and June 2020 for all industrial & Commercial Consumers of all Distribution licensee of Jharkhand. It is clarified that all costs incurred due to any waiver, remission or consumer's category, equivalent to the cost incurred by the licensee.

4.4 It has been requested to explain how such a waiver has been adjusted in tariff petitions and whether the amount was refunded.

### **Petitioner Submission**

4.5 It is submitted that in the Tariff petition for the subsequent period after the directives issued by the Commission in the Suo-Moto Case No. 15 of 2020 in the wake of COVID-19, the following order was observed by the Commission in its order dated 28.02.2024.

*“The Commission has observed that during the pendency of the*



*Petition, the Petitioner has filed Petition for True-up of FY 2021-22, APR of FY 2022-23 and ARR for FY 2023-24. The Commission is therefore of the view that it is prudent to adjust the consolidated Gap/Surplus while disposing the True-up of FY 2021-22, APR of FY 2022-23 and ARR for FY 2023-24. The Commission therefore has not adjusted the gap for FY 2020-21 in this Order and shall be dealt with in the Petition filed by the Petitioner for True-up of FY 2021-22, APR of FY 2022-23 and ARR & Tariff for FY 2023-24.”*

- 4.6 As the company was working with limited resources and restrictions even during the F.Y. 2021-22 due the outbreak of COVID-19 and its severe impact in the second phase, it appears that the costs incurred due to waiver, remission, and moratorium could not be separately claimed in the subsequent tariff petition. Further, as the proposed request of tariff and adjustment of Gap in the True up of the F.Y. 2020-21 was considered in the subsequent period with the True-up of FY 2021-22, APR of FY 2022-23 and ARR & Tariff for FY 2023-24, it is necessary to examine the compliance of Para 7 of the order of the Commission in the Suo-Moto Case No. 15 of 2020 in the subsequent period's tariff petitions. Hence, it is requested to allow us to examine and provide the calculation in this respect and its impact in the subsequent true up considered separately, and the same may be considered at the truing up for the F.Y. 2024-25, APR of FY 2025-26 and ARR for FY 2026-27.

**b) LT Connection Option up to 150 kW**

- 4.7 **The Objector** stated that as per D.O. No. 08/04/2021 –UR & SI (E-260601) dated 07.07.2024, it is mentioned that options should be provided to consumers for LT supply connection for loads up to 150 kW. The Objector requested the Commission to pass appropriate orders in this regard so consumers may benefit.

**Petitioner Submission**

- 4.8 The JBVNL has noted the observations. However, the Commission is empowered to take any decision in this regard.

**c) Demand-Based Tariff Structure**



- 4.9 **The Objector** stated that all categories of consumers—LTIS, HTS, and HTSS—are demand-based and categorized on the basis of their Contract Demand in kVA. Previously, tariffs were installation-based. The Objector requested that the demand-based system be removed.

***Petitioner Submission***

- 4.10 The Petitioner submitted that the observations have been noted. However, the Commission is empowered to take any decision in this regard.

***d) Interest on Security Deposit***

- 4.11 **The Objector** submitted that the distribution licensee shall pay interest to the consumer at the State Bank of India base rate prevailing on the 1st of April for the year, payable annually on the consumer's security deposit with effect from the date of such deposit in case of new connections energized after the date of this notification, or in other cases, from the date of notification of these regulations. The interest accrued during the year shall be adjusted in the consumer's bill for the first billing cycle of the ensuing financial year. The Commission has noted that the Petitioner has not made any official submissions on the issue to the Commission and directs the Petitioner to ensure that the interest is paid to all the consumers on the security deposits and submit the monthly compliance report to the Commission. The Petitioner is required to submit data related to the total amount of consumer security received by the Petitioner, interest payable on consumer security deposit and actual amount paid till date on a quarterly basis to the Commission.
- 4.12 The Commission has not issued any directive regarding Interest on Security Deposit alongside the Tariff Fixation for FY 2024-25. This suggests that the Commission assumes the issue has been resolved, despite no actual resolution.
- 4.13 The matter has been continuously raised for over 20 years during Advisory Committee Meetings and Public Hearings, yet it remains unaddressed. This reflects a lack of commitment in the Commission's approach to resolving long-standing concerns. JBVNL officials repeatedly make excuses about the lack of relevant records for Non-HT consumers,



allowing them to evade responsibility.

- 4.14 This administrative negligence prevents proper resolution of consumer concerns. The Commission must intervene to ensure accountability and find a concrete solution. A consumer applied to the Executive Engineer on 11.06.2023, attaching all receipts of the Security Deposit, requesting payment of interest. As a result, the interest for FY 2023-24 was paid in June 2024, but no action was taken on the interest for previous years.
- 4.15 This reflects the negligence and indifferent attitude of JBVNL officials toward consumer concerns. The Commission is urged to review the facts and ensure appropriate action is taken. JBVNL official priorities securing the best facilities for themselves while maximizing bill collection from consumers, often through unfair means.
- 4.16 In this process, they frequently violate tariff provisions, regulations, and even court orders. They show no concern for power supply disruptions, particularly during the pre-monsoon and monsoon seasons, which severely affects consumers. Rural areas face even worse conditions, with unreliable supply and inadequate attention to their electricity issues.
- 4.17 Consumers expect reliable and high-quality electricity at the lowest possible cost. They seek fair pricing, uninterrupted supply, and compliance with regulations by the electricity provider. The gap between consumer expectations and actual service quality remains a major issue, especially due to inefficiencies and regulatory violations by JBVNL. The Regulator (Commission) should act as a referee, ensuring a balance between consumer protection and fair pricing for the Licensee (JBVNL) to maintain smooth electricity supply.
- 4.18 While multiple regulations and tariff orders are issued annually, JBVNL often fails to comply with these provisions. Despite complaints, no corrective action is taken against JBVNL, leaving consumers with no clear remedy.
- 4.19 Non-HT consumers are entitled to interest on their security deposit, as per tariff regulations. However, JBVNL has not been paying this interest





properly, often delaying payments or ignoring past dues. Consumers have repeatedly raised this issue in Advisory Committee Meetings and Public Hearings, yet no concrete resolution has been implemented.

***Petitioner Submission***

- 4.20 The Petitioner submitted that JBVNL is paying interest on consumer security deposits. In the FY 2023-24, JBVNL paid ₹25.78 Crores to 11,16,395 consumers. In the FY 2024-25, JBVNL paid ₹51.86 Crores to 16,34,349 consumers.

***e) Objection to Tariff Hike***

- 4.21 The association prays to the Commission that no increase in the electricity tariff be granted to JBVNL.

***Petitioner Submission***

- 4.22 The Petitioner submitted that the tariff hikes in the last 3 years have either been NIL or insignificant, having in effect no major contribution towards the recovery of approved gap and its piling up. Had there been a consistent increase in tariff in consonance with the approved gap, the base figure of previous year's tariff would have been higher, and the cumulative gap would have been lower.
- 4.23 It is in fact stated that the tariff hike has been proposed to meet the revenue requirement of JBVNL and the revenue gaps created in previous years. Further, in the interest of the public at large and to avoid the tariff shock to the consumer, JBVNL has proposed the tariff hike to meet at least approximately 60% (not 100%) of approved gap till FY 2022-23 and to cover the Aggregate Revenue Requirement for FY 2025-26. JBVNL has proposed the tariff hike taking into consideration the cumulative revenue gap for the FY 2025-26. Hence, it is requested that the Commission may approve an appropriate tariff hike so that JBVNL may meet its operational expenditure.

***View of the Commission***

- 4.24 The Commission has considered the submission of the stakeholder and



replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

**B. Objector- Gajanan Ferro Pvt. Ltd., Ranchi**

**a) Audit Compliance and Asset Register**

- 4.25 **The Objector** submitted that the Petitioner has not been managing the books of accounts in a manner as required under the provisions of the Companies Act, 2013. This has been prevalent since earlier years. The statutory auditors of the company have in the FY 2023-24 also recorded weaknesses in respect of the company's financial reporting.
- 4.26 The comments from the statutory auditor in the auditor's report paint a sorry picture on the state of affairs in the JBVNL. Such lacklustre performance with respect to maintenance of company's financials could have a significant bearing on the ARR claimed by the discoms year-on-year basis. The Commission is sincerely requested to direct the Petitioner to submit the point-wise reply to the points highlighted by the statutory auditor.
- 4.27 In the wake of repeated observations from the statutory auditor, the preparation of Fixed Asset Register is necessary of the time. Multiple times, the Commission has directed the Licensee to maintain the Fixed Asset Register. The Licensee has not been compliant. The Licensee must be penalized in lieu of such non-compliance.
- 4.28 The Commission should also direct the Petitioner to prepare regulatory accounts in consonance with the Standardization of Regulatory Accounts Final Report, Dated July 2012. Issued by Forum of Regulators so as to harmonize the accounts. The Commission should conduct the true-up with a standardized approach.

***Petitioner Submission***

- 4.29 The Petitioner submitted that the intervener, while raising issues on the Audit Report of JBVNL, has simply made a copy-paste exercise from earlier objections raised during the last hearing. It appears that the intervener has not even gone through the audit report for FY 2023-24.



- 4.30 It is evident from their query on point 5.1.1, wherein it has stated that, “It is submitted that the Petitioner has not been managing the Books of Accounts in a manner as required under the provisions of the Companies Act 2013. This has been prevalent since earlier years also.”
- 4.31 In this regard, it is to submit that no such comment has been made by the Statutory Auditors in their report for the F.Y. 2023-24. Such comments were there in the reports of the earlier periods and the same has been copy pasted by the intervener from its earlier objections. The company has made significant progress in this regards which is also evident from the presentation of Accounts and detailed disclosures. And it is because of this, there is no such comment of the Auditors stating that the company has not managed books of accounts in a manner as required under the provisions of the Companies Act 2013. There are few qualifications in the financial statement of the company, where companies on IND-AS are not operating properly to the same. It is also important to place that there may not be any State Government Company in India, where there are no such qualifications. Specially in power sector scenario, it is almost impossible to see an audit report without any qualification.
- 4.32 It is further submitted that historically, JBVNL has been preparing accounts in the manual environment. Due to the limitations, proper maintenance of certain records like Fixed Asset Register etc. was difficult for the company. However, during the last few years, the company has put immense efforts to maintain its records and Accounts in totally ERP and maintaining its records in best possible manner to ensure the availability of /data/ records and this can also be evident from the Qualified opinion/comments of the statutory auditors in their latest Statutory Audit report during FY 2023-2024.
- 4.33 With respect to preparation of the Fixed Asset Register, it is submitted that the substantial amount of assets has been added post formation of the company i.e. after 06.01.2014 and such additions have been duly audited by the respective year auditors. This is also reported by the Statutory Auditors in its report under Para 4, Property, Plant &

Equipment (PPE), Capital Work in progress & Intangible Assets (Note 3A, 3B & 3C). In order to further improve, the company has appointed M/s Deloitte for physical verification and preparation of Fixed Asset Register and a significant progress has been made in this regard. The physical verification of Asset is completed and the drafts reports on FAR are under discussion and with the reconciliation with M/s Deloitte and it is expected that the FAR register will be finalized within the next two months.

- 4.34 The company is registered under the Companies Act, 1956 (now Companies Act, 2013) and prepares books as per the relevant provisions of the Act. Further, as per the relevant provisions of the Act, the books so prepared are audited by an Independent Auditor appointed by the C & AG. If required, the company may take suitable action to prepare its Regulatory Accounts.

**b) Transmission and Distribution Losses**

- 4.35 **The Objector** submitted that the Petitioner has claimed distribution losses based on actuals at a level of 31.26% for FY 2023-24, which has been on a deteriorating trend as the recorded losses during FY 2022-23 were 30.28% while the losses for FY 2021-22 were 27.45%.
- 4.36 In accordance with the methodology adopted by the Commission in the True-up of FY 2022-23, it is humbly submitted that the Intra state Transmission losses be approved at 2.23% (for JUSNL) as per the MYT Order dated 31.05.2023.
- 4.37 The Commission is requested that the Transmission Losses for Procurement from DVC be approved at 3.00% for FY 2023-24.
- 4.38 The surplus energy procured by the discoms should be disallowed.
- 4.39 The power purchase and transmission cost towards excess power procured i.e. 3,625.96 Mus must be disallowed at a Rate equivalent to Average Power Purchase Cost (Rs. 8.56/ unit computed at Rs. 9,874.95 Cr / 15,78.84 Mus) computed as per the Petitioner's submissions. Therefore, against the Petitioner's claim, the admissible Power purchase

cost is Rs. 6,913.30 Crore.

***Petitioner Submission***

4.40 JBVNL with the support of both Central Government and State Government, has been managing distribution of electricity in a state with following two key challenges:

- A high poverty rate, with 23.34%\* of the population living below the Multidimensional Poverty Index in 2023 and has various challenges.
- The plateau landscape with steep slopes and rocky terrain hinders construction of infrastructure, making connectivity and distribution within the state challenging.

4.41 Due to absence of proper metering infrastructure at JUSNL side, it was difficult to assess actual power loss in the system. The Petitioner requested the Commission to consider distribution loss and transmission loss as per the approved MYT trajectory and projection-based methodology.

4.42 Despite such challenges, JBVNL has been able to increase its consumer base from 34 lakhs in 2013-14 to approx. 51 lakhs in 2024, most of which has been added in the Rural Area. The average supply hours have also improved. JBVNL has been able to manage its AT&C to maintain below 30% till the last year keeping in mind the trajectory under RDSS scheme and it is taking all the necessary efforts to improve it further. JBVNL has been successfully bringing it below 30% and as expected to bring it below 25% in the F.Y. 2024-25 and close to 19% in the subsequent year. Due to the absence of proper metering infrastructure at JUSNL side, it was difficult to assess the actual power loss in the system.

4.43 It is pertinent to submit here that, distribution loss and transmission loss trajectory as approved by the Commission in its MYT Order is on projection basis and subject to be approved on actual basis with justified reasons.



- 4.44 Thus, considering the positive outcome of the efforts put in by the JBVNL, it is requested to the Commission to consider the Transmission and Distribution losses as per the Tariff petition filed by us.
- 4.45 The power purchase cost for the FY 2023-24 has been incurred by the JBVNL and disallowing the same will result in financial loss to the Discom. Hence, it is requested that the Commission may please allow the full power purchase cost incurred by the JBVNL during the FY 2023-24.
- 4.46 Further, it is evident from the power purchase for FY 2023-24 is that energy available for at JUSNL transmission system is 11540.70 MUs. The input energy from the JUSNL system to the distribution system at 33 kV feeder is 10800.39 MUs in FY 2023-24. The difference between these two is computed as 740.32 MUs which is losses in the JUSNL transmission system which is coming around 6.41%. JBVNL has claimed actual energy drawl from JUSNL system as per the readings of ABT meter installed at drawl point of JBVNL.
- 4.47 JBVNL procures power from DVC system as well. The scheduled drawl from DVC system is 3930.84 MUs and actual drawl from DVC system is 3721.41 MUs. The loss between scheduled drawl and actual drawl from DVC transmission system is being borne by JBVNL. The energy loss in the DVC transmission system is 209.43 MUs which is coming around 5.33%. JBVNL is claiming actual energy drawl from DVC system is as per readings of ABT meter installed at drawl point of JBVNL.
- 4.48 Hence, JBVNL claims 3% CTU loss, 6.41% Losses at JUSNL transmission system and 5.33% losses at DVC transmission system.

**c) Operation and Maintenance Expenses**

- 4.49 **The Objector** submitted that the O&M Expenses should be allowed as per the norms and not actuals.
- 4.50 In the absence of detailed information, the Objector suggests that employee expenses recoverable through the Annual Revenue Requirement (ARR) under the Operations & Maintenance (O&M) head should be allocated based on the pro-rata balances of Capital Work in



Progress (CWIP) and Gross Fixed Assets (GFA).

- 4.51 The A&G expenses should be allowed as per the Inflation factor and not as per actuals.
- 4.52 The R&M expenses should be allowed as per the K factor approved by the Commission and the inflation factor.

#### **Petitioner Submission**

- 4.53 It is to submit that costs on account of overheads expenses, which are identifiable and attributable towards the fixed assets are capitalized and the depreciation over the same is claimed over the subsequent period in phase manner. However, the other cost/ overheads which are not easy to segregate and cannot be allocated towards fixed assets are charged to the P&L in the respective financial year.
- 4.54 Further, the substantial number of projects and schemes have already been completed and capitalized during the financial year 2021-22. Subsequent to that, all the costs on account of overhead are charged to P&L. With regards to the observation of the Auditors, we have already disclosed in the foot note at Note 3A: Property Plant & Equipment that due to operational challenges, such allocation is difficult. Further, the management is exploring the methodology through which such allocation can be done. It is further stated that considering the quantum of CWIP, the impact will not be significant.
- 4.55 Thus, considering the positive outcome of the efforts put in by the JBVNL, it is requested to the Commission to consider the Transmission and Distribution losses as per the Tariff petition filed by us.
- 4.56 The power purchase cost for the FY 2023-24 has been incurred by the JBVNL and disallowing the same will result in financial loss to the Discom. Hence, it is requested that the Commission may please allow the full power purchase cost incurred by the JBVNL during the FY 2023-24.

#### **d) Terminal Benefits**





4.57 **The Objector** submitted that the Petitioner has claimed expenses towards Terminal benefits amounting to Rs. 82.30 Crore based on certain Expenses booked in the Audited Accounts. The Tariff Regulations 2020 in respect of Terminal Benefits provides as under:

*“Operation and Maintenance Expenses Note 3: Terminal Liabilities will be approved as per actual submitted by the Licensee or be established through actuarial studies.”*

4.58 In accordance with the above, the liability towards Terminal benefits is admissible based on either of:

- Amount payable as per Actuarial studies
- Actual amount paid/ deposited in the Trust fund

4.59 At the outset, the Petitioner has not submitted the Actuarial valuation report along with the instant Petition which is the quintessential requirement as per the Tariff Regulations 2020.

4.60 Secondly, the actual amount paid/ deposited in the Trust fund is also not provided by the Licensee. JBVNL has merely depicted the provisions towards Trust fund towards Terminal liabilities while the Regulations provide for Terminal benefits based on actual amount. Furthermore, the claim made by JBVNL is inconsistent with the provisions towards terminal benefits booked in the Audited Accounts (Rs. 80.72 Crore).

4.61 In view of the above arguments, the claim of Rs. 82.30 Crore towards Terminal Liabilities is not admissible as per the Tariff Regulations 2020.

### **Petitioner Submission**

4.62 The provisions of terminal benefit have been made as per the Actuarial Valuations which has been duly disclosed in the footnote of the relevant schedule in the financial statement, as can be seen at Note 27: Employee Benefits Expenses further explained under Note 2.5: Terminal benefits. The company has already submitted the actuarial valuation report for the F.Y. 2023-24 to the Commission vide its Letter No. 71 dated 11.03.2025





of the Executive Director (C&R), JBVNL.

- 4.63 It is to be stated here that the intervener in their comment in point 5.4.16 has basically referred to the auditor's comments for the FY 2022-23. The statutory auditor's report for FY 2023-24 does not contain such comments. Further, it is submitted that the intervener itself has mentioned that the provisions can be allowed based on the Actuarial Valuation report and since all the provisions are actually on the basis of actuary report only, hence the objection in this regard does not hold good. Even the statutory auditor also has not given any comments over such treatment made by the company in its books.
- 4.64 The company has been regular in depositing the contribution amount relating to GPF, GSS, Leave Encashment, Gratuity etc. As such, objections in this regard are not sustainable. It is further to inform that as on date, there is no liability of remittances to the Master Trust. Further, some liabilities on account of Pension contributions are standing but it pertains to the past years.

**e) Consideration of Grants and Depreciation**

- 4.65 **The Objector** submitted that the Commission is requested to consider Rs. 922.77 Crore towards Contribution/Grants for the computation of Depreciation, Interest on Loan, and Return on Equity.

**Petitioner Submission**

- 4.66 It appears that the intervener has only referred to the working of Gross Fixed Asset and has completely ignored the adjustments made to GFA towards grants and consumer contributions under deposit head. The company has duly adjusted the impact of grants and consumer contributions while calculating the GFA which is reflected in Table 2.8 Consumer contribution and grants of JBVNL, Table 2.9 Source of Funding of GFA for FY 2023-24, and Table 2.10 Depreciation Cost in FY 2023-24, of the Tariff Petition.
- 4.67 Further, the intervener is only referring to half information and ignoring the surrender amount during the year. Further, the intervener assumes



that the entire amount received during the year results in asset creation in the same year which is factually incorrect. As regards the calculation of the intervener based on the opening and closing balance sheet figures, it has mistakenly considered the advance amount received for the deposit work which has not resulted in the creation of assets. Advance is a liability and may be required to be refunded in case the work is not done and further, it is that portion of amount for which no corresponding asset has been created and hence cannot be used as a deduction from the assets created out of deposit head contribution.

4.68 It is to submit that the company had never claimed the benefit/requirement of revenue in its ARR against the depreciation charged on the assets, created out of grant, in its books of Accounts. The accounting treatment for same are in line with the methodology given under IND-AS 20, which is as under:

- Basically, the assets created by the company are either out of loan, grant, and consumer contribution.
- To give the effects of items funded through grant and consumer contribution, the company follows the standard practice of charging the depreciation cost as expense in the P&L on the assets funded by the grants or consumer contributions.
- Thereafter, amortizing the amount of grant and recording the same in the books as income in Note 23 (Receipts from consumer for capital works) and in Note 25 (Amortization of Grants).

4.69 Since the amortization of the grants corresponds to the depreciation expense, there is no additional expense recognized for the cost of the asset (no incremental costs).

4.70 Essentially, the amortization offsets the depreciation cost, so there's no net additional expense related to such capital works has been charged in the P&L.

**f) Capital Works in Progress and GFA Accounting**



- 4.71 **The Objector** stated that JBVNL has not reported the scheme wise Capital works in progress. In the absence of the same, there is no document substantiating the status of any ongoing scheme.
- 4.72 Furthermore, there is no check that could be undertaken by the Commission to compare the actual Capex vs the Capex outlay approved by the Commission against any specific scheme. Such financial imprudence by JBVNL could lead to time/ cost overruns which could not be verified as per the provisions of the Tariff Regulations 2020.
- 4.73 The Commission is sincerely submitted to allow the Capital Expenditure in accordance with the outlay approved in the Business Plan/ MYT Orders.
- 4.74 Partly completed works are moved to GFA account possible indicating that the GFA balances are over-inflated. The above considerations have serious implications as far as Tariff determination exercise is concerned. The Commission is sincerely requested to kindly direct the Licensee to prepare the Fixed Asset Register, which shall duly record the details associated with asset capitalisation or else impose a penalty in addition to the currently applicable penalty at 2% of the ARR.

### **Petitioner Submission**

- 4.75 It is to bring to the kind attention that the intervener has to try to cover the fixed asset points further under the CWIP head by capturing the observations of the Auditors. In this respect, limiting our response to the CWIP, it is submitted that while the intervener has made a general remark that no Scheme wise details have been provided, we clarify that the Scheme wise details of almost 95% of the CWIP has been provided to the auditors and only 5% relating to old period remains pending which is also being reconciled.
- 4.76 The company has provided the majority of the details. With respect to the capitalization of incidental expenses, the company has already replied on the earlier points. On the point of submission of the intervener that the company has capitalized partly completed works to GFA, it is to submit



that no supporting documents to justify their observations has been provided by the Intervener. The objection of the intervener appears hypothetical and are not sustainable. No such comment has been made on capitalization by the Statutory Auditors. Hence, the objection of the intervener is not correct.

**g) Depreciation Calculation**

4.77 **The Objector** stated that in line with the admissible GFA, Consumer contribution & Grants and the Rate of Depreciation as discussed in preceding paras, the allowable Depreciation for the FY 2023-24 should be Rs. 408.54 Crores.

**Petitioner Submission**

4.78 As the issues raised by the intervener in previous points are not tenable, such recalculation of depreciation based on the hypothetical calculation of intervener is also not tenable.

**h) Interest on Loan**

4.79 In line with the admissible GFA and the Consumer contribution & Grants, the allowable Interest on Loan for the FY 2023-24 should be Rs. 438.29 Crores.

**Petitioner Submission**

4.80 The figures used for calculating interest by the intervener are hypothetical, as already pointed out above. Further, the major loan of the company is from the GoJ where the rate of interest is 13% p.a. Hence, the calculated weighted average interest as per the norms is 12.52%. However, the intervener has considered 10.50% while making its hypothetical submission, which is not tenable.

**i) Interest on Consumer Security Deposit**

4.81 From the Audited Accounts of FY 2023-24, it could be observed that JBVNL is not discharging Interest on Consumer Security Deposit to the prospective consumers. The Interest on Consumer Security Deposit

balance is provided at Note 16 of the Audited Financial Statements. The Interest on Consumer Security Deposit balance as on 31.03.2024 is Rs. 622.88 Crores and the outstanding interest payable as on 31.03.2023 Rs. 540.58 Crores. Further, the addition to Interest on Security Deposit provisioned during the FY 2023-24 is Rs. 108.08 Crores (ref Note 29 of the Audited Accounts). Thus, it is prayed that the Commission may allow Rs. 25.78 Crore towards Interest on Consumer Security Deposit to JBVNL for the True-up of FY 2023-24.

#### **Petitioner Submission**

- 4.82 JBVNL is paying Interest on Consumer Security Deposit on annual basis and details of Interest on Consumer Security Deposit for FY 2023-24 have already been submitted to the Commission.
- 4.83 The Interest on Consumer Security Deposit for FY 2023-24 has been claimed as per the audited accounts for FY 2023-24. Further, as the company has made progress in the preparation of data of consumers with security deposit, its higher payment in subsequent years is guaranteed, which is also evident from the gradual increase in interest payment over the last few years. Thus, the Commission is requested to consider the claimed interest on security deposit in the petition.

#### **j) Interest on Working Capital**

- 4.84 The allowable Interest on Working Capital for the FY 2023-24 as per the Objector's assessment is NIL against the Petitioner's claim.

#### **Petitioner Submission**

- 4.85 It is submitted that interest on working capital has been claimed on a normative basis. The calculation by the intervener is based on its own hypothetication. Also, the figures used by it in its calculation has already been challenged and clarified in the earlier points and the company has submitted in its petition, the calculations and the basis of such calculation of interest on working capital loan. Hence, it is requested that the Interest on Working Capital as submitted in the Tariff Petition may be approved as per the calculation and details submitted by JBVNL.



**k) Return on Equity**

- 4.86 **The Objector** stated that In line with the admissible GFA, CWIP and Consumer contribution & Grants, the allowable Return on Equity for the FY 2023-24 should be Rs. 448.29 Crores.
- 4.87 It is submitted that interest on return on Equity has been claimed on a normative basis and all its calculations has been submitted as well. Further, as the issues raised by the intervener in previous points are not tenable, such recalculation of Return on Equity based on the hypothetical calculation of the intervener is also not tenable. Thus, it is requested that the true up may be approved as per the details submitted by JBVNL, and accordingly the Return on Equity may also be approved as submitted in the Tariff Petition.

**l) Non-Tariff Income and DPS Adjustment**

- 4.88 **The Objector** stated that it has been observed that the Petitioner has not considered Rebate on Power Purchase (Rs. 3.88 Crore) as reflected in Note 25 of the Audited Accounts, which is in contravention to the Tariff Regulations 2020.
- 4.89 Additionally, the Petitioner has received a Revenue Grant amounting to Rs. 1,357.80 Crore from the Government during the financial year 2023–24, as disclosed in Note 24 of the Audited Accounts. It is respectfully submitted that the Petitioner’s methodology of classifying this amount under Non-Tariff Income (NTI) is fundamentally flawed. By mischaracterizing this expense as akin to a Delayed Payment Surcharge, the Petitioner is effectively offsetting the funding cost by applying an interest rate of 11.50% on the projected receivables. This approach not only deviates from standard accounting principles but also results in an inappropriate representation of the financials.
- 4.90 The Commission is requested to kindly approve the NTI in entirety based on the Audited Accounts considering entire Delayed Payment Surcharge towards NTI. Moreover, the Petitioner has also not depicted as to whether there arose a need for the working capital towards funding of DPS. In the



absence of such requirement, the admission of any Interest on Working Capital is not meritorious and therefore the entire DPS to the tune of Rs. 416.85 Crore should be considered as NTI for the FY 2023-24. In accordance with the above submissions, it is humbly submitted that the NTI be admitted to the tune of Rs. 2,240.80 Crore against the Petitioner's claim.

### **Petitioner Submission**

- 4.91 We would like to place here that if such a rebate to be counted as non-tariff income as per the plea submitted by the intervener, the company should be allowed to claim the DPS expenses in its True up petition, paid against the Power Purchase bills.
- 4.92 There was a typographical error at the time of submission of True-up petition for the financial year 2023-24 and the amount of Rs. 1,357.80 Crore was wrongly clubbed in the head DPS from consumers, which has been rectified later on by the company and a letter of rectification has been sent to the Commission on 25.03.2025 vide letter no 1085. As such the NTI amount as considered in the true up stands corrected.
- 4.93 With respect to adjustment of financing cost in NTI, it is submitted that while computing the Non-Tariff income (Other Income) of JBVNL for FY 2023-24, the financing cost for corresponding receivables has to be reduced as accrued DPS is considered as NTI. It is pertinent to mention that the Petitioner has already incurred power purchase costs on such outstanding receivables and DPS is levied as financing cost of such receivables. However, the Petitioner is allowed only 2 months of receivables in allowance of working capital. For the receivables beyond the period DPS is applicable and as DPS is considered to be additional income for the Petitioner financing cost on such receivables are allowed in line with the judgement of the Hon'ble APTEL dated 12.07.2011 in case No. 142 & 147 of 2009. This has been followed in several other states including Bihar. The Commissions have taken a stand for allowing DPS as a non-tariff income and provide for such financing cost to be deducted from the total NTI.





4.94 (Refer page 176, table no 4.96 of the Bihar Electricity Regulatory Commission's tariff order for true up for FY21-22, APR for FY 22-23 and ARR and determination of tariff order for FY 23-24 issued on 23rd March 2023).

4.95 Hence, the submission of the intervener has rightly been addressed by the company.

**m) Deemed Revenue and ABR Comparison**

4.96 It is understood that the consumers of the state were billed as per the FY 2021-22 approved tariff (ref Tariff Order for FY 2021-22 dated 31.05.2023) as the Tariff Order for FY 2023-24 was applicable from March 2024 onwards. In such connection, the actual ABR for FY 2023-24 must be compared to the ABR approved by the Commission in the Tariff Order for FY 2021-22. It is humbly submitted that the Commission in the Tariff Order for FY 2021-22 has approved the Revenue of Rs. 6,727.79 Crore (ref Table 90 of the JSERC Order dated 31.05.2023) at an ABR of Rs. 7.28/ unit (for 9,244.56 Mus). Based on the ABR as approved by the Commission, the actual ABR submitted by the Petitioner is lower which implies that there had been instance of under billing by the Petitioner's company. Based on the differential ABR of Rs. 0.36/ unit (7.28 – 6.92), it could be safely said that the Revenue booked by the Petitioner is understated and needs to be brought to levels as per the applicable retail tariff. As per the Objector's assessment, the shortfall in Revenue is to the tune of Rs. 361.58 Crore (0.36 x 9,994.70) which the Objector argues needs to be considered as deemed revenue for the determination of Revenue Gap for the FY 2023-24.

**Petitioner Submission**

4.97 It is submitted that the tariff schedule approved by the Commission comprises of the tariff for various categories of consumers and is a two-part tariff. The fixed part of the tariff is billed based on the connected load of the consumers which varies throughout the year and the billing demand applicable on the various consumer categories. Hence, there is a difference between the ABR approved by the Commission and that arrived





at after the actual billing for any financial year. It is therefore submitted that the ABR on actuals is considered, and no deemed revenue should be added as part of the True up for the FY 2023-24.

**n) Disallowance of Surplus Power Cost due to T&D Losses**

- 4.98 It would be imprudent if the cost of the Petitioner's inefficiency is passed onto the consumers. Therefore, the Respondent submits that the Cost of the surplus power procured by the Petitioner on account of excess Transmission and Distribution Losses should be disallowed by the Commission as a pass through in the Tariff.

**Petitioner Submission**

- 4.99 JBVNL, with the support of both Central Government and State Government, has been managing distribution of electricity in a state with following two key challenges:
- 4.100 A high poverty rate, with 23.34% of the population living below the Multidimensional Poverty Index in 2023 and has various challenges.
- 4.101 The plateau landscape with steep slopes and rocky terrain hinders construction of infrastructure, making connectivity and distribution within the state challenging.
- 4.102 Despite such challenges, JBVNL has been able to increase its consumer base from 34 lakhs in 2013-14 to approx. 51 lakhs in 2024, most of which has been added in the Rural area. The average supply hours have also improved. JBVNL has been able to manage its AT&C to maintain closer to 30% till the last year keeping in mind the trajectory set under RDSS Scheme and it is taking all the necessary efforts to improve it further. JBVNL has been successful in bringing it below 30% and is expecting to bring it to below 25% in the F.Y. 2024-25 and close to 19% in the subsequent year. Due to the absence of proper metering infrastructure at JUSNL side, it was difficult to assess the actual power loss in the system.
- 4.103 It is pertinent to submit here that, distribution loss and transmission loss trajectory as approved by the Commission in its MYT Order is on



projection basis and subject to be approved on actual basis with justified reasons.

- 4.104 Thus, considering the positive outcome of the efforts put in by the JBVNL, it is requested to the Commission to consider the Transmission and Distribution losses as per the Tariff petition filed by us. Also, cost associated with power purchase is requested to be considered.

**o) Projection of Power Purchase Rate and Excess Power Cost**

- 4.105 The Petitioner's approach of projecting the Power purchase rate by 5% for procurement from Central sector generating stations and the projection of Inter-state transmission charges is arbitrary and vague. It is submitted that the Impact of escalation considered by JBVNL, Impact of high IEX rates considered by JBVNL and Impact of supplementary bills should be restricted so as to strike a balance between the consumers and Licensee.

- 4.106 It is submitted that the cost towards excess power purchased i.e. 1,614.08 Mus and 1,767.56 Mus for the FY 2024-25 and FY 2025-26 respectively must be disallowed considering Average Power Purchase Cost (Rs. 5.02/ unit and Rs. 5.04/ unit respectively) as projected by the Petitioner.

**Petitioner Submission**

- 4.107 It is submitted that the power purchase cost for the FY 2024-25 has been estimated based on the actual power purchase cost for the first six months and estimates for the remaining 6 months. For the FY 2025-26, the fixed cost has been escalated by 5% based on historical trends and also in view of the upcoming CERC orders for central generating stations, where it is expected that the cost of power generation will be increased considering the increase in cost of coal and it will be passed through in tariffs by the CERC. Further, the actual power purchase cost for FY 2024-25 and FY 2025-26 shall be submitted to the Commission at the time of truing up for the respective years.

- 4.108 JBVNL will be incurring the power purchase cost as estimated for the FY 2024-25 and FY 2025-26 as submitted in the Tariff Petition. Disallowing



the same will result in putting an additional burden on financial loss to the company, thereby affecting the quality of supply and other ancillary support. Hence, it is requested that the Commission may please allow the full power purchase cost as estimated by JBVNL for the FY 2024-25 and FY 2025-26.

**p) Claiming of O&M, Employee and A&G Expenses**

4.109 **The Objector** stated that The Petitioner has claimed the Employee Expenses (incl. terminal benefits) and A&G Expenses by escalating the actual O&M Expenses for FY 2023-24 by 2.00%. While the R&M Expenses have been claimed by considering an arbitrary K-factor of 1.60% applied over the GFA base. It is humbly submitted that the Petitioner's approach of claiming O&M Expenses is Inappropriate.

**Petitioner Submission**

4.110 The indexation factor for employee and A&G expenses has been considered as per the methodology provided under Clause 10.6 (b) and (c) of JSERC MYT Regulations, 2020 taking the average of six months WPI and CPI index. In line with the Regulation 10.6 (a) of JSERC MYT Regulations 2020, the R&M expenses for FY 2024-25 have been estimated. A detailed reply and justification in this regard has also been submitted to the Commission vide letter no 18 dated 29.01.2025 in response to the 1st data gap. Accordingly, the assumptions are in line with regulations and hence it is submitted to the Commission to consider the petitioned expenses.

**q) Capital Expenditure Projection**

4.111 **The Objector** respectfully submits that the Petitioner has not incurred Capital Expenditure exceeding Rs. 1500 Crore over the past three years. It is suggested that, instead of relying on the Petitioner's arbitrary projections, the Capital Expenditure levels should be approved in a manner that aligns with the Petitioner's demonstrated capabilities. To establish a reasonable estimate of Capital Expenditure projections for FY



2024-25 and FY 2025-26, the Objector proposes using the average Capital Expenditure incurred over the last three years.

### **Petitioner Submission**

4.112 The JBVNL has estimated the capital expenditure for the FY 2024-25 and FY 2025-26 based on the projects which are being implemented by the Discom. It is submitted that the company has issued orders of more than Rs. 3500 Cr under RDSS Scheme where work has already started and hence the company's projection of capex are substantially based on this in addition to other schemes. Also, the actual details of the capital expenditure and capitalization will be submitted to the Commission at the time of true up for the respective years. Hence it is submitted to the Commission to consider the petitioned expenses.

#### **r) Depreciation for FY 2024-25 and FY 2025-26**

4.113 In line with the admissible GFA, Consumer contribution & Grants and the Rate of Depreciation as discussed in preceding paras, the allowable Depreciation for the FY 2024-25 and FY 2025-26 Rs. 413.32 Crore and Rs. 423.92 Crore.

4.114 As the issues raised by the intervener in previous points are not tenable, such recalculation of depreciation based on the hypothetical calculation of the intervener is also not tenable. Hence, it is submitted to the Commission to consider the petition submitted by the company in this regard.

#### **s) Interest on Consumer Security Deposit**

4.115 **The Objector** stated that the Petitioner in the instant petition has claimed Interest on Consumer Security Deposit to the tune of Rs. 96.16 Crore and Rs. 100.17 Crores for FY 2024-25 and FY 2025-26 respectively. The Petitioner has escalated the Consumer Security Deposit by an arbitrary 5% over the actuals of FY 2023-24 and has applied an Interest Rate equivalent to SBI Bank Rate.



4.116 The Petitioner approach of arbitrary escalation is not in line with the Tariff Regulations 2020 and can therefore not be considered.

**Petitioner Submission**

4.117 The rate of increase of 5% considered by JBVNL is not on an arbitrary basis but based on historical data and the average consideration of the same. It has already been submitted to the Commission in reply to the 1st data gap that the year-on-year growth rate of Security Deposit from FY 2018-19 to FY 2023-24 has been in the range of 4% to 8% and hence nominal growth rate of 5% has been considered. The figures have been considered in line with the same. Also, the actual details of the interest on security deposit will be submitted to the Commission at the time of true up for the respective years. Hence it is submitted to the Commission to consider the petition submitted by the company in this regard.

**t) Interest on Working Capital**

4.118 **The Objector** stated that in accordance with the submissions made by the Objector in the preceding sections, there would be consequential impact on the Interest on Working Capital allowable to the Licensee. The allowable Interest on Working Capital for the FY 2024-25 and FY 2025-26 as per the Objector's assessment is NIL Crore.

**Petitioner Submission**

4.119 In accordance with our response made in the preceding sections, we have clarified that the issues raised by the intervener in previous points are not tenable, hence such recalculation based on the hypothetical calculation of intervener is also not tenable. It is further submitted that interest on working capital has been claimed on a normative basis and the details have been submitted to the Commission. It is, therefore, requested that the true up may be approved as per the details submitted by JBVNL and accordingly the Interest on Working Capital may also be approved as submitted in the Tariff Petition.

**u) Return on Equity**



4.120 **The Objector** stated that in line with the admissible GFA, CWIP and Consumer contribution & Grants, the allowable Return on Equity for the FY 2024-25 and FY 2025-26 should be Rs. 410.03 Crore and Rs. 421.74 Crore.

#### **Petitioner Submission**

4.121 It is submitted that interest on return on Equity has been claimed on a normative basis and all its calculation has been submitted as well. Further, as the issues raised by the intervener in previous points are not tenable, such recalculation of Return on Equity based on the hypothetical calculation of intervener is also not tenable. Thus, it is requested that the true up may be approved as per the details submitted by JBVNL and accordingly the Return on Equity may also be approved as submitted in the Tariff Petition.

#### **v) Non-Tariff Income Components**

4.122 **The Objector** stated that The Petitioner has claimed NTI to the tune of Rs. 108.12 Crore for each of FY 2024-25 and FY 2025-26 respectively. The Petitioner has projected the Non-Tariff Income by considering the Non-Tariff Income as claimed by itself for the True up of FY 2023-24 without considering D.P.S from Consumer and Wheeling Charges / Fuel surcharge. The Petitioner approach of excluding Delayed Payment Surcharge and Income from Wheeling charges is inappropriate and non-maintainable.

#### **Petitioner Submission**

4.123 It is submitted that we have clarified in our petition that in accordance with the regulations issued by other SERCs and model regulations by the FOR, DPS income from consumers should not be a part of the non-tariff income for discoms and LPS paid to Gencos/Transcos is recognised as an expense in the ARR which is not the case in Jharkhand. Hence, it is requested to treat these parameters accordingly. Further, it is also submitted that the AT&C trajectory for 2024-25 considers 100% collection efficiency and hence no DPS.



- 4.124 Also, due to non-payment from consumers on electricity consumed, JBVNL have to manage funds from outside sources which have their financing cost. Thus JBVNL is entitled to recover those financing cost from consumers. Thus the Commission is requested to consider the financing cost as submitted by Petitioner.
- 4.125 In respect to wheeling charges, it is submitted that the same has been considered as reduction in the cost of Power Purchase in the F.Y. 2024-25 and F.Y. 2025-26. This can be seen from the SR No. 12 of the Table 3-3: Power purchase quantum and cost of JBVNL for FY 2024-25 and SR No. 10 of Table 4.2: Power Purchase Quantum in MUs and cost in Rs Crore for FY 2025-26. If this has to be considered in the NTI, the cost of power purchase has to be grossed-up accordingly.

**w) Tariff Hike and Public Interest**

- 4.126 **The Objector** stated that based on the Tariff proposal submitted by the Petitioner, an overall Tariff hike of 43.60% has been proposed. As can be inferred from the instant petition, the Petitioner has completely overlooked the Objectives of the National Tariff Policy 2016 while proposing the Tariff for the FY 2025-26.
- 4.127 Such proposals of the Petitioner are therefore against the general interest of the Ferro alloy consumers as well as Other consumers and therefore merits no consideration by the Commission.

**Petitioner Submission**

- 4.128 It is submitted that the Tariff hikes in last 3 years has either been NIL or insignificant having in effect, no major contribution towards the recovery of approved gap and its piling up. Had there been a consistent increase in tariff in consonance with the approved gap, the base figure of previous year's tariff would have been higher and the cumulative gap would have been lower. So, to say that the overall tariff hike claimed is 43.60%, is a misplaced fact considering no significant increase in earlier periods as stated above and hence a comparison with a lower base. It is in fact stated that the tariff hike has been proposed to meet the revenue requirement





of JBVNL and the revenue gaps created in previous years. Further, in the interest of public at large and avoid the tariff shock to the consumer, JBVNL has proposed the tariff hike to meet at least approx. 60% (not 100%) of approved gap till FY 2022-23 and to cover the Aggregate Revenue Requirement for FY 2025-26. JBVNL has proposed the tariff hike taking into consideration the cumulative revenue gap for the FY 2025-26. Hence, it is requested that the Commission may approve appropriate tariff hike so that JBVNL may meet its operational expenditure.

**x) Load Factor Rebate**

4.129 **The Objector** stated that the load Factor Rebate: The ceiling rebate should be modified as shown under:

4.130 “The Load factor rebate shall be allowed to all the consumers whose load factor exceeds 65%. For any ‘X’ % increase in the load factor over and above 65%, the rebate shall be allowed at the rate of ‘X’ % on the total energy charges corresponding to total energy consumption of the consumer subject to a maximum ceiling rebate of 25%.”

**Petitioner Submission**

4.131 The existing 65% criteria is there for long and in order to motivate consumers to utilize the load more optimally and efficiently, the slab has been revised to 75%.

**y) Voltage Rebate**

4.132 Hence, it is requested that the Commission consider this request.

4.133 The interpretation by Jharkhand Bijli Vitran Nigam Limited (JBVNL) that a consumer currently connected at 33 KV who opts to upgrade to 132 KV would be eligible for a voltage rebate, while those who remain at the 33 KV level would not receive any rebate applicable to their class, is fundamentally flawed. This interpretation appears to mislead consumers by effectively denying them the rebate benefits that are rightly provided for in the tariff order.





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### **Petitioner Submission**

- 4.134 This is in compliance to the clarification issued by the Commission vide its letter no. JSERC/Case(T) No. 04 of 2020/206 dated 13.07.2023 which is enclosed herewith for kind consideration.
- 4.135 Hence, it is requested that the Commission considers our petition in light of such clarification.

### **View of the Commission**

- 4.136 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

### **C. Objector- Bharti Airtel Limited, Ranchi, Jharkhand**

- 4.137 **The Objector** submitted that high electricity tariffs are one of the biggest challenges faced by the rapidly growing telecom industry. It is justified that telecom sites be provided electricity connection at industrial/utility tariffs.
- 4.138 Telecom sites should be provided electricity connection under Utility/Industrial tariff. SERCs may be requested to incorporate the same in their tariff orders.

### **Petitioner Submission**

- 4.139 The JBVNL would like to submit that the tariff in Jharkhand is substantially lower than the tariff in our neighboring states like Bihar and Chhattisgarh. The JBVNL is committed to provide quality power supply to all its customers at a cost-effective tariff.
- 4.140 The JBVNL has noted the observations. However, the Commission is empowered to take any decision in this matter.

### **View of the Commission**

- 4.141 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the



upcoming chapters in this Order.

**D. Objector- Indu Singh**

4.142 Due to meter malfunctioning on 24.05.2024 and installation of a new prepaid meter, the bill was around ₹2,000 to ₹2,400. However, suddenly a bill of ₹24,000 was received. After complaining, the meter was taken for MRT test and found that there was a 33% higher correction in meter reading. The test was done without any proper evidence.

**Petitioner Submission**

4.143 According to the submission vide ESE, Dhanbad letter no. 830 dated 04.04.2025: “As per energy bill of the month of February 2025 and March 2025, the total demand payable is ₹0.00.”

**View of the Commission**

4.144 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

**E. Objector- Chandra Sekhar Singh**

**a) Consumer Complaint Regarding Meter Installation**

4.145 Name: Chandra Sekhar Singh, Apartment: Anjani Krishna Vihar, Location: New Karmik Nagar, Dhanbad, ESSD: Hirapur, Consumer No.: KND-26788, Mobile No.: 8002509148.

4.146 After written complaints were made three times, the meter was not installed. Due to this, the bill was not generated, making it difficult to pay the bill.

**Petitioner Submission**

4.147 According to the submission vide ESE, Dhanbad letter no. 830 dated 04.04.2025: “Smart meter has been installed, and billing is being done.”

**View of the Commission**

4.148 The Commission has considered the submission of the stakeholder and



replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

**F. Objector- Laghu Udyog Bharti**

**a) Power Supply and Solar Promotion**

4.149 **The Objector** submitted that uninterrupted power supply should be given.

***Petitioner Submission***

4.150 The power supply situation in the state of Jharkhand has improved considerably. Further, the JBVNL is implementing the RDSS scheme and a lot of initiatives are being undertaken under the scheme which will result in reduction of losses once the scheme will be fully implemented. Smart meters are being installed, existing LT overhead bare conductor lines are being replaced with AB/UG cable, HVDS is being implemented, feeder bifurcation and feeder separation is being undertaken to reduce losses. Hence, the consumers will get uninterrupted power supply once the scheme is fully implemented.

4.151 **The Objector** submitted that flexible tariff for industries during peak hours and lean hours should be provided, as exists in different states.

***Petitioner Submission***

4.152 It is submitted that the Time of Day (ToD) metering is already in place in state of Jharkhand for the HT consumers. Any consumer who wants to opt for the ToD metering can do so as per the Tariff Schedule approved by the JSERC.

4.153 **The Objector** submitted that JSEB should encourage solar installation.

***Petitioner Submission***

4.154 The JBVNL along with JREDA has taken a number of initiatives in the state of Jharkhand to encourage solar power.

4.155 A total of 73.20 MW of solar plants have been installed by JREDA till date.



- 4.156 JBVNL is receiving 476 MW of solar power. Till March 2025 JBVNL has installed 1286.655 kW rooftop solar for 474 no consumers under MNRE Phase II roof top and PM Suryaghar Project of the Government of India. JBVNL has submitted consent for purchase of 500 MW solar power to SECI under the ISTS connected Solar Tranche – XIX Scheme.
- 4.157 **The Objector** submitted that government should give incentives for SOLAR power installation including rebate in municipal tax in municipal areas.

***Petitioner Submission***

- 4.158 Both JREDA and JBVNL are taking a number of initiatives in the state of Jharkhand to encourage solar power. The PMSGY scheme is being implemented in Jharkhand. The following subsidy is being provided under the scheme:
- 4.159 Capacity of Solar PV Plant Central Subsidy (₹)
- 1 kW – ₹30,000
  - 2 kW – ₹60,000
  - 3 kW (Maximum Limit) – ₹78,000
- 4.160 **The Objector** submitted that GST on SOLAR power system to industries should be reimbursed.

***Petitioner Submission***

- 4.161 The matter is related with the State Government of Jharkhand.
- 4.162 **The Objector** submitted that the smart meter system is not working properly.

***Petitioner Submission***

- 4.163 It is submitted that smart meters are being installed all over the state. The JBVNL has appointed two agencies M/s Yadav Measurement Pvt. Ltd. and M/s Signals System (India) Pvt. Ltd. for On-Site Accuracy



Checking & Testing of Single Phase and Three Phase Smart Pre-paid/Post-paid energy meter by NABL Accredited Third Party testing Agency. Both the agencies are regularly testing the smart meters to check their functioning.

**b) Tariff Petition Response & Audit Transparency**

4.164 **The Objector** submitted that JSERC raised 34 questions on JBVNL's tariff petition (No. 14/475, dated 24th December 2024), but JBVNL has not yet submitted replies, as reflected on the JSERC website.

4.165 Key concerns:

- (a) Why has JBVNL not responded to JSERC's queries?
- (b) Are JSERC's questions not significant enough to be addressed?
- (c) If JBVNL has submitted replies, why are they not publicly available on the website for stakeholders?
- (d) Why is the new tariff being fixed in a hurry without completing the full due diligence process?

**Petitioner Submission**

4.166 The Commission vide letter dated 24th Dec 2024 asked for the reply from JBVNL on 1st data gaps for true up for FY 23-24. JBVNL via letter no 18 dated 29th Jan 2025 sent the data gap reply to JSERC. The Commission vide letter dated 06th Feb 2025 asked for reply on 2nd data gap submission for True up for FY23-24 and JBVNL replied to the data gap on 25th Feb 2025 vide letter no 39.

4.167 **The Objector** submitted that JBVNL has submitted its Audit Report for FY 2023-24, but it is still under review by statutory auditors.

4.168 The report does not include the CAG audit, which is mandatory for a full audit and tariff fixation.



4.169 Fixing a new tariff without a full audit report means relying on provisional figures, which raises concerns about financial accuracy and transparency.

### **Petitioner Submission**

4.170 The clause no. 7.1 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 states as follows:

*“The Licensee shall submit along with the application for truing up, category-wise and voltage-wise sales, contracted demand and number of consumers, source-wise power purchase quantum and cost, details of capital expenditure, additional capitalization, sources of financing, operation and maintenance expenditure, actual loan portfolio with the interest paid along with other components of ARR, for each year of the Control Period, on the basis of annual Audited Accounts as per the Timelines stipulated in Section A 24.”*

4.171 Hence, the JBVNL has complied with the Regulations of the Commission and submitted the Audited Accounts along with the Tariff Petition.

4.172 As per the provisions of the Companies Act, 2013, every company must appoint an auditor in AGM and gets its accounts audited. In case of Government companies and other companies owned or controlled by the Central or State Governments, the Comptroller and Auditor-General (CAG) of India appoints the auditor, which is ratified by the Company. In case of JBVNL also, Statutory Auditors were appointed by CAG who have duly audited the accounts and issued a report for the F.Y. 2023-24. The Audited accounts have been duly submitted to the Commission and also published on the website of JBVNL.

4.173 As the accounts submitted are duly audited by an Independent Auditor appointed by CAG, the figures are audited and not provisional. The CAG audit is a supplementary audit of the Audited Accounts.

4.174 Further, the CAG has completed the supplementary audit of the F.Y. 2023-24 at the premises of JBVNL and their final report is awaited.



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**c) AT&C Losses and Smart Meter Billing Concerns**

- 4.175 **The Objector** submitted that the Audit Report for FY 2023-24 indicates AT&C (Aggregate Technical & Commercial) losses exceeding 32%, which is extremely concerning.
- 4.176 This means that one-third of the electricity is lost, either due to theft, technical inefficiencies, or distribution failures.
- 4.177 Instead of addressing these losses, JBVNL is passing the financial burden onto consumers by increasing the tariff.

**Petitioner Submission**

- 4.178 The JBVNL is implementing the RDSS scheme and a lot of initiatives are being undertaken under the scheme which will result in reduction of losses once the scheme will be fully implemented. Smart meters are being installed, existing LT overhead bare conductor lines are being replaced with AB/UG cable, HVDS is being implemented, feeder bifurcation and feeder separation is being undertaken to reduce losses.
- 4.179 **The Objector** submitted that consumers are receiving inflated electricity bills after the installation of smart meters, raising serious concerns about accuracy and transparency.
- 4.180 This issue requires immediate investigation to determine whether it is due to:
- (a) Technical faults in smart meters
  - (b) Wrong calibration or software issues
  - (c) Manipulation in billing calculations

**Petitioner Submission**

- 4.181 It is submitted that smart meters are being installed all over the state. The JBVNL has appointed two agencies M/s Yadav Measurement Pvt. Ltd. and M/s Signals System (India) Pvt. Ltd. for On-Site Accuracy Checking & Testing of Single Phase and Three Phase Smart Pre-



paid/Postpaid energy meter by NABL Accredited Third Party testing Agency. Both the agencies are regularly testing the smart meters to check their functioning.

### ***View of the Commission***

4.182 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

### ***G) Objector- Federation of Jharkhand Chamber of Commerce & Industries (FJCCI)***

#### ***a) Security Deposit, Metering & Supply Concerns***

4.183 **The Objector** submitted that under Clause 8.2.16 deals with the subject "interest on security deposit": - It has been mentioned that "interest accrued during the year shall be adjusted in the consumer's bill for the first billing cycle of the ensuring financial year at the State Bank of India base rate prevailing on the first of April for the year."

4.184 Against this provision, M/s. JBVNL has till date not provided any interest to domestic / commercial consumers, so far the information with us, in this regard.

4.185 As regards, Industrial Consumers are concerned, all consumers have not yet received interest on security till date.

### ***Petitioner Submission***

4.186 The JBVNL is paying interest on consumer security to its consumers. In the FY 2023-24 the JBVNL paid Rs. 25.78 Crores to 11,16,395 consumers. In the FY 2024-25 the JBVNL paid Rs. 51.86 Crores to 16,34,349 consumers.

4.187 **The Objector** submitted that under Clause 8.2.12 it is clearly mentioned that "refund of excess security deposit to the consumers by the distribution licensee as and when arises shall be made through maximum of two electricity bills without any other formalities.





4.188 Recently JBVNL has started installing prepaid smart meters to the consumer premises but it is not giving credit to the consumer who has deposited security money earlier. This practice is not being followed by JBVNL.

#### **Petitioner Submission**

4.189 The clause 7.2 of the Jharkhand State Electricity Regulatory Commission (Prepaid Smart Metering) Regulations, 2024 states that:

4.190 “Provided further that for existing consumer (post-paid connection) shifting to smart prepaid metering arrangement, the advance consumption deposit which has been deposited with the licensee shall be adjusted against the last bill including arrears if any and the balance if any payable to/by the consumer shall be adjusted as per the arrear adjustment methodology already in force.”

4.191 Hence, the security deposit has to be adjusted against the last bill including arrears if any of the consumer. The same is being followed by the JBVNL.

4.192 **The Objector** submitted that Clause 5.3 deals with the condition for grant of connection: - This procedure is not being followed specially in providing the new connections. Time limit granted by this Supply Code, officials of JBVNL are not following. Some suitable mechanism is required to develop for following the mechanism.

#### **Petitioner Submission**

4.193 It is submitted that JBVNL is following the required process in granting new connection to its consumers. Also, JBVNL is granting new connection through an online process which is being availed by the consumers. Under the ease of living of consumers, 100% of the new connections are being released online by the JBVNL.

4.194 **The Objector** submitted that Consumers are also harassed by taking shelter of that "transformer can't take any additional load, as such, unless or until new infrastructure is developed, no new connections can



be given." On such ground consumers are being charged for developing the infrastructure whereas the fact is that up to the nearest point available with the consumers, Board has to develop infrastructure of their own.

### **Petitioner Submission**

- 4.195 The clause no. 3.2.1 of the (Electricity Supply Code) Regulations, 2015 states:
- 4.196 "The Distribution Licensee shall be authorized to recover from the applicant all expenses reasonably incurred in laying the service line from the distribution mains to the point of supply based on the schedule of charges approved by the Commission from time to time."
- 4.197 Where the provision of supply to an applicant requires works of installation of dedicated distribution facilities, the Distribution Licensee shall be authorized to recover all expenses reasonably incurred on such works from the applicant based on the schedule of charges approved by the Commission from time to time."
- 4.198 Hence, the JBVNL is charging the consumers for development of new infrastructure based on the provisions of the (Electricity Supply Code Regulations), 2015.
- 4.199 **The Objector** submitted that Under Clause 6.18, it is mentioned that "where an applicant seeks dedicated distribution facility to his premises, the distribution licensee shall intimate the charges to be borne by such applicant within 45 days from the date of receipt of application for supply." Applicant pay the amount and also get the line charged but what is happening at present, once the line is charged, JBVNL officials are providing connections to other consumers over that line which is not correct and our request to the Commission is that while framing the tariff conditions, this may also be made clear that for dedicated line, no other connections shall be provided.

### **Petitioner Submission**



4.200 The clause no. 3.2.1 of the (Electricity Supply Code) Regulations, 2015 states as follows:

*“3.2.1 The Distribution Licensee shall be authorized to recover from the applicant all expenses reasonably incurred in laying the service line from the distribution mains to the point of supply based on the schedule of charges approved by the Commission from time to time.*

*3.2.2 Where the provision of supply to an applicant requires works of installation of dedicated distribution facilities, the Distribution Licensee shall be authorized to recover all expenses reasonably incurred on such works from the applicant based on the schedule of charges approved by the Commission from time to time.”*

4.201 Hence, the JBVNL is charging the consumers for development of new infrastructure based on the provisions of the (Electricity Supply Code Regulations), 2015.

4.202 **The Objector** submitted that Clause 9.4 deals with the testing of meters. Procedure for testing meter is as follows: -

(a) Single phase: every 5 years

(b) LT3 phase: every 3 years

(c) HT/ EHT meters including MDI at least once in every year.

4.203 This system is not being followed by M/s JBVNL and when during inspection any irregularities are observed, bills are being raised to them for long period, although there is clear cut direction by the Commission under Clause 10.3.1 that in case of defective meters, not recording accurately (slow or fast) the bill of the consumer shall be adjusted on the basis of the test report of the meter for the period for which meter was defective subject to a maximum period of three months prior to the date on which the defect was detected.

4.204 Consumers are being harassed on this account badly. Some penal clause is required to be imposed on M/s. JBVNL for not following the direction

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as provided in Supply Code, 2015.

### **Petitioner Submission**

- 4.205 It is submitted that smart meters are being installed all over the state. The JBVNL has appointed two agencies M/s Yadav Measurement Pvt. Ltd. and M/s Signals System (India) Pvt. Ltd. for On-Site Accuracy Checking & Testing of Single Phase and Three Phase Smart Pre-paid/Postpaid energy meter by NABL Accredited Third Party testing Agency. Both the agencies are regularly testing the smart meters to check their functioning. Approximately, 18 lacs consumers will get benefitted in the next two years in the state of Jharkhand.
- 4.206 **The Objector** submitted that Instead of issuing of bills on monthly basis bills are being raised for 4, 5, 6 months at a time, which put the consumers in financial crisis. Submission in this regard is that if bills are raised for five months, consumers should also be allowed to pay the bill in 5 equal monthly installments that too without any DPS on the balance dues amount.
- 4.207 Request to the Commission for making necessary provision while deciding the tariff proposal for the financial year 2025-26.

### **Petitioner Submission**

- 4.208 There are very few instances of such cases. As and when these issues are flagged off, JBVNL promptly takes action against such complaints and provides necessary services to the client.
- 4.209 Further, Smart meters are being installed all over the state and the problem of non-issuance of bills will no longer exist once the smart meters are installed at the consumer premises.

### **b) Lodging of FIR in Theft Case**

- 4.210 **The Objector** has stated that lodging of FIR in case of detection of any theft should be avoided unless or until seizure of all material evidences including wire, cables, meters service line etc are there: - By following this



practice JBVNL will get much more revenue by raising penal bills on the consumers compared to the lodging of FIR where money can be recovered is being recovered unless until only after settlement of the issue. The subject matter dealt in detail under section 126 of the Electricity Act, 2003.

### **Petitioner Submission**

4.211 JBVNL is following the norms of The Electricity Act, 2003. The clause no. 135 of The Electricity Act, 2003 states the following:

4.212 Whoever, dishonestly -

- (a) Taps, makes or causes to be made any connection with overhead, underground or under water lines or cables, or service wires, or service facilities of a licensee; or
- (b) Tampers a meter, installs or uses a tampered meter, current reversing transformer, loop connection or any other device or method which interferes with accurate or proper registration, calibration or metering of electric current or otherwise results in a manner whereby electricity is stolen or wasted; or
- (c) Damages or destroys an electric meter, apparatus, equipment, or wire or causes or allows any of them to be so damaged or destroyed as to interfere with the proper or accurate metering of electricity, so as to abstract or consume or use electricity shall be punishable with imprisonment for a term which may extend to three years or with fine or with both:"

### **c) Contradiction in Sections 126(3) & 126(4) of the Electricity Act**

4.213 Section 126(3) & 126 (4) Both these sections are contradictory amongst themselves. Final order will pass within 30 days and consumer has to pay provisional assess ED amount within 7 days. This needs revision.

4.214 Although Act is passed by the Parliament, however, if the Commission can do something in the matter, this will be a great help to the consumers.



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**Petitioner Submission**

4.215 The Electricity Duty is levied by the Jharkhand State Government and JBVNL has nothing to do with it.

**d) Non-supply of Power – Automatic Credit Not Given**

4.216 Non-providing of automatic credit for the non-supply of power during the period power was not supplied to the consumers in the power bill itself Direction given by JSERC is not being followed.

**Petitioner Submission**

4.217 The JBVNL would like to submit that it is measures throughout the state of Jharkhand which will allow it to improve the energy accounting in its distribution system. GIS mapping of all the distribution assets is being undertaken and consumer indexing is also being done of all consumers in the state. Once these measures are implemented, the details of all the consumers will be readily available with the Discom and automatic credit for non-supply of power during the period power was not supplied to the consumers in the power bill itself will be done by the JBVNL.

4.218 **The Objector** stated that: To spread awareness among the consumers especially domestic to adopt PM Surya Ghar Muft Bijli Yozana on roof top solar installations: - FJCCI is requesting to Commission to pass direction / instructions to M/s. JBVNL and M/s. JREDA for widely advertising this Scheme amongst the people by conducting seminars, by making frequent advertisement in the newspapers etc.

**Petitioner Submission**

4.219 Till date JBVNL has installed 521.98 KW rooftop solar plants for 143 consumers under PM Suryaghar Project of the Government of India. Steps are being taken to spread awareness regarding the PM Suryaghar Project among the consumers of JBVNL.

4.220 **The Objector** stated that, Installation of smart meters outside the house i.e. on the boundary wall or outside wall of the House and Consumers



can't protect the seals fixed on the smart meters under such circumstances and onus to protect them is presently on consumers.

- 4.221 Request to the Commission to please incorporate some clauses in the tariff while deciding the tariff hike proposal to protect the interest of the consumers in this regard by shifting the responsibility of protecting seals of the Meter from the consumer.

### **Petitioner Submission**

- 4.222 JBVNL has noted the observations. However, the Commission is empowered to take any action in this regards.

- 4.223 **The Objector** stated that the Commission has empowered M/s. JBVNL to charge on monthly basis "FPPPA Surcharge" to all categories of consumers from March 2024 onwards: - Under this mechanism JBVNL is getting reimbursement of additional increased cost of power purchased, from the consumers on monthly basis.

- 4.224 One of such calculation as circulated by the Executive Director (C&R) vide letter no. 046 dated 27.02.2025 is enclosed herewith. Request to the Commission to please go through these data and decide whether JBVNL should get "FPPPA" surcharge on monthly basis. FJCCI's submission is that "when every year JBVNL is revising its tariff than why this FPPPA. This should be abolished."

### **Petitioner Submission**

- 4.225 It is submitted that the FPPPA is charged by the JBVNL based on the formula specified by the Commission in the Tariff Order. The Commission approves the power purchase cost for the next Financial Year in the Tariff order and the FPPPA is charged from the consumers if there is any increase in the power purchase cost against the power purchase cost approved by the Commission.

- 4.226 This mechanism of recovery of power purchase cost through the FPPCA has been approved all across the country and cost is being recovered on a monthly basis from the consumers. If the additional power purchase





cost is not recovered through this mechanism, the Discom will face financial crunch as the Discom has to pay the monthly bills of the generators which will not be recovered from the tariff approved by the Commission.

- 4.227 **The Objector** stated that the cost of purchased power from the data as provided under Table 4.2, average cost of purchase of power per unit is Rs.5.32 KWH which if converted into KVAH will go up Rs.6.25 per KVAH which seems on too much higher side. Secondly quantity of solar and wind power as estimated for the financial year 2025-26 are in lower side. If some serious efforts are taken by the authorities of JBVNL they can get cheaper power especially solar from the surplus solar generating State like Rajasthan.

#### **Petitioner Submission**

- 4.228 The JBVNL along with JREDA has taken a number of initiatives in the state of Jharkhand to encourage solar power.
- 4.229 A total of 73.20 MW of solar plants have been installed by JREDA till date.
- 4.230 JBVNL is receiving 476 MW of solar power. Till date JBVNL has installed 521.98 KW rooftop solar plants for 143 consumers under PM Suryaghar Project of the Government of India. JBVNL has submitted consent for purchase of 500 MW solar power to SECI under the ISTS connected Solar Tranche – XIX Scheme.
- 4.231 **The Objector** stated that: Sikidari Hydel Power Station: - JBVNL is having two units of 65 MW each which generates power for the same water twice i.e. firstly from first unit and then after from same water in second unit.
- 4.232 Here, we would also like to state the fact about the Sikidari which is wasting the water in rainy season. It is observed that in every rainy season one of their unit remains under shut down resulting loss of generation of 65 MW/hr. power from this station. This is nothing but carelessness of the authorities posted there who can undertake maintenance work before rainy reason to avoid loss of revenue to JBVNL.





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### **Petitioner Submission**

4.233 It is submitted that after the unbundling of JSEB in 2014, the Jharkhand Urja Utpadan Nigam Limited (JUUNL) was formed. All the generation stations of erstwhile JSEB are being run by the JUUNL. Hence, the JUUNL is empowered to take any action in this regards.

4.234 **The Objector** stated that the Increase of revenue by hiking the energy charges chargeable to the consumers is not a proper thinking of the authorities of JBVNL. They should think and extend their expertise / energy how to reduce the purchase cost of power instead of using energy for approval of tariff hike proposal from JSERC.

### **Petitioner Submission**

4.235 The JBVNL is exploring new sources of power which are less costly to reduce the power purchase cost. JBVNL is tying up with renewable generators to avail maximum renewable energy to reduce the power purchase cost. At present, BVNL is receiving 476 MW of solar power. Till date JBVNL has installed 521.98 KW rooftop solar plants for 143 consumers under PM Suryaghar Project of the Government of India.

4.236 JBVNL has submitted consent for purchase of 500 MW solar power to SECI under the ISTS connected Solar Tranche – XIX Scheme.

4.237 Also, JBVNL has appointed M/s KPMG for preparing report of demand forecasting for the next Control Period. JBVNL has also deputed officials at SLDC for scheduling of the daily power being procured by the Discom. Both these steps will help in power purchase cost optimization and help in reduction of the power purchase cost.

4.238 Further, JBVNL has proposed the tariff hike taking into consideration the cumulative revenue gap for the FY 2025-26. Hence, it is requested that the Commission may approve appropriate tariff hike so that JBVNL may meet its operational expenditure.

### **e) *Penalty on Unscheduled Interchange (UI) Charges***



4.239 JBVNL is paying huge amount on account of Un-schedule Interchange charges (UI Charges):- This can be avoided by making proper planning. From the enclosed table one can observed that during the month of December, 2024 they have paid Rs.10.52 crores as penalty under this head i.e. for the cost of their wrong planning. If we multiply this amount by 12 months, then amount comes to Rs.124.00 crores which is a huge amount. While considering the tariff rate for the FY 2025-26 the Commission should take a note of this fact also.

#### **Petitioner Submission**

4.240 It is submitted that schedule of power to JBVNL from its various generators varies throughout the day owing to various reasons. Further, peak demand of the consumers of JBVNL is at the morning and evening hours. Hence, to meet the surge in demand during the peak hours the Discom has to resort to purchasing short term power.

4.241 Also, JBVNL has appointed M/s KPMG for preparing report of demand forecasting for the next Control Period. JBVNL has deputed officials at SLDC for scheduling of the daily power being procured by the Discom. Both these steps will help in power purchase cost optimization and help in reduction of the power purchase cost.

#### **f) High Transmission Losses**

4.242 33.74% transmission loss if compared with the other State is on too much higher side, as such same should be allowed according to the norms set by the CEA for transmission losses.

#### **Petitioner Submission**

4.243 The JBVNL is implementing the RDSS scheme and a lot of initiatives are being undertaken under the scheme which will result in reduction of losses once the scheme will be fully implemented. Smart meters are being installed, existing LT overhead bare conductor lines are being replaced with AB/UG cable, HVDS is being implemented, feeder bifurcation and feeder separation is being undertaken to reduce losses.



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**g) Government Grants Booking**

- 4.244 Under Clause 4.11 receipt considered A/c. Government Grants is only Rs.630.67 crores. This should be compared with the actual receipt for the FY 2024-25 and accordingly consider while deciding the energy charges.
- 4.245 The actual grant received till 31.12.2024 in the F.Y. 2024-25 as per the quarterly audited accounts is Rs 401.58 Cr. which is lower than the amount considered under Clause 4.11 as stated.
- 4.246 **The Objector** stated that the Consumers are complaining that smart meters are showing excessive energy consumption, which needs proper investigation.

**Petitioner Submission**

- 4.247 It is submitted that smart meters are being installed all over the state. The JBVNL has appointed two agencies M/s Yadav Measurement Pvt. Ltd. and M/s Signals System (India) Pvt. Ltd. for On-Site Accuracy Checking & Testing of Single Phase and Three Phase Smart Pre-paid/Post-paid energy meter by NABL Accredited Third Party testing Agency. Both the agencies are regularly testing the smart meters to check their functioning.
- 4.248 **The Objector** stated that the FJCCI has requested that Dharamshalas be classified as domestic rather than commercial, as they serve underprivileged people at minimal costs to cover maintenance expenses.

**Petitioner Submission**

- 4.249 JBVNL has noted the observations. However, the Commission is empowered to take any action in this regards.
- 4.250 **The Objector** stated that the FJCCI proposes a reduction in energy and demand charges for 2025-26 due to the lower power purchase costs, expressing confusion over JBVNL's tariff hike proposal. They also oppose the introduction of fixed charges based on connected load for energy.

**Petitioner Submission**



4.251 JBVNL has proposed the tariff hike taking into consideration the cumulative revenue gap for the FY 2025-26. Hence, it is requested that the Commission may approve appropriate tariff hike so that JBVNL may meet its operational expenditure.

#### **LTIS Category consumers**

4.252 **Fixed Charge:** - Proposed to increase Rs.150.00 per KWH to Rs.200 per KWH as there is no any addition in the installed capacity of power plants in JBVNL, as such, no increase is needed so far fixed charge is concerned.

4.253 **Energy Charge:** - Proposed increase is from Rs.6.05 PER KAVH to Rs.7.00 per KVAH i.e. an increase of about 16% energy cost. The decrease in purchase cost by 3% as shown above as such energy charge are accordingly be reduced from the present tariff rate.

#### **Petitioner Submission**

4.254 JBVNL has proposed the tariff hike taking into consideration the cumulative revenue gap for the FY 2025-26. Hence, it is requested that the Commission may approve appropriate tariff hike so that JBVNL may meet its operational expenditure.

#### **HTS Category Consumers**

4.255 **Fixed Charge:** - From Rs.400.00 per kvah to Rs.500 per KVAH i.e. proposed increase of 25% from the existing rate as mentioned above as there is no addition in installed capacity of power plant in JBVNL as such, no increase is needed.

4.256 **Energy Charge:** - Proposed increase from Rs.5.85 to Rs.8.25 Per KVAH for HT I and from Rs.5.20 to Rs.8.00 Kvah for HTSS categories i.e. an increase of 47%. his shows that without any consideration of the fact, the author of the proposal has mentioned the proposed increase according to his wisdom.

#### **Petitioner Submission**

4.257 JBVNL has proposed the tariff hike taking into consideration the



cumulative revenue gap for the FY 2025-26. Hence, it is requested that the Commission may approve appropriate tariff hike so that JBVNL may meet its operational expenditure.

**Institutional Services / Temporary Connection/ Category Of EV Charging Station/ Street Light Services/ Irrigation And Agriculture Services And All Such Services Which Are Not Covered By Us**

4.258 **The Objector** mentioned that, M/s. JBVNL has proposed abnormal increase in energy charge as well as fixed charge under these categories also.

4.259 Our submission to the Commission is to decide increase in energy charge and fixed charge for these categories of consumers in line with the above categories of consumers.

**Petitioner Submission**

4.260 JBVNL has proposed the tariff hike taking into consideration the cumulative revenue gap for the FY 2025-26. Hence, it is requested that the Commission may approve appropriate tariff hike so that JBVNL may meet its operational expenditure.

**View of the Commission**

4.261 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

**H) Objector- Sangita Devi**

4.262 **Objector-** Name-Sangita Devi. C/o-Parikha, Essd-Daltonganj Urban, Consumer No- D12462 Mobile no- 9006082756, Due to wrong meter reading of 89665 unit taken higher bill amount of Rs. 6,46,855/- generated, asked to Correct the meter reading and bill

**Petitioner Submission**

4.263 According to the submission vide EEE, Daltonganj letter memo no 387



dated 4.04.2025

4.264 “After getting the detailed report, a smart meter was installed at the premises of the consumer on 03.03.2025. However, due to some technical problem the billing cycle was not updated in the smart meter. The last meter reading of the earlier meter installed at the premises was 10310 kwh and on 26.09.2024 the Urja Mitra got a reading of 89665 kwh. Hence, a bill against 89666 units was issued to the consumer.

4.265 Within two days the smart meter billing cycle will be updated and the bill will be corrected.” The letter is also being enclosed for your reference.

**I) Objector - Jawahar Lal Mehta**

4.266 **The Objector** stated that, in view of the cheaper power available to JBVNL from plant at Karanpura, Patratu, Koderma, Maithon for the last 10 years, the tariff should be lowered by Rs. 3.00/-.

**Petitioner Submission**

4.267 JBVNL has proposed the tariff hike taking into consideration the cumulative revenue gap for the FY 2025-26. Further, the revenue gap has been worked by considering power purchase from all the generating stations supplying power to JBVNL and other operational and maintenance expenses of the Discom. Hence, it is requested that the Commission may approve appropriate tariff hike so that JBVNL may meet its operational expenditure.

4.268 **The Objector** stated that the details of power not drawn during last year and loss to be provided.

**Petitioner Submission**

4.269 The details of the power purchased by the JBVNL during FY 2023-24 and the transmission and distribution losses of the Discom have been provided in the Tariff Petition.

**View of the Commission**



4.270 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

**J) Objector – Jal Sansadhan Vibhag, Ranchi Jharkhand**

4.271 **The Objector** stated that, under Megalift/Pipeline Irrigation Program-tariff should be levied as per Orissa tariff model and additional relaxation in tariff should be given.

**Petitioner Submission**

4.272 The JBVNL has noted the observations. However, the JSERC is empowered to take any decision in this matter.

4.273 **The Objector** stated that, the Water Resources Department is currently making payments to Jharkhand Bijli Vitran Nigam Limited based on the applicable tariff structure. According to the above tariff provisions, the Water Resources Department is required to pay ₹21.17 crore annually as fixed charges to JBVNL for the 90 MW electric load needed for ongoing Groundwater Pipeline/Mega Lift Irrigation Projects even during idle periods. This amount is considered a financial burden.

**Petitioner Submission**

4.274 It is submitted that a two-part tariff structure is applicable in the state of Jharkhand, i.e., fixed charge and variable charges. The fixed charges are levied to meet the fixed costs of the Discom incurred in operation and maintenance of the distribution system. Hence, the fixed charges are applicable even when the consumer is not availing power from the Discom since the Discom incurs the operation and maintenance expenses in maintenance of the distribution system throughout the year.

4.275 **The Objector** stated that an additional Rebate in Odisha for Mega Lift Consumers:

4.276 Similarly, in Odisha, Mega Lift Consumers (connected to HT/EHT



systems) are classified as GP consumers and are:

(a) Exempted from paying demand charges

(b) Provided an additional rebate of ₹2.00/kVAh on energy charges

4.277 It is necessary for Jharkhand State Electricity Regulatory Commission (JSERC) to provide a similar additional rebate under Tariff Clause 6(i) for Jharkhand's ongoing Groundwater Pipeline/Mega Lift Irrigation Projects.

4.278 Requesting to implement such rebate similar for Jharkhand state also.

### **Petitioner Submission**

4.279 The JBVNL has noted the observations. However, the JSERC is empowered to take any decision in this matter

4.280 **The Objector** stated that under the Megalift/Pipeline Irrigation Program—Motors and Pumps functioning duration (1st June to 30th September) in its peak load and remaining period it kept idle (1st Oct–31st May). In this duration Fixed charges being paid to JBVNL, asking for relaxation from such charges in idle period.

### **Petitioner Submission**

4.281 It is submitted that a two-part tariff structure is applicable in the state of Jharkhand, i.e., fixed charge and variable charges. The fixed charges are levied to meet the fixed costs of the Discom incurred in operation and maintenance of the distribution system. Hence, the fixed charges are applicable even when the consumer is not availing power from the Discom since the Discom incurs the operation and maintenance expenses in maintenance of the distribution system throughout the year.

### **View of the Commission**

4.282 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.





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**K) Objector – Dhanbad District Flour Mill Association**

4.283 Line losses are high and JBVNL is not doing anything to reduce losses. Big consumers are leaving the Discom.

**Petitioner Submission**

4.284 The JBVNL is implementing the RDSS scheme and a lot of initiatives are being undertaken under the scheme which will result in reduction of losses once the scheme will be fully implemented. Smart meters are being installed, existing LT overhead bare conductor lines are being replaced with AB/UG cable, HVDS is being implemented, feeder bifurcation and feeder separation is being undertaken to reduce losses.

4.285 **The Objector** stated that: Online process of granting new connection and load enhancement is only an eyewash. No efforts are being made by Disom to help consumers.

**Petitioner Submission**

4.286 The online process has been implemented by the Discom to help the consumers in getting new connections and for load enhancement, The online process running smoothly and consumers are getting benefitted from the same.

4.287 **The Objector** stated that: The bills of consumer are not generated regularly due to which the Discom is incurring losses.

**Petitioner Submission**

4.288 There are very few instances of such cases. As and when these issues are flagged off, JBVNL promptly takes action against such complaint and provide necessary services to the client.

4.289 Further, Smart meters are being installed all over the state and the problem of non-issuance of bills will no longer exist once the smart meters are installed at the consumer premises.

4.290 **The Objector** stated that: In the LTIS, Domestic and commercial



categories, the meter reading is only 50%.

**Petitioner Submission**

- 4.291 The JBVNL will look into the matter and ensure that 100% meter reading is done.
- 4.292 **The Objector** stated that: LT bare conductor have to be converted to AB/UG under RDSS. Thereafter the smart meters have to be installed. This will result in reduction in line losses, however, the progress of work is very slow.

**Petitioner Submission**

- 4.293 The work of implementation of the RDSS scheme has begun and work has been awarded to TKCs for various packages. Hence, within the next 18 months the scheme will be fully implemented all across the state.
- 4.294 **The Objector** stated that: The no. of employees of the Discom at the lower level is reducing. The Discom requires to enhance its employee strength at the lower level so the organization gets strengthened.

**Petitioner Submission**

- 4.295 JBVNL acknowledge this fact and resolves to address it effectively.
- 4.296 **The Objector** stated that: JBVNL should not rely on DVC and should develop its own infrastructure to provide good power to its consumers at lower tariff.

**Petitioner Submission**

- 4.297 The JBVNL is implementing the RDSS schemes and various other schemes have been undertaken to develop a robust and modern power distribution system in the state of Jharkhand.
- 4.298 **The Objector** stated that: No concrete steps are being taken by the JBVNL to reduce the line losses. The losses are passed onto the consumers.



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**Petitioner Submission**

- 4.299 The JBVNL is implementing the RDSS scheme and a lot of initiatives are being undertaken under the scheme which will result in reduction of losses once the scheme will be fully implemented.
- 4.300 Smart meters are being installed, existing LT overhead bare conductor lines are being replaced with AB/UG cable, HVDS is being implemented, feeder bifurcation and feeder separation is being undertaken to reduce losses.
- 4.301 **The Objector** stated that: All the employees of JBVNL should be held accountable for the losses and the revenue loss should be borne by the concerned officers.

**Petitioner Submission**

- 4.302 The JBVNL has noted the observation.
- 4.303 **The Objector** stated that: As the Discom is incurring revenue loss, hence, the expenditure should be reduced accordingly.

**Petitioner Submission**

- 4.304 JBVNL has appointed M/s KPMG for preparing report of demand forecasting for the next Control Period. JBVNL has also deputed officials at SLDC for scheduling of the daily power being procured by the Discom. Both these steps will help in power purchase cost optimization and help in reduction of the power purchase cost.
- 4.305 **The Objector** stated that: If the power supply is good, there will be enhancement in revenue billed.

**Petitioner Submission**

- 4.306 The JBVNL has noted the observation.
- 4.307 **The Objector** stated that: The proposed hike in tariff in the domestic, commercial, LTIS and HT category is not justified. Also, there should be



no fixed charges in the tariff schedule.

#### **Petitioner Submission**

4.308 JBVNL has proposed the tariff hike taking into consideration the cumulative revenue gap for the FY 2025-26. Hence, it is requested that the Hon'ble Commission may approve appropriate tariff hike so that JBVNL may meet its operational expenditure.

4.309 **The Objector** stated that: There should be no hike in tariff as proposed by JBVNL. Power supply should improve and losses should be reduced, then only a hike in tariff is possible.

#### **Petitioner Submission**

4.310 The JBVNL has proposed the tariff hike taking into consideration the cumulative revenue gap for the FY 2025-26. Hence, it is requested that the Hon'ble Commission may approve appropriate tariff hike so that JBVNL may meet its operational expenditure.

#### **L) Objector – Sanjay Kumar Bagati**

4.311 **The Objector** stated that: Mr. Sanjay Kumar Bagati, ESSD-Karkend, Dhanbad, Consumer no- KDD-02818 Mobile No- 9934566806 wants to know how Rs. 187068/- electric bill generated for five months in a domestic house although I got the relief on government subsidy.

#### **Petitioner Submission**

4.312 According to the submission vide ESE, Dhanbad letter no 830 dated 4.04.2025 “Billing correction is under process.”

#### **View of the Commission**

4.313 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

#### **M) Objector – Shivshankar Prasad**



4.314 **The Objector** stated that: Mr. Shiv Shankar Prasad, ESSD-Digwadih, Dhanbad, consumer no- DWD 01019, Mob- 9117295267 wants to relief his pending electricity bills Rs. 29021/- under Mukhyamantri urja khushali yojna.

**Petitioner Submission**

4.315 According to the submission vide ESE, Dhanbad letter no 830 dated 4.04.2025 “The line of consumer is disconnected due to arrear of Rs. 29021/-. The name of the consumer was not in the list of beneficiary of Mukhyamantri Urja Khusali Yojna.”

**View of the Commission**

4.316 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

***N) Objector – Jharkhand Rajya Urja Mitra Sangh***

4.317 **Objector** stated that the Urja Mitras under Dhanbad Area Board were not paid the 14 months' salary due from July 2022 to September 2023 by Emdee' Digitronics Pvt. Ltd. agencies, but the Urja Mitras were made to work for 14 months by giving assurances from senior officials of JBVNL DHANBAD to the headquarters that they would get the salary for meter reading and teaching, but they did not get it.

**Petitioner Submission**

4.318 The matter is under the Hon'ble Court.

4.319 **The Objector** stated that: Emdee' Digitronics Pvt. Ltd. had 475 workers working in it. The total amount due to them is about Rs. 4,50,00,000 i.e. four crore fifty lakh rupees. Everyone should be paid from the security deposit of JBVNL/ Emdee' Digitronics Pvt. Ltd.

**Petitioner Submission**

4.320 The matter is under the Hon'ble Court.



4.321 **The Objector** stated that: The current billing agency M/s Explore Tech Service Private Limited / M/s Competent Private Limited / M/s Fusion CX Pvt. Ltd is not paying the salary to the energy partners every month as per the rules. The payment should be made as per the dress code, ESI, EPF, JBVNL and billing agreement.

**Petitioner Submission**

4.322 Payment and Statutory payment are being followed up with the agency to regularize.

4.323 **The Objector** stated that: Most of the sub-divisions of M/s Fusion CX Pvt. Ltd have neither supervisor nor computer operator due to which Urja Mitra faces lot of difficulty in getting information about errors in meter readings.

**Petitioner Submission**

4.324 The agency has been directed to resolve the matter.

4.325 **The Objector** stated that: Bentech employees who install smart meters are continuously cheating electricity consumers in every division by telling them that if you pay money, your electricity bill will be waived off. Many consumers were refunded money by Bentech agencies with the help of Urja Saathi, but no check was put on such acts. Whereas the department has ordered Bentech to install meters free of cost.

**Petitioner Submission**

4.326 Strict instructions have been given to Bentech regarding to avoid such incidents. Awareness programme among consumers are being made on continuous basis.

**View of the Commission**

4.327 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.

## **Chapter 5: TRUE-UP FOR FY 2023-24**

- 5.1 In the instant petition the Petitioner has sought approval of Truing up for FY 2023-24 based on the Audited Accounts, taking into consideration the provisions of the Distribution Tariff Regulations, 2020 & Distribution Tariff Regulation (1<sup>st</sup> Amendment) 2023 and the methodology adopted by the Commission in the previous Orders.
- 5.2 The Commission on the basis of provisions of the Distribution Tariff Regulations, 2020 & Distribution Tariff Regulations, (1<sup>st</sup> Amendment) 2023 has determined the truing up for FY 2023-24 on consideration of:
- (a) Audited accounts for FY 2023-24;
  - (b) Methodology adopted by the Commission in previous Order;
  - (c) Material on record submitted by the Petitioner.
- 5.3 The component-wise details filled by the Petitioner and the Commission's analysis and discussion is made in the upcoming paragraph.

### **Energy Sales**

#### ***Petitioner's Submission***

- 5.4 The Petitioner has submitted the energy sales based on the annual audited account for FY 2023-24. Further submitted the connected Load and number of consumer as shown below:

**Table 15: Sales (in MUs) as submitted by the Petitioner.**

<b>Consumer Category</b>	<b>APR</b>	<b>Petition</b>
Domestic	5,523.78	5,724.19
Commercial/Non Domestic	1,464.90	1,132.06
Public Lighting / SS	80.39	93.71
Irrigation / IAS	188.36	100.98
Industrial LT / LTIS	317.83	270.12
Industrial HT / HTS / S/ EHT	2,605.86	2,622.35

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Consumer Category	APR	Petition
RTS/MES	90.91	51.29
Theft		
<b>Total</b>	<b>10,272.03</b>	<b>9,994.70</b>

**Table 16: Connected Load (kVA) as submitted by the Petitioner.**

Consumer Category	APR	Petition
Domestic	49,68,047	65,54,225
Commercial/Non Domestic	7,12,022	9,69,187
Public Lighting / SS	11,661	14,300
Irrigation / IAS	69,453	1,77,343
Industrial LT / LTIS	3,62,821	4,95,931
Industrial HT / HTS / S/ EHT	9,91,576	10,66,056
RTS/MES	42,854	34,423
<b>Total</b>	<b>71,58,434</b>	<b>93,11,465</b>

**Table 17: Number of Consumer (Nos) as submitted by the Petitioner.**

Consumer Category	APR	Petition
Domestic	46,31,102	45,45,190
Commercial/Non Domestic	2,99,039	3,49,430
Public Lighting / SS	434	598
Irrigation / IAS	75,332	1,01,368
Industrial LT / LTIS	19,947	19,311
Industrial HT / HTS / S/ EHT	2,234	2,359
RTS/MES	8	8
<b>Total</b>	<b>50,28,088</b>	<b>50,18,256</b>

**Commission's Analysis**

5.5 The commission has received the submission made by the Petitioner and observed that the energy sales for FY 2023-24 as 9994.70 MU which is slightly lower than the approved value for APR of FY 2023-24 as per the tariff order dated September 30,2024. The Commission is of the view that



**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

the energy sales depends on the consumption, connected load and the number of consumers, which is as per **clause 6.44** of JSERC Terms and Conditions for Determination of Distribution Tariff) Regulations 2020, an uncontrollable factor.

- 5.6 Accordingly, the Commission on scrutinizing the material, information, actual figure, audited books of account and details submitted by the Petitioner, approves the energy sales for FY 2023-24 which has been summarized in the table below:

**Table 18: Energy Sales (MUs) as submitted by the Petitioner and approved by the Commission.**

Consumer Category	APR	Petition	Approved
Domestic	5,523.78	5,724.19	5724.19
Commercial/Non Domestic	1,464.90	1,132.06	1132.06
Public Lighting / SS	80.39	93.71	93.71
Irrigation / IAS	188.36	100.98	100.98
Industrial LT / LTIS	317.83	270.12	270.12
Industrial HT / HTS / S/ EHT	2,605.86	2,622.35	2622.35
RTS/MES	90.91	51.29	51.29
Other/Theft			
<b>Total</b>	<b>10,272.03</b>	<b>9,994.70</b>	<b>9,994.70</b>

## Energy Balance

### *Petitioner's Submission*

- 5.7 The Petitioner has submitted that energy availability for FY 2023-24 has been computed based on the actual Power Purchase and Sales as per the Audited Accounts for FY 2023-24.
- 5.8 The Petitioner has further submitted that the Power Purchase from various sources are segregated into different heads, while calculating the energy balance for FY 2023-24.

(a) Power Purchase from Outside JUSNL Boundary (i.e.) Power

sourced from NTPC, NHPC, PTC, APNRL, part of TVNL, SECI, UI and exchanges.

(b) Energy Input Directly to State Transmission System- Input of power from TVNL-PTPS directly to State Transmission System, SHPS and Inland.

(c) Direct Input of Energy to Distribution System- DVC and Solar IPPs.

5.9 The Petitioner has computed the energy available for sale as the addition between net energy sent to distribution system and direct input of energy to distribution system.

5.10 Further, the Petitioner has submitted that it has calculated interstate transmission losses by subtracting normative loss approved by the Commission for interstate transmission loss. JBVNL thereafter considers power available to JUSNL network from the PGCIL network. Intra state transmission loss is calculated based on energy received at the 33kV incoming transmission network in JBVNL and the input energy to JUSNL network from PGCIL. The Inter-State Transmission Losses at 3% of all power purchase from external sources considering Point of Connection (PoC) withdrawal losses for Jharkhand and PoC injection losses of various power plants with which it has PPA. The loss calculation of 3% is based on average interstate loss calculation as approved by the Commission.

5.11 Further, this loss can be bifurcated into losses in JUSNL system and DVC systems as per feeder metering data (ABT meter data) available with JBVNL. Transmission losses in JUSNL system as per meter reading data available with JBVNL comes out to be 740.32MU (6.41%) while the approved figure from the Commission is 2.23%. Similarly, there is a loss in energy scheduled from DVC and input energy into JBVNL system through the feeder meter data available. The losses in the DVC network system comes out to be 209.43 MUs (5.33%) while the approved transmission losses for DVC is 3% as approved in its MYT order.

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

5.12 Based on the information provided above, Energy Balance of JBVNL for FY 2023-24 is summarized below:

**Table 19: Energy Balance (in MUs) as submitted by the Petitioner.**

Particulars	APR	Petition
Power Purchase from Outside JBVNL Boundary (MU)	9,087.37	9,847.52
Loss in External System (%)	3.00%	3.00%
Loss in External System (MU)	272.62	295.43
Net Outside Power Available (MU)	8,814.75	9,552.09
Energy Input Directly to State Transmission System (MU)	372.08	349.32
State-owned Generation (MU)	1,388.14	1,639.28
Energy Available for Onward Transmission (MU)	10,574.96	11,540.70
Transmission Loss (%)	2.23%	6.41%
Transmission Loss (MU)	235.82	740.32
Net Energy Sent to Distribution System (MU)	10,339.14	10,800.37
Energy Schedule from DVC to Distribution System (MU)		3,930.84
Transmission Loss at DVC System (%)		5.33%
Transmission Loss in System (MUs)		209.43
Direct Input of Energy to Distribution System (MU)	3,832.48	3,721.41
Direct Input Energy from State Solar System (MUs)		17.87
<b>Total Energy Available for Sales (MU)</b>	<b>14,171.62</b>	<b>14,539.65</b>
<b>Total energy sold (MU)</b>	<b>10,272.03</b>	<b>9,994.70</b>
<b>Distribution loss%</b>	<b>13.00%</b>	<b>31.26%</b>
<b>Energy Required for distribution (MU)</b>	<b>11806.94</b>	<b>14539.65</b>
<b>Power disallowance at DISCOM Periphery (MU)</b>	<b>2,364.69</b>	<b>0.00</b>
Revenue of disallowance energy	1245.27	
<b>Total Power Purchase</b>	<b>14,680.06</b>	<b>14,539.65</b>

**Commission's Analysis**

5.13 The Commission has observed that the Petitioner has claimed

Distribution losses based on actuals at a level of 31.26% for FY 2023-24 which is inferior to the loss level for FY 2022-23 as 30.28%.

- 5.14 Accordingly, the Commission has noted that the level of losses recorded by the DISCOM are exceedingly high and require substantial overhauling. The deteriorated state of the distribution network has resulted in a significant drain on both material and economic resources of the nation, which is a cause of concern.
- 5.15 In fact, Distribution Losses and Collection Efficiency are crucial operational parameters for DISCOMs. State Electricity Regulatory Commissions (SERCs) across states have recognized them as controllable parameters for DISCOMs. Similarly, under clause 6.44 of the Distribution Tariff Regulations 2020, the Commission acknowledges Distribution Loss and Collection Efficiency as controllable parameters.
- 5.16 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Commission has approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.
- 5.17 Subsequently, the Commission vide Order dated May 31, 2023 has approved the Distribution loss trajectory for each year of the Control period FY 2021-22 to FY 2025-26. The relevant extracts of the MYT Order are reproduced below:

*“7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty”.*

- 5.18 In view of the aforesaid extract, it is observed that not abiding by the
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trajectory defined by the Commission and factoring into consideration the deviation in the retail ARR by the Licensee is disdainful. Further, the Commission on several occasion has directed the Petitioner to take appropriate action to decrease the distribution loss in line with the trajectory made by the commission. Till date, there is no responsive action taken by the Petitioner to curb the said issue.

- 5.19 It has been observed that the Petitioner has claimed Intra-State Transmission Losses of **6.41%** for FY 2023-24 in the JUSNL system, which is significantly higher than the approved transmission loss of 2.23% as per the Tariff Order dated September 30, 2024. In this regard, the Petitioner is directed to submit a **joint reconciliation statement** with JUSNL, duly certifying the Intra-State Transmission Loss at the time of the tariff filing. Furthermore, in response to the data gap, the Petitioner has clarified that the Intra-State Transmission Loss was calculated by subtracting the energy input from the JUSNL system to the distribution system at the 33 kV feeder level from the total energy available at the JUSNL transmission system.
- 5.20 The Commission observes that the Petitioner, for the first time in the present petition, has claimed a transmission loss of 5.33% for FY 2023-24 in the DVC system. In this context, the Commission had directed the Petitioner to submit a detailed and appropriate justification for the consideration of the same. However, the justification provided in response was found to be inadequate. Subsequently, through the second data gap communication, the Commission once again directed the Petitioner to furnish a proper and satisfactory justification. Despite this, the Petitioner failed to provide a convincing explanation to the satisfaction of the Commission. Nevertheless, the Commission is of the considered view that the transmission loss pertaining to the DVC system is a legitimate and recognized parameter, which was also taken into account by the Commission while determining the Annual Performance Review (APR) of DVC. Accordingly, the Commission, in the present Order, has considered the transmission loss at 2.96% for FY 2023-24, in line with the APR Order of DVC dated September 30, 2024.
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**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

5.21 The Commission is of the opinion that it would be imprudent if the cost of the Petitioner's inefficiency is passed-on to the consumers. Accordingly, the Commission has worked out energy availability for the FY 2023-24 on the basis of actual generation of power from Central, State-owned and other Generating Stations. Further, the loss in external system has been considered at the same level as approved by the Commission in its earlier Order, while the Intra-State Transmission Loss has been considered at 2.23% as per the MYT Order for JUSNL dated June 23, 2023. The energy availability from various sources has been summarized below.

**Table 20: Energy Balance (MUs) as approved by the Commission.**

Particulars	APR	Petition	Approved
<b>Power Purchase from Outside JBVNL Boundary (MU) [A]</b>	<b>9,087.37</b>	<b>9,847.52</b>	<b>9,847.52</b>
Loss in External System (%)	3.00%	3.00%	3.00%
Loss in External System (MU)	272.62	295.43	295.43
Net Outside Power Available (MU)	8,814.75	9,552.09	9,552.09
<b>Energy Input Directly to State Transmission System (MU) [B]</b>	<b>372.08</b>	<b>349.32</b>	<b>349.32</b>
<b>State-owned Generation (MU) [C]</b>	<b>1,388.14</b>	<b>1,639.28</b>	<b>1,639.28</b>
Energy Available for Onward Transmission (MU)	10,574.96	11,540.70	11,540.70
Transmission Loss (%)	2.23%	6.41%	2.23%
Transmission Loss (MU)	235.82	740.32	257.36
Net Energy Sent to Distribution System (MU)	10,339.14	10,800.37	11,283.34
<b>Energy Schedule from DVC to Distribution System (MU) [D]</b>		<b>3,930.84</b>	<b>3,930.84</b>
Transmission Loss at DVC System (%)		5.33%	2.96%
Transmission Loss in System (MUs)		209.43	116.36
Direct Input of Energy to Distribution System (MU)	3,832.48	3,721.41	3814.48
<b>Direct Input Energy from State Solar</b>		<b>17.87</b>	<b>17.87</b>

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	APR	Petition	Approved
<b>System (MUs) [E]</b>			
<b>Total Energy Available for Sales (MU)</b>	<b>14,171.62</b>	<b>14,539.65</b>	<b>15,115.69</b>
<b>Total energy sold (MU)</b>	<b>10,272.03</b>	<b>9,994.70</b>	<b>10,272.03</b>
<b>Distribution loss%</b>	<b>13.00%</b>	<b>31.26%</b>	<b>13.00%</b>
<b>Energy Required for distribution (MU)</b>	<b>11806.94</b>	<b>14539.65</b>	<b>11806.94</b>
<b>Power disallowance at DISCOM Periphery (MU)</b>	<b>2,364.69</b>		<b>3,308.76</b>
<b>Total Power Purchase (MU) = [A+B+C+D+E]</b>	<b>14,680.06</b>		<b>15,784.84</b>

## Power Purchase Cost

### Petitioner's Submission

5.22 The Petitioner has submitted that, it has firm allocations of power from central allocations like NTPC, NHPC, DVC and other sources such as TVNL, DVC(STOA), PTC, etc. In addition to these, power was also purchased from private stations like APNRL, Inland Power, some quantum from renewable sources during FY 2023-24.

5.23 The Petitioner has prayed to approve the power purchase cost as per the actual data of FY 2023-24 as summarized in the table below and approve the power purchase cost accordingly.

**Table 21: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner.**

S.No	Name of Generating Station	Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
1.	Farrakka I & II	784.58	424.57
	Farrakka III	358.93	201.47
	Khalagaon I	137.47	59.87
	Talcher	472.88	136.23
	Khalagaon II	107.17	42.75
	Barh I	301.08	169.90



**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

S.No	Name of Generating Station		Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
		Barh II	122.00	66.26
		Korba	404.35	108.78
		Darlipalli I	1072.85	324.09
		Total	3761.32	1533.92
		N. Karnpura	1357.16	509.32
		Kanti Power	98.66	44.06
		Nabinagar	248.84	117.80
		LPSC		8.80
		Rebate		-3.49
		<b>Grand Total</b>	<b>5465.98</b>	<b>2210.40</b>
	<b>NHPC</b>	Rangit	35.26	15.12
		Teesta	183.18	29.30
		LPSC		0.50
		<b>Total</b>	<b>218.45</b>	<b>44.93</b>
	<b>PTC</b>	Chukha	100.25	54.23
		Tala	176.86	40.15
		Kurichu	0.24	0.07
		Mangdechhu	31.58	13.23
		DPS		2.28
		<b>Total</b>	<b>308.94</b>	<b>109.96</b>
	<b>Total Central Sector</b>		<b>5993.36</b>	<b>2365.28</b>
	<b>DVC</b>	KTPS (OA)	3995.81	1923.34
		Stand by Power	347.42	174.36
		UI (Deviation)	-412.75	-153.93
		Trans. Charge	-	76.50
		HT Points	0.36	3.75
		<b>Total</b>	<b>3930.84</b>	<b>2040.16</b>
	DVC (STOA)			0.77





**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

S.No	Name of Generating Station		Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
	TVNL		2133.94	1410.74
	UI Payable (Deviation)		118.29	223.30
	Reactive Energy Charge			3.54
	APNRL	Unit I	461.27	197.96
		Unit II	461.27	195.69
		APNRL (Add.)	495.63	183.34
		ERLDC APNRL		52.37
		<b>Total</b>	<b>1418.18</b>	<b>629.36</b>
	SOLAR	SECI (Tranche-I)	1083.76	284.72
		SECI (MNRE-II)	15.10	9.57
		State IPPs	17.87	31.55
		<b>Total</b>	<b>1116.73</b>	<b>325.83</b>
	Wind	PTC	540.97	190.96
		SECI	303.21	82.48
		<b>Total</b>	<b>844.18</b>	<b>273.45</b>
	INLAND		349.32	213.27
	Grasim Industries		0.00	0.00
	PTC-IEEX (Purchase)		717.37	555.74
	PTC-IEEX (Sale)		-800.70	-264.05
	SRHPS (Generation)		96.16	69.16
	UI Receivable		-132.83	-107.26
	SER-DSM		0.00	0.00
	Supplementary Bills		0.00	0.00
	Total Power Purchase (excl. Transmission Charge)		15784.84	7739.17
	Less: PTC-IEEX (Sale)			-264.05
	Less: Railway			-0.17
	Less: UI Receivable			-107.26

S.No	Name of Generating Station	Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
	Less: Rebate		-3.88
	GBI Claim		22.10
	<b>Net Power Purchase Cost (excl. Transmission Charge)</b>		<b>8092.43</b>

### **Commission's Analysis**

- 5.24 It is observed by the Commission that the Petitioner has procured power from various sources like Central allocation (i.e. NTPC, NHPC, DVC), private sector (i.e. APNRL, Inland Power, Grasim Industries, etc.), solar source (i.e. SECI, state IPPs), Wind source (i.e. PTC, SECI) taking into account the interconnection constraints to optimize its power purchase expenses.
- 5.25 With regard to the sale of surplus power, the Commission approves such transactions. Consequently, the corresponding purchase cost has been deducted from the overall power purchase cost.
- 5.26 Furthermore, the Commission has noted that the Petitioners have included LPS (LPSC plus Surcharge) related to Generating station as components of their power purchase cost for FY 2023-24. However, the Commission is of the opinion that the Petitioners have been adequately provided with working capital to cover expenses related to power purchase costs and other associated components. Accordingly, the Commission disallow the expense under the Late Payment Surcharge for Power purchase from various utilities.
- 5.27 With regard to scheduling of power, the Commission has asked the Petitioner to provide the basis of considering the same. In this regard the Petitioner has submitted that it has more capacity allocated to it from various CGS, IPPs, Captive and JUUNL than the demand. In view of the same, the Petitioner schedules full power capacity from power plants which have been allocated to it under GNA regulation.

- 5.28 However, the first scheduling of power is done from renewable sources under must run condition, then power is being scheduled from Hydro power plant and then from thermal power plant. However, during course of the day, due to various climatic or social factors there may be drop in power demand of the state. To handle Such scenario, there is a mechanism of Requisition' provided by respective Regional Load Despatch Centre (RLDCs) where-in the participating utility may Surrender power allotted to it at 7 blocks (consisting of 15 minutes) or more ahead of the real time. If, SLDC/JBVNL suffers a drop in demand leading to excess capacity with respect to allocated capacity, it surrenders power through Requisition mechanism. While surrendering power through this mechanism. JBVNL factors in Merit Order Dispatch and surrenders power from plant starting from plant with highest variable cost and thereafter in descending order of Energy Charge till scheduled power reaches a value equal to its anticipated demand subject to compensation and technical minimum criteria.
- 5.29 Conversely, if in any time block, the Petitioner has less allocation than its demand then also through requisition, it may avail or apply additional power from same power plants (with which it has PPA) which have spare capacity at seven or more time-block before real time through a mechanism known as Un Requisitioned Surplus 'URS'. While going for such requisition also, the Petitioner follows Merit Order Dispatch Principle by opting for power plants having least variable cost out of all available option subject to compensation and technical minimum criteria.
- 5.30 Upon thorough scrutiny and analysis of the data, material, and information on record, the Commission has observed that the Petitioner has claimed a substantial cost under UI (Unscheduled Interchange). Consequently, the Petitioner is hereby directed to implement meticulous planning for electricity scheduling and procurement. Furthermore, the Commission emphasizes that henceforth, penal action will be taken if the UI charges exceed the scheduled energy range, in accordance with the provisions outlined in the Deviation Settlement Mechanism Regulation.
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- 5.31 The Commission has observed that the Petitioner has failed to fulfill RPO compliance. In this regard, the Commission has directed the Petitioner to submit the compliance towards RPO obligation target set by the Commission for FY 2023-24 for solar and non-solar separately as per clause 5.2 of JSERC (Renewable Energy Purchase Obligation and its compliance) Regulation, 2016 and 1st amendment, 2021.
- 5.32 In reply to the above query the Petitioner has submitted that for FY23-24, the target for Minimum Quantum of purchase in (%) from renewable energy sources for solar was 12.50% and for non-solar, the target is 12.5%. A total of 25% of power procured was envisaged through renewable energy sources. Despite its sincere efforts, JBVNL fell short of its RPO target in the FY 2023-24. JBVNL was unable to procure 250 MW of solar power and 200 MW of wind power as the respective developers have been engaged in litigation. As there is no clarity from SECI on the future availability of the balance quota of RE power for JBVNL, the Petitioner is unable to move forward with alternative means for RE procurement. However, the Petitioner is currently exploring various other means for additional RE procurement through RE procurement from public utilities and mulling competitive bidding to fulfil its RPO targets.
- 5.33 In addition to above, JBVNL is set to receive additional RE power installed by JREDA in accordance with Jharkhand Solar Policy 2022, Government of Jharkhand. The policy has set target of 4000 MW till FY 2026-27 of solar power in State and JREDA has been made as nodal agency to run various programmes like, Implementation of Solar Park, Canal Top Solar, Floating Solar, etc from 2022-23 to 2026-27. From above mentioned programme, JBVNL will procure power from Solar Power Plant without competitive bidding up to 5 MW.
- 5.34 For the FY 2023-24, 1136.41MUs was procured from solar generation that includes a quantity of 19.68MUs from GDAM. Further 844.18 MUs was procured from wind generation. However, the Petitioner fell Short of 758.75MUs in solar and 1050.99 MUs in non-solar segment. Further, based on above submission the Petitioner has submitted the RPO
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**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Compliance for FY 2023-24 as shown below:

**Table 22: Renewable Purchase Obligation (in MUs) as submitted by Petitioner.**

S.No.	Particulars	UOM	Quantum
1	Net Power Procured	MU	15784.84
2	less: Large Hydro Power procured	MU	623.54
3	Power procured considered for RPO	MU	15161.29
4	Solar Target	%	12.50%
5	Non-Solar target	%	12.50%
8	Solar Target	MU	1,895.16
9	Non-Solar target in	MU	1,895.16
10	Total Targeted RPO	MU	3,790.32
11	Solar Power Procured	MU	1136.41
12	Non-Solar Power Procured	MU	844.18
13	Total	MU	1980.59
<b>14</b>	<b>Solar target surplus/ (deficit)</b>	<b>MU</b>	<b>(758.75)</b>
<b>15</b>	<b>Non-Solar target surplus/ (deficit)</b>	<b>MU</b>	<b>(1,050.99)</b>
<b>16</b>	<b>Total surplus/ (deficit)</b>	<b>MU</b>	<b>(1,809.74)</b>

5.35 Regarding the Renewable Power Purchase Obligation (RPO), the Commission mandates the Petitioner to meet the RPO target established by the Commission in accordance with the provisions outlined in the JSERC (Jharkhand State Electricity Regulatory Commission) Renewable Energy Purchase Obligation and its Compliance Regulation, 2016 and Amendments thereof.

5.36 Based on the facts and circumstance mentioned above, the Commission approves the power purchase cost after deduction of sale of surplus power as given below.

**Table 23: Power Procurement Cost (Rs Crore) as approved by the Commission.**

S.No	Name of Generating Station		Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
1	NTPC	Farrakka I & II	784.58	424.57
		Farrakka III	358.93	201.47
		Khalagaon I	137.47	59.87
		Talcher	472.88	136.23
		Khalagaon II	107.17	42.75
		Barh I	301.08	169.90
		Barh II	122.00	66.26
		Korba	404.35	108.78
		Darlipalli I	1072.85	324.09
		<b>Total</b>	<b>3761.32</b>	<b>1533.92</b>
		N. Karnpura	1357.16	509.32
		Kanti Power	98.66	44.06
		Nabinagar	248.84	117.80
		LPSC	-	0.00
		Rebate	-	-3.49
		<b>Grand Total</b>	<b>5465.98</b>	<b>2201.60</b>
2	NHPC	Rangit	35.26	15.12
		Teesta	183.18	29.30
		LPSC	-	0.00
		<b>Total</b>	<b>218.45</b>	<b>44.42</b>
3	PTC	Chukha	100.25	54.23
		Tala	176.86	40.15
		Kurichu	0.24	0.07
		Mangdechhu	31.58	13.23
		DPS	0.00	0.00
		<b>Total</b>	<b>308.94</b>	<b>107.68</b>

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

S.No	Name of Generating Station		Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
4	<b>Total Central Sector</b>		<b>5993.36</b>	<b>2353.70</b>
5	<b>DVC</b>	KTPS (OA)	3995.81	1923.34
		Stand by Power	347.42	174.36
		UI (Deviation)	-412.75	-153.93
		Trans. Charge		76.50
		HT Points	0.36	3.75
		<b>Total</b>	<b>3930.84</b>	<b>2040.16</b>
6	DVC (STOA)		0.00	0.77
7	TVNL		2133.94	1410.74
8	UI Payable (Deviation)		118.29	223.16
9	Reactive Energy Charge			3.54
10	<b>APNRL</b>	Unit I	461.27	197.96
		Unit II	461.27	195.69
		APNRL (Add.)	495.63	183.34
		ERLDC APNRL	0.00	52.37
		<b>Total</b>	<b>1418.18</b>	<b>629.36</b>
11	<b>SOLAR</b>	SECI (Tranche-I)	1083.76	284.72
		SECI (MNRE-II)	15.10	9.57
		State IPPs	17.87	31.55
		<b>Total</b>	<b>1116.73</b>	<b>325.83</b>
12	<b>Wind</b>	PTC	540.97	190.96
		SECI	303.25	82.48
		<b>Total</b>	<b>844.22</b>	<b>273.45</b>
13	INLAND		349.32	213.27
14	Grasim Industries		0.00	0.00
15	PTC-IEX (Purchase)		717.37	555.74
16	PTC-IEX (Sale)		-800.70	-264.05

S.No	Name of Generating Station	Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
17	SRHPS (Generation)	96.16	69.16
18	UI Receivable	-132.83	-107.26
19	SER-DSM	0.00	0.00
	<i>Supplementary Bills</i>	<i>0.00</i>	<i>731.10</i>
20	Less: LPS		0.00
<b>21</b>	<b>Total Power Purchase (excl. Transmission Charge)</b>	<b>15784.88</b>	<b>7727.59</b>
22	Less: Railway		-0.17
23	Less: Rebate		-3.88
24	GBI Claim		22.10
<b>25</b>	<b>Net Power Purchase Cost (excl. Transmission Charge)</b>		<b>7701.44</b>

## Transmission Charge

### Petitioner's Submission

5.37 The Petitioner has submitted that actual Inter and Intra-State transmission charges payable to PGCIL and JUSNL for FY 2023-24 respectively as given below:

**Table 24: Transmission Charge (in Rs Cr.) as submitted by Petitioner.**

Particulars	APR	Petition
Inter-State Transmission Charge (incl. Posoco ERLDC)	382.17	549.18
Intra-State Transmission Charge	287.81	333.34

### Commission Analysis

5.38 With regard to transmission and load dispatch charges, the Commission has observed that the transmission and load dispatch charges are



uncontrollable factors as per '**clause 6.44**' of JSERC Distribution Tariff Regulations 2020.

- 5.39 Accordingly, the Commission after scrutinizing and analyzing the month wise transmission charge and load dispatch charge and on prudent check, approves the transmission and load dispatch charges as given below:

**Table 25: Inter/Intra Transmission Charge (Rs. Cr.) as approved by Commission.**

Particulars	Petition	Approved
Inter-State Transmission Charge (incl. Posoco ERLDC)	549.18	549.18
Intra-State Transmission Charge	333.34	333.34

## Capital Expenditure and Capitalization

### Petitioner's Submission

- 5.40 The Petitioner has submitted the capital expenditure (capex) as per the Audited Accounts for FY 2023-24 as given below:

**Table 26: Actual Capital Expenditure (Rs. Crore) as submitted by Petitioner**

Particulars	APR	Petition
Opening CWIP (A)	1950.54	425.12
Capex during the year (B)=(D)-(A)+(C)	1366.54	740.04
Transfer to GFA (C)	1554.99	880.03
<b>Closing CWIP (D)</b>	<b>1762.09</b>	<b>285.12</b>

- 5.41 The Petitioner has further submitted that the capitalization for FY 2023-24 as per audited account is provided in the table below:

**Table 27: Actual capitalization (Rs Cr.) as submitted by the Petitioner**

Particulars	APR	Petition
Opening GFA	22810.65	21516.88
GFA Addition	1554.99	880.03

Particulars	APR	Petition
<b>Closing GFA</b>	<b>24365.64</b>	<b>22396.91</b>

### **Commission Analysis**

5.42 The Commission has observed that the Petitioner has failed to submit the scheme-wise Capital Expenditure tuned to Rs 740.04 Cr for FY 2023-24. In this regard, the Commission in its discrepancies note, had directed the Petitioner to submit the scheme-wise Capital Expenditure tuned to Rs 740.04 Cr for FY 2023-24. In reply to the discrepancy note the Petitioner has submitted the scheme-wise capital expenditure details. Accordingly, the Commission, on scrutinizing and analyzing the submission and materials on record, approves the Capital expenditure of Rs 740.04 crore as per '**note 3A & 3B**' of Annual Audited Account as shown below:

**Table 28: Capital Expenditure (Rs. Cr.) as approved by the Commission**

Sr. No.	Scheme	CAPEX
1.	ADP	346.12
2.	JPSIP	148.93
3.	JSBAY	90.94
4.	Deposit	90.90
5.	DDUGJY	55.10
6.	RAPDRP	7.55
7.	IPDS	0.48
<b>8.</b>	<b>Total</b>	<b>740.04</b>

5.43 Further, the Commission observed that the opening CWIP and GFA values submitted by the Petitioner for FY 2023-24 differ from the closing CWIP and GFA approved for FY 2022-23. In response to a discrepancy note issued by the Commission, the Petitioner clarified that the variation arose due to a restatement of the audited accounts. For the purpose of this order, keeping in view that the details of restatement are not provided by the Petitioner so far, the Commission, after due diligence has provisionally accepted the opening CWIP and GFA values for FY 2023-24

as the lesser of (a) the values submitted by the Petitioner for FY 2023-24, and (b) the closing values for FY 2022-23 as previously approved. Any necessary adjustments or deviations may be addressed in a subsequent order subject to the submission of requisite details with regards to the said issue. **Accordingly, the Petitioner is directed to file a fresh petition for the financial years affected by such restatements.**

- 5.44 Based on above excerpts, after prudence check the Commission approves the capital expenditure and capitalization as per the audited accounts (**note 3A& 3B**) as detailed below:

**Table 29: Actual Capital Expenditure (Rs. Crore) as approved by the Commission**

Particulars	APR	Petition	Approved
Opening CWIP (A)	1950.54	425.12	425.12
Capex during the year (B)=(D)-(A)+(C)	1366.54	740.04	740.04
Transfer to GFA (C)	1554.99	880.03	880.03
<b>Closing CWIP (D)</b>	<b>1762.09</b>	<b>285.12</b>	<b>285.12</b>

**Table 30: Closing GFA (Rs Crore) as approved by the Commission.**

Scheme wise	APR	Petition	Approved
Opening GFA	22810.65	21516.88	21516.88
GFA Addition	1554.99	880.03	880.03
<b>Closing GFA</b>	<b>24365.64</b>	<b>22396.91</b>	<b>22396.91</b>

## **Consumer Contribution, Grants and Subsidies**

### ***Petitioner's Submission***

- 5.45 The Petitioner has submitted that the additions in GFA are created from various source of financing including Debt, Equity (D&E), Consumer Contribution and Grants (CCG) etc. The CCG has been considered based on the actual, however the Debt and Equity are estimated based on norms and principles adopted by the Commission in its earlier orders.

**Table 31: Consumer contribution and grants (Rs. Crore) as submitted by the Petitioner**

Particulars	APR	Petition
Consumer Contribution Grants opening	12382.35	12382.35
Addition: Government Grants	1060.14	215.97
Addition: Consumer Contribution	87.29	38.31
<b>Closing consumer contribution Grants</b>	<b>13529.77</b>	<b>12636.63</b>

### **Commission Analysis**

5.46 The Commission has observed that the Petitioner has claimed the Capitalization of Rs. 880.03 Crore for the FY 2023-24 in accordance with the audited accounts. Further, the Petitioner has considered addition of Grants (and Consumer Contribution) amounting to Rs. 254.28 Crore based on the actual Capital Grants received and adjusted for Amortization of the Grants.

5.47 At the very outset, the approach of the Petitioner is incorrect as the admission of Interest expenses and Depreciation is based on the Capital Cost net off grants and consumer contribution. The provisions of the Distribution Tariff regulations 2020 also aligns with the above approach. The extracts of the Distribution Tariff Regulations 2020 are as follows:

#### **“Capital Cost**

*10.11 The **amount funded through Consumer Contribution, Grants or Deposit Works for connection to the distribution system of the Licensee shall be deducted from the original cost** of the scheme for the purpose of calculating the amount under debt and equity under these Regulations.*

.....

#### **Interest on Loan Capital**

.....

*10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the **extent of capital cost funded by Consumer Contribution, Grants or Deposit Works** carried out by Distribution Licensee.*

.....

**Depreciation**

10.34 Depreciation shall be calculated every year, on the amount of original cost of the fixed assets as admitted by the Commission;

*Provided that depreciation **shall not be allowed on assets funded by consumer contribution and capital subsidies/grants.** Provision for replacement of such assets shall be made in the capital investment plan;”*

5.48 Based on the aforesaid, it is clear that the Depreciation, Interest on Loan are to be admitted on the Capital Cost net off grants. However, the Petitioner has netted off the grant component by adjusting the amortization towards grants as well, which is not in accordance with the Distribution Tariff Regulations 2020.

5.49 Accordingly, the Commission has pointed out the **Note 17** of the audited account of FY 2023-24 in respect of Grants/Consumer Contribution is as under:

*“Note 17: Government Grants*

**Note:**

*i. During the financial year 2023-24, **the company received a total of Rs. 88735.17 Lakh (P.Y: Rs. 106013.71 Lakh) as capital grant;** Rs. 12328.17 Lakh (P.Y: Rs. 1881.71 Lakh) from Central Government and Rs. 76407 Lakh (P.Y.: Rs. 87132 Lakh) from State Government) for various projects under different schemes and amortized capital grant by Rs. 54810.29 Lakh (P.Y: Rs. 51016.95 Lakh.) during the said period. During the year, grant received from Central Government of Rs. 12328.17 Lakh was surrendered. This resulted in net positive movement during the year of Rs. 21596.71 Lakh (P.Y.: Rs. 41547.77 Lakh)”*

5.50 Likewise, the Commission has also observed that the Consumer Contribution claimed by the Petitioner for FY 2023-24 is inconsistent with the amount booked in audited account. **Note 20: Other Current Financial Liabilities** of the Audited Account depicted that the additions to Consumer Contribution is Rs 35.42 crore computed as a difference between opening and closing of **“Receipts under Deposit Head”**. Further, the Commission has treated the closing value of consumer contributions for FY 2022–23, as approved in the True-up Tariff Order dated September 30, 2024, as the opening value for FY 2023–24.

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- 5.51 On analyzing the extract from the audited account, the Commission approves the consumer contribution/ government grants/deposit works as Rs 799.49 crore for FY 2023-24 as given below:

**Table 32: Consumer contribution and grants (Rs. Crore) as approved by Commission.**

Particulars	APR	Petition	Approved
Consumer Contribution Grants opening	12382.35	12382.35	12382.35
Addition: Government Grants	1060.14	215.97	764.07
Addition: Consumer Contribution	87.29	38.31	35.42
<b>Closing consumer contribution Grants</b>	<b>13529.77</b>	<b>12636.63</b>	<b>13181.84</b>

## Calculation of normative GFA, Loan and Equity

### *Petitioner's Submission*

- 5.52 The Petitioner has calculated Normative GFA from Debt & Equity, Loan and Equity as per approach adopted by the Commission in its previous Tariff Orders.
- 5.53 The Petitioner has bifurcated GFA and accumulated depreciation into component from Debt & Equity (D&E) and from Consumer contribution grants (CCG) as per approach by the Commission followed in previous Tariff Orders. The Petitioner has thereafter applied the normative debt-equity ratio of 70:30 on GFA out of D&E to calculate Normative Equity as per JSERC Distribution Tariff Regulation, 2020.
- 5.54 After netting Normative Equity from closing GFA (out of Debt & Equity), the Petitioner has deducted, accumulated depreciation pertaining to D&E component from the resultant to arrive at normative closing debt as computed hereunder:

**Table 33: Source of funding of GFA (Rs Crore) as submitted by the Petitioner.**

Particulars	Petition
Opening GFA (A)	21,516.88

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	Petition
CCG towards Opening CWIP (B)	239.90
CCG towards Opening GFA (C)	12,142.45
Opening GFA Less CCG (D = A- C)	9,374.43
Closing GFA (E)	22,396.91
CCG towards Closing GFA (F)	12,477.78
Closing GFA Less CCG (Out of D&E) (G= E-F)	9919.13
Accumulated Depreciation (H)	7,241.30
Accumulated Depreciation Out of D&E (I =H*G/E)	3,207.02
<b>Closing Normative Equity (J = G* 30%)</b>	<b>3,736.37</b>
<b>Closing Normative Loan (K = G-J)</b>	<b>2,975.74</b>

**Commission Analysis**

- 5.55 The Commission has considered the closing balance of consumer contribution and grants of FY 2022-23 as opening consumer contribution and grants for FY 2023-24.
- 5.56 The Commission has considered consumer contribution and grants as per **note 17 para(i) and note 20** of the audited accounts respectively. The normative net loans are estimated after deducting the accumulated depreciation from the value of gross loans.
- 5.57 For funding normative debt-equity, the Commission has considered the normative debt-equity ratio of 70:30 as provided in the Distribution Tariff Regulations, 2020. Moreover, consumer contribution grants and subsidies for capital assets are first netted off from gross fixed assets and the normative debt-equity ratio is applied on the remaining gross fixed assets only.
- 5.58 In line with the aforesaid discussion, the Commission approves the admissible GFA, CCG, debt-equity as given below:

**Table 34: Source of funding of GFA (Rs Crore) as approved by the Commission.**

Particulars	Approved
CCG towards CWIP	239.90
CCG towards GFA	12142.44
Opening GFA (less CCG)	9374.43
GFA Addition (less CCG)	6.34
Closing GFA less CCG	9380.77
Accumulated Depreciation	6655.96
Acc. Dep. towards GFA	2787.80
<b>Normative Loan (Closing)</b>	<b>3778.74</b>
<b>Normative Equity (Closing)</b>	<b>2814.23</b>

## Operation and Maintenance Expenses (O&M)

### *Petitioner's Submission*

- 5.59 The Petitioner has submitted that operational and maintenance expenses comprise of Employee expenses, Repair & Maintenance expenses and Administrative & General expenses.
- 5.60 Further, the Petitioner has submitted that the employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. Accordingly, the Petitioner has submitted employee expenses for FY 2023-24 based on the Audited Accounts as given below.
- 5.61 The Petitioner has also submitted that for the FY 2023-24, there is an increase in the employee cost due to provisioning of terminal benefits of Rs 82.30 Cr in FY23-24. Such increase in the provisions has significantly increased the employee cost for the year FY 23-24.

**Table 35: Employee cost (Rs Cr.) as submitted by the Petitioner.**

Particulars	APR	Petition
Employee Expenses	256.85	267.31



**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	APR	Petition
Terminal Expenses	0.00	82.30
<b>Total Employee Expenses</b>	<b>256.85</b>	<b>349.61</b>

5.62 The Petitioner has submitted that the Administrative & General (A&G) expenses for FY 2023-24 is as per the Audited Account as provided in the table below.

**Table 36: A&G Expense (Rs Crore) as submitted by the Petitioner.**

Particulars	APR	Petition
A&G Expenses	116.26	182.45

5.63 The Petitioner has submitted that the Repair & Maintenance (R&M) expenses for FY 2023-24 is as per the Audited Accounts as provided in the table below.

**Table 37: R&M Expenses (Rs Crore) as submitted by the Petitioner.**

Particulars	APR	Petition
R&M Expenses	294.93	343.30

**Commission Analysis**

5.64 The Commission has outlined **clause 10.3 to clause 10.7** of JSERC Distribution Tariff Regulations, 2020 for the approval of operation and maintenance expense as reproduced below:

**“Operation and Maintenance Expenses**

*10.3 Operation and Maintenance (O&M) Expenses shall include:*

- a) Salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General Expenses;*
- c) Repairs and Maintenance Expenses.*

*10.4 The O&M Expenses for the Base Year of the Control Period*

shall be approved by the Commission taking into account the audited accounts of FY 2015-16 to FY 2019-20, Business Plan filed by the Licensee, estimates of the actual for the Base Year, prudence Check and any other factor considered appropriate by the Commission.

10.5 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

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

Where,

$R\&M_n$  – Repair and Maintenance Costs of the Licensee for the  $n$ th year;

$EMP_n$  – Employee Costs of the Licensee for the  $n$ th year excluding terminal liabilities;

$A\&G_n$  – Administrative and General Costs of the Licensee for the  $n$ th year.

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

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

Where,

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

‘GFA’ is the opening value of the gross fixed asset of the  $n$ th year;

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

Where,

*EMP<sub>n-1</sub> – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;*

*A&G<sub>n-1</sub> – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/ litigation expenses;*

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

*G<sub>n</sub> – is a growth factor for the nth year and it can be greater than or lesser than zero based on the actual performance. Value of G<sub>n</sub> shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Distribution Licensee's Filing, benchmarking and any other factor that the Commission feels appropriate;*

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

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

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

*Note 3: Terminal Liabilities will be approved as per actual submitted*

by the Licensee along with documentary evidence such as actuarial studies.

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

- 5.65 Base on the above excerpt, the Commission had calculated the inflation factor as 3.72% for FY 2023-24.
- 5.66 The Commission has also observed that the Petitioner has not submitted the details of Additional Manpower recruited during FY 2023-24.
- 5.67 Hence, in absence of such data, the Commission has considered the growth factor as nil for Computation of employee expenses.
- 5.68 Based on the facts & circumstances observed in the petition, the Commission approves the normative employee expenses for FY 2023-24 by taking the actual value of inflation factor (3.72%) and growth factor (0%).

**Table 38: Normative Employee Expenses (Rs Crore) as approved by the Commission.**

Particulars	UoM	Approved
Employee Cost of Previous Year	Rs. Cr.	242.35
Inflation Factor	%	3.72%
Growth Factor	%	0.00%
<b>Normative Employee Expenses</b>	<b>Rs. Cr.</b>	<b>251.36</b>

- 5.69 The Commission approves the normative A&G Expenses for FY 2023-24, based on the approved normative A&G Expenses for FY 2022-23 and

actual inflation factor as 3.72% for FY 2023-24.

**Table 39: Normative A&G Expenses (Rs Crore) as approved by the Commission.**

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	109.70
Inflation Factor	%	3.72%
<b>Normative A&amp;G Expenses</b>	Rs. Cr.	<b>113.78</b>

5.70 For the purpose of evaluating the normative R&M Expenses, the Commission has taken the approved opening value of Gross Fixed Assets for FY 2023-24 and by multiplying the 'k' factor of 1.22% as approved in the MYT Order dated May 31, 2023 and inflation factor of 3.72%.

**Table 40: Normative R&M Expenses (Rs Crore) as approved by the Commission.**

Particulars	UoM	Approved
GFA	Rs. Cr.	21516.88
K-Factor	%	1.22%
Inflation Factor	%	3.72%
<b>Normative R&amp;M Expense</b>	<b>Rs. Cr.</b>	<b>311.13</b>

5.71 Based on the above discussion, the Commission approves the normative operational and maintenance expense as given below.

**Table 41: Normative O&M Expenses (Rs Crore) as approved by the Commission.**

Particulars	Approved
Normative Employee Expense	251.36
Normative A&G Expenses	113.78
Normative R&M Expenses	311.13
<b>Net Normative Operation &amp; Maintenance Expenses</b>	<b>676.27</b>

5.72 The Commission has observed that the Petitioner has claimed expenses towards Terminal Benefit amounting to Rs 82.30 Crore based on certain expenses booked in the Audited Account.

5.73 In accordance with **clause 10.6 (note 3)** the liability towards terminal

benefit is admissible based on either of:

- Amount Payable as per Actuarial studies
- Actual amount paid/deposited in the Trust Fund

5.74 The Commission has observed that the actual amount paid/ deposited in the Trust fund is also not provided by the Petitioner. Further the Petitioner has merely depicted the provisions for Trust fund towards Terminal liabilities, while the Regulations allows the trust fund for Terminal benefits based on actual amount. Furthermore, the claim made by Petitioner is inconsistent with the provisions towards terminal benefits booked in the Audited Accounts.

5.75 Furthermore, the Commission has found that the **Para xvii of “Annexure A”** of the Independent Auditors’ Report on “*Standalone Ind AS Financial Statements*” of the Petitioner indicates that the provisions towards terminal benefits is Rs. 80.72 Crore against the Petitioner’s claim which is Rs. 82.30 Crore. The same has been indicated below for kind reference.

Sl No.	Particulars	For the Year ended 31 <sup>st</sup> March 2024	For the Year ended 31 <sup>st</sup> March 2023
1	Loss as per Statement of Profit & Loss	(262,055.86)	(371,915.63)
	<b>Deduction for non-cash expenses:</b>		
2	Depreciation & Amortisation	96,280.77	89,438.38
3	Provision for Doubtful Debts	1,170.80	257.56
4	Provision for Terminal benefits	8,071.91	20,489.96
5	<b>Total Deduction - (2+3+4)</b>	<b>105,523.48</b>	<b>110,185.89</b>
	<b>Addition for non cash income and cash expense:</b>		
6	Amortisation of Grant	54,810.29	51,016.95
7	Payments made against Terminal benefits as per actuarial reports	22,332.35	15,830.17
8	<b>Total Addition - (6+7)</b>	<b>77,142.64</b>	<b>66,847.12</b>
9	<b>Net Adjustment to loss - (5-8)</b>	<b>28,380.84</b>	<b>43,338.77</b>
10	<b>Calculated Cash loss - (1+9)</b>	<b>(233,675.02)</b>	<b>(328,576.86)</b>

5.76 In view of the above excerpt and analysis, the Commission approves the

terminal liabilities of Rs 80.72 crore for FY 2023-24 as per **Para xvii of “Annexure A”** and **‘summary of actuarial report’ of note 2.5.**

- 5.77 Further, the Commission on scrutinizing the material on record, approves the actual O&M expenses for FY 2023-24 as per annual audited account as given below:

**Table 42: Total actual O&M Expenses (Rs Crore) as approved by the Commission.**

Particulars	Approved
Employee Expenses	267.31
A&G Expenses	182.45
R&M	343.30
<b>Actual Operational Expenses</b>	<b>793.05</b>
<b>Terminal benefits</b>	<b>80.72</b>

- 5.78 Further, the Commission has outlined **‘clause 6.48’** to **‘clause 6.53’** of JSERC Distribution Tariff Regulations 2020 for the approval of incentive and penalty as reproduced below:

*“6.48 Various elements of the ARR of the Licensee will be subject to incentive and penalty framework as per the terms specified in this section. The overall aim shall be to incentivise better performance and penalise poor performance, compared to the performance norms/benchmarks specified by the Commission.*

*6.49 The gains/losses shall be computed on aggregate basis for controllable items such as Operation & Maintenance Expenses (excluding Terminal Liabilities), Distribution Losses and Collection Efficiency considered collectively on annual basis. The computations shall be based on the data submitted by the Licensee in the Annual Performance Review and audited annual accounts and shall be subject to prudence check by the Commission.*

*6.50 In case of aggregate gains, the **aggregate gain** shall be shared between the Licensee and the consumers in the ratio of*



50:50 respectively.

6.51 The gains to be shared shall be passed on to the consumers through Tariff during the Annual Performance Review for each year of the Control Period.

6.52 In case of **any loss on account of underperformance** with respect to the controllable parameters, the Licensee shall bear the entire losses and **no proportion of losses shall be passed on** to the consumers.

6.53 In addition, the net savings due to refinancing of Loans by the Distribution Licensee shall be shared between the **Users and the Licensee**, as the case may be, in the ratio of **50:50**.

5.79 Based on the above excerpt, the Commission approves the sharing of gain/(loss) on controllable parameter i.e. Operational & Maintenance expense for FY 2023-24 as shown below.

**Table 43: O&M Expenses (Rs Crore) after sharing of gain/(loss) as approved by the Commission.**

Particulars	Approved
Normative O&M Expenses	<b>676.27</b>
Actual O&M Expenses	<b>793.05</b>
<b>Net Gain/(Loss)</b>	<b>(116.79)</b>
<b>Sharing of Gain/(Loss)</b>	<b>0.00</b>
Terminal benefits	80.72
<b>O&amp;M Expenses after sharing of Gain/(Loss)</b>	<b>756.99</b>

## Depreciation

### Petitioner's Submission

5.80 The Petitioner has submitted that as per JSERC distribution tariff regulations 2020, the Commission may, in the absence of the Fixed Assets Register (FAR), calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest



available Audited Accounts of the Distribution Licensee.

- 5.81 As far as FAR for JBVNL is considered, the physical verification of all assets has been completed and is currently under reconciliation with the finance department for valuation purpose. It is expected to be completed and ready by the end of December 2024. However, for the FY23-24, depreciation was calculated based on the norms set as approved by the Commission in absence of FAR. The depreciation rate for the FY23-24 comes out to be 4.38%.
- 5.82 The Petitioner has submitted that it has arrived at the opening and closing GFA of FY 2023-24, created out of debt and equity (D&E), by deducting CCG portion deployed towards opening and closing GFA. The Petitioner has applied the depreciation rate as per audited account in line with JSERC Distribution Tariff Regulations 2020 on the average GFA and accordingly calculations are made to arrive at the total depreciation being claimed as part of the true-up exercise.
- 5.83 The Petitioner has claimed Rs 423.01 Crore towards Depreciation for the FY 2023-24 considering the rate of depreciation of 4.38% as given below:

**Table 44: Depreciation (in Rs. Crore) as submitted by the Petitioner.**

Particulars	APR	Petition
Opening GFA (Less CCG) (Rs. Cr.)	11403.71	9374.43
Closing GFA (Less CCG) (Rs. Cr.)	11748.33	9919.13
Average GFA excluding Consumer Contributions and Grants (Rs. Cr.)	11576.02	9646.78
Depreciation Rate (%)	4.32%	4.38%
<b>Depreciation Cost (Rs. Cr.)</b>	<b>500.14</b>	<b>423.01</b>

### **Commission Analysis**

- 5.84 The Commission has outlined **clause 10.34 to clause 10.40** of JSERC Distribution Tariff Regulations 2020 for the approval of Depreciation as reproduce below:

*“Depreciation*

*10.34 Depreciation shall be calculated every year on the amount of original cost of the fixed assets as admitted by the Commission: Provided that depreciation shall not be allowed on assets funded by Consumer Contribution and Capital Subsidies/Grants. Provision for replacement of such assets shall be made in the Capital Investment Plan.*

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

*10.36 Depreciation shall be calculated annually, based on the straight-line method at the rates specified at Appendix-I. The base value for the purpose of depreciation shall be original cost of the asset:*

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

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

*10.38 The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset. Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;*

10.39 The Commission may, in the absence of the Fixed Assets Register, calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest available Audited Accounts of the Distribution Licensee. The Depreciation (%) so arrived shall be multiplied by the Average GFA approved by the Commission for the relevant Financial Year to arrive at the Depreciation for that Financial Year.

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

- 5.85 Based on the above excerpts, the Commission is of the view that the depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Excluding the consumer contribution deployed towards GFA as approved in this Order, the Commission has determined the depreciation on the GFA created out of debt and equity for FY 2023-24. The rate of depreciation has been considered at 4.38% as per the Petitioner’s methodology. The Commission has calculated the Depreciation on Average GFA (less Average CCG) as per the JSERC Distribution Tariff Regulations, 2020. Accordingly, the Commission approves the depreciation for FY 2023-24 as summarized below:

**Table 45: Depreciation (Rs Crore) as approved by the Commission.**

Particulars	Approved
Opening GFA (Less CCG) (Rs. Cr.)	9374.43
Closing GFA (Less CCG) (Rs. Cr.)	9380.77
Average GFA excluding CCG (Rs. Cr.)	9377.60
Depreciation Rate (%)	4.38%
<b>Depreciation Cost (Rs. Cr.)</b>	<b>411.21</b>

## **Interest on Loan**

### **Petitioner's Submission**

- 5.86 The Petitioner has submitted that it has considered the opening debt for FY 2023-24 equal to closing value of FY 2022-23. Further, Closing debt for FY 2023-24 has been calculated in line with the JSERC Tariff Regulations, 2020.
- 5.87 In accordance with JSERC Tariff Regulations, 2020, the Petitioner has considered the repayment of loan for FY 2023-24 equal to Depreciation as calculated above.
- 5.88 Further, in accordance with the JSERC Distribution Tariff Regulations, 2020, the Petitioner has considered the rate of interest on long-term loan at the Base rate of SBI as applicable on April 1st of FY 2023-24 plus 200 basis points.
- 5.89 Interest cost is calculated by taking the weighted average rate of interest (12.52%) on the loan portfolio at the opening of FY 23-24. The detail calculation of weighted average rate of interest is provided in **Annexure-3**. Due to the weighted average rate of interest on the outstanding loan being at a higher rate of interest than the normative rate as approved by the Commission, there is slight increase in the interest expense for the Petitioner.
- 5.90 The Petitioner has further submitted that it has incurred Bank and Finance charges to the tune of Rs. 2.38 Crore as per Annual Accounts for FY 2023-24 towards expenditures like Bank charges, finance charges, etc.

**Table 46: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner**

<b>Particulars</b>	<b>APR</b>	<b>Petition</b>
Opening Balance	4860.66	4860.66
Deemed Addition during the year	611.14	-701.28
Deemed Repayments during the year	500.14	423.01

Particulars	APR	Petition
Closing Balance	4971.67	3736.37
Average balance during the Year	4916.16	4298.52
Interest Rate	10.50%	12.52%
<b>Interest Expense</b>	<b>516.20</b>	<b>538.14</b>
<b>Bank &amp; Finance Charge</b>	<b>-</b>	<b>2.38</b>

### **Commission's Analysis**

5.91 The Commission has outlined the '**clause 10.16, clause 10.17, clause 10.21 to clause 10.29**' of JSERC Distribution Tariff Regulations 2020 for the approval of interest of loan and finance charge as reproduced below:

*"10.16 Existing Schemes - In case of capital expenditure schemes capitalised prior to April 01, 2021, the debt-equity ratio as allowed by the Commission for determination of tariff for the period ending March 31, 2021 shall be considered.*

*10.17 New Schemes – For capital expenditure schemes capitalised after April 01, 2021:*

- a) A normative debt-equity ratio of 70:30 shall be considered for the purpose of determination of Tariff;*
- b) In case the actual equity employed is in excess of 30%, the amount of equity for the purpose of tariff determination shall be limited to 30%, and the balance amount shall be considered as normative loan;*
- c) In case the actual equity employed is less than 30%, the actual debt-equity ratio shall be considered;*
- d) The premium, if any raised by the Licensee while issuing share capital and investment of internal accruals created out of free reserve, shall also be reckoned as paid up capital for the*

*purpose of computing return on equity, provided such premium amount and internal accruals are actually utilized for meeting capital expenditure.*

*Note 1: Any expenditure admitted on account of committed liabilities within the original scope of work and the expenditure deferred on techno-economic grounds but falling within the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations;*

*Note 2: Any expenditure on replacement of old assets or on renovation and modernization or life extension shall be considered on normative debt-equity ratio specified in these Regulations after writing off the entire book value of the original assets from the capital cost of the new asset;*

*Note 3: Any expenditure admitted by the Commission for determination of tariff on account of new works not in the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations.*

*10.21 The loans arrived at in the manner indicated in Clauses 10.16 and 10.17 shall be considered as gross normative loan for calculation of interest on loan.*

*10.22 The normative loan outstanding as on April 01, 2021 shall be worked out as the gross loan by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021 from the gross normative loan.*

*10.23 The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year.*

*10.24 In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative*

*depreciation recovered up to the date of de-capitalization of such assets.*

*10.25 Notwithstanding any moratorium period availed by the Licensee, the repayment of loan shall be considered from the first year of operation of the scheme/asset.*

*10.26 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the Licensee: Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to the Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points.*

*10.27 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.*

*10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.*

*10.29 The Licensee shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the users and the net savings shall be shared between the users and the Licensee, as the case may be, in the ratio of 50:50”*

5.92 In accordance with **clause 10.16** and **clause 10.17**, as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.

5.93 In accordance with **clause 10.23** as mentioned above, the Commission



**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

approves the debt repayment equal to depreciation for the same financial year.

- 5.94 The Commission in accordance with **clause 10.26 (proviso)** as mention above approve the interest rate as 10.50% (Base rate of SBI as applicable on April 1st of FY 2023-24 plus 200 basis points).
- 5.95 The Commission has observed that the Petitioner has claimed Bank Charge to the tune of Rs. 2.38 Crore which is significantly high. The actual Bank charge for the FY 2021-22 were Rs 0.49 Crore. In this regard, the Commission in the data gap and Technical Validation Session asked the Petitioner to submit a detailed break-up of the bank charge amounting to Rs. 2.38 crore. Additionally, the Petitioner had directed to provide the specific regulation under which this amount has been claimed. In reply to the said query the Petitioner failed to provide satisfactory reason and proper justification. Further the Petitioner has not exhibited any rationale for such significant increase in Bank charge. Accordingly, the Commission does not approve any bank charge in the instant petition for FY 2023-24.
- 5.96 In accordance with **clause 10.28** as mentioned above, the Commission, for the calculation of interest on loan amount, normative or otherwise, has excluded the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee as given below:

**Table 47: Interest on Loan and Bank & Finance Charges (in Rs Crore) as approved by the Commission.**

Particulars	APR	Petition	Approved
Opening Balance	4860.66	4860.66	4860.66
Deemed Addition during the year	611.14	-701.28	-670.71
Deemed Repayments during the year	500.14	423.01	411.21
Closing Balance	4971.67	3736.37	3778.74
Average balance during the Year	4916.16	4298.52	4319.70
Interest Rate	10.50%	12.52%	10.50%



<b>Interest Expense</b>	<b>516.20</b>	<b>538.14</b>	<b>453.57</b>
<b>Bank &amp; Finance Charge</b>	<b>-</b>	<b>2.38</b>	<b>-</b>

## **Interest on Consumer Security Deposits**

### ***Petitioner's Submission***

5.97 The Petitioner has submitted that the Interest on consumer security (IoCSD) deposit for FY 2023-24 has been computed at SBI base rate of 10.10% as on 1st April, 2023.

**Table 48: Interest on CSD (Rs Crore) as submitted by the Petitioner.**

<b>Particulars</b>	<b>APR</b>	<b>Petition</b>
Interest Rate		10.10%
<b>Int. on CSD</b>	<b>49.86</b>	<b>108.08</b>

### ***Commission's Analysis***

5.98 The Commission has outlined **clause 10.33** of JSERC Distribution Tariff Regulations 2020 for approval of interest on consumer security deposit as reproduced below:

#### ***"Interest on Consumer Security Deposits***

6.49 **Interest paid** on consumer security deposits shall be as specified by the Commission in 'Jharkhand (Electricity Supply Code) Regulations, 2020' and as amended or replaced from time to time."

5.99 On scrutinizing and analyzing the annual audited accounts of FY 2023-24, the Commission has observed that JBVNL is not discharging Interest on Consumer Security Deposit to the consumers. The consumer's security deposit details are provided at '**Note 16**' of the Audited Financial Statements. The interest payable on Consumer Security Deposit as on 31.03.2024 is Rs. 622.88 Crores and that as on 31.03.2023 is Rs. 540.58 Crores. Further, the addition to Interest accrued on Security Deposit during the FY 2023-24 is Rs. 108.08 Crores (ref '**Note 29**' of the Audited

Accounts).

5.100 However, this is observed that as per **'Note 16'** (point ii) of the audited account the Petitioner has only adjusted/credited interest of 25.78 Cr. to the consumer ledgers during the year FY 2023-24.

5.101 Accordingly, the Commission, on prudent check has computed the Interest on Consumer Security Deposit for FY 2023-24 as given below:

**Table 49: Interest on CSD (Rs. Crore) as approved by the Commission**

Particulars	Approved	Source
Opening payable interest on Consumer Security Deposit [A]	540.58	<b>Note 16</b>
Interest on Consumer Security Deposit Addition during the year [B]	108.08	<b>Note 29</b>
Closing payable interest on Consumer Security Deposit [C]	622.88	<b>Note 16</b>
<b>Actual Interest on Consumer Security Deposit paid by the Petitioner [D= A+B-C]</b>	<b>25.78</b>	

## Return on Equity

### *Petitioner's Submission*

5.102 The Petitioner has considered the opening balance of normative equity for 2023-24 as per the closing balance for the FY 2022-23.

5.103 In accordance with provisions of JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered Closing equity for FY 2023-24 has been calculated using normative debt equity ratio (70:30).

5.104 In accordance with provisions of JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered that the rate of Return on Equity (RoE) as 14.50%.

**Table 50: Return on Equity (Rs Crore) as submitted by the Petitioner.**

Particulars	APR	Petition
Opening Equity (Normative)	3421.11	3421.11

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	APR	Petition
Equity Addition (Normative)	103.39	-445.37
Closing Equity (Normative)	3524.50	2975.74
Average Equity	3472.81	3198.42
Rate of Return	14.50%	14.50%
<b>Return on Equity</b>	<b>503.56</b>	<b>463.77</b>

**Commission's Analysis**

5.105 On consideration of the Distribution Tariff Regulations, 2020, the Commission has considered the Opening Equity base for FY 2023-24 as the Closing Equity base for FY

5.106 -23. Further the Commission has considered the normative equity addition during the financial years as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.

5.107 In accordance with **clause 10.19** of the Distribution Tariff Regulations, 2020, the Commission has allowed a rate of return of 14.5% on average equity.

**Table 51: Return on Equity (Rs Crore) as approved by the Commission.**

Particulars	APR	Petition	Approved
Opening Equity (Normative)	3421.11	3421.11	3421.11
Equity Addition	103.39	-445.37	-606.88
Closing Equity (Normative)	3524.50	2975.74	2814.23
Average Equity	3472.81	3198.42	3117.67
Rate of Return	14.50%	14.50%	14.50%
<b>Return on Equity</b>	<b>503.56</b>	<b>463.77</b>	<b>452.06</b>

**Interest on Working Capital**

**Petitioner's Submission**

5.108 The Petitioner has calculated normative working capital requirement for

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

FY 2023-24 in accordance with JSERC Tariff Regulations, 2020.

5.109 Rate of Interest on Working Capital (IoWC) has been considered to be equal to the Base Rate of SBI as applicable on the 1st April of the respective year plus 350 Basis Points as per Regulation JSERC Distribution Tariff Regulations, 2020.

5.110 Accordingly, the Petitioner has computed the working capital requirement and interest thereof as given below:

**Table 52: Interest on Working Capital (Rs Crore) as submitted by the Petitioner.**

Particulars	APR	Petition
Maintenance Spares (@1% GFA)	114.04	215.17
2 months' Receivables	1224.13	1807.95
Less: 1 month Power Purchase Cost	469.31	747.91
Less: Consumer Security Deposit	707.83	1144.80
Total Working Capital requirement	161.03	130.41
Interest rate on WC	12.00%	11.50%
<b>Interest on Working Capital</b>	<b>19.324</b>	<b>15.00</b>

**Commission's Analysis**

5.111 The Commission has outlined the '**clause 10.31 & clause 10.32**' of JSERC Distribution Tariff Regulations 2020 for the approval of Interest on Working Capital is reproduced below:

*"10.31 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:*

*a) Maintenance spares at 1% of Opening GFA for Retail Supply Business; plus*

*b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus*

*c) Amount held as security deposits under Clause (a) and*

*Clause (b) of sub-section (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for Wheeling Business; minus*

*d) One-month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.*

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

- 5.112 The Commission has considered the rate of interest on working capital as per clause 10.32 of JSERC (Terms and condition for determination of Distribution Tariff) Regulation, 2020.
- 5.113 The Commission has observed that the Petitioner deviates from the methodology adopted for the commutation of working capital from the previous years. Specifically, for the computation of ‘Maintenance Spares’ the Petitioner has considered 1% of ‘Opening GFA’ without netting off CCG. While in previous years the same values have been computed as 1% of ‘Opening GFA less CCG’. Such deviation in computation methodology during the control period is not acceptable.
- 5.114 Had the Petitioner adopted the methodology as considered in the previous years, the computation of working capital would have been worked out as shown below.

Particulars	Petitioner's Computation for FY 23-24	Computation as per previous method
Maintenance Spares @1% of Opening	215.17	93.74

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	Petitioner's Computation for FY 23-24	Computation as per previous method
GFA of Wheeling and Retail Business		
Revenue from Wheeling and Retail Supply Charges-2 month	1807.95	1807.95
Less: Power Purchase Cost for One Month Retail Business	747.91	747.91
Less: Average Security Deposit	1144.80	1144.80
<b>Total Working Capital Requirement</b>	<b>130.41</b>	<b>8.98</b>
Rate of Interest (SBI 1 yr MCLR plus 350 b.p)	11.50%	11.50%
<b>Total Interest on Working capital</b>	<b>15.00</b>	<b>1.03</b>

5.115 Based on the above excerpt, the Commission has computed the interest on working capital for FY 2023-24 as summarized below:

**Table 53: Interest on Working Capital (in Rs. Crore) as computed by the Commission**

Particulars	Approved
Maintenance Spares @1% of Opening GFA of Wheeling and Retail Business	93.74
Revenue from Wheeling and Retail Supply Charges-2 month	1309.11
Less: Power Purchase Cost for One Month Retail Business	525.55
Less: Average Security Deposit	1144.80
<b>Total Working Capital Requirement</b>	<b>-267.50</b>
Rate of Interest (SBI 1 yr MCLR plus 350 b.p)	12.00%
<b>Total Interest on Working capital</b>	<b>-32.10</b>

5.116 Since the Computed working capital is turning negative. The Commission is not allowing any working capital for FY 2023-24

## **Non-Tariff Income (NTI)**

### **Petitioner's Submission**

5.117 The Petitioner has submitted the Non-Tariff Income (Other Income) of for FY 2023-24, based on the audited annual accounts.

5.118 The Petitioner has further submitted that while computing the actual Non-Tariff income (Other Income) for FY 2023-24, the financing cost for corresponding receivables has to be reduced as accrued Delayed Payment Surcharge (DPS) is considered as NTI. The Petitioner has already incurred power purchase costs on such outstanding receivables and DPS is levied as financing cost of such receivables, however, the Petitioner is allowed only 2 months of receivables on allowance of working capital. For the receivables beyond the period, DPS is applicable and as DPS is considered to be additional income for the Petitioner financing cost of such receivables are allowed in line with the judgement of Hon'ble APTEL dated 12.07.2011 in case No. 142 & 147 of 2009.

5.119 Accordingly, the Petitioner has submitted the Non-tariff income for FY 2023-24 as summarized below:

**Table 54: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.**

<b>Particulars</b>	<b>APR</b>	<b>Petition</b>
Interest Income from Investment in Fixed Deposits	10.29	53.44
D.P.S from Consumer	465.64	1761.33
Interest on advance to Supplier/Contractor	0.07	
Interest from Bank (Other than FD)	5.53	24.44
Income from Staff Welfare activities	0.00	-
Supervision Charges	5.39	7.84
Miscellaneous Receipt	10.25	16.22
Rebate on power purchase	23.08	
Transformer Rent	6.57	6.18
Wheeling Charges / Fuel surcharge/outside sale	0.00	371.47

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	APR	Petition
Receipt from Consumers for capital works	14.99	0.00
Miscellaneous Charges from Consumers	2.18	
<b>Total NTI</b>	<b>544.00</b>	<b>2240.92</b>
Interest rate for Receivables financing	10.25%	11.50%
Corresponding Receivables against DPS	3880.30	14677.76
Interest on Receivables against DPS	0.00	1687.94
<b>Net NTI to be considered</b>	<b>544.00</b>	<b>552.98</b>

**Commission's Analysis**

5.120 The Commission has outlined the '**clause 10.53 & clause 10.54**' of JSERC Distribution Tariff Regulations 2020, for the approval of Non-Tariff Income is reproduced below:

*"Non-Tariff Income*

*10.53 The amount of Non-Tariff Income relating to the Distribution Business as approved by the Commission shall be deducted from the ARR in determining the Retail Supply Tariff and Wheeling Charges of the Distribution Business:*

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

*10.54 The Non-Tariff Income shall include:*

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap;*
- c) Income from investments;*
- d) Interest accrued on advances to suppliers/contractors;*
- e) Interest income on loans/advances to employees;*



- f) Income from rental of staff quarters;*
- g) Income by rental from contractors;*
- h) Income by hire charges from contractors and others;*
- i) Income from delayed payment surcharge, supervision charges, etc.;*
- j) Supervision charges for capital works;*
- k) Income from recovery against theft and/ or pilferage of electricity;*
- l) Income from advertisements;*
- m) Income from sale of tender documents;*
- n) Profit from sale of Assets (i.e. difference of Sale value and Book value of Asset);*
- o) Any other Non-Tariff Income:*

*Provided that the interest earned from investments made out of Return on Equity corresponding to the regulated Business of the Distribution Licensee shall not be included in Non-Tariff Income.*

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

5.121 Based on the above excerpt, the Commission has observed that the Petitioner has not considered certain element of non-tariff income recorded in the audited account. The said item is Rebate on Power Purchase as reflected in ‘**note 25**’ of the audited account.

5.122 The Commission does not consider the revenue from sale of wheeling charge/ fuel surcharge/ outside sale under Non-Tariff Income as the same has already been considered in the power purchase part of this

order.

- 5.123 The Commission is of the opinion that there is no provision in JSERC (Terms & Condition of Determination Distribution Tariff) Regulations 2020 with respect to approval of financing cost for corresponding receivables under **clause 10.53 & clause 10.54**.
- 5.124 The Commission further opines that the Working Capital requirement as stipulated in the provision of JSERC (Distribution Tariff) Regulations 2020 and amendment thereof is being allowed as per normative to cater the day to day working capital requirements of the Utilities. Hence, the Commission does not approve the financing cost for corresponding receivables.
- 5.125 Further, the Commission observes that the amount Rs. 1761.33 Cr. under “D.P.S from consumer” head, as claimed by the Petitioner in the petition included 4 components, which has been summarized below for reference as per the audited account

Particulars	Amount (Rs. Cr.)	Source from Audited account
Amount received towards Compensation of losses	<b>861.81</b>	Note 2.2, page-45
Book adjustment of Revenue Subsidy as part of UDAY Scheme	<b>459.98</b>	Note 2.2 (B), page-46
Amount for OTS scheme	<b>36.02</b>	Note 24
D. P. S from Consumer	<b>403.52</b>	Note 25

- 5.126 However, the Commission is of the view that the amount received towards compensation of losses should not be counted in NTI or not to be adjusted from the cumulative revenue gap, as the Commission has already disallowed power purchase cost owing to higher transmission and

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

distribution losses. In order to avoid double accounting, the Commission has not considered Rs. 861.81 Cr as part of NTI. Further, Rs.459.98 Cr. is also not considered as part of NTI as the same amount is the Book adjustment of Revenue Subsidy as part of UDAY Scheme.

5.127 Further it has been observed that the Petitioner has adjusted Rs. 36. Cr from the 'D.P.S. from consumer' towards the DPS waived as part of One Time Settlement (OTS) scheme. However, this amount should be considered as it is on part of the Petitioner to ensure that any such OTS scheme has to be pre-approved by the Commission. Hence, "DPS from consumers" considered as part of the NTI is Rs. 439.53 Cr.

5.128 Accordingly, on prudent check the Commission approves the NTI as per above outlined regulation as shown below.

**Table 55: Non-Tariff Income (Rs Crore) as approved by the Commission.**

Particulars	APR	Petition	Approved
Interest Income from Investment in Fixed Deposits	10.29	53.44	53.44
D.P.S from Consumer	465.64	1761.33	439.54
Interest on advance to Supplier/Contractor	0.07		
Interest from Bank (Other than FD)	5.53	24.44	24.44
Income from Staff Welfare activities	0.00	-	
Supervision Charges	5.39	7.84	7.84
Miscellaneous Receipt	10.25	16.22	16.22
Rebate on power purchase	23.08		3.88
Transformer Rent	6.57	6.18	6.18
Wheeling Charges / Fuel surcharge/outside sale	0.00	371.47	considered in PP
Receipt from Consumers for capital works	14.99	0.00	
Miscellaneous Charges from Consumers	2.18		
<b>Total NTI</b>	<b>544.00</b>	<b>2240.92</b>	<b>551.54</b>
Interest rate for Receivables financing	10.25%	11.50%	



**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	APR	Petition	Approved
Corresponding Receivables against DPS	3880.30	14677.76	
Interest on Receivables against DPS	0.00	1687.94	
<b>Net NTI to be considered</b>	<b>544.00</b>	<b>552.98</b>	<b>551.54</b>

**Disallowances on account of Excessive AT&C Losses**

**Commission Analysis**

- 5.129 The Commission is of the view that it had already set the targets for the Collection efficiency in Section **“Targets for Distribution Losses and Collection Efficiency”** of the Distribution Tariff Regulations, 2020 and as such the submission of the Petitioner regarding sudden change seems to be out of order. The Commission thus directs the Petitioner to abide by the targets set by the Commission and any provision for lower collection efficiency will not be allowed.
- 5.130 Accordingly, the additional power purchase cost incurred due to higher Distribution losses, beyond the targeted level, has been disallowed and is treated as **‘Disincentive for non-achievement of Distribution loss targets’** for FY 2023-24. The Commission has adopted similar approach as adopted by it in the previous Order dated May 31, 2023 in the computation of non-achievement of T&D loss reduction targets.
- 5.131 Based on the above excerpt, the Commission, recognizing its responsibility to ensure fair and efficient energy pricing, has incorporated the power purchase costs for must-run power plants into tariffs. Nonetheless, in exercising thorough scrutiny, the Commission has prudently intervened to disallow excessive energy sale, corresponding power purchase costs associated specifically with thermal power plants exhibiting high ECR (Energy Charge Rate) and respective transmission charge on pro-rata basis. Additionally, the Commission also disallows the corresponding transmission charge on pro-rata basis as tabulated below.

**Table 56: Disallowance Distribution Loss (Rs Crore) as approved by the Commission.**

Generating Station	Annotation	Total Unit disallowed (MU)	Rate (in Rs/kWh)	Disallow Cost
Farraka I & II	A	784.58	6.56	514.84
Farrakka III	B	358.93	6.76	242.77
Khalagaon I	C	137.47	5.51	75.69
Khalagaon II	D	107.17	5.14	55.08
Barh I	E	301.08	6.79	204.54
Barh II	F	122.00	6.58	80.30
Kanti Power	G	98.66	5.62	55.41
Nabinagar	H	248.84	5.88	146.43
<b>Total</b>	<b>D=(A+B+C+D+E+F+G+H)</b>	<b>2158.74</b>		<b>1375.05</b>
KTPS (OA)	I	85.23	5.01	42.68
Standby Power	J	347.42	8.75	303.93
<b>Total</b>	<b>K=I+J</b>	<b>432.65</b>		<b>346.61</b>
PTC-IEX (Purchase)	L	717.37		555.74
<b>Net total Disallow</b>	<b>M=D+K+L</b>	<b>3308.76</b>		<b>2277.39</b>

## Revenue

### *Petitioner's Submission*

5.132 The Petitioner has submitted the revenue from sale of Power as per Annual Audited Accounts to be Rs. 6,912.13 Crore towards electricity sales. Accordingly, the Petitioner prayed to the Commission to approve the same.

### *Commission's Analysis*

5.133 On Scrutiny and analysis of the Audited Accounts submitted by the Petitioner, and on prudent check the Commission approves the revenue as summarized below:

**Table 57: Revenue (Rs Crore) as approved by the Commission.**

Particulars	Petition	Approved
Revenue	6,912.13	6,912.13

## Summary of Annual Revenue Requirement and Gap/(Surplus)

### Petitioner's Submission

5.134 Based on the components of the ARR discussed in the above part of this Order, the final ARR submitted by the Petitioner for FY 2023-24 is tabulated hereunder:

**Table 58: Summary of ARR (Rs. Crore) as submitted by the Petitioner.**

Particulars	APR	Petition
<b>Total Power Purchase Expense</b>	<b>5460.55</b>	<b>8974.95</b>
<i>Power Purchase Expense</i>	5881.88	8092.43
<i>Less: Disallowance due to excess Distribution Loss</i>	1040.649	0.00
<i>Inter-state transmission charges</i>	358.82	549.18
<i>Intra-state transmission Charge</i>	260.49	333.34
<b>Operations and Maintenance Expenses</b>	<b>676.32</b>	<b>875.35</b>
<i>Employee Expense</i>	258.72	267.31
<i>Terminal Liability</i>	0.00	82.30
<i>Administration &amp; General Expense</i>	117.11	182.45
<i>Repair &amp; Maintenance Expense</i>	300.49	343.30
Depreciation	483.01	423.01
Return on Equity	500.80	463.77
Interest on Long Term Loan	440.43	538.14
Interest on Consumer Security Deposit	28.77	108.08
Interest on Working Capital Loan	9.77	15.00
Bank & Finance Charge	-	2.38
<b>Total Expenses</b>	<b>7599.65</b>	<b>11400.69</b>
Less: Non-Tariff Income	523.82	552.98

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	APR	Petition
Add: Provision for Doubtful Debt		
<b>ARR after NTI</b>	<b>7075.83</b>	<b>10847.71</b>
<b>ARR Recoverable</b>	<b>7075.83</b>	<b>10847.71</b>
Revenue from Sales of power at existing tariff	6946.95	6912.13
<b>Gap/(Surplus) at Existing Tariff</b>	<b>128.88</b>	<b>3935.58</b>

**Commission's Analysis**

5.135 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2023-24 which is summarized hereunder.

**Table 59: Summary of ARR (Rs Crore) as approved by the Commission.**

Particulars	Approved
<b>Net Power purchase cost</b>	<b>6306.57</b>
<i>Power Purchase Cost</i>	<i>7701.44</i>
<i>Less: Disallowance due to excess Distribution Loss</i>	<i>2277.39</i>
<i>Inter-State Transmission Charges</i>	<i>549.18</i>
<i>Intra-State Transmission Charges</i>	<i>333.34</i>
O&M Expenses	756.99
Depreciation	411.21
Return on Equity	452.06
Interest on Long Term Loan	453.57
Interest on Consumer Security Deposit	25.78
Interest on Working Capital Loan	0.00
Bank & Finance Charge	-
<b>Total Expenditure</b>	<b>8406.17</b>
Less: Non-Tariff Income	551.54
<b>ARR after NTI</b>	<b>7854.64</b>
<b>Less: Penalties</b>	<b>0.00</b>
<b>Net ARR</b>	<b>7854.64</b>



***True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26***

Particulars	Approved
Revenue from Sales of power at existing tariff	6912.13
Gap/(Surplus) at Existing Tariff	942.51

5.136 The Commission will approve the treatment of the Gap/(Surplus) at existing tariff in **Chapter 8** of this Order.



## **Chapter 6: ANNUAL PERFORMANCE REVIEW FOR FY 2024-25**

6.1 As per Clause 13.2 of the Tariff Regulations, 2020:

*“13.2 The Licensee shall submit the Annual Performance Review report as part of annual review on actual performance as per the timelines specified in the Section A 24 of these Regulations to assess the performance vis-à-vis the targets approved by the Commission at the beginning of the Control Period. This shall include annual statements of its performance and accounts including audited/authenticated accounts and the tariff worked out in accordance with these Regulations.”*

6.2 The Commission, on the basis of the provisions of the Distribution Tariff Regulations, 2020 has determined the Annual Performance Review (APR) for FY 2024-25 on consideration of:

- Distribution Tariff Regulations, 2020;
- Material on record.

6.3 The component-wise details filled by the Petitioner’s and the Commission’s analysis and discussion is made in the upcoming paragraph.

### **Consumer Number, Connected Load, Energy Sales**

#### ***Petitioner Submission***

6.4 The Petitioner has submitted that in order to arrive at the Consumers for the FY 2024-25, JBVNL has considered effective consumers of FY 2024-25 (actual values for 5 months up to August 2024) and escalated the same as per trend and with nominal growth accordingly to arrive at the Effective Consumers segment wise at the end of FY 2024-25.

6.5 The Petitioner has submitted that it has considered active consumers for the FY 2023-24 and compared the same with the active consumers for

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

the FY 2024-25 (up to August 2025) to have a projection of total active consumers for the year 2024-25. The growth factor was considered nominally looking at the actual consumers and the variation for consumer numbers in the actual figures for 5 months in the FY 24-25 for determination of segment wise consumer number, connected load and sales.

- 6.6 The Petitioner has further submitted load per consumer is calculated on actual basis for the data available for FY24-25 and estimated segment wise for calculation of connected load for FY24-25. These estimates are compared with FY 2023-24 and actual figures for FY 2024-25 for each category of consumers to determine estimated sales for the FY 2024-25.

**Table 60: Consumer Number, Connected Load, Energy Sales as submitted by the Petitioner.**

Consumer Category	Consumer (No.)	Connected Load (kW)	Sales (MUs)
Domestic	48,10,658	57,43,817	6,515.96
Commercial/Non Domestic	4,21,241	10,57,907	1,762.92
Public Lighting / SS	730	15,462	101.58
Irrigation / IAS	1,10,613	2,08,158	136.03
Industrial LT / LTIS	20,147	5,74,903	407.93
Industrial HT / HTS / S/ EHT	2,545	11,76,729	3,026.85
RTS/MES	9	57,644	64.30
<b>Total</b>	<b>53,65,944</b>	<b>88,34,620</b>	<b>12,015.57</b>

**Commission Analysis**

- 6.7 On scrutinizing the material, information, actual figure and details submitted by the Petitioner, the Commission approves the estimated energy sales, connected load and number of consumers for FY 2024-25 which has been summarized in the table below:

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

**Table 61: Category-Wise Energy estimated energy Sales (MUs) as approved by the Commission.**

Consumer Category	ARR	Petition	Approved
Domestic	6,600.56	6,515.96	6,515.96
Commercial/Non Domestic	1,036.36	1,762.92	1,762.92
Public Lighting / SS	67.76	101.58	101.58
Irrigation / IAS	180.83	136.03	136.03
Industrial LT / LTIS	335.93	407.93	407.93
Industrial HT / HTS / S/ EHT	2,743.04	3,026.85	3,026.85
RTS/MES	90.91	64.30	64.30
<b>Total</b>	<b>11,055.39</b>	<b>12,015.57</b>	<b>12,015.57</b>

**Table 62: Category-Wise Energy estimated connected Load (kVA) as approved by the Commission.**

Consumer Category	ARR	Petition	Approved
Domestic	58,26,496	57,43,817	57,43,817
Commercial/Non Domestic	5,08,035	10,57,907	10,57,907
Public Lighting / SS	13,831	15,462	15,462
Irrigation / IAS	67,300	2,08,158	2,08,158
Industrial LT / LTIS	3,83,487	5,74,903	5,74,903
Industrial HT / HTS / S/ EHT	10,43,776	11,76,729	11,76,729
RTS/MES	42,854	57,644	57,644
<b>Total</b>	<b>78,85,779</b>	<b>88,34,620</b>	<b>88,34,620</b>

**Table 63: Category-Wise estimated number of consumer as approved by the Commission.**

Consumer Category	ARR	Petition	Approved
Domestic	47,35,334	48,10,658	48,10,658
Commercial/Non Domestic	3,02,029	4,21,241	4,21,241
Public Lighting / SS	434	730	730
Irrigation / IAS	75,592	1,10,613	1,10,613
Industrial LT / LTIS	21,083	20,147	20,147
Industrial HT / HTS / S/ EHT	2,412	2,545	2,545
RTS/MES	8	9	9
<b>Total</b>	<b>51,36,892</b>	<b>53,65,944</b>	<b>53,65,944</b>

## **Energy Balance**

### ***Petitioner's Submission***

- 6.8 The Petitioner has submitted that it has procured power from various sources for FY 2024-25 which has been segregated into different heads, while calculating the energy balance for the control period as given below:
- 6.9 Power Purchase from Outside JSEB Boundary - Power sourced from NTPC, NHPC, PTC, APNRL, part of TVNL, NVVNL, SECI and RE (Wind);
- Power Purchase from Outside JSEB Boundary- Power sourced from NTPC, NHPC, PTC, APNRL, part of TVNL, SECI and RE (Wind), UI and exchanges
  - Energy Input Directly to State Transmission System- Input of power from TVNL, SHPS (Sikidri Hydro Power Station) and IPL
  - Energy Input through Renewables sources - Input from Solar IPPs selected through JREDA.
  - Direct Input of Energy to Distribution System- DVC and Solar IPPs.
- 6.10 The Petitioner has calculated transmission losses (Both inter and intra State based on actual transmission losses for FY 2023-24, by subtracting total input energy received at 33 kV from total energy purchased from various power plants. JBVNL thereafter considers Inter-State Transmission Losses at 3% of all power purchase from external sources considering Point of Connection (PoC) withdrawal losses for Jharkhand and PoC injection losses of various power plants with which it has PPA. Thereafter, JBVNL segregates Intra State Transmission Loss by subtracting Inter-State Transmission losses from total Transmission losses. JBVNL has considered the intra state transmission loss at the same level for the FY 2023-24 for estimation of FY 2024-25.
- 6.11 Based on the information submitted above, the Petitioner has considered the Energy Balance for 2024-25 as provided in the Table below:
-

**Table 64: Energy Balance (in MUs) as submitted by the Petitioner.**

Particulars	ARR	Petition
Power Purchase from Outside JBVNL Boundary (MU)	9,185.74	9,880.59
Loss in External System (%)	3.00%	3.00%
Loss in External System (MU)	275.57	296.42
Net Outside Power Available (MU)	8,910.17	9,584.18
Energy Input Directly to State Transmission System (MU)	390.68	372.26
State-owned Generation (MU)	1,427.63	1,823.21
Energy Available for Onward Transmission (MU)	10,728.48	11,779.64
Transmission Loss (%)	2.23%	6.41%
Transmission Loss (MU)	239.25	755.65
Net Energy Sent to Distribution System (MU)	10,489.24	11,023.99
Energy Schedule from DVC to Distribution System (MU)		3,997.66
Transmission Loss at DVC System (%)		5.33%
Transmission Loss in System (MUs)		212.99
Direct Input of Energy to Distribution System (MU)	3,833.44	3,784.67
Direct Input Energy from State Solar System (MUs)		20.81
<b>Total Energy Available for Sales (MU)</b>	<b>14,322.68</b>	<b>14,829.47</b>
<b>Total energy sold (MU)</b>	<b>11,055.39</b>	<b>12,011.87</b>
<b>Distribution loss%</b>	<b>13.00%</b>	<b>19.00%</b>
<b>Energy Required for distribution (MU)</b>	<b>12707.34</b>	<b>14829.47</b>
<b>Power disallowance at DISCOM Periphery (MU)</b>	<b>1,615.34</b>	<b>0.00</b>
<b>Total Power Purchase</b>	<b>14,837.50</b>	

### **Commission's Analysis**

6.12 It is observed that the loss levels recorded by DISCOM are extremely poor

and the network needs severe overhauling. Such dilapidated network is leading to the drain of the material and economic resources of the nation which is worry-some.

- 6.13 Factually, since the Distribution Losses and Collection efficiency are a critical operational parameter of the DISCOM, SERCs across the states have provided for the same as a controllable parameter for the DISCOMs. Likewise, the Commission under **‘clause 6.44’** of JSERC Distribution Tariff Regulations 2020 provides the Distribution Loss and Collection Efficiency being a Controllable parameter.
- 6.14 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Commission has approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.
- 6.15 Subsequently, the Commission vide Order dated May 31, 2023 had approved the Distribution loss trajectory for each year of the Control period FY 2021-22 to FY 2025-26. The relevant extracts of the MYT Order are reproduced below:

*“7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty”.*

- 6.16 In view of the aforesaid, it is submitted that not abiding by the trajectory defined by the Commission and factoring into consideration the deviation in the retail ARR by the Licensee is disdainful.
- 6.17 The Petitioner has also included the loss on account of injection from

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

DVC Transmission system. The transmission loss claimed is 5.33% for DVC Transmission system and 6.41% for JUSNL Transmission system.

- 6.18 The Commission is of the opinion that it would be imprudent if the cost of the Petitioner's inefficiency is passed onto the consumers. Accordingly, the Commission has worked out energy availability for the FY 2024-25 on the basis of estimated generation of power from Central, State-owned and other Generating Stations. Further, the loss in external system has been considered at the same level as approved by the Commission in its earlier Order, while the Intra-State Transmission Loss has been considered at 2.23% as per the Tariff Order for JUSNL, on similar lines, the loss in DVC Transmission system has been restricted to 3%. The energy availability from various sources has been summarized below:

**Table 65: Energy Requirement (MUs) as approved by the Commission.**

Particulars	ARR	Petition	Approved
Power Purchase from Outside JBVNL Boundary (MU)	9,185.74	9,880.59	9,880.59
Loss in External System (%)	3.00%	3.00%	3.00%
Loss in External System (MU)	275.57	296.42	296.42
Net Outside Power Available (MU)	8,910.17	9,584.18	9,584.18
Energy Input Directly to State Transmission System (MU)	390.68	372.26	372.26
State-owned Generation (MU)	1,427.63	1,823.21	1,823.21
Energy Available for Onward Transmission (MU)	10,728.48	11,779.64	11,779.64
Transmission Loss (%)	2.23%	6.41%	2.23%
Transmission Loss (MU)	239.25	755.65	262.69
Net Energy Sent to Distribution System (MU)	10,489.24	11,023.99	11,516.95
Energy Schedule from DVC to Distribution System (MU)		3,997.66	3,997.66
Transmission Loss at DVC System (%)		5.33%	3.00%
Transmission Loss in System (MUs)		212.99	119.93



Particulars	ARR	Petition	Approved
Direct Input of Energy to Distribution System (MU)	3,833.44	3,784.67	3784.67
Direct Input Energy from State Solar System (MUs)		20.81	20.81
<b>Total Energy Available for Sales (MU)</b>	<b>14,322.68</b>	<b>14,829.47</b>	<b>15,322.43</b>
<b>Total energy sold (MU)</b>	<b>11,055.39</b>	<b>12,011.87</b>	<b>11,055.39</b>
<b>Distribution loss%</b>	<b>13.00%</b>	<b>19.00%</b>	<b>13.00%</b>
<b>Energy Required for distribution (MU)</b>	<b>12707.34</b>	<b>14829.47</b>	<b>12707.34</b>
<b>Power disallowance at DISCOM Periphery (MU)</b>	<b>1,615.34</b>	<b>0.00</b>	<b>2,615.09</b>
<b>Total Power Purchase</b>	<b>14,837.50</b>		<b>16,094.53</b>

## Power Purchase Cost

### *Petitioner's Submission*

6.19 The Petitioner has estimated the power purchase quantum for FY 2024-25 based on the following facts and assumptions:

- **Purchase of Units during first six months of current financial year:** Power Purchase quantum has been considered as per bills raised by respective generating companies.
- **Trend for Purchase of Units in Previous Financial Year:** Purchased units during remaining six months in current Financial Year have been estimated as per purchase ratio of the six months of previous Financial Year FY 2023-24.
- **Power Requirement in FY 2024-25:** Based on estimated Sales and Energy balance for FY 2024-25 (as detailed in below section), power requirement for FY 24-25 has been calculated.
- **Purchase through short-term sources:** No new power purchase from IEX (PTC) or UI mechanism has been estimated in remaining six



months due to proper planning of power procurement in the long term. However, the Petitioner would like to appraise the Commission to allow itself to go for short term power procurement, if any, required at the time of urgency in future.

- **Power Purchase Cost during first six months of current financial year:** Average Power Purchase cost for first six months as per bills raised by respective generating companies, have been considered for full year estimation. While doing so, it has been considered that the power purchases under long term PPA should not exceed beyond the allocation made to the Petitioner for the year under consideration.

6.20 The Petitioner has further submitted that It is pertinent to mention that the per unit transmission charges have been increased for JUSNL in its last tariff order. The effect of the same has been considered for the FY24-25:

- **Transmission and Scheduling Charges:** Actual Transmission and scheduling Charges for PGCIL for FY 2023-24 has been escalated by 5% to arrive at corresponding figure for FY 2024-25.
- **Supplementary Bills:** Supplementary bills based on actuals of FY 2024-25 (for 6 months up to September 24) has been considered. For TTPS, Tenughat, reconciliation of power purchase was done for the FY23-24 due to which, there was a supplementary bill of Rs 509.75Cr adjusted in FY23-24. However, the escalation of power purchase cost for TTPS, Tenughat for the FY24-25 is done on the basis of actual power purchase cost of JBVNL in FY23-24 for TTPS, excluding the supplementary bills. The effect of the same is duly considered in FY24-25. Overall, the cost of Power Purchase has been calculated accordingly. It is to state that while the Petitioner had submitted

6.21 Total power purchase claimed (including transmission charges) for the year FY 2024-25 is expected to be **Rs 8072.51 Cr.** as per the second data gap reply. The Petitioner has submitted the power purchase once with the original Petition, the same was corrected twice. Based on the above facts

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**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

and assumptions, source-wise estimated Power Purchase quantum and cost as per the original Petition for FY 2024-25 as shown hereunder:

**Table 66: Power Purchase quantum and cost as submitted by the Petitioner.**

S.N.	Name of Generating Stations	Actual estimation considered for FY 2024-25 (MU)	Total cost (Rs. Cr.) for FY 2024-25 without supplementary Cost
1	NTPC	Farrakka I &II	350.21
		Farrakka III	168.75
		Khalagaon I	51.09
		Talcher	139.43
		Khalagaon II	29.44
		Barh I	228.12
		Barh II	71.30
		Korba	83.31
		Darlipalli I	319.53
		N. Karnpura	520.79
		Kanti Power	65.68
		Nabinagar	120.10
		LPSC	7.90
		Rebate	0.00
		PTPS	
		<b>Total</b>	<b>2155.65</b>
2	NHPC	Rangit	16.02
		Teesta V	0.006
		LPSC	
		<b>Total</b>	<b>16.03</b>
3	PTC (Hydel)	Chukha	26.26
		Tala	42.95
		Kurichu	0.008

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

S.N.	Name of Generating Stations		Actual estimation considered for FY 2024-25 (MU)	Total cost (Rs. Cr.) for FY 2024-25 without supplementary Cost
		Mangdechhu	30.33	13.34
		<b>Total</b>	<b>314.69</b>	<b>82.57</b>
4	<b>Total Central Sector</b>		<b>5708.69</b>	<b>2254.24</b>
5	DVC	KTPS (OA)	4159.92	2152.99
		Standby Power	84.66	44.61
		UI (Deviation)	-346.91	-95.74
		Trans. Charge		77.50
		HT Points		
		DVC (KTPS)	3997.66	2179.36
		DVC (STOA)		
		<b>Total</b>	<b>3997.66</b>	<b>2179.36</b>
6	TTPS, Tenughat		2256.65	1000.44
7	UI Payable (Deviation)		114.89	227.73
8	Reactive Energy Charge			4.84
10	APNRL	Unit I	467.58	210.70
		Unit II	467.58	208.28
		66 MW	491.44	192.04
		ERLDC APNRL		
		<b>Total</b>	<b>1426.59</b>	<b>611.02</b>
9	SOLAR	SECI (Tranche-I)	906.66	250.10
		SECI (MNRE-II)	15.91	10.35
		State IPPs (MNRE-I)	20.81	38.96
		<b>Total</b>	<b>943.38</b>	<b>299.41</b>
10	Wind	PTC	531.48	196.99
		SECI	276.33	78.92
		<b>Total</b>	<b>807.81</b>	<b>275.91</b>

S.N.	Name of Generating Stations		Actual estimation considered for FY 2024-25 (MU)	Total cost (Rs. Cr.) for FY 2024-25 without supplementary Cost
11	Inland Power Ltd. (IPL)		372.26	238.64
12	IEX/ PXIL	Purchase	649.18	510.90
		Sell	-270.04	-93.51
13	Total Purchase		16007.06	7508.98
14	SRHPS (Generation)		155.16	62.36
15	<b>Grand Total</b>		<b>16162.22</b>	<b>7571.34</b>
16	UI Receivable		-67.69	-57.39
17	SER-DSM			
18	Trans. Charge	PGCIL		556.16
		Posoco (ERLDC)		2.4
		JUSNL		0.00
<b>19</b>	<b>Net Unit</b>		<b>16094.53</b>	<b>8072.51</b>

6.22 The Petitioner has submitted switching from thermal to RE instantly to fulfil the RPO obligation would put additional financial burden to the JBVNL as it has to bear the fixed component of thermal capacity that is not scheduled. So, the transition needs to be done in an effective and sustainable way. In this regard, JBVNL on one hand looking forward to purchase Renewable energy through various means as well as reduce its dependency from thermal power plants.

6.23 For the wind RE, Hydro RE, distributed RE sources, for RPO compliance to take effect, power procurement must happen from the projects, that are to be commissioned after 31st March 2024. For this financial year, meeting these targets are difficult as there are not enough generators with whom PPAs can be made. JBVNL is making every effort to identify such sources to get into long term arrangement to meet its RPO. For other sources, where solar and wind are major sources of RE generation before

March 31, 2024.

- 6.24 Currently, JBVNL has tied up with SECI for 700 MW of Solar power with SECI, out of which JBVNL is receiving 450 MW of solar power and 250 MW is under pipeline. Similarly, cumulative 500 MW of wind power has been tied up with SECI and PTC, out of which, JBVNL is only receiving 300 MW of wind power, and 200 MW of wind power is under pipeline. JBVNL is committed to sustainable development with a focus on renewable energy purchase and development in association with RPO regulations. Hence, its purchase from Renewable energy sources remains intact and it would endeavor to purchase more power from renewable energy sources in future. Moreover, the Petitioner is exploring various alternatives including conducting competitive bidding for RPO fulfilment.
- 6.25 In addition to above, JREDA is installing various solar installations in the state. It is expected that JBVNL will be procuring these RE power from JREDA. JREDA has already installed 52MW of grid connected rooftop power plant in Govt. buildings and 11MW of rooftop solar in residential society. A total of 73.2MW was already installed by JREDA and 641MW of solar is in pipeline.
- 6.26 Also, in Jharkhand Solar Policy 2022, Government of Jharkhand has set target of 4000 MW till FY 2026-27 of solar power in State and JREDA has been made as nodal agency to run various programmes like, Implementation of Solar Park, Canal Top Solar, Floating Solar, etc from 2022-23 to 2026-27. From above mentioned programme, JBVNL will procure power from Solar Power Plant without competitive bidding upto 5 MW.
- 6.27 Further, floating solar plant of 100 MW on Getalsud Dam has been planned with SECI. The PPA with SECI has been approved by the Commission. The work has been allotted to L&T by SECI and the progress for the project is well within scheduled timeline.
- 6.28 Under PM Kusum Yojana 30 MW of solar installation has been targeted till 2025-26. Renewable Purchase Obligation estimated for FY 2024-25
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**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

has been mentioned as below –

**Table 67: Renewable Purchase Obligation (in MUs) for FY 2024-25 as submitted by the Petitioner.**

Sr. No.	Particular	FY 2024-25
1	Gross Power Procured (MU)	16094.53
1	Net Power Procured (MU)	16094.53
2	less: Large Hydo Power procured (MU)	506.57
3	Power Purchase considered for RPO (MU)	15587.96
4	Wind Target in (%)	0.67%
5	Hydro target in (%)	0.38%
6	Distributed Renewable Energy (%)	1.50%
7	Other Renewable Energy (%)	27.35%
8	Wind Target in (MU)	104.44
9	Hydro target in (MU)	59.23
10	Distributed Renewable Energy (MU)	233.82
11	Other Renewable Energy (MU)	4,263.31
12	Total Targeted RPO (MU)	4,660.80
13	Wind Power Procured (MU)	0.00
14	Hydro Power Procured (MU)	0.00
15	Distributed Renewable Energy Procured (MU)	0.00
16	Other Renewable Energy Procured (MU)	1974.76
15	Total	1974.76
16	<b>Wind target deficit (MU)</b>	<b>-104.44</b>
17	<b>Hydro target deficit (MU)</b>	<b>-59.23</b>
18	<b>Distributed Renewable Energy Deficit (MU)</b>	<b>-233.82</b>
19	<b>Other Renewable Energy Deficit (MU)</b>	<b>-2,288.54</b>
20	<b>Total deficit</b>	<b>-2,686.04</b>

**Commission Analysis**

- 6.29 The Commission has observed that the Petitioner had failed to fulfill the estimate of RPO target as set by the Commission. In this regard the Commission in technical validation session had asked to provide how they can fulfill the RPO obligation. And also directed to provide the proper justification for not fulfilling the RPO for FY 2024-25. But till date of issuance of this Order the Petitioner has failed to provide the proper justification and roadmap to fulfill the Renewable Purchase Obligation.
- 6.30 The Commission has observed that the Petitioner has failed to submit the power purchase bill for first six months (i.e. April 2024 to October 2024). Hence, it is difficult for this Commission to consider the actual data for this period. Therefore, the Commission has estimated the power purchase quantum for FY 2024-25 based on the following facts and assumptions.
- **Central Sector (including NTPC, NHPC, PTC):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for NTPC, NHPC, PTC source at a weightage average rate of last 3 years with escalation of 5% for FY 2024-25, subject to final truing up based on actual with production of power procurement bills.
  - **State Owned Generating Plant (TVNL, SRHPS):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for TVNL, SRHPS source at a weightage average rate of last 3 years with escalation of 5% for FY 2024-25, subject to final truing up based on actual with production of power procurement bills.
  - **Unit Consideration for TVNL Power Plant:** The Commission has observed that the Petitioner has considered 590.82 MUs of TVNL under Outside JSEB Boundary and remaining has been taken under State Owned Generation for FY 2024-25. In this regard, the Commission in technical validation session directed the Petitioner to provide the basis for considering the 590.82 MUs TVNL to Bihar Sharif through the interstate transmission system line.

- **DVC:** The Commission has observed that the Petitioner has procured power in scheduled mode from DVC, but the PPA of the same had been disallowed by this Commission in Case No. 11 of 2019 on dated 09.01.2021. In this regard, the Petitioner is required to provide proper justification as to how the same power has been purchased from DVC without PPA approval. In reply the Petitioner submitted that DVC has submitted Draft Supplementary PPA which is being reviewed by JBVNL. Accordingly, the Commission has taken into account the power procurement rate for DVC source at a weightage average rate of last 3 years with escalation of 5% for FY 2024-25, subject to final truing up based on actual with production of power procurement bills.
- **Private Owned Generator (Including APRNL, IPL):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for APRNL, IPL source at a weightage average rate of last 3 years with escalation of 5% for FY 2024-25, subject to final truing up based on actual with production of power procurement bills.
- **Solar (including SECI (Trenche-1), SECI (MNRE-II), State IPPs (MNRE-1)):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for SECI (Trenche-1), SECI (MNRE-II) source at a weightage average rate of last 3 years with escalation of 5% for FY 2024-25. Further with regard to state IPP (MNRE-1) the Commission has considered the same rate of true-up FY 2023-24, subject to final truing up based on actual with production of power procurement bills.
- **Power Requirement in FY 2024-25:** Based on estimated Sales and Energy balance for FY 2024-25 (as detailed in below section), excess power available for sale in open market has been calculated.
- **Purchase through short-term sources:** No new power purchase



from IEX (PTC) or UI mechanism has been estimated in remaining six months due to excess supply. However, the same may be purchased in case of emergency and shall be subject to subsequent true-up.

- **IEX (Purchase/Sell):** It has been observed by the Commission that the Petitioner has proposed to Purchase/sell the deficit/surplus power in the Open Market. In this regard the Commission is of the view that the Power Purchase Cost is one of the major cost components in the ARR. Accordingly, in the instant pray, the Commission is not approving Purchase/Sell of any surplus power.

6.31 Based on the aforesaid observation, the Commission approves the Power Purchase Cost for FY 2024-25 subject to true up which has been summarized in the table below:

**Table 68: Power Purchase quantum and cost as approved by the Commission.**

S.N.	Name of Generating Stations	Allocation (MW)	Allocated Quantum (MU)	Total Cost for FY 2024-25 (Rs. Cr.)
1	NTPC	Farrakka I &II	119.35	738.36
		Farrakka III	56.71	325.34
		Khalagaon I	18.34	118.08
		Talcher	66.68	484.94
		Khalagaon II	10.21	75.99
		Barh I	84.72	393.69
		Barh II	18.97	127.55
		Korba	50.00	323.12
		Darlipalli I	151.43	1088.90
		N. Karnpura	177.46	1321.40
		Kanti Power	16.10	119.91
		Nabinagar	33.96	239.99
		LPSC		0.00



**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

S.N.	Name of Generating Stations		Allocation (MW)	Allocated Quantum (MU)	Total Cost for FY 2024-25 (Rs. Cr.)
		Rebate			0.00
		PTPS	800.00		
		<b>Total</b>	<b>1603.92</b>	<b>5357.27</b>	<b>2158.90</b>
2	<b>NHPC</b>	Rangit	7.42	36.73	15.83
		Teesta V	48.34	0.00	0.00
		LPSC			0.00
		<b>Total</b>	<b>55.76</b>	<b>36.73</b>	<b>15.83</b>
3	<b>PTC (Hydel)</b>	Chukha	27.99	104.16	26.26
		Tala	116.89	180.20	42.09
		Kurichu	0.55	0.00	0.00
		Mangdechhu	9.44	30.33	13.34
		Total	154.87	314.69	81.70
<b>4</b>	<b>Total Central Sector</b>		<b>1814.54</b>	<b>5708.69</b>	<b>5708.69</b>
5	<b>DVC</b>	KTPS (OA)	600	4259.92	2194.88
		Standby Power	-	84.66	53.26
		UI (Deviation)	-	-	0.00
		Trans. Charge	-		0.00
		HT Points	8		0.00
		DVC (KTPS)	608	4344.58	0.00
		DVC (STOA)	-		0.00
		<b>Total</b>	<b>608</b>	<b>4344.58</b>	<b>2248.14</b>
6	TTPS, Tenughat			2256.65	969.22
7	UI Payable (Deviation)			79.42	105.70
8	Reactive Energy Charge				0.00
10	<b>APNRL</b>	Unit I	122.80	467.58	194.57
		Unit II		467.58	181.85
		66 MW	66.00	491.44	206.99

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

S.N.	Name of Generating Stations		Allocation (MW)	Allocated Quantum (MU)	Total Cost for FY 2024-25 (Rs. Cr.)
		ERLDC APNRL			0.00
		<b>Total</b>	<b>189</b>	<b>1426.59</b>	<b>583.41</b>
9	<b>SOLAR</b>	SECI (Tranche-I)	450	906.66	250.10
		SECI (MNRE-II)	10	15.91	10.35
		State IPPs (MNRE-I)	16	20.81	37.28
		<b>Total</b>	<b>476</b>	<b>943.38</b>	<b>297.74</b>
10	<b>Wind</b>	PTC	200	531.48	196.99
		SECI	100	276.33	78.93
		<b>Total</b>	<b>300</b>	<b>807.81</b>	<b>275.92</b>
11	Inland Power Ltd. (IPL)		63	372.26	222.96
12	<b>IEX/ PXIL</b>	Purchase			0.00
		Sell			0.00
13	Total Purchase		3870.39	15939.37	6959.51
14	SRHPS (Generation)		130	155.16	16.97
<b>15</b>	<b>Grand Total</b>		<b>4000.39</b>	<b>16094.53</b>	<b>6976.47</b>
16	UI Receivable				
17	SER-DSM				
18	<b>Trans. Charge</b>	PGCIL			556.16
		POSOCO (ERLDC)			2.40
		JUSNL			382.02
<b>19</b>	<b>Net Unit (Exc. Transmission charges)</b>			<b>16094.53</b>	<b>6976.47</b>

## Transmission Charge

### Petitioner's Submission

6.32 The Petitioner has submitted that transmission charges payable to

## True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

JUSNL have been computed based on approved transmission tariff for JUSNL for the FY 24-25 at Rs 0.37 per unit. The estimated quantum to be wheeled from JUSNL network is around 12076.06MU. The large deviation in the estimated cost of intra state charges are due to such revision of charges for JUSNL by the Commission. For the interstate transmission charges for FY24-25, the actual transmission charges billed for 6 months for FY24-25 is taken compared with FY23-24 and then extrapolated for the FY24-25.

**Table 69: Transmission Charge (in Rs. Crore) as submitted by Petitioner.**

Particulars	ARR	Petition
Inter-State Transmission Charge (incl. Posoco ERLDC)	396.75	558.56
Intra-State Transmission Charge	323.59	446.81

### Commission Analysis

- 6.33 For approval of intrastate Transmission charge, the Commission has considered the Intrastate Transmission Charges as Rs 0.37 per unit for FY 2024-25 as approved in JUSNL Tariff Order for FY 2024-25.
- 6.34 Further, the Commission has taken the Inter-State Transmission Charges for FY 2024-25 by escalating the Interstate transmission charge for FY 2023-24 as projected by the Petitioner subject to true up. The below table summarized the Inter/Intra-state Transmission Charge:

**Table 70: Transmission Charge (in Rs Crore) as approved by the Commission.**

Particulars	Approved
Inter-State Transmission Charge (incl. POSOCO ERLDC)	558.56
Intra-State Transmission Charge	382.02

## Capital Expenditure and Capitalization

### Petitioner's Submission

- 6.35 **Revamped Distribution Sector Scheme:** The introduction of Revamped Distribution Sector Scheme by MoP aims to curb down the overall AT&C losses of utilities. The JBVNL has opted the Revamped scheme and all

the major works of the Discom will now come under this scheme. The Revamped scheme is under process, and it will be the major scheme to be implemented by the Petitioner. The Scheme aims to reduce the Aggregate Technical & Commercial (AT&C) losses to pan-India levels of 12-15% and Average Cost of Supply (ACS)- Average Revenue Requirement (ARR) gap to zero by 2024-25. The Scheme has two major components: Part 'A' – Financial support for Prepaid Smart Metering & System Metering and upgradation of the Distribution Infrastructure and Part 'B' – Training & Capacity Building and other Enabling & Supporting Activities. Financial assistance to DISCOMs is provided for upgradation of the Distribution Infrastructure and for Prepaid Smart Consumer Metering & System Metering based on meeting pre-qualifying criteria and achieving basic minimum benchmark in reforms.

- 6.36 **Annual Development Plan:** This is being prepared by the JBVNL for departmental works and the capital outlay is sanctioned by the government according to its budget outlay for the financial year in consideration.
- 6.37 **Mukhyamantri Ujjwal Jharkhand Yojna:** Jharkhand Government has started a new scheme “Mukhyamantri Ujjwal Jharkhand Yojna” to cover all unelectrified and partial electrified Tolas in Rural as well as Urban areas. As of March 31, 2024, a total number of 2817 unelectrified Tolas and 4980 partial unelectrified Tolas will be covered under this scheme along with 1525 urban places. Under this scheme 241983 households will be covered with a total outlay of around Rs 1456.26 Crores from the state government. As on date, out of 24 districts, LOI awarded in 23 districts and in Dhanbad district, it's in process.
- 6.38 Considering the above capital expenditure schedule for FY 2023-24, the Petitioner has projected revised CWIP and creation of GFA for FY24-25.

**Table 71: Estimated Scheme wise capital investment (in Rs Crore) as submitted by the Petitioner.**

Scheme	Estimated for FY 2024-25
<b>Revamped Distribution Sector Scheme (RDSS)</b>	<b>924.95</b>

<b>Scheme</b>	<b>Estimated for FY 2024-25</b>
<i>Loss Reduction</i>	909.52
<i>PMA</i>	15.43
<b>Annual Development Plan (ADP)</b>	<b>650.00</b>
<b>Mukya Mantri Ujjwal Jharkhand Yojana</b>	<b>500.00</b>
<b>JSBAY -RE</b>	<b>100.00</b>
<b>Jharkhand Power System Improvement Project (JPSIP)</b>	<b>186.05</b>
<i>Smart Metering in Ranchi</i>	42.00
<i>IT Hardware and software Upgradation</i>	69.55
<i>Software for Power Management</i>	5.50
<i>IT Project Management</i>	1.00
<i>Business Process Upgradation</i>	4.00
<i>Upgradation of Training Centre</i>	1.00
<i>Energy Accounting (Ranchi and Jamshedpur)</i>	63.00
<b>Smart metering Dhanbad</b>	<b>38.00</b>
<b>SMS And WhatsApp Services</b>	<b>2.00</b>
<b>Total</b>	<b>2,401.00</b>

6.39 On Considering the above Capital Expenditure for FY 2024-25, the Petitioner has projected the Revised CWIP and creation of GFA as submitted below:

**Table 72: Actual Capital work in progress (Rs. Crore) as submitted by Petitioner**

<b>Particulars</b>	<b>ARR</b>	<b>Petition</b>
Opening CWIP (A)	1762.09	285.12
Capex during the year (B)=(D)-(A)+(C)	1366.54	2,439.31
Transfer to GFA (C)	1466.65	2,057.74
<b>Closing CWIP (D)</b>	<b>1661.97</b>	<b>666.69</b>

### **Commission Analysis**

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

6.40 On scrutinizing and analyzing the material on record and on prudent check, the Commission approves the capital expenditure amounting to Rs. 740.04 Cr. equal to true-up for FY 2023-24 in the instant order subject to true up as shown below.

6.41 The Commission approves the capitalization for FY 2024-25 based on the actual capitalization during FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24 as a percentage of the Opening CWIP and Capital Expenses incurred during the respective years and multiplying the same by the sum of Opening CWIP and Capex approved.

**Table 73: Capital work in progress (Rs. Crore) as approved by the Commission**

Particulars	Petition	Approved
Opening CWIP (A)	285.12	285.12
Capex during the year (B)=(D)-(A)+(C)	2439.31	740.04
Transfer to GFA (or Capitalization) (C)	2057.74	554.01
<b>Closing CWIP (D)</b>	<b>666.69</b>	<b>471.15</b>

**Table 74: Estimated capitalization (Rs. Crore) as approved by the Commission**

Particulars	ARR	Petition	Approved
Opening GFA	24365.64	22396.91	22396.91
GFA Addition	1466.65	2057.74	554.01
<b>Closing GFA</b>	<b>25832.29</b>	<b>24454.65</b>	<b>22950.92</b>

## Consumer Contribution, Grants and Subsidies

### Petitioner's Submission

6.42 The Consumer Contribution and Grants funding of JBVNL for FY 2024-25, based on the closing CCG funding of FY 2024-25 is provided as follows:

**Table 75: Consumer Contribution submitted by the Petitioner**

Particulars	As per ARR approved FY 24- 25	Petition
Opening CCG	13529.77	12,636.63

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	As per ARR approved FY 24- 25	Petition
addition: Govt Grant	1060.14	554.97
addition: Cons Contribution	87.29	38.31
<b>Closing CCG</b>	<b>14677.19</b>	<b>13,229.91</b>

**Commission Analysis**

6.43 The Commission has considered additions of Grants (and Consumer Contribution) amounting to Rs. 799.49 Crore based on Consumer Contribution and Grants Additions equal to true-up for FY 2023-24 as shown below.

**Table 76: CCG (Rs. Crore) as approved by the Commission.**

Particulars	ARR	Petition	Approved
Consumer Contribution Grants opening	13529.77	12636.63	13181.84
Addition: Government Grants	1147.42	554.97	764.07
Addition: Consumer Contribution		38.31	35.42
<b>Closing consumer contribution Grants</b>	<b>14677.19</b>	<b>13229.91</b>	<b>13981.33</b>

6.44 The Commission has estimated the closing balance of consumer contribution and grants of FY 2023-24 as opening consumer contribution and grants for FY 2024-25.

6.45 Further, the Commission has adopted the approach for calculation of Normative Loan and Equity as done earlier in this order. For estimating the sources of finance required to fund the closing GFA, the Commission has reduced the GFA by the CCG available with the Petitioner.

6.46 For funding of the above mentioned GFA, the Commission has considered the normative debt-equity ratio of 70:30 as provided in Distribution Tariff Regulations, 2020. Moreover, consumer contribution grants and subsidies for capital assets are first netted off from gross fixed assets and



the normative debt-equity ratio is applied on the remaining gross fixed assets only.

6.47 In line with the aforesaid discussion, the Commission approves the admissible GFA, CCG, debt-equity as given below:

**Table 77: Source of funding of GFA (Rs. Crore) as approved by the Commission.**

Particulars	Approved
CCG towards CWIP	165.70
CCG towards GFA	13016.14
Opening GFA (less CCG)	9380.77
GFA Addition (less CCG)	-129.94
Closing GFA less CCG	9250.83
Accumulated Depreciation	7064.45
Acc. Dep. towards GFA	2847.47
<b>Normative Loan (Closing)</b>	<b>3628.11</b>
<b>Normative Equity (Closing)</b>	<b>2775.25</b>

## Operation and Maintenance Expenses

### *Petitioner's Submission*

6.48 The Petitioner has submitted that the Operation and Maintenance Expenses (O&M expenses) comprises of Employee Expenses, Repair & Maintenance Expenses and Administrative & General Expenses.

6.49 The Petitioner has calculated the employee cost for FY 2024-25 by escalating the employee cost of FY 2023-24 as submitted above in Chapter for audited True-Up for FY 2023-24 by the inflation factor of 2.41% and the methodology provided under **Clause 10.6 (b) and (c)** of JSERC MYT Regulations, 2020. For terminal benefits, Rs 83.94 Cr is provisioned for the FY 2024-25.

**Table 78: Employee cost (Rs Crore) as submitted by the Petitioner.**

Particulars	ARR	Petition
Employee Expenses	273.78	273.74
Terminal Expenses	0	84.28
<b>Total Employee Expenses</b>	<b>273.78</b>	<b>358.02</b>

6.50 In line with the Clause 10.6 (b) and (c) of JSERC MYT Regulations 2020, the A&G expenses for FY 2024-25 has been calculated by escalating A&G expense of FY 2023-24 by inflation factor of 2.41%.

**Table 79: A&G Expense (Rs Crore) as submitted by the Petitioner.**

Particulars	ARR	Petition
A&G Expenses	123.93	186.84

6.51 In line with the Regulation 10.6 (a) of JSERC MYT Regulations 2020, the R&M expenses for FY 2024-25 have been estimated by applying K-factor of 1.60% computed based on audited account data of FY 2023-24. Further the Petitioner has considered Indexation Factor of 2.41% as per Regulation 10.6 (a) of JSERC MYT Regulations 2020 for projecting Repair & Maintenance Expenditure in next Control Period.

**Table 80: R&M Expenses (Rs Crore) as submitted by the Petitioner**

Particulars	ARR	Petition
R&M Expenses	319.49	357.34

### **Commission Analysis**

6.52 The Commission has outlined **clause 10.3 to clause 10.7** of JSERC Distribution Tariff Regulations, 2020 in earlier chapter for the approval of operation and maintenance expense.

6.53 Based on the above, the Commission had calculated the inflation factor as 5.84% for FY 2024-25.

6.54 Further, the Commission observed that the Petitioner has submitted the Growth factor as (0%). Hence, based on the regulation as mentioned in the earlier chapter of this order the Commission has considered the

growth factor as nil for Computation of employee expenses.

- 6.55 Based on the facts & circumstances of the petition, the Commission approves the normative employee expenses for FY 2023-24 by taking the actual value of inflation factor (5.84%) and growth factor (0%).

**Table 81: Normative Employee Expenses (Rs Crore) as approved by the Commission**

Particulars	UoM	Approved
Employee Cost of Previous Year	Rs. Cr.	251.36
Inflation Factor	%	5.84%
Growth Factor	%	-
<b>Normative Employee Expenses</b>	<b>Rs. Cr.</b>	<b>266.03</b>

- 6.56 The Commission approves the normative A&G Expenses for FY 2024-25, based on the approved normative A&G Expenses for FY 2023-24 and actual inflation factor as 5.84%.

**Table 82: Normative A&G Expenses (Rs Crore) as approved by the Commission.**

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	182.45
Inflation Factor	%	5.84%
<b>Normative A&amp;G Expenses</b>	<b>Rs. Cr.</b>	<b>120.42</b>

- 6.57 For the purpose of estimating the normative R&M Expenses, the Commission has taken the approved opening value of Gross Fixed Assets for FY 2024-25 and by multiplying the 'k' factor of 1.22% as approved in the MYT Order dated May 31, 2023 and inflation factor of 5.84%.

**Table 83: Normative R&M Expenses (Rs Crore) as approved by the Commission.**

Particulars	UoM	Approved
GFA	Rs. Cr.	22396.91
K-Factor	%	1.22%
Inflation Factor	%	5.84%
<b>Normative R&amp;M Expense</b>	<b>Rs. Cr.</b>	<b>342.77</b>

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

- 6.58 In accordance with **clause 10.6 (note 3)** the Commission disapproves the terminal liabilities for FY 2024-25, subject to prudent check at the time of True-up.
- 6.59 Based on the above discussion, the Commission approves the normative operational and maintenance expense as given below.

**Table 84: Normative O&M Expenses (Rs Crore) as approved by the Commission.**

Particulars	Approved
Normative Employee Expense	266.03
Terminal Liabilities	0.00
Normative A&G Expenses	120.42
Normative R&M Expenses	342.77
<b>Net Normative Operation &amp; Maintenance Expenses</b>	<b>729.23</b>

## Depreciation

### Petitioner's Submission

- 6.60 The Petitioner has estimated the Depreciation for FY 2024-25 in line with the approach adopted in audited true-up for FY 2023-24.
- 6.61 The Petitioner has first arrived at the opening and closing GFA, created out of D&E, by deducting the CC&G portion deployed towards opening and closing GFA. The Petitioner has calculated the same depreciation rate (4.38%) as of FY 2023-24 for projection as per Regulation 10.39 of JSERC Distribution Tariff Regulations, 2020 to arrive at the total depreciation. Regulation 10.39 of JSERC Distribution Tariff Regulations, 2020 states that

*“10.39 The Commission may, in the absence of the Fixed Assets Register, calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest available Audited Accounts of the Distribution Licensee. The Depreciation (%) so arrived shall be multiplied by the Average GFA*

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

*approved by the Commission for the relevant Financial Year to arrive at the Depreciation for that Financial Year.”*

6.62 The depreciation claimed by the Petitioner is tabulated as follows:

**Table 85: Depreciation (Rs. Crore) as submitted by the Petitioner**

Particulars	ARR	Petition
Opening GFA (Less CCG) (Rs. Cr.)	11748.33	9919.13
Closing GFA (Less CCG) (Rs. Cr.)	12042.30	11,575.85
Average GFA excluding Consumer Contributions and Grants (Rs. Cr.)	11895.32	10,747.49
Depreciation Rate (%)	4.32%	4.38%
<b>Depreciation Cost (Rs. Cr.)</b>	<b>513.93</b>	<b>471.28</b>

**Commission Analysis**

6.63 In accordance with **clause 10.34 to clause 10.40** of Distribution Tariff Regulations, 2020, depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Excluding the consumer contribution deployed towards GFA as approved in this Order, the Commission has determined the depreciation on the GFA created out of debt and equity for FY 2024-25. The rate of depreciation has been considered at 4.38%. The Commission has calculated the Depreciation on average GFA (less Average CCG) as per the Distribution Tariff Regulations, 2020. Accordingly, the Commission approves the depreciation for FY 2024-25 as summarized below.

**Table 86: Depreciation (Rs Crore) as approved by the Commission.**

Particulars	Approved
Opening GFA (Less CCG) (Rs. Cr.)	9380.77
Closing GFA (Less CCG) (Rs. Cr.)	9250.83
Average GFA excluding CCG (Rs. Cr.)	9315.80
Depreciation Rate (%)	4.38%
<b>Depreciation Cost (Rs. Cr.)</b>	<b>408.50</b>

## **Interest on Loan**

### **Petitioner's Submission**

- 6.64 The opening debt for FY 2024-25 has been considered equal to closing value of FY 2023-24 as submitted above in chapter regarding audited True-up for FY 2023-24.
- 6.65 Closing debt for FY 2024-25 has been calculated in line with the Regulation 10.22 of the JSERC Tariff Regulations, 2020.
- 6.66 As per the Regulation 10.23 of the JSERC Tariff Regulations, 2020 repayment of loan for FY 2024-25 has been considered equal to Depreciation as calculated above.
- 6.67 Further, the rate of interest on long-term loan has been considered as per the JSERC Distribution Tariff Regulations, 2020. Clause no 10.26 of the JSERC Distribution Tariff Regulations, 2020 states that

*“10.26 The rate of interest shall be the weighted average rate of interest calculated on basis of the actual loan portfolio at the beginning of each year applicable to the Licensee: Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to the Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points”*

- 6.68 Further, the rate of interest on long-term loan, has been considered as weighted average rate of interest of the actual loan portfolio for the FY 2024-25 (Annexure-3 of main petition) based on the loan portfolio at the start of the FY 2024-25. Interest on long term loan is provided in the Table below:

**Table 87: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner.**

<b>Particulars</b>	<b>ARR</b>	<b>Petition</b>
Opening Balance	4971.67	3,736.37
Deemed Addition during the year	588.02	1,187.18

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	ARR	Petition
Deemed Repayments during the year	513.93	471.28
Closing Balance	5045.75	4,452.27
Average balance during the Year	5008.71	4,094.32
Interest Rate	10.50%	11.97%
<b>Interest on Loan</b>	<b>525.91</b>	<b>490.03</b>
<b>Bank Charge</b>		<b>2.38</b>

**Commission's Analysis**

- 6.69 The Commission has outlined '**clause 10.16, clause 10.17, clause 10.21 to clause 10.29**' of JSERC Distribution Tariff Regulations 2020 earlier in this order for the approval of interest on loan and finance charge.
- 6.70 In accordance with '**clause 10.16 and clause 10.17**' as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.
- 6.71 In accordance with '**clause 10.23**' as mentioned above, the Commission approves the debt repayment equal to depreciation for the same financial year. The Commission also observes that the Petitioner has claimed a Bank Charge of Rs. 2.38 Cr. which has been negated by the Commission in the current order.
- 6.72 The Commission has observed that the Petitioner has considered the interest rate of loan as 11.97% based on its actual loan portfolio. However, the Commission in line with clause 10.26 (proviso) of JSERC Determination of Distribution Tariff Regulations 2020 approves the interest rate as 10.50% (Base rate of SBI as applicable on April 1st of FY 2024-25 plus 200 basis points) in accordance with '**clause 10.26 (proviso)**' as mentioned above.
- 6.73 In accordance with '**clause 10.28**' as mentioned above, the Commission

has excluded interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee as given below:

**Table 88: Interest on Loan (in Rs Crore) and Bank & Finance Charge (Rs. Crore) as approved by the Commission.**

Particulars	ARR	Petition	Approved
Opening Balance	4971.67	3736.37	3778.74
Deemed Addition during the year	588.02	1187.18	257.86
Deemed Repayments during the year	513.93	471.28	408.50
Closing Balance	5045.75	4452.27	3628.11
Average balance during the Year	5008.71	4094.32	3703.43
Interest Rate	10.50%	11.97%	10.50%
<b>Interest Expense</b>	<b>525.91</b>	<b>490.03</b>	<b>388.86</b>

## Interest on Consumer Security Deposits

### Petitioner's Submission

- 6.74 The Petitioner has taken into consideration the consumer security deposit amounting to Rs. 1202.04 Cr,
- 6.75 Further, the applicable interest rate as per JSERC Supply Code Regulations, 2020 has been applied to estimate the Interest on consumer deposit for FY 2023-24. The interest rate considered is the SBI Base Rate prevailing (8.00%) as claimed in the MYT petition. Interest on Consumer Security Deposit computed for FY 2024-25 is as under:

**Table 89: Interest on CSD (Rs Crore) as submitted by the Petitioner.**

Particulars	Petition
Opening IoCSD	1202.04
Interest Rate	8%
<b>Interest on CSD</b>	<b>96.16</b>

### Commission's Analysis



- 6.76 The Commission has outlined the '**clause 10.33**' of JSERC Distribution Tariff Regulations 2020 earlier in this order for approval of interest on consumer security deposit.
- 6.77 The Commission has observed that the Petitioner in the instant petition has claimed interest on Consumer Security Deposit to the tune of Rs 96.16 crore.
- 6.78 In view of the aforesaid, reliance is placed on the actual security deposit paid by the Petitioner during the FY 2023-24. From the Audited Accounts of FY 2023-24, it could be observed that Petitioner is not discharging Interest on Consumer Security Deposit to the consumers. The Interest on Consumer Security Deposit balance is provided at '**Note 16**' of the Audited Financial Statements. The interest payable on Consumer Security Deposit as on 31.03.2024 is Rs. 622.88 Crores and that as on 31.03.2023 is Rs. 540.58 Crores. Further, the addition to Interest accrued on Security Deposit during the FY 2023-24 is Rs. 108.08 Crores (ref '**Note 29**' of the Audited Accounts). Accordingly, the Commission has considered the interest on security deposit for FY 2024-25 equal to FY 2023-24 as shown below:

**Table 90: Interest on CSD (Rs. Crore) as approved by the Commission**

Particulars	Approved
Opening value of interest on Consumer Security Deposit	540.58
Interest on Consumer Security Deposit Addition	108.08
Closing value of interest on Consumer Security Deposit	622.88
<b>Interest on Consumer Security Deposit</b>	<b>25.78</b>

## **Return on Equity**

### **Petitioner's Submission**

- 6.79 The Petitioner has considered the opening balance of normative equity for FY 2024-25 as per the closing balance for the FY 2023-24 as submitted above in chapter regarding True-up for FY 2023-24.

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

6.80 Closing equity for FY 2024-25 has been calculated using normative debt equity ratio (70:30) as per the provisions of Regulation 10.16 of JSERC Distribution Tariff Regulations, 2020.

6.81 Further, the rate of Return on Equity (RoE) is considered to be 14.50% as per the provisions of Regulation 10.19 of JSERC Distribution Tariff Regulations, 2020 as per the table below.

**Table 91: Return on Equity (Rs Crore) as submitted by the Petitioner.**

Particulars	ARR	Petition
Opening Equity (Normative)	3524.50	2,975.74
Equity Addition (Normative)	88.19	497.02
Closing Equity (Normative)	3612.69	3,472.75
Average Equity	3568.60	3,224.25
Rate of Return	14.50%	14.50%
<b>Return on Equity</b>	<b>517.45</b>	<b>467.52</b>

**Commission's Analysis**

6.82 On consideration of the Distribution Tariff Regulations, 2020, the Commission approves Opening Equity base for FY 2024-25 as the Closing Equity base of FY 2023-24. Further, the Commission approves normative Equity addition during the financial years as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.

6.83 In accordance with '**clause 10.19**' of the Distribution Tariff Regulations, 2020, the Commission approves the rate of return of 14.50% on equity.

**Table 92: Return on Equity (Rs Crore) as approved by the Commission.**

Particulars	ARR	Petition	Approved
Opening Equity (Normative)	3524.50	2975.74	2814.23
Equity Addition	88.19	497.02	-38.98
Closing Equity (Normative)	3612.69	3472.75	2775.25
Average Equity	3568.60	3224.25	2794.74

Particulars	ARR	Petition	Approved
Rate of Return	14.50%	14.50%	14.50%
<b>Return on Equity</b>	<b>517.45</b>	<b>467.52</b>	<b>405.24</b>

## Interest on Working Capital

### *Petitioner's Submission*

- 6.84 The Petitioner has estimated the working capital requirement for FY 2024-25 in line with the Regulation 10.29 and 10.30 of the JSERC Tariff Regulations, 2020. However, the Petitioner has requests the Commission to have provisions for Fuel and Power Purchase Cost Adjustment (FPPCA) and power purchase in future regulations so that the liquidity fund management issue of the Petitioner can be addressed fairly. The details of the same has been highlighted in the true up petition.
- 6.85 For the FY 2024-25, rate of IoWC has been considered to be equal to the SBI MCLR (for 1-year period) prevailing as on 1 April, 2024 plus 350 Basis Points as per Regulation 10.31 of the JSERC Distribution Tariff Regulations, 2020 as per the table below.

**Table 93: Interest on Working Capital (Rs Crore) as submitted by the Petitioner.**

Particulars	ARR	Petition
Maintenance Spares (@1% GFA)	117.48	223.97
2 months' Receivables	1346.06	1,734.31
Less: 1 month Power Purchase Cost	522.33	672.71
Less: Consumer Security Deposit	707.83	1,202.04
<b>Total Working Capital requirement</b>	<b>233.38</b>	<b>83.53</b>
Interest rate on WC	12.00%	11.70%
<b>Interest on Working Capital</b>	<b>28.01</b>	<b>9.77</b>

### *Commission's Analysis*

- 6.86 The Commission has outlined the '**clause 10.31 & clause 10.32**' of JSERC Distribution Tariff Regulations 2020 for the approval of Interest

on Working Capital as reproduced below.

*“10.31 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:*

- a) Maintenance spares at 1% of Opening GFA for Retail Supply Business; plus*
- b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus*
- c) Amount held as security deposits under Clause (a) and Clause (b) of sub-section (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for Wheeling Business; minus*
- d) One-month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.*

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

6.87 Based on the above excerpt, the Commission has computed the interest on working capital for FY 2024-25 as summarized below:

**Table 94: Interest on Working Capital (in Rs. Crore) as approved by the Commission.**

<b>Particulars</b>	<b>Approved</b>
Maintenance Spares (@1% GFA)	93.81
2 months' Receivables	1330.22
Less: 1 month Power Purchase Cost	544.61

Particulars	Approved
Less: Consumer Security Deposit	1144.80
Total Working Capital requirement	-265.39
Interest rate on WC	12.00%
Interest on Working Capital	<b>-31.85</b>

6.88 Further, based on the details for working capital as mentioned in the true-up chapter of this order, the Commission is considering **Nil** interest on working capital for FY 2024-25, subject to final values at the time of true up.

## **Non-Tariff Income (NTI)**

### ***Petitioner's Submission***

6.89 The Non-Tariff Income (Other Income) of JBVNL for FY 2024-25 has been calculated taking the factors considered for NTI as per distribution tariff regulations 2020.

6.90 It is also pertinent to note that receipt from consumer for capital works should not be included as part of NTI as this an expense towards asset creation and already amortized in GFA on which depreciation is calculated. For accounting purpose, this has been shown in other income in audited account for balancing purpose only. Considering this as part of NTI would result in double accounting. Hence, it is requested to exclude it from the NTI.

6.91 Also, in accordance with the regulations issued by other SERCs and model regulations by the FOR, DPS income from consumers should not be a part of the NTI for DISCOMS and LPS paid to Gencos/Transcos is recognized as an expense in the ARR which is not the case in Jharkhand. Hence, it is requested to treat these parameters accordingly. Rebate on power purchase is considered a part of power procurement cost and hence, not considered in NTI. Also, JBVNL do not foresee any interest on advance to supplier or contractor, hence not included any income

towards this as part of NTI.

**Table 95: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.**

Particulars	ARR	Petition
Interest Income from Investment in Fixed Deposits	10.29	53.44
Interest from Bank (Other than FD)	5.53	24.44
Supervision Charges	5.39	7.84
Miscellaneous Receipt	10.25	16.22
Transformer Rent	6.57	6.18
DPS from consumer	465.64	-
Interest on advance to Supplier/Contractor	0.07	-
Rebate on power purchase	23.08	-
Receipt from Consumers for capital works	14.99	-
Total	544	108.12
<b>Net NTI to be considered</b>	<b>544</b>	<b>108.12</b>

### **Commission's Analysis**

- 6.92 The Commission has outlined the 'clause 10.53 & clause 10.54' of JSERC Distribution Tariff Regulations 2020 earlier in true-up chapter for the approval of Non-Tariff Income.
- 6.93 Based on the above, the Commission has observed that the Petitioner's approach for excluding Delayed payment surcharge and rebate on power purchase from NTI is inappropriate and non-maintainable.
- 6.94 Further, the Commission does not consider the revenue from sale of wheeling charge/ fuel surcharge/outside sale under Non-Tariff Income as the same has already been disallowed in the power purchase part of this order.
- 6.95 Accordingly, on prudent check the Commission approves the NTI as per above outlined regulation as shown below.

**Table 96: Non-Tariff Income (Rs Crore) as approved by the Commission**

Particulars	Approved
Interest Income from Investment in Fixed Deposits	53.44
D.P.S from Consumer	403.52
Interest from Bank (Other than FD)	24.44
Supervision Charges	7.84
Miscellaneous Receipt	16.22
Transformer Rent	6.18
Total NTI	511.64
<b>Net NTI to be considered</b>	<b>511.64</b>

6.96 This is to be noted that the Commission has considered the value of ‘D.P.S from Consumer’ for FY 2024-25 as per the audited account (**note 25**) of FY 2023-24, subject to true up.

## **Disallowances on account of Excessive AT&C Losses**

### **Petitioner Submission**

6.97 The Petitioner would like to further reiterate that several administrative measures has been undertaken to curb the AT&C losses along with the technical measures such as smart meter implementation, focusing on billing efficiency and collection efficiency improvement. It is submitted that the Commission has approved 99% collection efficiency for FY 2024-25, which is on extremely higher side and even the most efficient State utilities in the country are not able to achieve it.

6.98 In order to reduce the losses JBVNL has implemented Feeder Metering and is in the process of ensuring complete metering of DTs and convert ~18.43 lacs smart meter prepaid Consumers to enable energy auditing through different central and state funded schemes. Further, Petitioner is also taking other measures like Name and Shame Campaign, preparation of MIS for performance monitoring and management, Feeder Improvement Program for network strengthening, Physical segregation of feeders, Installation of AMR meters, providing electricity access to

unconnected households, Implementation of ERP systems, Installation of AB Cables, Feeder Segregation, Revenue Intelligence Cell Formation, etc. Moreover, to enhance the collection efficiency, consumers are facilitated with multiple collection avenues such as Mobile App (JBVNL Consumer self-care), online bill payment through JBVNL website, BBPS, E-wallet (through UM), ATP machines etc.

- 6.99 Further, JBVNL has migrated to a centralized Android based mobile photo spot billing (with collection facility) platform, having complete control over consumer billing database. In order to ensure 100% billing coverage, certain number of consumers have been assigned to each Urja Mitra, that also acts as a JBVNL Touch-point for billing, collection and various other consumer services. In cases where the performance of Billing agency is not up to the benchmark, JBVNL General Manager (Revenue) is empowered to depute new billing agencies from Empaneled Billing vender. The centralized billing database and software tool has dedicated dashboards for JBVNL, agencies and UMs, for real-time progress and performance monitoring and enhancing billing and collection. To improve the billing coverage, JBVNL has recently introduced for a system for Urja Mitras where there is system of awards and penalties for best and worst performing Urja Mitras.
- 6.100 The Petitioner is prone to difficulties of T&D losses and collection inefficiencies due to difficult terrains and large rural consumers with limited paying capacity, in overall consumer mix. Further, under Universal Supply Obligation (USO), the Petitioner is obliged to provide quality power without any interruption or reduction in power supply in areas with poor collection efficiencies. Also, the line lengths of 11kV feeders are more as compared to 33kV lines resulting higher line loss in the system.
- 6.101 However, the Petitioner is committed to align its AT&C loss target with the RDSS trajectory approved from the Ministry of power and is progressing towards implementation of various schemes under RDSS.



### **Commission Analysis**

- 6.102 The Commission is of the view that it had already set targets for the Collection efficiency in Section “**Targets for Distribution Losses and Collection Efficiency**” of the Distribution Tariff Regulations, 2020 and as such the submission of the Petitioner regarding sudden change seems to be out of order. The Commission thus directs the Petitioner to abide by the targets set by the Commission and any provision for lower collection efficiency will not be allowed.
- 6.103 Accordingly, the additional power purchase cost incurred due to higher Distribution losses, beyond the targeted level, has been disallowed and is treated as ‘**Disincentive for non-achievement of Distribution loss targets**’ for FY 2024-25.
- 6.104 Based on above excerpt, the Commission, recognizing its responsibility to ensure fair and efficient energy pricing, has incorporated the power purchase costs for must-run power plants into tariffs. Nonetheless, in exercising judicious scrutiny, the Commission has prudently intervened to disallow excessive energy sale, corresponding power purchase costs associated specifically with thermal power plants exhibiting high ECR (Energy Charge Rate) and respective transmission charge on pro-rated basis. Additionally, the Commission also disallows the corresponding transmission charge on pro-rata basis as tabulated below:

**Table 97: Disallowance Distribution Loss (Rs Crore) as approved by the Commission**

<b>Generating Station</b>	<b>Annotation</b>	<b>Total Unit disallow (MU)</b>	<b>Rate (in Rs)</b>	<b>Disallow Cost</b>
Farrakka III	A	325.34	5.13	166.91
Barh I	B	393.69	5.69	223.92
Barh II	C	127.55	5.34	68.07
Kanti Power	D	119.91	5.32	63.76
<b>Total</b>	<b>E=(A+B+C+D)</b>	<b>966.49</b>		<b>522.66</b>

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Generating Station	Annotation	Total Unit disallow (MU)	Rate (in Rs)	Disallow Cost
KTPS (OA)	F	1563.94	5.15	805.81
Standby Power	G	84.66	6.29	53.26
<b>Total</b>	<b>H=F+G</b>	<b>1648.60</b>		<b>859.06</b>
<b>Net total Disallow</b>	<b>I=H+E</b>	<b>2615.09</b>		<b>1381.72</b>

## Revenue

### Petitioner's Submission

6.105 The Petitioner has estimated the revenue from sale of Power to be Rs. 8922.08 Crore for FY 2024-25 towards electricity sales.

### Commission's Analysis

6.106 The Commission has provisionally approved the Revenue from sale of power as per the Petitioner's submission, subject to actual values at the time of true up.

**Table 98: Revenue (Rs Crore) as approved by the Commission.**

Particulars	Petition	Approved
Revenue	8,922.08	8,922.08

## Summary of Annual Revenue Requirement and Gap/(Surplus)

### Petitioner's Submission

6.107 Based on the components of the ARR discussed in the above part, the final ARR submitted by the Petitioner for FY 2024-25 is as below:

**Table 99: Summary of ARR (Rs. Crore) as submitted by the Petitioner**

Particulars	APR	Petition
<b>Total Power Purchase Expense</b>	<b>6,774.34</b>	<b>8,072.51</b>
<i>Power Purchase Expense</i>	<i>6,098.84</i>	<i>7,513.95</i>

**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

Particulars	APR	Petition
<i>Intrastate transmission charges</i>	358.82	0.00
<i>Interstate transmission Charge</i>	316.68	558.56
<b>Operations and Maintenance Expenses</b>	<b>698.77</b>	<b>902.20</b>
<i>Employee Expense</i>	280.98	273.74
<i>Administration &amp; General Expense</i>	107.13	186.84
<i>Repair &amp; Maintenance Expense</i>	310.66	357.34
<i>Terminal Liability</i>		84.28
Depreciation	553.94	471.28
Interest on Long Term Loan	559.61	490.03
Interest on Working Capital Loan	32.10	9.77
Interest on Consumer Security Deposit	57.23	96.16
Bank/ Finance Charges		2.38
Return on Equity Capital	573.24	467.52
<b>Total Expenditure</b>	<b>9,249.23</b>	<b>10,513.95</b>
<i>Less: Non-Tariff Income</i>	544.00	108.12
<b>Net: Aggregate Revenue Requirement</b>	<b>8,705.23</b>	<b>10,405.84</b>
<b>Annual Revenue Requirement</b>		<b>10,405.84</b>
<i>Total Revenue</i>		8,922.08
<b>Net Gap/(Surplus)</b>		<b>1,483.76</b>

**Commission's Analysis**

6.108 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2025-26 which is summarized below.

**Table 100: Summary of ARR (Rs Crore) as approved by the Commission.**

Particulars	Petition	Approved
<b>Total Power Purchase Expense</b>	<b>8072.51</b>	<b>6535.34</b>
<i>Power Purchase Expense</i>	7513.95	6976.47
<i>Less: Disallowance due to excess Distribution Loss</i>		1381.72



**True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26**

<b>Particulars</b>	<b>Petition</b>	<b>Approved</b>
<i>Intrastate transmission charges</i>	0.00	558.56
<i>Interstate transmission Charge</i>	558.56	382.02
<b>Operations and Maintenance Expenses</b>	<b>902.20</b>	<b>729.23</b>
<i>Employee Expense</i>	273.74	266.03
<i>Terminal Liability</i>	84.28	0.00
<i>Administration &amp; General Expense</i>	186.84	120.42
<i>Repair &amp; Maintenance Expense</i>	357.34	342.77
Depreciation	471.28	408.50
Return on Equity	467.52	405.24
Interest on Long Term Loan	490.03	388.86
Interest on Consumer Security Deposit	96.16	25.78
Interest on Working Capital Loan	9.77	0.00
Bank & Finance Charge	2.38	-
<b>Total Expenses</b>	<b>10513.95</b>	<b>8492.94</b>
<i>Less: Non-Tariff Income</i>	108.12	511.64
Add: Provision for Doubtful Debt		
ARR after NTI	<b>10405.84</b>	<b>7981.30</b>
Less Penalties		0.00
<b>ARR Recoverable</b>	<b>10405.84</b>	<b>7981.30</b>
Revenue from Sales of power at existing tariff	8922.08	8922.08
<b>Gap/(Surplus) at Existing Tariff</b>	<b>1483.76</b>	<b>(940.78)</b>

6.109 The Commission has approved the treatment of the Gap/(Surplus) at existing tariff in **Chapter 8** of this Order.



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## **Chapter 7: AGGREGATE REVENUE REQUIREMENT & TARIFF FOR FY 2025-26**

7.1 The Petitioner has submitted the Aggregate Revenue Requirement and Tariff for FY 2025-26 as per clause A24 of JSERC (Term and Condition for Determination of Distribution Tariff) Regulation, 2020.

### **Consumer Number, Connected Load, Energy Sales**

#### ***Petitioner Submission***

7.2 The Petitioner while projecting the billing determinants (number of consumers, load and energy sales) for FY 2025-26, in its Petition has considered appropriate growth rates for different categories and sub-categories, considering FY 2025-26 to be a normal 'business as usual' year and the trend available for FY 2025-26.

7.3 The Petitioner has submitted to consider the billing determinants for FY 2025-26 as per estimations submitted in this Petition, which have been arrived at by considering the actual data of FY 2023-24 and 6 month estimates for FY 2024-25.

7.4 The category wise number of consumers connected load and Energy sales projected for FY 2025-26 is done based on the estimate percentage growth rate. JBVNL has considered a nominal growth rate of 3% for Domestic Rural Consumers for the FY 2025-26 over FY 2024-25. Similarly, a growth rate of 12% of consumers are expected for the urban domestic consumers analyzing the increasing trend of data for urban consumers based on the pattern of urbanization in the state. Domestic HT consumers are expected to grow at a rate of 5% over the previous year.

7.5 For projecting the Commercial consumers for the FY 2025-26, a nominal growth rate of 10 % is applied to the rural commercial consumers and for urban commercial category, a growth rate of 15% is applied based on their incremental trend as observed for the initial 5 months of FY24-25.

7.6 For projecting the industrial consumers for the FY 2025-26, a growth rate

of 2% has been computed for LT consumers whereas, for HT consumers a growth rate of 10% has been applied on the number of consumers during FY 2025-26 over the last year.

- 7.7 In order to arrive at the number of agricultural Consumers at the end of FY 2025-26, JBVNL has considered a nominal growth of 10% in the number of Consumers in FY 2025-26.
- 7.8 MES- MES stands for Military Engineering Services (MES) and is having mixed load in defense cantonment and related area. JBVNL has assumed the same number of Consumers for FY 2025-26 as of FY 2024-25.
- 7.9 Railways – 2 numbers of Railway traction consumers have been considered for the FY 2025-26.
- 7.10 On the basis of the above excerpt, the Petitioner has submitted the Category-wise billing determinants for FY 2025-26 as shown in the Table below:

**Table 101: Consumer Number, Connected Load, Energy Sales as submitted by the Petitioner.**

<b>Consumer Category</b>	<b>Consumer (No.)</b>	<b>Connected Load (kW)</b>	<b>Sales (MUs)</b>
Domestic	50,80,569	61,15,965	6,991.59
Commercial/Non Domestic	4,79,881	12,11,425	2,022.83
Public Lighting / SS	803	17,008	111.74
Irrigation / IAS	1,21,675	2,28,973	149.63
Industrial LT / LTIS	20,550	5,86,401	416.09
Industrial HT / HTS / S/ EHT	2,798	12,89,783	3,307.68
RTS/MES	9	57,645	64.29
<b>Total</b>	<b>57,06,285</b>	<b>94,90,193</b>	<b>13,063.86</b>

### **Commission Analysis**

- 7.11 On scrutinizing the information submitted by the Petitioner and after performing a prudent check, the Commission is of the view that the Petitioner has projected significant increase in the aforesaid parameter

as compared to true-up value of FY 2023-24.

- 7.12 As part of proposed Tariff, the Petitioner had asked for Category, namely, Commercial HT (NDS HT). The Commission enquired regarding the number of consumer, connected load and expected consumption of the said category as part of data gap. However, since the Petitioner did not submit the same, the category has not been included in the tariff in this instant order. The Petitioner is directed to submit proper proposal with number of consumer, connected load and expected consumption projected for next control period.
- 7.13 Hence, the Commission at this stage has considered the projection as made by the Petitioner, and approves the number of Consumers, Connected Load and Energy sales, subject to prudent check at the time of truing up based on actuals.

**Table 102: Energy Sales as submitted by the Petitioner and approved by the Commission.**

Consumer Category	MYT	Petition	Approved
Domestic	57,41,478	50,80,569	50,80,569
Commercial/Non Domestic	4,27,794	4,79,881	4,79,881
Public Lighting / SS	664	803	803
Irrigation / IAS	90,887	1,21,675	1,21,675
Industrial LT / LTIS	26,232	20,550	20,550
Industrial HT / HTS / S/ EHT	2,386	2,798	2,798
RTS/MES		9	9
<b>Total</b>	<b>62,89,441</b>	<b>57,06,285</b>	<b>57,06,285</b>

**Table 103: Connected Load (kVA) as submitted by the Petitioner and approved by the Commission.**

Consumer Category	MYT	Petition	Approved
Domestic	61,07,743	61,15,965	61,15,965
Commercial/Non Domestic	9,54,578	12,11,425	12,11,425
Public Lighting / SS	28,165	17,008	17,008
Irrigation / IAS	80,657	2,28,973	2,28,973
Industrial LT / LTIS	4,83,907	5,86,401	5,86,401



Consumer Category	MYT	Petition	Approved
Industrial HT / HTS / S/ EHT	12,93,109	12,89,783	12,89,783
RTS/MES		57,645	57,645
<b>Total</b>	<b>89,48,159</b>	<b>94,90,192</b>	<b>95,07,200</b>

**Table 104: Number of Consumer as submitted by the Petitioner and approved by the Commission**

Consumer Category	MYT	Petition	Approved
Domestic	8,364.92	6,991.59	6,991.59
Commercial/Non Domestic	1,372.10	2,022.83	2,022.83
Public Lighting / SS	81.42	111.74	111.74
Irrigation / IAS	331.64	149.63	149.63
Industrial LT / LTIS	279.89	416.09	416.09
Industrial HT / HTS / S/ EHT	2,478.47	3,307.68	3,307.68
RTS/MES		64.29	64.29
<b>Total</b>	<b>12,908.44</b>	<b>13,063.86</b>	<b>13,063.85</b>

## Energy Balance

### *Petitioner's Submission*

7.14 The Petitioner has submitted that the Power Purchase from various sources are segregated into different heads, while calculating the energy balance for FY 2025-26.

- Power Purchase from Outside JBVNL Boundary- i.e. Power NTPC, NHPC, PTC, APNRL, part of TVNL, SECI and RE (Wind);
- Energy Input Directly to State Transmission System- Input of power from TVNL-PTPS directly to State Transmission System;
- State Generation- SHPS, Inland Power, and PTPS;
- Direct Input of Energy to Distribution System- DVC and Solar IPPs;
- Energy Input through Renewables sources- Input from Solar IPPs



selected through JREDA.

7.15 The Petitioner has considered the Inter-State Transmission Losses at 3% of all power purchase from external sources considering Point of Connection (PoC) withdrawal losses for Jharkhand and PoC injection losses of various power plants with which it has PPA. Thereafter, the Petitioner has considered the Intra-State Transmission Loss @6.41% for JUSNL system and @ 5.33% for DVC system based on actual intra state transmission losses for FY 2023-24. It may be seen that Intra-State Transmission Losses of JUSNL is at a very high level and the Petitioner has appraised the Commission regarding this.

7.16 Based on the information provided above, Energy Balance of JBVNL for FY 2025-26 as summarized below:

**Table 105: Energy Balance (in MUs) as submitted by the Petitioner.**

Particulars	MYT	Petition
Power Purchase from Outside JBVNL Boundary (MU)	5,680.15	10,506.73
Loss in External System (%)	3.00%	3.00%
Loss in External System (MU)	170.40	315.20
Net Outside Power Available (MU)	5,509.75	10,191.53
Energy Input Directly to State Transmission System (MU)	0.00	390.87
State-owned Generation (MU)	8,421.43	2,007.63
Energy Available for Onward Transmission (MU)	13,931.17	12,590.02
Transmission Loss (%)	2.23%	6.41%
Transmission Loss (MU)	310.67	807.64
Net Energy Sent to Distribution System (MU)	13,620.51	11,782.39
Energy Schedule from DVC to Distribution System (MU)		4,552.26
Transmission Loss at DVC System (%)		5.33%
Transmission Loss in System (MUs)		242.54
Direct Input of Energy to Distribution System (MU)	1,216.79	4,309.72
Direct Input Energy from State Solar System (MUs)		21.85



Particulars	MYT	Petition
<b>Total Energy Available for Sales (MU)</b>	<b>14,837.30</b>	<b>16,113.95</b>
<b>Total energy sold (MU)</b>	<b>14,837.30</b>	<b>13,052.30</b>
<b>Distribution loss%</b>	<b>13.00%</b>	<b>19.00%</b>
<b>Energy Required for distribution (MU)</b>	<b>17054.37</b>	<b>16113.95</b>

### **Commission's Analysis**

- 7.17 It is observed that the loss levels recorded by DISCOM are extremely poor and needs severe overhauling. Such dilapidated network is leading to the drain of the material and economic resources of the nation, which is a cause of worry.
- 7.18 Factually, since the Distribution Losses and Collection efficiency are a critical operational parameter of the DISCOM, SERCs across the states have provided for the same as a controllable parameter for the DISCOMs. Likewise, the Commission under 'clause 6.44' of the Distribution Tariff Regulations 2020 provides the Distribution Loss and Collection Efficiency being a Controllable parameter.
- 7.19 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Commission has approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.
- 7.20 Subsequently, the Commission vide Order dated May 31, 2023 has approved the Distribution loss trajectory for each year of the Control period FY 2021-22 to FY 2025-26. The relevant extracts of the MYT Order are reproduced below:

*"7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for*

*each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty”.*

- 7.21 In view of the aforesaid, it is submitted that not abiding by the trajectory defined by the Commission and factoring into consideration the deviation in the retail ARR by the Licensee is disdainful.
- 7.22 It is observed that the Intra-State Transmission Losses @6.41% for JUSNL system and @ 5.33% for DVC system for FY 2025-26 has been claimed by the Petitioner as against the approved Intra-State Transmission Loss of 2.23%. Further, the Petitioner has clarified that the Intra-State Transmission Loss was calculated by subtracting the normative 3.00% Inter-State Transmission Loss from the Inter-State Power Purchased from the overall Transmission.
- 7.23 The Commission is of the opinion that it would be imprudent if the cost of the Petitioner’s inefficiency is passed onto the consumers. Accordingly, the Commission has worked out energy availability for the FY 2025-26 on the basis of estimated generation of power from Central, State-owned and other Generating Stations. Further, the loss in external system has been considered at the same level as approved by the Commission in its earlier Order, while the Intra-State Transmission Loss has been considered at 2.23% as per the Tariff Order for JUSNL dated June 23, 2023. The energy availability from various sources has been summarized below:

**Table 106: Energy Requirement (MUs) as approved by the Commission.**

Particulars	MYT	Petition	Approved
Power Purchase from Outside JBVNL Boundary (MU)	5,680.15	10,506.73	10,506.73
Loss in External System (%)	3.00%	3.00%	3.00%
Loss in External System (MU)	170.40	315.20	315.20
Net Outside Power Available (MU)	5,509.75	10,191.53	10,191.53
Energy Input Directly to State	0.00	390.87	390.87



Particulars	MYT	Petition	Approved
Transmission System (MU)			
State-owned Generation (MU)	8,421.43	2,007.63	2,007.63
Energy Available for Onward Transmission (MU)	13,931.17	12,590.02	12,590.02
Transmission Loss (%)	2.23%	6.41%	2.23%
Transmission Loss (MU)	310.67	807.64	280.76
Net Energy Sent to Distribution System (MU)	13,620.51	11,782.39	12,309.27
Energy Schedule from DVC to Distribution System (MU)		4,552.26	4,552.26
Transmission Loss at DVC System (%)		5.33%	3.00%
Transmission Loss in System (MUs)		242.54	136.57
Direct Input of Energy to Distribution System (MU)	1,216.79	4,309.72	4309.72
Direct Input Energy from State Solar System (MUs)		21.85	21.85
<b>Total Energy Available for Sales (MU)</b>	<b>14,837.30</b>	<b>16,113.95</b>	<b>16,640.83</b>
<b>Total energy sold (MU)</b>	<b>14,837.30</b>	<b>13,052.30</b>	<b>12,908.44</b>
<b>Distribution loss%</b>	<b>13.00%</b>	<b>19.00%</b>	<b>13.00%</b>
<b>Energy Required for distribution (MU)</b>	<b>17054.37</b>	<b>16113.95</b>	<b>14837.29</b>
<b>Power disallowance at DISCOM Periphery (MU)</b>			<b>1,803.55</b>
<b>Total Power Purchase (MU)</b>			<b>17,479.33</b>

## **Power Purchase Cost**

### ***Petitioner's Submission***

7.24 The Petitioner has projected the power purchase quantum for FY 2025-26 based on following facts and assumptions:

- **Power Purchase Cost projection for the financial year:** Per Unit Escalation of 5% have been provided as per unit charges of Generating Stations over FY 2025-26 to project the per unit charges for the FY

2025-26.

- **Transmission and Scheduling Charges:** Transmission and scheduling Charges for FY 2025-26 has been escalated by 5% to arrive at corresponding figure for FY 2025-26.
- **Reduction in Units for Costlier Power Plants:** To reduce dependency in costlier power plants, the Petitioner has reduced power purchase from the costlier plants considerably.
- **Current status of upcoming Thermal Power Stations:** It is expected that PTPS (Patratu Thermal Power Station) will be operational from October 2025. JBVNL will get around 800 MW from 1st unit of PTPS. Once, the power from PTPS is available, there will be less dependency on Farakka-3 and Korba thermal power stations. The effect is considered in the power purchase projection of JBVNL for FY25-26.
- **Power Requirement in FY 2025-26:** Based on estimated Sales and Energy balance for FY 2025-26 (as detailed in below section), power requirement in FY 25-26 has been calculated. This also includes the demand from upcoming industries such as Jindal power at Patratu, Tata mines and SAIL units at Noamundih.

7.25 It is to state, the Petitioner has submitted the below listed power procurement cost and quantum as part of Original Petition. However, as reply to the second data gap, the Petitioner, has changed the Power Procurement cost including Transmission Charges to **Rs. 8808.18 Cr.**

**Table 107: Power Procurement Quantum and Cost as submitted by Petitioner**

S.N.	Name of Generating Stations		Actual estimation considered for FY 2025-26 (MU)	Total cost (Rs. Cr.) for FY 2025-26 without supplementary Cost
1	NTPC	Farrakka I &II	775.28	461.38
		Farrakka III	170.80	109.23



S.N.	Name of Generating Stations		Actual estimation considered for FY 2025-26 (MU)	Total cost (Rs. Cr.) for FY 2025-26 without supplementary Cost
		Khalagaon I	123.98	68.63
		Talcher	496.51	202.73
		Khalagaon II	75.99	38.62
		Barh I	413.38	289.46
		Barh II	133.93	91.04
		Korba	169.64	64.23
		Darlipalli I	1127.54	467.09
		N. Karnpura	1321.40	680.42
		Kanti Power	119.91	80.17
		Nabinagar	251.99	156.55
		LPSC		
		Rebate		
		PTPS	1927.20	732.336
		<b>Total</b>	<b>7107.54</b>	<b>3441.89</b>
2	NHPC	Rangit	38.56	16.82
		Teesta V	0.00	0.00
		LPSC		
		<b>Total</b>	<b>38.56</b>	<b>16.82</b>
3	PTC (Hydel)	Chukha	109.36	40.79
		Tala	189.21	67.96
		Kurichu	0.00	0.00
		Mangdechhu	31.85	17.86
		<b>Total</b>	<b>330.43</b>	<b>126.61</b>
4	<b>Total Central Sector</b>		<b>7476.53</b>	<b>3585.32</b>
5	DVC	KTPS (OA)	4467.60	2257.95
		Standby Power	84.66	44.61



S.N.	Name of Generating Stations		Actual estimation considered for FY 2025-26 (MU)	Total cost (Rs. Cr.) for FY 2025-26 without supplementary Cost
		UI (Deviation)		
		Trans. Charge		
		HT Points		
		<b>DVC (KTPS)</b>	<b>4552.26</b>	<b>2302.56</b>
		DVC (STOA)		
		<b>Total</b>	<b>4552.26</b>	<b>2302.56</b>
6	TTPS, Tenughat		2256.65	2369.48
7	UI Payable (Deviation)			
8	Reactive Energy Charge			
10	APNRL	Unit I	490.95	221.24
		Unit II	490.95	218.69
		66 MW	491.44	192.04
		ERLDC APNRL	0.00	
		<b>Total</b>	<b>1473.34</b>	<b>631.97</b>
9	SOLAR	SECI (Tranche-I)	906.66	250.10
		SECI (MNRE-II)	16.71	10.87
		State IPPs (MNRE-I)	21.85	40.90
		<b>Total</b>	<b>945.22</b>	<b>301.88</b>
10	Wind	PTC	558.05	206.84
		SECI	190.15	82.87
		<b>Total</b>	<b>848.20</b>	<b>289.71</b>
11	Inland Power Ltd. (IPL)		390.87	250.57
12	IEX/ PXIL	Purchase		
		Sell	-736.00	-254.85
13	Total Purchase		17319.90	8157.61
14	SRHPS (Generation)		159.43	64.08



S.N.	Name of Generating Stations		Actual estimation considered for FY 2025-26 (MU)	Total cost (Rs. Cr.) for FY 2025-26 without supplementary Cost
15	<b>Grand Total</b>		<b>17479.33</b>	<b>8221.69</b>
16	UI Receivable			
17	SER-DSM			
18	Trans. Charge	PGCIL		583.97
		Posoco (ERLDC)		2.52
		JUSNL		0.00
<b>19</b>	<b>Net Unit</b>		<b>17479.33</b>	<b>8808.18</b>

7.26 It is further submitted that as per JSERC (Renewable Energy Purchase Obligation and its compliance) (Second Amendment) Regulations, 2024, dated 15th March 2024, the targets for RPO has been revised. As per 5.2 of the above said regulation, every obligated entity shall purchase electricity (in kWh) from renewable energy sources, at a defined minimum percentage of its total consumption as an Obligated Entity during a Year as shown under

Year	Wind RE	Hydro RE	Distributed RE	Other RE	Total
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%

7.27 Accordingly, the Petitioner has projected the Power Purchase from RE for JBVNL be as follows:

**Table 108: Renewable Purchase Obligation (in Rs Crore) as submitted by Petitioner.**

Sr. No.	Particular	FY 2025-26
1.	Gross Power Procured (MU)	17479.33
2.	Net Power Procured (MU)	17479.33
3.	less: Large Hydro Power procured (MU)	528.42
4.	Power procured considered for RPO (MU)	16950.91





Sr. No.	Particular	FY 2025-26
5.	Wind target in (%)	1.45%
6.	Hydro Target in (%)	1.22%
7.	Distributed Renewable Energy in (%)	2.10%
8.	Other renewable energy (%)	28.24%
9.	Wind target in (MU)	245.79
10.	Hydro target in (MU)	206.80
11.	Distributed Renewable Energy (MU)	355.97
12.	Other Renewable Energy (MU)	4786.94
13.	Total Targeted RPO (MU)	5595.50
14.	Wind Power Procured (MU)	0.00
15.	Hydro Power Procured (MU)	0.00
16.	Distributed Renewable Energy Procured (MU)	0.00
17.	Other Renewable Energy Procured (MU)	2016.99
18.	Total	2016.99
19.	<b>Wind target deficit (MU)</b>	<b>-245.79</b>
20.	<b>Hydro target deficit (MU)</b>	<b>-206.80</b>
21.	<b>Distributed Renewable Energy Deficit (MU)</b>	<b>-355.97</b>
22.	<b>Other Renewable Energy Deficit (MU)</b>	<b>-2769.95</b>
23.	<b>Total deficit</b>	<b>-3578.51</b>

7.28 The Petitioner has further submitted that for solar RPO compliance, JREDA is installing various solar installations in the state. It is expected that JBVNL will be procuring these RE power from JREDA. However, despite sincere efforts from JBVNL, it is estimated that there will be deficit of RPO obligation by 3578.51MUs.

### **Commission Analysis**

7.29 The Commission has observed that as per JSERC (Renewable Purchase Obligation and its compliance) second amendment regulations 2021 clause no. 5.2, dated 15th March 2024, the targets for RPO has been

revised. Considering the revised target, the Commission approves the Renewable Purchase Obligation for FY 2025-26 as shown below.

**Table 109: Renewable Purchase Obligation (Rs Crore) as approved by Commission.**

<b>Sr. No.</b>	<b>Particular</b>	<b>FY 2025-26</b>
1	Gross Power Procured (MU)	17479.33
2	Net Power Procured (MU)	17479.33
3	less: Large Hydo Power procured (MU)	528.42
4	Power procured considered for RPO (MU)	16950.91
5	Wind target in (%)	1.45%
6	Hydro Target in (%)	1.22%
7	Distributed Renewable Energy in (%)	2.10%
8	Other renewable energy (%)	28.24%
9	Wind target in (MU)	245.79
10	Hydro target in (MU)	206.80
11	Distributed Renewable Energy (MU)	355.97
12	Other Renewable Energy (MU)	4786.94
13	Total Targeted RPO (MU)	5595.50
14	Wind Power Procured (MU)	0.00
15	Hydro Power Procured (MU)	0.00
16	Distributed Renewable Energy Procured (MU)	0.00
17	Other Renewable Energy Procured (MU)	2016.99
18	Total	2016.99
<b>19</b>	<b>Wind target deficit (MU)</b>	<b>-245.79</b>
<b>20</b>	<b>Hydro target deficit (MU)</b>	<b>-206.80</b>
<b>21</b>	<b>Distributed Renewable Energy Deficit (MU)</b>	<b>-355.97</b>
<b>22</b>	<b>Other Renewable Energy Deficit (MU)</b>	<b>-2769.95</b>
<b>23</b>	<b>Total deficit</b>	<b>-3578.51</b>

7.30 The Commission has projected the power purchase quantum for FY 2025-26 based on the following facts and assumptions.



- 
- **Central Sector (including NTPC, NHPC, PTC):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for NTPC, NHPC, PTC source with an escalation of 3% for FY 2025-26 over FY 2024-25, subject to truing up based on actual with production of power procurement bills.
  - **State Owned Generating Plant (TVNL, SRHPS):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for TVNL, SRHPS source with an escalation of 3% for FY 2025-26 over FY 2024-25, subject to truing up based on actual with production of power procurement bills.
  - **Unit Consideration for TVNL Power Plant:** The Commission has observed that the Petitioner has considered 412.88 MUs of TVNL under Outside JSEB Boundary and remaining has been taken under State Owned Generation for FY 2025-26. In this regard, the Commission in technical validation session directed the Petitioner to provide the basis for considering the 412.88 MUs of TVNL to Bihar Sharif through the interstate transmission system line. In reply to the discrepancies note the Petitioner has submitted that it has wrote a letter to chief Engineer (C&RA), JUSNL to explore the possibility of whether power can be evacuated through the 220 kV Govindpur line to the Petitioner network.
  - **DVC:** The Commission has observed that the Petitioner has procured power in scheduled mode from DVC, but the PPA of the same had been disallow by this Commission in Case No. 11 of 2019 on dated 09.01.2021. In this regard, the Petitioner is required to provide proper justification how the same power has been purchased from DVC without PPA approval. In reply to discrepancies note the Petitioner has submitted that it has wrote a letter to DVC to discusses the issue and conclude on PPA so that a fresh/revised PPA can be submitted to this Commission for its
-

approval. Accordingly, the Commission has taken into account the power procurement rate for DVC source at with escalation of 2% for FY 2025-26 over FY 2023-24, subject to truing up based on actual with production of power procurement bills.

- **Private Owned Generator (Including APRNL, IPL):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for APRNL, IPL source at with escalation of 3% for FY 2025-26 over FY 2024-25, subject to truing up based on actual with production of power procurement bills.
- **Solar (including SECI (Trenche-1), SECI (MNRE-II), State IPPs (MNRE-1)):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for SECI (Trenche-1), SECI (MNRE-II) source with escalation of 3% for FY 2025-26 over FY 2024-25. Further with regard to state IPP (MNRE-1) the Commission has considered the same rate of true-up FY 2023-24, subject to truing up based on actual with production of power procurement bills.
- **IEX (Purchase/Sell):** It has been observed by the Commission that the Petitioner has proposed to Purchase/sell the deficit/surplus power in the Open Market. In this regard the Commission is of the view that the Power Purchase Cost is one of the major cost components in the ARR. Accordingly, Commission in the instant petition is not approving Purchase/Sell of any surplus power.
- **Current status of upcoming Thermal Power Stations:** As per updates from respective stakeholders, the Petitioner has considered North Karnpura Unit-1 as upcoming plants in FY 2024-25.

7.31 Based on the aforesaid observation, the Commission approves the Power Purchase Cost for FY 2025-26 which has been summarized in the table below:



Table 110: Power Procurement Quantum and Cost as approved by the Commission.

S.N.	Name of Generating Stations		Projected Power Purchase in MU	Power Purchase Cost (Rs Cr. for FY 2025-26)
1	NTPC	Farrakka I & II	775.28	372.94
		Farrakka III	170.80	90.25
		Khalagaon I	123.98	56.42
		Talcher	496.51	153.12
		Khalagaon II	75.99	31.66
		Barh I	413.38	242.17
		Barh II	133.93	73.62
		Korba	169.64	49.52
		Darlipalli I	1127.54	351.98
		N. Karnpura	1321.40	538.86
		Kanti Power	119.91	65.67
		Nabinagar	251.99	128.21
		LPSC		
		Rebate		
		PTPS	1927.20	732.336
		<b>Total</b>	<b>7107.54</b>	<b>2886.76</b>
2	NHPC	Rangit	38.56	17.12
		Teesta V	0.00	0.00
		LPSC		
		<b>Total</b>	<b>38.56</b>	<b>17.12</b>
3	PTC	Chukha	109.36	28.41
		Tala	189.21	45.52
		Kurichu	0.00	0.00
		Mangdechhu	31.85	14.43
		<b>Total</b>	<b>330.43</b>	<b>88.36</b>
4	<b>Total Central Sector</b>		<b>7476.53</b>	<b>2992.24</b>
5	DVC	KTPS (OA)	3731.60	1980.35
		Standby Power	84.66	54.86



S.N.	Name of Generating Stations		Projected Power Purchase in MU	Power Purchase Cost (Rs Cr. for FY 2025-26)
		UI (Deviation)		
		Trans. Charge	0.00	
		HT Points	0.00	
		<b>Total</b>	<b>3816.26</b>	<b>2035.20</b>
6	TTPS, Tenughat		2369.48	1048.22
7	UI Payable (Deviation)		-	0.00
8	Reactive Energy Charge			0.00
8	APNRL	Unit I	490.95	210.43
		Unit II	490.95	196.67
		66 MW	491.44	213.20
		ERLDC APNRL	0.00	
		<b>Total</b>	<b>1473.34</b>	<b>620.30</b>
9	SOLAR	SECI (Tranche-I)	906.66	257.60
		SECI (MNRE-II)	16.71	11.20
		State IPPs (MNRE-I)	21.85	39.15
		<b>Total</b>	<b>945.22</b>	<b>307.95</b>
10	Wind	PTC	558.05	213.05
		SECI	290.15	85.36
		<b>Total</b>	<b>848.20</b>	<b>298.40</b>
11	Inland Power Ltd.		390.87	241.13
12	IEX/ PXIL	Purchase		
		Sell		
<b>13</b>	<b>Total Purchase</b>		<b>17319.90</b>	<b>7543.44</b>
14	SRHPS (Generation)		159.43	17.43
<b>15</b>	<b>Grand Total</b>		<b>17479.33</b>	<b>7560.87</b>
16	UI Receivable		0.00	0.00
17	SER-DSM			0.00
<b>18</b>	<b>Net Power Purchase Quantum and Cost excluding Transmission Charge</b>		<b>17479.33</b>	<b>7560.87</b>



## Transmission Charge

### Petitioner's Submission

7.32 The Petitioner has submitted that transmission charges payable to JUSNL have been computed based on the approved transmission tariff for JUSNL at Rs 0.37 per unit. The transmission charges are calculated based on the estimated quantum of power to be wheeled from JUSNL network (i.e) around 12905.23MU for FY 2025-26

7.33 The interstate transmission charge for FY25-26 is escalated at 5% from the expected cost of FY 2024-25.

7.34 The estimated Intra-state and interstate transmission charges payable to transmission utilities for FY 2025-26 is provided in the Table below:

**Table 111: Transmission Charge (in Rs Crore) as submitted by Petitioner.**

Particulars	Petition
Inter-State Transmission Charge (incl. Posoco ERLDC)	586.49
Intra-State Transmission Charge	477.49

### Commission Analysis

7.35 The Commission has calculated the Intra and Inter-State Transmission Charges for FY 2025-26 by escalating the Intra and Interstate transmission charge over FY 2024-25 by 3.00% subject to true up. The below table summarizes the Inter/Intra-state Transmission Charge.

**Table 112: Transmission Charge (in Rs Crore) as approved by the Commission.**

Particulars	Approved
Inter-State Transmission Charge (incl. Posoco ERLDC)	575.32
Intra-State Transmission Charge	393.48

## Capital Expenditure and Capitalization

### Petitioner's Submission

7.36 The Petitioner has submitted the capital expenditure of Rs 2582.43 Crore



for FY 2025-26. A brief discussion regarding the expected expenditure is provided below:

**Table 113: Estimated Scheme wise capital investment (in Rs Crore) as submitted by the Petitioner.**

<b>Scheme</b>	<b>CAPEX</b>
Revamped Distribution Sector Scheme (RDSS)	1,051.12
<i>Loss Reduction</i>	1,035.69
<i>PMA</i>	15.43
Annual Development Plan (ADP)	950.00
Mukya Mantri Ujjwal Jharkhand Yojana	450.00
RDSS Modernization	200.00
Jharkhand Power System Improvement Project (JPSIP)	64.00
<i>Upgradation of Training Centre</i>	1.00
<i>Energy Accounting (Ranchi and Jamdeshpur)</i>	63.00
Smart metering Dhanbad	27.00
SMS And WhatsApp Services	2.00
Consumer Contribution	38.31
<b>Total</b>	<b>2,544.12</b>

### **Commission Analysis**

7.37 The Commission has noted the details of capital investment schemes as submitted by the Petitioner in the main petition. Accordingly, on scrutinizing and analyzing the material on record and on prudent check, the Commission approves the capital expenditure of FY 2025-26.

7.38 The Commission has approved the capitalization for FY 2025-26 based on the actual capitalization during, FY 2021-22, FY 2022-23 and FY 2023-24 as a percentage of the Opening CWIP and Capital Expenses incurred during the respective years and multiplying the same by the sum of Opening CWIP and Capex approved.

**Table 114: Capital work in progress (Rs. Crore) as approved by the Commission**

<b>Particulars</b>	<b>Petition</b>	<b>Approved</b>
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Opening CWIP (A)	666.69	471.15
Capex during the year (B)=(D)-(A)+(C)	2,582.43	740.04
Transfer to GFA (C)	2,454.04	654.54
<b>Closing CWIP (D)</b>	<b>795.09</b>	<b>556.65</b>

Table 115: Actual capitalization (in Rs Crore) as approved by the Commission.

Particulars	MYT	Petition	Approved
Opening GFA	26947.40	24454.65	22950.92
GFA Addition	1779.46	2454.04	654.54
<b>Closing GFA</b>	<b>28726.86</b>	<b>26908.69</b>	<b>23605.46</b>

## Consumer Contribution, Grants and Subsidies

### Petitioner's Submission

7.39 The Petitioner has submitted the Consumer Contribution Grant funding for FY 2025-26, based on the closing CCG funding of FY 2025-26 as provided in the table below:

Table 116: Consumer contribution and grants (Rs. Crore) as submitted by Petitioner.

Particulars	MYT	Petition
Consumer Contribution Grants opening	15369.56	13229.91
Addition: Government Grants		630.67
Addition: Consumer Contribution	191.15	38.31
Closing consumer contribution Grants	15560.71	13898.89

### Commission Analysis

7.40 The Commission has considered additions of Grants (and Consumer Contribution) amounting to Rs. 799.49 Crore same as Consumer Contribution and Grants Additions of FY 2023-24 (True-up chapter of this order) as shown below subject to actual values at the time of True up.



**Table 117: CCG (Rs. Crore) as approved by the Commission.**

Particulars	MYT	Petition	Approved
Consumer Contribution Grants opening	15369.56	13229.91	13981.33
Addition: Government Grants		630.67	764.07
Addition: Consumer Contribution	191.15	38.31	35.42
<b>Closing consumer contribution Grants</b>	<b>15560.71</b>	<b>13898.89</b>	<b>14780.82</b>

7.41 The Commission has considered the closing balance of consumer contribution and grants of FY 2024-25 as opening consumer contribution and grants for FY 2025-26.

7.42 Further, the Commission has adopted the approach for calculation of Normative Loan and Equity as done earlier in this order. For estimating the sources of finance required to fund the GFA being added, the Commission has reduced the GFA by the CCG available with the Petitioner.

7.43 For funding of the above mentioned GFA, the Commission has considered the normative debt-equity ratio of 70:30 as provided in Distribution Tariff Regulations, 2020. Moreover, consumer contribution grants and subsidies for capital assets are first netted off from gross fixed assets and the normative debt-equity ratio is applied on the remaining gross fixed assets only.

7.44 In line with the aforesaid discussion, the Commission approves the admissible GFA, CCG, debt-equity as given below:

**Table 118: Source of funding of GFA ( in Rs Crore) as approved by the Commission.**

Particulars	Approved
CCG towards CWIP	281.25
CCG towards GFA	13700.08
Opening GFA (less CCG)	9250.83
GFA Addition (less CCG)	-85.67
Closing GFA less CCG	9165.16
Accumulated Depreciation	7468.22



Particulars	Approved
Acc. Dep. towards GFA	2899.65
<b>Normative Loan (Closing)</b>	<b>3515.97</b>
<b>Normative Equity (Closing)</b>	<b>2749.55</b>

## Operation and Maintenance Expenses

### Petitioner's Submission

7.45 The Petitioner has submitted that the Operation and Maintenance Expenses (O&M expenses) comprises of Employee Expenses, Repair & Maintenance Expenses and Administrative & General Expenses.

7.46 The Petitioner has calculated the employee cost for FY 2025-26 by escalating the employee cost of FY 2024-25 as submitted above in Chapter of APR for FY 2024-25 by the inflation factor of 2.41% and the methodology provided under '**clause 10.6 (b) and (c)**' of JSERC MYT Regulations, 2020. Accordingly, the Petitioner has projected employee cost for FY 2025-26 as provided in the table below.

**Table 119: Employee cost (Rs Crore) as submitted by the Petitioner.**

Particulars	MYT	Petition
Employee Expenses	290.72	280.33
Terminal Expenses		86.31
<b>Total Employee Expenses</b>	<b>290.72</b>	<b>366.63</b>

7.47 In line with '**clause 10.6 (b) and (c)**' of JSERC MYT Regulations 2020, the A&G expenses for FY 2025-26 has been calculated by escalating A&G expense of FY 2024-25 by inflation factor 2.41%. Accordingly, the Petitioner has estimated the A&G expenses for FY 2025-26 is provided in the table below.



**Table 120: A&G Expense (Rs Crore) as submitted by the Petitioner.**

Particulars	MYT	Petition
A&G Expenses	110.85	191.33

7.48 In line with the '**clause 10.6 (a)**' of JSERC MYT Regulations 2020, the R&M expenses for FY 2025-26 have been estimated by applying K-factor of 1.60% as computed and based on estimated details of FY 2025-26. Further the Petitioner has considered Indexation Factor of 2.41% as per **clause 10.6 (a)** of JSERC MYT Regulations 2020 for projecting Repair & Maintenance Expenditure. Accordingly, the Petitioner has estimated the R&M expenses for FY 2025-26 as provided in the table below.

**Table 121: R&M Expenses (Rs Crore) as submitted by the Petitioner.**

Particulars	MYT	Petition
R&M Expenses	340.75	390.17

### **Commission Analysis**

- 7.49 The Commission has outlined '**clause 10.3 to clause 10.7**' of JSERC Distribution Tariff Regulations 2020 in True-up chapter for the approval of operation and maintenance expense.
- 7.50 Based on the above, the Commission had calculated the inflation factor as 5.84% for FY 2025-26, which is same as the value taken for the APR of FY 2024-25 in the instant petition.
- 7.51 Further, the Commission has observed that the Petitioner has submitted the Growth factor as (0%). Hence, based on the regulation as mentioned in the earlier chapter of this order, the Commission has considered the growth factor as nil for Computation of employee expenses.
- 7.52 Based on the facts & circumstances of the petition, the Commission has computed the normative employee expenses for FY 2025-26, by taking the actual value of inflation factor (5.84%) and growth factor (0%) as shown below.

**Table 122: Normative Employee Expenses (Rs Crore) as computed by the Commission.**

Particulars	UoM	Approved
Employee Cost of Previous Year	Rs. Cr.	266.03
Inflation Factor	%	5.84%
Growth Factor	%	-
<b>Normative Employee Expenses</b>	<b>Rs. Cr.</b>	<b>281.57</b>

7.53 This is to be noted that for the ARR of FY 2025-26, the Commission has approved normative employee expenses as the lower of the values computed by the Commission and those submitted by the Petitioner, subject to true-up.

7.54 The Commission approves the normative A&G Expenses for FY 2025-26, based on the approved normative A&G Expenses for FY 2024-25 and estimated inflation factor as 5.84%.

**Table 123: Normative A&G Expenses (Rs Crore) as approved by the Commission.**

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	120.42
Inflation Factor	%	5.84%
<b>Normative A&amp;G Expenses</b>	<b>Rs. Cr.</b>	<b>127.45</b>

7.55 For the purpose of computation of the normative R&M Expenses, the Commission has taken the approved opening value of Gross Fixed Assets for FY 2025-26 and by multiplying the 'k' factor of 1.22% as approved in the MYT Order dated May 31, 2023 and inflation factor of 5.84%.

**Table 124: Normative R&M Expenses (Rs Crore) as approved by the Commission.**

Particulars	UoM	Approved
GFA	Rs. Cr.	22950.92
K-Factor	%	1.22%
Inflation Factor	%	5.84%
<b>Normative R&amp;M Expense</b>	<b>Rs. Cr.</b>	<b>371.76</b>

7.56 In accordance with **clause 10.6 (note 3)** of JSERC Distribution Tariff



Regulations 2020 the Commission disapproves the terminal liabilities for FY 2025-26, subject to prudent check at the time of True-up.

- 7.57 Based on the above discussion the Commission approves the normative operational and maintenance expense as given below.

**Table 125: Normative O&M Expenses (Rs Crore) as approved by the Commission.**

Particulars	Approved
Normative Employee Expense	280.33
Terminal Liabilities	0.00
Normative A&G Expenses	127.45
Normative R&M Expenses	371.76
<b>Net Normative Operation &amp; Maintenance Expenses</b>	<b>779.54</b>

## Depreciation

### *Petitioner's Submission*

- 7.58 The Petitioner has estimated the Depreciation for FY 2025-26 in line with the approach adopted by the Commission in Tariff Order dated October 01, 2020.
- 7.59 The Petitioner has first arrived at the opening and closing GFA, created out of D&E, by deducting the CC&G portion deployed towards opening and closing GFA. The Petitioner has applied the same depreciation rate as in FY24-25 for the FY25-26 for estimation purpose. Accordingly, the Petitioner has projected the depreciation expense for FY 2025-26 as shown below.

**Table 126: Depreciation (in Rs Crore) as submitted by the Petitioner.**

Particulars	MYT	Petition
Opening GFA (Less CCG) (Rs. Cr.)	13535.26	11575.85
Closing GFA (Less CCG) (Rs. Cr.)	14611.12	13408.69
Average GFA excluding Consumer Contributions and Grants (Rs. Cr.)	14073.19	12492.27



Particulars	MYT	Petition
Depreciation Rate (%)	4.20%	4.38%
<b>Depreciation Cost (Rs. Cr.)</b>	<b>591.58</b>	<b>547.78</b>

### Commission Analysis

7.60 In accordance with '**clause 10.34 to clause 10.40**' of Distribution Tariff Regulations, 2020, depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Excluding the consumer contribution deployed towards GFA as approved in this Order, the Commission has determined the depreciation on the GFA created out of debt and equity for FY 2025-26. The rate of depreciation has been considered at 4.38% as approved in the earlier order. The Commission has calculated the Depreciation on Average GFA ( less Average CCG) as per the Distribution Tariff Regulations, 2020. Accordingly, the Commission approves the depreciation for FY 2025-26 as summarized below.

**Table 127: Depreciation (Rs Crore) as approved by the Commission.**

Particulars	Approved
Opening GFA (Less CCG) (Rs. Cr.)	9250.83
Closing GFA (Less CCG) (Rs. Cr.)	9165.16
Average GFA excluding CCG (Rs. Cr.)	9208.00
Depreciation Rate (%)	4.38%
<b>Depreciation Cost (Rs. Cr.)</b>	<b>403.77</b>

### Interest on Loan

#### Petitioner's Submission

7.61 The Petitioner has considered opening debt for FY 2025-26 as equal to closing value of FY 2024-25, as submitted in the chapter regarding APR for FY 2024-25.

7.62 In line with '**clause 10.22**' of the JSERC Distribution Tariff Regulations,



2020, the Petitioner has calculated the Closing debt for FY 2025-26.

7.63 In line with '**clause 10.23**' of the JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered the repayment of loan for FY 2025-26 as equal to Depreciation.

7.64 Further, in accordance with JSERC Distribution Tariff Regulations 2020 the Petitioner has considered the rate of interest on long-term loan, as Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points. Accordingly, the Petitioner has calculated the Interest on loan as shown below.

**Table 128: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner.**

Particulars	MYT	Petition
Opening Balance	6383.73	4452.27
Deemed Addition during the year	1004.79	1365.43
Deemed Repayments during the year	591.58	547.78
Closing Balance	6796.94	5269.92
Average balance during the Year	6590.34	4861.09
Interest Rate	9.00%	11.97%
<b>Interest Expense</b>	<b>593.13</b>	<b>581.80</b>
<b>Bank &amp; Finance Charge</b>	<b>-</b>	<b>2.38</b>

### **Commission's Analysis**

7.65 The Commission has outlined '**clause 10.16, clause 10.17, clause 10.21 to clause 10.29**' of JSERC Distribution Tariff Regulations 2020 earlier in this order for the approval of interest of loan and finance charge.

7.66 In accordance with '**clause 10.16 and clause 10.17**' as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner, is considered as gross normative loan for calculation of interest on loan.

7.67 In accordance with '**clause 10.23**' as mentioned above, the Commission approves the debt repayment as equal to depreciation for the same



financial year.

- 7.68 The Commission has observed that the Petitioner has considered the interest rate of loan as 11.97% (i.e. 8.55%+200 basis point, Base rate of SBI other than April 01 of subsequent year). In this regard, the Commission had directed the Petitioner is to provide proper justification for deviated from with '**clause 10.26 (proviso)**' of JSERC Determination of Distribution Tariff Regulations 2020. In reply to discrepancies note the Petitioner has admitted that there is an error while calculating the interest rate and prayed to consider the interest rate as per **clause 10.26 (proviso)** JSERC Determination of Distribution Tariff Regulations 2020. Accordingly, the Commission approves the interest rate as 9.00% (Base rate of SBI as applicable on April 1st of FY 2025-26 plus 200 basis points) in accordance with '**clause 10.26 (proviso)**' as mentioned above.
- 7.69 The Commission has observed that the Petitioner has considered the bank charge amounting to Rs 2.38 crore. In this regard, the Commission has directed the Petitioner to provide break-up of the bank charge and also provide the regulation under which this amount has been claimed. In reply to the discrepancies note the Petitioner failed to provide regulation under which this amount has been claimed. Accordingly, the Commission disallow the bank/finance charge as Rs 2.38 crore, subject to prudent check at the time of true-up.
- 7.70 In accordance with **clause 10.28** as mentioned above, the Commission has excluded interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee as given below:

**Table 129: Interest on Loan and Finance Charges (in Rs Crore) as approved by the Commission**

Particulars	MYT	Petition	Approved
Opening Balance	6383.73	4452.27	3628.11
Deemed Addition during the year	1004.79	1365.43	291.63
Deemed Repayments during the year	591.58	547.78	403.77
Closing Balance	6796.94	5269.92	3515.97



Particulars	MYT	Petition	Approved
Average balance during the Year	6590.34	4861.09	3572.04
Interest Rate	9.00%	11.97%	10.50%
<b>Interest Expense</b>	<b>593.13</b>	<b>581.80</b>	<b>375.06</b>
<b>Bank &amp; Finance Charge</b>	<b>-</b>	<b>2.38</b>	<b>-</b>

## Interest on Consumer Security Deposits

### Petitioner's Submission

- 7.71 In order to estimate the interest on consumer security deposit for FY 2025-26, the Petitioner has assumed an escalation of 5% over the accumulated consumer security of FY 2024-25 as per audited accounts.
- 7.72 Further, in accordance with JSERC Supply Code Regulations, 2020 the Petitioner has considered the interest rate as 8.00% (i.e. SBI Base Rate prevailing as on date of filing Petition) as shown below.

**Table 130: Interest on CSD (Rs Crore) as submitted by the Petitioner.**

Particulars	MYT	Petition
Opening IoCSD	785.97	1262.14
Interest Rate	7.55%	8.00%
<b>Int. on CSD</b>	<b>59.34</b>	<b>100.97</b>

### Commission's Analysis

- 7.73 The Commission has outlined '**clause 10.33**' of JSERC Distribution Tariff Regulations 2020 earlier in this order for approval of interest on consumer security deposit.
- 7.74 The Commission has observed that the Petitioner in the instant petition has claimed interest on Consumer Security Deposit to the tune of Rs 100.97 crore. Further, the Petitioner has escalated the Consumer Security Deposit by an arbitrary 5.00% over APR of FY 2024-25 and has applied an interest rate equivalent to SBI Bank Rate.
- 7.75 In view of the aforesaid, reliance is placed on the actual security deposit



paid by the Licensee during the FY 2023-24. From the Audited Accounts of FY 2023-24, it could be observed that the Petitioner is not discharging Interest on Consumer Security Deposit to the prospective consumers as it is mentioned in the true-up chapter of this order. The interest payable on Consumer Security Deposit as on 31.03.2024 is Rs. 622.88 Crores and that as on 31.03.2023 is Rs. 540.58 Crores. Further, the addition to Interest accrued on Security Deposit during the FY 2023-24 is Rs. 108.08 Crores (ref '**Note 29**' of the Audited Accounts). Accordingly, the Commission has considered the interest on security deposit for FY 2025-26 equal to FY 2023-24 as shown below:

7.76 The table below summarizes the actual Interest on Security Deposit discharges during the FY 2025-26:

**Table 131: Interest on CSD (Rs. Crore) as approved by the Commission.**

Particulars	Approved
Opening Consumer Security Deposit	540.58
Consumer Security Deposit Addition	108.08
Closing Consumer Security Deposit	622.88
<b>Interest on Consumer Security Deposit</b>	<b>25.78</b>

## **Return on Equity**

### ***Petitioner's Submission***

7.77 The Petitioner has considered the opening balance of normative equity for FY 2025-26 as per the closing balance for the FY 2024-25, as submitted above in the chapter regarding APR for FY 2024-25.

7.78 In accordance with the provisions of JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered that the Closing equity for FY 2025-26 has been calculated using normative debt equity ratio (70:30).

7.79 In accordance with provisions of JSERC Distribution Tariff Regulations,

2020 the Petitioner has considered the rate of Return on Equity (RoE) as 14.50%.

**Table 132: Return on Equity (Rs Crore) as submitted by the Petitioner.**

Particulars	MYT	Petition
Opening Equity (Normative)	4060.58	3472.75
Equity Addition (Normative)	322.76	549.85
Closing Equity (Normative)	4383.34	4022.61
Average Equity	4221.96	3747.68
Rate of Return	14.50%	14.50%
<b>Return on Equity</b>	<b>612.18</b>	<b>543.41</b>

### **Commission's Analysis**

7.80 On consideration of the Distribution Tariff Regulations, 2020, the Opening approves Opening Equity base for FY 2025-26 as the Closing Equity base of FY 2024-25. Further, the Commission approves normative Equity addition during the financial years as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.

7.81 In accordance with '**clause 10.19**' of the Distribution Tariff Regulations, 2020, the Commission approves a rate of return of 14.50% on equity.

**Table 133: Return on Equity (Rs Crore) as approved by the Commission.**

Particulars	MYT	Petition	Approved
Opening Equity (Normative)	4060.58	3472.75	2775.25
Equity Addition	322.76	549.85	-25.70
Closing Equity (Normative)	4383.34	4022.61	2749.55
Average Equity	4221.96	3747.68	2762.40
Rate of Return	14.50%	14.50%	14.50%
<b>Return on Equity</b>	<b>612.18</b>	<b>543.41</b>	<b>400.55</b>

### **Interest on Working Capital (IoWC)**



### Petitioner's Submission

- 7.82 In line with the '**clause 10.29 and 10.30**' of the JSERC Distribution Tariff Regulations, 2020, the Petitioner has estimated the working capital requirement for FY 2025-26.
- 7.83 Rate of IoWC has been considered to be equal to the SBI MCLR (for 1-year period) prevailing as on September 30, 2023 (*the financial year in which the MYT Petition is filed*) plus 350 Basis Points as per **clause 10.31** of the JSERC Distribution Tariff Regulations, 2020.
- 7.84 It has been submitted that based on the expenditure for FY 2025-26, the Petitioner has estimated the working capital requirement and interest thereof, as provided in the Table below.

**Table 134: Interest on Working Capital (Rs Crore) as submitted by the Petitioner**

Particulars	MYT	Petition
Maintenance Spares (@1% GFA)	135.35	244.55
2 months' Receivables	1608.09	1,907.48
Less: 1 month Power Purchase Cost	605.18	734.02
Less: Consumer Security Deposit	785.97	1,262.14
<b>Total Working Capital requirement</b>	<b>352.28</b>	<b>155.87</b>
Interest rate on WC	10.50%	11.70%
<b>Interest on Working Capital</b>	<b>37.0</b>	<b>18.24</b>

### Commission's Analysis

- 7.85 The Commission has outlined the '**clause 10.31 & clause 10.32**' of JSERC Distribution Tariff Regulations 2020 earlier in True-up Chapter for the approval of Interest on Working Capital.
- 7.86 Based on above the excerpt, the Commission has computed the interest on working capital for FY 2025-26 as summarized below:

**Table 135: Interest on Working Capital (in Rs. Crore) as approved by the Commission**

Particulars	Approved
Maintenance Spares @1% of Opening GFA of Wheeling and Retail Business	92.51
Revenue from Wheeling and Retail Supply Charges-2 month	1496.75
Less: Power Purchase Cost for One Month Retail Business	625.62
Less: Average Security Deposit	1144.80
<b>Total Working Capital Requirement</b>	<b>-181.16</b>
Rate of Interest (SBI 1 yr MCLR plus 350 b.p)	12.00%
<b>Total Interest on Working capital</b>	<b>-21.74</b>

7.87 On a similar note as discussed in the true-up chapter of this order, the Commission is allowing **Nil** interest on working capital.

## Non-Tariff Income (NTI)

### Petitioner's Submission

7.88 The Petitioner has submitted the Non-Tariff Income (Other Income) for FY 2025-26 at the level of FY 2024-25.

7.89 Accordingly, the Petitioner has prayed to the Commission to approve the Non-tariff income as summarized below:

**Table 136: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.**

Particulars	MYT	Petition
Interest Income from Investment in Fixed Deposits	29.80	53.44
D.P.S from Consumer	448.48	
Interest on advance to Supplier/Contractor		
Interest from Bank (Other than FD)	5.09	24.44
Income from Staff Welfare activities		
Supervision Charges	3.28	7.84
Miscellaneous Receipt	3.60	16.22
Rebate on power purchase		



Particulars	MYT	Petition
Transformer Rent	20.34	6.18
Wheeling Charges / Fuel surcharge/outside sale		
Receipt from Consumers for capital works		
Miscellaneous Charges from Consumers	0.25	
<b>Total NTI</b>	<b>510.84</b>	<b>108.12</b>

### **Commission's Analysis**

- 7.90 The Commission has outlined '**clause 10.53 & clause 10.54**' of JSERC Distribution Tariff Regulations 2020 earlier in true-up chapter for the approval of Non-Tariff Income.
- 7.91 Based on the above, the Commission has observed that the Petitioners approach of excluding Delayed payment surcharge and rebate on power purchase from NTI is inappropriate and non-maintainable.
- 7.92 Further, the Commission does not consider the revenue from sale of wheeling charge/ fuel surcharge/ outside sale under Non-Tariff Income as the same has already been considered in the power purchase section of this order.
- 7.93 The Commission further opines that the Working Capital requirement as stipulated in the provision of JSERC (Distribution Tariff) Regulations 2020 and amendment thereof is being allowed as per normative to cater the day to day working capital requirements of the Utilities.
- 7.94 Accordingly, on prudent check the Commission approves the NTI as per above outlined regulation same as value approved for APR of FY 2024-25 as shown below.

**Table 137: Non-Tariff Income (Rs Crore) as approved by the Commission.**

Particulars	MYT	Petition	Approved
Interest Income from Investment in Fixed Deposits	29.80	53.44	53.44
D.P.S from Consumer	448.48		403.52



Particulars	MYT	Petition	Approved
Interest on advance to Supplier/Contractor			0.00
Interest from Bank (Other than FD)	5.09	24.44	24.44
Income from Staff Welfare activities			0.00
Supervision Charges	3.28	7.84	7.84
Miscellaneous Receipt	3.60	16.22	16.22
Rebate on power purchase			0.00
Transformer Rent	20.34	6.18	6.18
Wheeling Charges / Fuel surcharge/outside sale			0.00
Receipt from Consumers for capital works			0.00
Miscellaneous Charges from Consumers	0.25		0.00
<b>Total NTI</b>	<b>510.84</b>	<b>108.12</b>	<b>511.64</b>

## **Disallowances on account of Excessive AT&C Losses**

### **Commission Analysis**

- 7.95 The Commission is of the view that it had already set the targets for the Collection efficiency in Section “Targets for Distribution Losses and Collection Efficiency” of the Distribution Tariff Regulations, 2020 and as such the submission of the Petitioner regarding sudden change seems to be out of order. The Commission thus directs the Petitioner to abide by the targets set by the Commission and any provision for lower collection efficiency will not be allowed.
- 7.96 Accordingly, the additional power purchase cost incurred due to higher Distribution losses, beyond the targeted level, has been disallowed and is treated as ‘Disincentive for non-achievement of Distribution loss targets’ for FY 2025-26. The Commission has adopted similar approach as adopted by it in the previous Order dated September 30, 2024 in the computation of non-achievement of T&D loss reduction targets. The non-achievement of Distribution loss reduction targets for the FY 2025-26 as approved by the Commission is summarized below:



**Table 138: Disallowance Distribution Loss (Rs Crore) as approved by the Commission.**

Generating Station	Annotation	Total Unit disallow (MU)	Rate (in Rs)	Disallow Cost
Farrakka III	A	170.80	5.28	90.25
Barh I	B	413.38	5.86	242.17
Barh II	C	133.93	5.50	73.62
Kanti Power	D	119.91	5.48	65.67
Nabinagar	E	251.99	5.09	128.21
<b>Total Central</b>	<b>F=A+B+C+D+E</b>	<b>1090</b>		<b>599.92</b>
KTPS (OA)	G	238.02	5.31	126.31
Standby Power	H	84.66	6.48	54.86
Inland Power	I	390.87	6.17	241.13
<b>Total Disallowance</b>	<b>J=F+G+H+I</b>	<b>1803.55</b>		<b>1022.22</b>

## Revenue

### Petitioner's Submission

7.97 The Petitioner has projected the revenue from sale of Power to be Rs. 9,702.13 Crore for FY 2025-26 towards electricity sales.

### Commission's Analysis

7.98 The Commission has calculated revenue based on new Tariff structure for FY 2025-26 as discussed in chapter-11 of this order. The total revenue is shown below.

**Table 139: Revenue (Rs Crore) as approved by the Commission.**

Particulars	Petition	Approved
Revenue	9,702.13	10322.49

## Summary of Annual Revenue Requirement and Gap/(Surplus)

### Petitioner's Submission

7.99 Based on the components of the ARR discussed in the above para, the final ARR submitted by the Petitioner for FY 2025-26 is as below:

**Table 140: Summary of ARR (Rs. Crore) as submitted by the Petitioner.**

<b>Particulars</b>	<b>ARR for FY 2025-26</b>
<b>Total Power Purchase Expense</b>	<b>8808.18</b>
<i>Power Purchase Expense</i>	8221.69
<i>Intrastate transmission charges</i>	0.00
<i>Interstate transmission Charge</i>	586.49
<b>Operations and Maintenance Expenses</b>	<b>948.14</b>
<i>Employee Expense</i>	280.33
<i>Administration &amp; General Expense</i>	191.33
<i>Repair &amp; Maintenance Expense</i>	390.17
<i>Terminal Liability</i>	86.31
Depreciation	547.78
Interest on Long Term Loan	581.80
Interest on Working Capital Loan	18.24
Interest on Consumer Security Deposit	100.97
Bank/ Finance Charges	2.38
Return on Equity Capital	543.41
Total Expenditure	11553.02
<i>Less: Non-Tariff Income</i>	108.12
<b>Net: Aggregate Revenue Requirement</b>	<b>11444.90</b>
<b>Annual Revenue Requirement</b>	<b>11444.90</b>
<i>Total Revenue</i>	9702.13
<i>Revenue from Intrastate sales / Sale of Power</i>	9,702.13
<b>Net Gap/(Surplus)</b>	<b>1742.77</b>

### **Commission's Analysis**

7.100 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY



2025-26 which is summarized below.

**Table 141: Summary of ARR (Rs Crore) as approved by the Commission.**

Particulars	Petition	Approved
<b>Total Power Purchase Expense</b>	<b>8808.18</b>	<b>7507.45</b>
Power Purchase Expense	8221.69	7560.87
Less: Disallowance due to excess Distribution Loss	0.00	1022.22
Intrastate transmission charges	0.00	575.32
Interstate transmission Charge	586.49	393.48
<b>Operations and Maintenance Expenses</b>	<b>948.14</b>	<b>779.54</b>
Employee Expense	280.33	280.33
Terminal Liability	86.31	0.00
Administration & General Expense	191.33	127.45
Repair & Maintenance Expense	390.17	371.76
Depreciation	547.78	403.77
Return on Equity	543.41	400.55
Interest on Long Term Loan	581.80	375.06
Interest on Consumer Security Deposit	100.97	25.78
Interest on Working Capital Loan	18.24	0.00
Bank & Finance Charge	2.38	-
<b>Total Expenses</b>	<b>11553.02</b>	<b>9492.16</b>
Less: Non-Tariff Income	108.12	511.64
Add: Provision for Doubtful Debt		
<b>ARR after NTI</b>	<b>11444.90</b>	<b>8980.52</b>
Less Penalties		0.00
<b>ARR Recoverable</b>	<b>11444.90</b>	<b>8980.52</b>
Revenue from Sales of power at new tariff	9702.13	10322.49
<b>Gap/(Surplus) at new Tariff</b>	<b>1742.77</b>	<b>(1341.97)</b>

7.101 The Commission has approved the treatment of the Gap/(Surplus) at Approved tariff in **Chapter 8** of this Order.



## Chapter 8: REVENUE GAP AND ITS TREATMENT

### Treatment of Revenue Gap/(Surplus)

#### Commission Analysis

8.1 Based on the approved ARR and revenue from existing tariff, the Commission has approved the Revenue Gap/(Surplus) for FY 2025-26 as shown below:

**Table 142: Revenue Gap/(Surplus) (in Rs Crore) as approved by the Commission for FY 2025-26 at existing Tariff.**

Particulars	FY 25-26
	Approved
Opening Cumulative Revenue Gap / (Surplus)	3317.20
Revenue Gap / (Surplus) created during the Year	(1341.97)
<b>Closing Cumulative Revenue Gap/(Surplus)</b>	<b>1975.23</b>

8.2 The Commission observes that in FY 2025-26 revenue surplus stands at Rs. (1341.97) crores at new approved tariff Order.

### Revenue Gap/(Surplus)

#### Petitioner Submission

8.3 The Petitioner has submitted that accumulated Revenue Gap from True-up, APR and ARR for FY 2023-24 to FY 2025-26 at tariff Order May 31, 2023 without considering carrying cost is as under:

**Table 143: Accumulated Revenue Gap with carrying cost at proposed Tariff for FY 2025-26**

Particulars	Revenue Gap FY 2023-24	Revenue Gap estimated FY 2024- 25	Revenue Gap estimated FY 2025- 26
Opening Revenue Gap	3315.47	8,105.90	9,589.66
Revenue Gap / (Surplus) created during the Year	4171.97	1483.76	1742.77

Particulars	Revenue Gap FY 2023-24	Revenue Gap estimated FY 2024- 25	Revenue Gap estimated FY 2025- 26
Closing Gap at end of the Year	7487.44	9589.66	11332.43
Rate of Interest (As per Bank Rate as on 01 April + 350 basis point)	11.45%	0.00%	0.00%
Carrying Cost on Opening Balance	379.62	0.00	0.00
Carrying cost on Additional Gap Created during the Year	238.85	0.00	0.00
<b>Total Gap including carrying cost</b>	<b>8,105.90</b>	<b>9,589.66</b>	<b>11,332.43</b>

8.4 The Petitioner prays to the Commission to approve the cumulative revenue gap till FY 2025-26 as proposed by the Petitioner. The Petitioner has not calculated any carrying cost for the FY 24-25 and FY 25-26 as these are projected figures. However, it is requested to the Commission to provide for the carrying cost in true up for the respective years.

### **Commission Analysis**

8.5 On scrutinizing, analyzing, material, data, information available on record and on prudent check the Commission has considered the total closing revenue Gap of FY 2022-23 as the opening revenue Gap for FY 2023-24.

8.6 Based on the approved value of Truing up for FY 2023-24 and APR for FY 2024-25 the cumulative Revenue Gap/(Surplus) approved by the Commission till FY 2024-25 is given below:

**Table 144: Cumulative Gap/(Surplus) (in Rs Crore) as approved by the Commission.**

Particulars	FY 2023-24	FY 2024-25
Opening Gap/(Surplus)	3315.47	4257.98
Revenue Gap/(Surplus) created during the Year	942.51	(940.78)
<b>Total Revenue Gap/(Surplus)</b>	<b>4257.98</b>	<b>3317.20</b>

8.7 Based on the approved ARR and revenue from existing tariff, the



Commission approves the Revenue Gap/(Surplus) for FY 2025-26 as shown below:

**Table 145: Cumulative Gap/(Surplus) (in Rs Crore) as approved by the Commission.**

Particulars	FY 2025-26
Opening Gap/(Surplus)	3317.20
Revenue Gap/(Surplus) created during the Year	(1341.97)
<b>Total Revenue Gap/(Surplus)</b>	<b>1975.23</b>

- 8.8 This is evident from above tables that the Commission is not allowing the carrying cost for FY 2023-24, 2024-25 and 2025-26 as per **clause 7.4** of JSERC Distribution Tariff Regulations 2020, as the Petitioner failed to submit the petition as per the timelines stipulated in **Section A 24** of the regulation.
- 8.9 The Tariff Schedule approved by the Commission for FY 2025-26 is detailed in **Chapter 12** of this Order.



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## Chapter 9: DETERMINATION OF WHEELING CHARGE, WHEELING LOSSES AND CROSS SUBSIDY SURCHARGE FOR FY 2023-24.

- 9.1 As per clause 2.2 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, the Commission shall determine wheeling tariff, cross-subsidy surcharge, additional surcharge and other Open Access (OA) related charges. The relevant extract of the Regulations has been reproduced below:

“2.2

...

*Provided further that where any category of consumer has been permitted open access under Section 42 of the Act, the Commission shall determine the wheeling tariff, cross-subsidy surcharge, additional surcharge and other open access related charges in accordance with these Regulations and JSERC (Intra State Open Access) Regulations, 2016, as amended from time to time”.*

- 9.2 As per the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access) Regulations, 2016, the Open Access (OA) charge includes Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge, and Additional Surcharge. The subsequent para summarizes the Commission’s analysis thereof:

### Wheeling Charges

- 9.3 According to ‘**clause 6.5 to 6.8**’ of the Distribution Tariff Regulations, 2020, the Petitioner is required to segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business. In the absence of segregated accounts, the Petitioner is required to submit an allocation statement duly approved by the Board of Directors, accompanied by an explanation of the basis and methodology used for segregation. The relevant extract of the Regulations has been reproduced



hereunder:

*“Segregation of Retail Supply and Wheeling Business*

*6.5 The Licensee shall segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business.*

*6.6 The ARR for Wheeling Business shall be used to determine Wheeling Tariff and the ARR for Retail Supply Business shall be used to determine Retail Supply Tariff.*

*6.7 For such period until accounts are segregated, the Licensee shall prepare an Allocation Statement to apportion costs and revenues to respective business. The Allocation Statement, approved by the Board of Directors of the Licensee, shall be accompanied with an explanation of the basis and methodology used for segregation, which should be consistent over the Control Period.*

*6.8 In case clear and reasoned methodology for allocation is not submitted by the Distribution Licensee, the Commission may consider the segregation as approved for the previous Control Period as specified below or may decide on the manner in which such allocation can be done:*

**Table 146: Segregation Ratio as submitted by Petitioner.**

<b>Particulars</b>	<b>Share of Retail Supply</b>	<b>Share of Wheeling Business</b>
O&M Cost		
<i>Employee cost</i>	40%	60%
<i>A&amp;G Expense</i>	50%	50%
<i>R&amp;M Cost</i>	10%	90%
Power purchase (Inc. Trans. Charges and RPO)	100%	0%
Interest on security deposit	100%	0%
Interest Cost	10%	90%
Interest on working capital	90%	10%



Depreciation	10%	90%
Return on Equity	10%	90%
Less: NTI	90%	10%

9.4 The segregation of ARR into Wires and Supply Business as approved by the Commission for FY 2025-26 is shown below:

**Table 147: Segregation of ARR (Rs. Crore) as approved by the Commission.**

Particulars	Share of Retail Supply	Share of Wheeling Business	ARR for FY 2025-26	Share of Retail Supply (Rs Cr)	Share of Wheeling Business (Rs Cr)
O&M Cost					
<i>Employee cost</i>	40%	60%	280.33	112.13	168.20
<i>A&amp;G Expense</i>	50%	50%	127.45	63.73	63.73
<i>R&amp;M Cost</i>	10%	90%	371.76	37.18	334.58
Power purchase (Inc. Trans. Charges and RPO)	100%	0%	7,507.45	7,507.45	0.00
Interest on security deposit	100%	0%	25.78	25.78	0.00
Interest Cost	10%	90%	375.06	37.51	337.56
Interest on working capital	90%	10%	0.00	0.00	0.00
Depreciation	10%	90%	403.77	40.38	363.39
Return on Equity	10%	90%	400.55	40.05	360.49
Less: NTI	90%	10%	(511.64)	(460.47)	(51.16)
<b>Total ARR</b>			<b>8,980.52</b>	<b>7,403.73</b>	<b>1,576.79</b>

9.5 In the absence of an asset register, and in order to estimate the ratio of fixed assets at various voltage levels, the Commission has considered the network details of Petitioner as on record with the Commission on the premise that the high voltage and low voltage assets have been created simultaneously. Thus, the depreciation of all HT and LT assets is assumed to be at the similar level.

9.6 The Commission has observed that the Petitioner has failed to submit the details of Power Sub-station (PSS) capacity/quantity and estimated costs.

In this regard, the Commission has directed the Petitioner to submit the details of Power Sub-station (PSS) capacity/quantity and estimated costs. In reply to discrepancies note the Petitioner has partially submitted the aforesaid data vide letter no. 193 File no. CE(C&R)/Rev./2358/2019/P-II dated August 22, 2024 as tabulated hereunder.

**Table 148: Estimated Cost of PSS (Rs Lakh) as approved by the Commission**

PSS (capacity)	Quantity	Cost/ PSS	Total cost
10 MVA	235	62.65	14,722.75
7.5 MVA	2		-
7.15 MVA	-		-
5 MVA	1,084	41.67	45,170.28
3.15 MVA	102		-
1.6 MVA	7		

**Table 149: Estimated Cost of 33kV, 11 kV and LT lines (in Rs Lakh) as approved by the Commission**

Line Length	Quantity	Cost/ Km	Total cost
33 kV Incoming (in km.)	9,616	26.07	2,50,689.12
33 kV Outgoing (in km.)	2,976	26.07	77,584.32
11 kV Length (in km.)	72,422	7.24	5,24,335.28
LT Length (in km.)	2,31,300	4.45	10,29,285.00

**Table 150: Estimated Cost of DTRs (Rs. Lakh) as approved by the Commission**

DTR (capacity)	Quantity	cost/ DTR	Total cost
1000 KVA	15		
750 KVA	36		-
500 KVA	683	14.48	9,889.84
400 KVA	49	10.06	492.94
315 KVA	83	10.36	859.88
250 KVA	583	8.32	4,850.56
200 KVA	11,217	6.52	73,134.84
150 KVA	1,043		-
100 KVA	28,248	4.76	1,34,460.48

DTR (capacity)	Quantity	cost/ DTR	Total cost
63 KVA	24,203	4.06	98,264.18
25 KVA	72,215	3.27	2,36,143.05

9.7 Based on the above data, the estimated present cost of assets, apportioned into different voltage levels is depicted in the table below:

**Table 151: Voltage-wise Asset Ratio as approved by the Commission for FY 2025-26.**

Voltage levels	Total cost	Ratio
33 kV	3,88,166.47	16%
11 kV	5,24,335.28	21%
LT	15,87,380.77	63%

9.8 Based on the voltage wise asset bifurcation, the Wires Business ARR at respective voltage levels, is depicted in the table below:

**Table 152: Voltage-wise ARR (Rs. Crore) of wire business as approved by the Commission**

Voltage levels	Asset Segregation	Asset Segregation	Segregation of ARR
LT	15,873.81	63%	1,200.93
11 kV	5,243.35	21%	396.68
33 kV and above	3,881.66	16%	293.67
<b>Total</b>	<b>24,998.83</b>		<b>1,891.28</b>

9.9 The Wires Business ARR for different voltage levels as approved by the Commission has been apportioned between lower voltage levels in the ratio of voltage-wise energy sales and stacked accordingly in line with the methodology adopted by the Petitioner earlier in the Order. The consumer voltage and category wise energy sales as approved by the Commission has been allocated to different voltage levels as depicted in the table below:

**Table 153: Voltage-wise Energy sale (MU) as approved by the Commission.**

Category	Voltage level	Voltage-wise Sales	Aggregated sales
Domestic	LT	6,966	6,992



Category	Voltage level	Voltage-wise Sales	Aggregated sales
	11 kV	25	
	33 kV and Above	-	
Commercial/Non Domestic	LT	2,023	2,023
	11 kV	-	
	33 kV and Above	-	
Irrigation / IAS	LT	150	150
	11 kV	-	
	33 kV and Above	-	
Industrial	LT	336	3,724
	11 kV	1,449	
	33 kV and Above	1,939	
Institution	LT	31	176
	11 kV	23	
	33 kV and Above	122	
<b>Total sales</b>	<b>All voltage level</b>	<b>13,063.85</b>	<b>13,063.85</b>

9.10 Accordingly, the voltage wise energy sales ratio, as approved by the Commission is provided in the table below:

**Table 154: Sale Ratio as approved by the Commission.**

Voltage Level	Sales	Sales Ratio
LT	9,506.00	73%
11 kV	1,496.88	11%
33 kV and Above	2,060.97	16%
<b>Total</b>	<b>13,063.85</b>	

9.11 The voltage wise Wires Business ARR (allocated earlier in the ratio of fixed assets), is now stacked from higher to lower voltage levels, based on energy sales ratio, as tabulated below:



Table 155: Cost Stacking (Rs. Crore) as approved by the Commission.

Voltage level	Voltage-wise ARR Allocation	Cost Staking on the basis of energy sales		
		LT	11 kV	33 kV
LT	1,001.23	1,001.23		
11 kV	330.72	285.73	44.99	
33 kV and Above	244.83	178.16	28.05	38.63
<b>Total</b>	<b>1,576.79</b>	<b>1,465.12</b>	<b>73.05</b>	<b>38.63</b>

9.12 Based on the above, the voltage-wise Wheeling Charges for FY 2025-26 as approved by the Commission has been tabulated below:

Table 156: Wheeling Tariff as approved by the Commission.

Voltage Categories	ARR (Rs. Crore)	Sales (MU)	Wheeling Tariff (Rs./kWh)
LT	1,465.12	9,506	<b>1.54</b>
11 kV	73.05	1,497	<b>0.49</b>
33 kV and above	38.63	2,061	<b>0.19</b>

## Voltage-wise Cost of Supply

9.13 The cost of supply is defined as the sum of all costs including the cost of power incurred by a distribution utility to supply electricity to a group of consumers.

9.14 The cost of supply is an essential parameter to arrive at the cross-subsidy levels. Further, Section 61(g) of the Electricity Act, 2003, as amended on June 15, 2007, states that.

*“Section 61. (Tariff regulations)*

*The Appropriate Commission shall, subject to the provisions of this Act, specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by the following, namely: -*



.....

*(g) that the tariff progressively reflects the cost of supply of electricity and also, reduces cross-subsidies in the manner specified by the Appropriate Commission;*

....”

9.15 Also, **clause 8.3** of the Tariff Policy, 2016 states that the Commission should determine a roadmap so that tariffs are brought within  $\pm 20\%$  of the average cost of supply. The relevant excerpts of the Policy have been reproduced below:

*“8.3 Tariff design: Linkage of tariffs to cost of service*

.....

*(2) For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within  $\pm 20\%$  of the average cost of supply.*

.....”

9.16 Further, if strict commercial principles are to be followed, then the tariffs for each category of consumers is to be set based on the cost of supply for each category. However, it is difficult to determine the same pertaining to the issues of data adequacy.

9.17 The Commission is of the view that waiting indefinitely for the required data is not prudent and therefore has decided to initiate the computation of voltage wise cost of supply based on the data made available by the Petitioner as of now, which, to a great extent would reflect the actual voltage wise cost of supply.

9.18 In view of the same, the Commission has decided to follow the methodology proposed by the Hon’ble APTEL for the computation of

voltage wise cost of supply in its Order dated May 10, 2012. The key interpretations made by the Hon'ble APTEL has been summarized below:

- a) Identical consumers connected at different nodes in the distribution network need not be differentiated.
- b) In the absence of segregated network costs, it would be prudent to work out the voltage-wise cost of supply taking into account the distribution losses at different voltage levels.
- c) The Power Purchase cost, which is the major component of tariff can be segregated for different voltage levels taking into account the transmission and distribution losses, both commercial and technical, for the relevant voltage level and upstream system.
- d) All consumer categories connected to the same voltage will have the same cost of supply.

9.19 The Commission, based on the methodology proposed by the Hon'ble APTEL has computed the voltage wise cost of supply as detailed below.

9.20 Apportionment of Sales: The approved sales for the FY 2025-26 have been apportioned to different voltage levels, as tabulated below:

**Table 157: Voltage-wise Energy sale (MU) as approved by the Commission.**

Category	Voltage level	Voltage-wise Sales	Aggregated sales
Domestic	LT	6,966	<b>6,992</b>
	11 kV	25	
	33 kV and Above	-	
Commercial/Non-Domestic	LT	2,023	<b>2,023</b>
	11 kV	-	
	33 kV and Above	-	
Irrigation / IAS	LT	150	<b>150</b>
	11 kV	-	
	33 kV and Above	-	



Category	Voltage level	Voltage-wise Sales	Aggregated sales
Industrial	LT	336	<b>3,724</b>
	11 kV	1,449	
	33 kV and Above	1,939	
Institution	LT	31	<b>176</b>
	11 kV	23	
	33 kV and Above	122	
Total sales	All voltage level	<b>13,063.85</b>	<b>13,063.85</b>

9.21 **Voltage wise Technical losses:** As per para 33 of the APTEL Order dated May 10, 2012

*“33. The technical distribution system losses in the distribution network can be assessed by carrying out system studies based on the available load data. Some difficulty might be faced in reflecting the entire distribution system at 11 KV and 0.4 KV due to vastness of data. This could be simplified by carrying out field studies with representative feeders of the various consumer mix prevailing in the distribution system. ....”*

9.22 The Commission has considered the technical loss levels at 13% for FY 2023-24 as approved in the relevant chapter of this Order and accordingly computed the voltage wise losses at different levels as tabulated below:

**Table 158: Voltage-wise loss as approved by the Commission.**

Voltage Level	Dist. loss level	Sales (MU)	Input (MU)	Tech Loss (MU)
33 kV	3.00%	2,060.97	2,124.72	63.74
11kV	8.00%	1,496.88	1,627.04	130.16
LT	15.05%	9,506.00	11,264.16	1,758.17
Total		<b>13,063.85</b>	<b>15,015.92</b>	<b>1,952.07</b>



9.23 As per para 34 of APTEL order dated May 10, 2012

*“34. Thus Power Purchase Cost which is the major component of tariff can be segregated for different voltage levels taking into account the transmission and distribution losses, both commercial and technical, for the relevant voltage level and upstream system.*

9.24 Accordingly, the Commission has computed the power purchase quantum at different voltage levels, as tabulated below:

**Table 159: Voltage-wise Power as approved by the Commission for FY 2025-26**

Voltage Level	Dist. loss level	Sales	Input	Tech Loss	Commercial Loss	Total Power Purchase
33 kV	3.00%	2,060.97	2,124.72	63.74	-	2,124.72
11kV	8.00%	1,496.88	1,627.04	130.16	-	1,627.04
LT	15.05%	9,506.00	11,264.16	1,758.17	-	11,264.16
		<b>13,063.85</b>	<b>15,015.92</b>	<b>1,952.07</b>	-	<b>15,015.92</b>

\*Note: Commercial Loss considered as 0% as per the AT&C Loss Trajectory approved by the Commission

9.25 Allocation of power purchase cost for different voltage levels: The Net power purchase cost approved by the Commission has been allotted to different voltage levels as tabulated below:

**Table 160: Voltage-wise Power purchase cost as approved by the Commission for FY 2025-26.**

Volt Level	Dist. loss level	Sales (MU)	Input (MU)	Net APPC (Rs./kWh)	Voltage-wise PP Cost (Rs./kWh)
33 kV	3.00%	2,060.97	2,124.72	4.79	4.94
11kV	8.00%	1,496.88	1,627.04	4.79	5.21
LT	15.05%	9,506.00	11,264.16	4.79	5.64
Total		13,063.85	15,015.92	4.79	5.48

9.26 Network Cost: As per para 34 of the APTEL Order dated May 10, 2012

“34.....



*As segregated network costs are not available, all the other costs such as Return on Equity, Interest on Loan, depreciation, interest on working capital and O&M costs can be pooled and apportioned equitably, on pro-rata basis, to all the voltage levels including the appellant's category to determine the cost of supply.*

....”

9.27 As per the above methodology, the Commission has calculated a uniform network cost for all the categories as tabulated below:

**Table 161: Network Cost as approved by the Commission for FY 2025-26.**

Particulars	Share of Wheeling Business
Share of Wheeling Business of ARR (Rs. Cr.)	1,576.79
Total Sales (MU)	13,063.85
<b>Network Cost (Rs./kWh)</b>	<b>1.21</b>

9.28 The voltage wise cost of supply for FY 2025-26 as approved by the Commission has been tabulated below:

**Table 162: VCoS approved by the Commission for FY 2025-26**

Volt Level	Voltage-wise PP Cost (Rs./kWh)	Network Cost (Rs./kWh)	VCoS (Rs./kWh)
33 kV	4.94	1.21	6.14
11kV	5.21	1.21	6.41
LT	5.64	1.21	6.84
Total	5.48	1.21	6.68

## Cross Subsidy Surcharge

9.29 The Commission has determined the Cross-Subsidy Surcharge as per the methodology outlined in the National Tariff Policy 2016. The methodology keeps the interest of distribution companies as well as consumers in mind while determining a mathematical formula, thus ensuring that the competition in electricity through open access is not constrained.



*“10.62 The surcharge payable by consumers opting for open access on the network of the Licensee will be determined by the Commission as per the following formula:*

$$S = T - [C / (1 - (L / 100)) + D + R]$$

*Where,*

*S is the surcharge;*

*T is the Tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation;*

*C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation;*

*D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level;*

*L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level;*

*R is the per unit cost of carrying regulatory assets:*

*Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking open access.”*

9.30 The Commission has considered the Voltage-wise losses as approved in the previous chapter and grossed it up with approved Transmission losses of 2.23% for calculation of “L”.

9.31 Weighted average purchase cost at the DISCOMs for CSS computation works out to be Rs 4.79 per unit by considering the Power Purchase Cost of Rs. 7,507.45 Crore (considering transmission charges) and Power Purchase Quantum of 15,675.79MU as approved by the Commission at the Distribution Periphery.

9.32 The Tariff Policy stipulates that the CSS shall not exceed 20% of the tariff applicable to the category of the consumers seeking Open Access. Accordingly, the CSS approved by the Commission for FY 2025-26 is summarized below:

**Table 163: Cross Subsidy Surcharge approved by the Commission (Rs/kWh)**

Category	ABR (T)	APPC (C)	Losses (L)	Charges (D)	Reg. Assets (R)	CSS
HT Services (11 kV)	8.74	4.79	10.05%	0.59	0.00	1.75
HT Services (33 kV and Above)	8.74	4.79	5.16%	0.22	0.00	1.75

9.33 All consumers who wish to avail Open Access will be levied no charge for the use of distribution network other than wheeling charge and CSS.



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## **Chapter 10: GREEN ENERGY TARIFF**

10.1 The Ministry of Power, Government of India has notified “the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022. On 6th June 2022 (amended on 27th Jan 2023) to facilitate use of Renewable Energy by the consumers and further accelerate India’s RE program’s. SERC’s/JERC’s vide letter dated 10.10.2022 were informed to take appropriate action for determination of Green Tariff under Rule 4 (2) (C) (c).

### ***Petitioner Submission***

10.2 Environmental Benefits like reduction in Carbon Emissions would require transitioning to green energy that will significantly reduce greenhouse gas emissions. It will also help in sustainable development that promotes long-term environmental sustainability and conservation of natural resources. It has also economic benefits like to cost savings in the long run due to lower operational costs and will generate employment opportunities in the state. Further social benefits like public health will be strengthened due to reduced air pollution and help achieve energy security for the nation.

10.3 The JSERC’s Green Energy Open Access Regulation 2024 aims to facilitate the procurement and use of renewable energy. It mandates that distribution licensees and consumers have the right to procure green energy through open access, thereby encouraging the integration of renewable energy into the state’s energy mix. The primary objective of this proposal is to petition for the introduction of a Green Energy Tariff by JBVNL to promote the use of renewable energy among its consumers, in compliance with the Green Energy Open Access Regulation 2024.

10.4 The regulation defines ‘Green Energy Open Access Consumer (GEOA)’ shall mean any person who has contract demand or sanctioned load of 100 kW and above, either through single connection or through multiple connections aggregating 100 kW or more located in same electricity division of a distribution licensee, (captive consumers shall not



have any load limit) who is supplied with electricity from RE sources for his own use by a licensee or the Government or by any other person engaged in the business of supplying electricity to the public under this Act or any other law for the time being in force, and includes any person whose premises are for the time being connected for the purpose of receiving renewable energy with the works of a licensee, the Government or such other entity, as the case may be. Provided that in case of captive consumers there shall not be any load limitation;

10.5 In clause 4.1 of the said regulation specifies that there shall be a uniform renewable purchase obligation, on all obligated entities in area of a distribution licensee. Also, in Clause 4.2, it states that any entity, whether obligated or not may elect to generate, purchase and consume renewable energy as per their requirements by one or more of the following methods:

- Own Generation from renewable energy sources:
- By procuring Renewable Energy through Open Access from any Developer either directly or through a trading licensee or through power market(s)
- By requisition from distribution licensee
- By consuming green energy from captive power plant.
- By purchasing of renewable energy certificates in accordance with the applicable regulations.
- Purchase of green hydrogen or green ammonia
- Any other sources, as may be, determined by the Central Government

10.6 Clause 4.2, point no 3 of the said regulation specifically details about the procurement of green energy from distribution licensee.



- 
- 10.7 Any consumer may elect to purchase Green Energy either upto a certain percentage of the consumption or its entire consumption and they may place a requisition for this with their distribution licensee, which shall procure such quantity of green energy and supply it and the consumer shall have the flexibility to give separate requisition for solar and non-solar
- 10.8 According to above rules, the consumer may purchase on a voluntary basis, more renewable energy, than he is obligated to do and for ease of implementation, this may be in steps of Twenty-five per cent and going up to Hundred per cent. The green energy purchased from distribution licensee or from Renewable Energy sources other than distribution licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted towards Renewable Purchase Obligation compliance of the distribution licensee.
- 10.9 The tariff for the green energy shall be determined separately by the Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy surcharges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy;
- 10.10 Any requisition for green energy from a distribution licensee shall be for a minimum period of one year;
- 10.11 There are various methods of RE procurement existing in the Indian market. One of these innovative methods is the purchase of electricity through green energy tariff. That would create a demand of green energy to be purchased by the distribution utilities. Green tariff is a price structure offered by an electricity distribution company (DISCOM) which enables a consumer to purchase electricity bundled with RE attributes. Further, Green Power Tariff will have the following advantages:
- Consumers will have the option to opt for Green Energy under a Green Power Tariff since it is entirely voluntary.
-

- Such procurement will form part of the power purchase requirement of Discoms and may be utilized to meet its RPO requirement as well in case of shortfall.
- Distribution Licensees will issue a monthly certificate to the consumer stating that 100% of their power requirement has been met through green energy.
- Consumers can opt for DISCOM proposal for Green Power Tariff when they want the green credit without installing their own solar systems.

10.12 As per clause 4.2 (3), the Green Power Tariff shall comprise of

- Average pooled power purchase cost of Renewable Energy
- Cross Subsidy charges if any
- Service charges covering the prudent cost of the distribution licensee for providing the green energy.

10.13 The detailed computation of each component is mentioned below for the Commission.

10.14 Cost of RE power purchase- The cost of power proposed to be procured from Renewable Energy (RE) sources for FY 23-24 is enumerated in the table below:

Source of RE	Per unit cost (Rs./kwh) in FY 2025-26 (Provisional)	Total Quantum (MU) in FY 2025-26 (Provisional)	Amount (Cr Rs)
Solar	2.194	945.22	301.88
Wind	3.415	848.20	289.71
Wt. Avg. Pooled Price	3.298	1793.42	591.58

10.15 JBVNL would like to propose that in cases where the demand for green



power is considerably higher than what is available from the existing tied up sources, additional RE procurement shall be required. In such a scenario, generation from conventional sources would be required to be backed down. For the ensuing year, FY 2025-26, the Petitioner is envisaging that the demand for green energy shall be met through the existing tied up renewable sources.

10.16 Accordingly, no additional cost of backing down has been considered for FY 2025-26. However, JBVNL requests the Commission that the same shall be analyzed in future petitions based on the response received during FY 2025-26 and if requirement arises the additional backing down cost component also shall be included.

10.17 JBVNL submits that the transmission cost for FY 2023-24 also needs to be factored in to arrive at the landed cost of RE power. The transmission charges proposed in this Petition is summarized in the table below:

<b>Power Purchase in FY 2025-26 in Million units</b>	<b>Transmission Cost in FY 2025-26 (Rs.Cr)</b>	<b>Per unit transmission cost (Rs./kwh)</b>
17479.33	1063.98	0.6087

10.18 The distribution service cost for FY 2025-26 is illustrated in the table below:

<b>Particulars for FY 2025-26 (Projection)</b>	<b>Proposed (Rs. Cr.)</b>
Operations and Maintenance Expenses	943.71
Depreciation	547.78
Interest on Long Term Loan	581.80
Interest on Working Capital Loan	22.90
Interest on Consumer Security Deposit	100.97
Bank/ Finance Charges	2.38
Return on Equity Capital	543.41

Particulars for FY 2025-26 (Projection)	Proposed (Rs. Cr.)
Gross ARR	2742.95
NTI	108.12
Net ARR	2634.83
Sales (MU)	13063.86
Distribution Service Cost (Rs./Unit)	2.0168

10.19 As per Section 42 of the Electricity Act 2003, Cross-subsidy surcharge (CSS) is payable by Open Access Consumers. The Cross-Subsidy Surcharge approved in earlier petition is:

Category	CSS (Rs./kwh)
HT Services (11 kV)	1.71
HT Services (33 kV and Above)	1.71

10.20 Considering the above-mentioned cost parameters, the landed cost of renewable energy is worked out as under

10.21 Landed Cost of Renewable Energy (Rs. Crore) considering the Distribution Loss – Projection for FY 2023-24 at 24% is:

Parameters	Rs/unit
Avg. Pooled price of RE	3.298
Per Unit Transmission Cost	0.6087
Total cost of RE	3.9067
Added Distribution Loss @ 19 %	0.742
Average pooled power purchase cost of renewable energy grossed up with T&D Loss	4.648

10.22 The Average pooled power purchase cost of renewable energy grossed up with T&D Loss per unit proposed is Rs 4.38. Accordingly, computation of green power tariff is provided below:



Sl no	Parameters	Rs./unit
1	Average pooled power purchase cost of renewable energy grossed up with T&D Loss	4.648
2	Distribution Service Charge	2.0168
3	Cross Subsidy Surcharge	1.71
4	Green Power tariff	8.375

10.23 Thus, as per methodology explained above, the Commission is requested to approve the green power tariff of Rs 8.375 per unit as submitted.

### **Commission Analysis**

10.24 In accordance with the Section 86(1)(e) of the Electricity Act, 2003, the Commission is mandated to promote adoption of Renewable Energy (RE). Therefore, the Commission has introduced Green Energy Tariff in this Order as an optional/voluntary arrangement for the consumers who are willing to procure RE Power from DISCOMs for the purpose of reducing their carbon footprint and seeking certification to this effect.

10.25 Such Green Tariff would be in addition to regular tariff approved in this Tariff Order. The Commission observes that the concept of Green Tariff has been well appreciated by many stakeholders across the state as it provides opportunity for consumers willing to meet their power requirement through green energy sources, however, the concept is still at nascent stage with limited participation.

10.26 For the calculation of the Green Energy Tariff, the Commission has introduced a formula that considers the difference between the weighted average rate of renewable energy (RE) power and the weighted average rate of the energy charge (variable charge) of non-renewable energy (Non-RE) sources.

10.27 Based on the above discussion the weighted average rate of renewable energy (RE) Power and the weighted average rate of energy charge (Variable Charge) of non-renewable (Non-RE) sources as tabulated



hereunder:

**Table 164: Analysis of cost from Renewable Energy as approved by the Commission.**

Particulars	FY26 (Projected)
	Rs/kWh
Weightage Average Pooled Price of RE (A)	3.14

**Table 165: Analysis of Variable of power purchase from conventional source as approved by the Commission.**

Particulars	FY26 (Projected)
	Rs/kWh
Weightage Average Pooled Price of Non RE (B)	4.35

**Table 166: Difference between RE and Non-RE (A-B) in Rs/kWh as approved by the Commission.**

Particulars	FY26 (Projected)
	Rs/kWh
<b>Difference between RE &amp; Non-RE Power (Variable Cost) (A-B) in Rs./kWh</b>	<b>1.21</b>

10.28 Based on the above computation the Commission approves Green Energy Tariff as **Rs 0.60/kWh** (50%\*Rs. 1.21 per unit) to the Consumer opting for meeting its power requirement through RE Sources. Such Green Energy Tariff would be in addition to regular tariff approved in this Order.

10.29 All Consumer shall be eligible for opting Renewable Energy power on payment of Green Power Tariff.

10.30 The Consumer will have option to select the quantum of green power to be purchased in the step of 10% and going up to 100% of the consumption.

10.31 The Distribution Licensee will levy Green Power Tariff only for percentage of consumption opted by the Consumer.

10.32 The Distribution License shall issue Annual Certificate to consumers stating percentage of power requirement of such consumer has been sourced through RE Sources. The Total tariff earned under “Green Energy



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Tariff” will be considered as a part of the revenue/tariff income of the Petitioner. Further, the Petitioner must file all details along with each ARR/Tariff filings with a list of consumers opting for it. Also, the Petitioner to ensure that the total consumption of these consumers must be met by renewable energy source.



## Chapter 11: RETAIL TARIFF FOR FY 2025-26

### Petitioner's Submission

11.1 The Summary of Tariff proposed by the Petitioner is provided below:

Category/ Sub-Category	Slabs	EC	FC
Domestic (DS)	DS-R	8.45 / kWh	125.00 / kW/ Month
	DS-U	9.25 / kWh	150.00 / kW/ Month
	DS HT	8.50 / kVAh	250.00 / kVA / Month
Commercial (Non-Domestic)	NDS – R	10.40 / kWh	150.00 / kW / Month
	NDS – U	10.75 / kWh	250.00 / kW / Month
	NDS- HT	11.00/kVAh	450.00 /kVA/Month
LTIS	LTIS	7.00 / kVAh	200 / kVA / Month
IAS	IAS-(Pvt)	8.00 / kWh	50.00 / HP / Month
	IAS-(Govt)	8.00 / kWh	50.00 / HP/ Month
HTS-I		8.25 / kVAh	500 / kVA / Month
HTSS		8.00 / kVAh	500 / kVA / Month
HTIS	RTS	7.40 / kVAh	400 / kVA / Month
MES	MES	8.25 / kVAh	450 / kVA / Month
SS	Metered	9.00 / kWh	450 / kVA / Month
EV	Peak Hours	Rs. 8.53 /kWh	Nil
EV	Off Peak Hours	Rs. 12.79/kWh	Nil

### Commission Analysis

11.2 Based on the above discussions, the summary of Tariff approved by the Commission for FY 2025-26 as computed hereunder:



Consumer Category	Consumer/Sub Category	Existing Tariff				Approved Tariff			
		Energy Charge		Fixed Charge		Energy Charge		Fixed Charge	
		Unit	Rate	Unit	Rate	Unit	Rate	Unit	Rate
Domestic	Rural	Rs/kWh	6.30	Rs/Conn./Mon	75.00	Rs/kWh	6.70	Rs/Conn./Mon	75.00
	Urban	Rs/kWh	6.65	Rs/Conn./Mon	100.00	Rs/kWh	6.85	Rs/Conn./Mon	100.00
	HT	Rs/kVAh	6.25	Rs/kVA/Mon.	150.00	Rs/kVAh	6.40	Rs/kVA/Mon.	150.00
Commercial	Rural	Rs/kWh	6.10	Rs/kW/Mon	120.00	Rs/kWh	6.20	Rs/kW/Mon	120.00
	Urban	Rs/kWh	6.65	Rs/kW/Mon	200.00	Rs/kWh	6.70	Rs/kW/Mon	200.00
IAS	IAS (Private)	Rs/kWh	5.30	Rs/hp/Mon	50.00	Rs/kWh	5.30	Rs/hp/Mon	50.00
	IAS (Govt)								
Industrial	Low Tension Industrial Supply	Rs/kVAh	6.05	Rs/kVA/Mon.	150.00	Rs/kVAh	6.10	Rs/kVA/Mon.	150.00
	High Tension Industrial Supply	Rs/kVAh	5.85	Rs/kVA/Mon.	400.00	Rs/kVAh	5.90	Rs/kVA/Mon.	400.00
	High Tension Special Service	Rs/kVAh	5.20	Rs/kVA/Mon.	400.00	Rs/kVAh	5.25	Rs/kVA/Mon.	400.00
Institutional	Streetlight	Rs/kWh	7.00	Rs/kW/Mon	250.00	Rs/kWh	7.00	Rs/kW/Mon	250.00
	RTS	Rs/kVAh	5.60	Rs/kVA/Mon.	400.00	Rs/kVAh	5.80	Rs/kVA/Mon.	400.00
	MES	Rs/kVAh	5.60	Rs/kVA/Mon.	400.00	Rs/kVAh	5.80	Rs/kVA/Mon.	400.00
	Other Distribution Licensee	Rs/kVAh	5.60	Rs/kVA/Mon.	400.00	Rs/kVAh	5.80	Rs/kVA/Mon.	400.00



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## **Chapter 12: TARIFF SCHEDULE**

**APPLICABLE FROM 01.05.2025**

### **Consumer Tariff**

#### **Ceiling Tariff**

The Tariffs approved below are Ceiling Tariffs and the Licensee is at liberty to Supply at lower and more competitive rates based on the requirement of the Consumers. However, this reduced recovery shall be attributable to the Licensee and shall not be recoverable in the ARR.

### **Domestic Service- Rural and Urban**

#### **Applicability:**

This schedule shall apply to private residential premises for domestic use for household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc., including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

This rate is also applicable for supply to religious institutions such as Temples, Gurudwaras, Mosques, Church, Burial/Crematorium grounds, Rural Drinking Water Schemes and other recognized charitable institutions, where no rental/fees are charged for the energy needs and for its products and services.

This rate is also applicable for all consumers with contracted demand of up to 5 kW mixed, commercial, industrial, educational institutions, drinking water schemes or for any other purpose, except streetlight connections and agriculture/allied connections

#### **Category of Services:**

**Domestic Service-Rural:** areas not covered by Nagar Nigam, Nagar Parishad and Nagar Panchayat.

**Domestic Service -Urban:** areas covered by Nagar Nigam, Nagar Parishad and





Nagar Panchayat.

**Service Character:**

- a) For Rural: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.
- b) For Urban: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.

**Tariff:**

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Rural	Rs/Conn./Month	75	Rs/kWh	6.70
Urban	Rs/Conn./Month	100	Rs/kWh	6.85

**As the Fixed Charges are applicable per connection basis, there is little relevance of load for Tariff purpose, the Petitioner should not normally inspect consumer premises on the pretext of load verification.**

**Delayed Payment Surcharge:** In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Prompt Payment Rebate:** In accordance with **Clause VIII:** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.



## Domestic Service - HT

### Applicability:

This schedule shall apply to private residential premises for domestic use for household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc., and including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

### Category of Services:

This Schedule shall apply for domestic connection in Housing Colonies/ Housing Complex/Houses of multi storied buildings purely for residential use for single point metered supply, with power supply at 33kV or 11kV voltage level. DS-HT consumers, who supply power to individual households, the average per unit charges billed to an individual consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

### Service Character:

(i) For HT: AC, 50 Cycles, at 11kV or 33kV

### Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
DS-HT	Rs/kVA/Month	150	Rs/kVAh	6.40

**Billing Demand:** The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand whichever is higher. The penalty on exceeding Billing Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Delayed Payment Surcharge:** In accordance with **Clause III: Delayed Payment**



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Surcharge of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Prompt Payment Rebate:** In accordance with **Clause VIII:** Prompt Payment Rebate of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.



## Irrigation & Agriculture Service (IAS)

### Applicability:

This schedule shall apply to all consumers for use of electrical energy for Agriculture purposes including tube wells and processing of the agricultural produce, confined to Chaff-Cutter, Thresher, Cane crusher and Rice-Hauler, when operated by the agriculturist in the field or farm and does not include Rice mills, Flour mills, Oil mills, Dal mills.

### Service Character:

AC 50 Cycles, Single Phase at 230 volts /Three Phase at 400 volts

### Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
IAS	Rs/hp/Month	50	Rs/kWh	5.30

**Delayed Payment Surcharge:** In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Prompt Payment Rebate:** In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.



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## **Commercial Services**

### **Applicability:**

This schedule shall apply to all consumers, using electrical energy for light, fan and power loads for non-domestic purposes like shops, hospitals (govt. or private), nursing homes, clinics, dispensaries, restaurants, hotels, clubs, guest houses, marriage houses, public halls, show rooms, workshops, central air conditioning units, offices (govt. or private), commercial establishments, cinemas, X-ray plants, schools and colleges (govt. or private), boarding/ lodging houses, libraries (govt. or private), research institutes (govt. or private), railway stations, fuel-oil stations, service stations (including vehicle service stations), All India Radio / T.V. installations, printing presses, commercial trusts/societies, Museums, poultry farms, banks, theatres, common facilities in multi-storied commercial office/buildings, *Dharmshalas*, public Electric Vehicles Charging stations and such other installations not covered under any other tariff schedule whose contracted demand is less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

This schedule shall also be applicable to electricity supply availed through separate (independent) connections for the purpose of advertisements, hoardings and other conspicuous consumption such as external flood light, displays, neon signs at public places (roads, railway stations, airports, etc.), departmental stores, commercial establishments, malls, multiplexes, theatres, clubs, hotels and other such entertainment/leisure establishments whose Connected Load/Contracted Demand is less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

### **Service Category:**

Commercial Service-Rural: Areas not covered by area indicated for Commercial Service Urban.

Commercial Service-Urban: Areas covered by Nagar Nigam, Nagar Parishad, Nagar Panchayat.

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**Service Character:**

Rural: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.  
Urban: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.

**Tariff:**

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Rural	Rs/kW/Month	120	Rs/kWh	6.20
Urban	Rs/kW/Month	200	Rs/kWh	6.70

**Billing Demand:** The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Delayed Payment Surcharge:** In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Installation of Shunt Capacitors:** In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Prompt Payment Rebate:** In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.



## Low Tension Industrial Services

### Applicability:

Low Tension Industrial Service (LTIS): This schedule shall apply to all industrial / processing units or agro industrial processes having a contracted load less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW

### Service Character:

**Low Tension Industrial Service (LTIS):** AC, 50 Cycles, Single Phase supply at 230 Volts or Three Phase Supply at 400 Volts.

### Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
LTIS	Rs/kVA/Month	150	Rs/kVAh	6.10

**Billing Demand:** The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order. In case Recorded Demand is more than 100 kVA/85 kW for any month for more than three instances within a Financial Year, the average of the Maximum Demand recorded during such instances shall be treated as the new Contract Demand for the purpose of billing of future months and the consumer will have to get into a new Agreement under the HTS category.

**Delayed Payment Surcharge:** In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.



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**Installation of Shunt Capacitors:** In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Prompt Payment Rebate:** In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.





## HT Services

### Applicability:

All the consumers drawing power at voltage level at 6.6 kV and above except Domestic-HT consumers and HT- Institutional Consumers. High Tension Special Service (HTSS): This tariff schedule shall apply to all consumers who have a contracted demand of 300 KVA and more for induction/arc Furnace. In case of induction/arc furnace consumers (applicable for existing and new consumers), the contract demand shall be based on the total capacity of the induction/arc furnace and the equipment as per manufacturer technical specification and not on the basis of measurement. This tariff schedule will not apply to casting units having induction furnace of melting capacity of 500 Kg or below.

### Service Character:

High Tension Service (HTS): 50 Cycles, Three Phase at 6.6 kV/11 kV/33 kV/132 kV/220 kV/400 kV.

High Tension Special Service (HTSS): 50 Cycles, Three Phase at 11 kV/33 kV/132 kV/220 kV/400 kV

### Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
HTS	Rs/kVA/Month	400	Rs/kVAh	5.90
HTSS	Rs/kVA/Month	400	Rs/kVAh	5.25

**Billing Demand:** The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Load Factor Rebate:** In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.



**Voltage Rebate:** In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Delayed Payment Surcharge:** In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Prompt Payment Rebate:** In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**TOD Tariff:** In accordance with **Clause VII: ToD Tariff** as provided in section on Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.



## Street Light

This tariff schedule shall apply for use of Street Lighting system.

### Applicability:

This tariff schedule shall apply for use of Street Lighting system, including single system in corporation, municipality, Notified Area Committee, panchayats etc., and also in areas not covered by municipalities and Notified Area Committee provided the number of lamps served from a point of supply is not less than 5.

### Service Character:

Street Light Service (SS): AC, 50 cycles, Single phase at 230 Volts or Three phase at 400 Volts

### Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Streetlight	Rs/kW/Month	250	Rs/kWh	7.00

**Delayed Payment Surcharge:** In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Prompt Payment Rebate:** In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.



## HT Institutional Services

This tariff schedule shall apply for use of Railway Traction, Military Engineering Services and Other Distribution Licensees.

### Applicability:

**Railway Traction (RTS) and Military Engineering Services (MES):** This tariff schedule shall apply for use of railway traction and Military Engineering Services (MES) for a mixed load in defense cantonment and related area.

**Other Distribution Licensees:** This tariff schedule shall apply to other distribution licensees procuring power from the Licensee for the sole purpose of supplying it to its consumers. It is clarified that such tariff shall not be applicable for the quantum of power utilized in industrial units owned by it or its parent or affiliate company.

### Service Character:

**Railway Traction Service (RTS):** AC, 50 cycles, Single, two or three phase at 25 kV/ 132 kV.

**Military Engineering Services (MES):** AC, 50 cycles, three phase at 6.6 kV and above.

**Other Distribution Licensees:** AC, 50 cycles, three phase at 6.6 kV and above

### Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
RTS/MES	Rs/kVA/Month	400	Rs/kVAh	5.80

**Billing Demand:** The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of



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Supply as provided in **Chapter 13** of this Tariff Order.

**Load Factor Rebate:** In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Voltage Rebate:** In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Delayed Payment Surcharge:** In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**Prompt Payment Rebate:** In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**TOD Tariff:** In accordance with **Clause VII: ToD Tariff** as provided in section on Terms & Conditions of Supply as provided in **Chapter 13** of this Tariff Order.

**RPO Compliance:** RPO Compliance for Sale to Other Licensees, RTS and MES shall be made by the first Licensee which sells the power viz., in case TSL has procured such quantum of power from JBVNL then the onus to comply with RPO will be with JBVNL only.



## **Temporary Connections**

### **Applicability:**

The Temporary tariff shall be applicable as per the following conditions:

- a) Temporary tariff shall be equivalent to 1.5 times of the applicable fixed and energy charges for temporary connections falling in each prescribed tariff category with all other terms and conditions of tariff remaining the same.
- b) Temporary connections may be given with normal meters with security deposit as per JSERC (Electricity Supply Code) Regulations, 2015 and amendments thereof.
- c) Temporary connections may also be given with prepaid meters with minimum prepaid balance equivalent to 45 days of sale of power, which shall be based on the assessment formula as per JSERC (Electricity Supply Code) Regulations, 2015 and amendment thereof.

### **Tariff:**

Category	Fixed Charge	Energy Charge
	Rate	Rate
HTIS	1.5 times of the applicable Fixed Charge	1.5 times of applicable Energy Charge



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**Tariff to be paid by the Licensee for Gross/Net Metering of rooftop Solar PV projects**

The Commission had notified the JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) Regulations, 2015, on November 10, 2015, and further notified its 1st amendment as JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) (1st Amendment) Regulations, 2019. The Tariff for sale of surplus power by Gross/Net metering of Rooftop Solar PV for FY 2023-24 for such eligible consumers of the Petitioner shall be as under:

**Gross Metering: Rs. 4.16/kWh**

**Net Metering: Rs. 3.80/kWh**

The tariff approved as above for FY 2023-24 shall remain effective till the issue of subsequent Tariff Order/Individual Order as the case may be.

**Schedule of Miscellaneous Charge**

The Miscellaneous Charge will be applicable as per the Tariff Order dated May 31, 2023 till further Order.



## Tariff for EV Charging

The Commission has noted the tariff for different categories of EV charging consumers as proposed by the Petitioner and has come to following opinion:

- I. EV charging infrastructure refers to the network of public and private charging stations designed to recharge electric vehicles (EVs). It plays a critical role in supporting the widespread adoption of EVs by ensuring drivers have reliable access to electricity, whether at home, work, or on the go.
- II. Further, EV charging tariffs refer to the pricing structure for charging electric vehicles at public or private charging stations. These tariffs vary based on factors like the type of charger, the location, and the time of day.
- III. As per the guidelines of Ministry of Power's revised consolidated guidelines and standards regarding charging infrastructure for EV issued on April 27, 2023, the cost of supply by DISCOM to a public charging station will be 0.8 times of ACoS during solar hours and 1.2 times of ACoS during non-solar hours. Solar hours mean 9:00 AM to 4:00 PM time and non-solar means remaining period of the day.
- IV. Further, EV charging tariffs refer to the pricing structure for charging electric vehicles at public or private charging stations. These tariffs vary based on factors like the type of charger, the location, and the time of day. Accordingly, the Commission approve EV tariff for Public Charging Stations as follows:

	Category	Demand Charge	Energy Charge
<b>Public Charging Station</b>	Peak Hours (during solar hours 9 AM to 4 PM)	NIL	<b>Rs. 7.31 /kWh</b>
<b>Public Charging Station</b>	Off Peak Hours (during non-solar hours, remaining period of day)	NIL	<b>Rs. 8.77 /kWh</b>





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## **Chapter 13: TERMS AND CONDITON OF SUPPLY**

### **Clause I: Penalty for exceeding Billing/ Contract Demand**

In case the Recorded/Actual Demand exceeds 110% of the Contract Demand, the consumer shall pay penal charges. The penal charges would be charged as follows: If the Recorded Demand exceeds 110% of Contract Demand, then the Demand Charge up to Contract Demand will be charged as per the normal Tariff rate. The remaining Recorded Demand over and above the Contract Demand will be charged at 1.5 times the normal Tariff rate. In case Recorded Demand is higher than the Contract Demand by the quantum and for the duration as specified in the JSERC (Electricity Supply Code) Regulations, 2015, as amendment from time to time, the Contract Demand shall be revised as per the procedure specified therein.

### **Clause II: Jharkhand Electricity Duty**

The charges in this tariff schedule do not include charges on account of State Electricity Duty/Surcharge to the consumers under the State Electricity Duty Act and the rules framed there under as amended from time to time and any other Statutory levy which may take effect from time to time.

### **Clause III: Delayed Payment Surcharge**

The Delayed Payment Surcharge shall be applicable as specified in Clauses 10.75 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, as amended from time to time. In case, the Licensee defaults in generating and delivering bills on monthly basis, Delayed Payment Surcharge will not be charged for the period of default by Licensee. The consumer should not be deprived of any subsidy/benefit, which could have been otherwise accrued to the consumers, i.e., energy units/amount (in case of unmetered) billed has to be apportioned on average monthly basis for the whole billing duration.



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**Clause IV: Voltage Rebate**

Voltage rebate\* will be applicable on Energy Charges as per the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time at the rate given below:

Consumer Category	Voltage Rebate*
HTS/HT Institutional- 33 kV	3.00 %
HTS/HT Institutional- 132 kV	5.00%

\* Note:

- 1) It is clarified that, if a consumer who is eligible to get supply at 11kV as per classification as mentioned in Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and then the consumer opts for connection at 33kV then consumer shall be eligible for voltage rebate of 3%. Similarly, if a consumer who is eligible to get supply at 33kV as per Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and opts for connection at 132kV then consumer shall be eligible for voltage rebate of 5%. Further, no voltage rebate shall be applicable above voltage level of 132 kV. It is further clarified that the existing consumers at 11kV and 33kV opts for higher voltage, rebate shall be applicable for such consumers.
- 2) The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.

**Clause V: Load Factor Rebate**

The Load factor rebate shall be allowed to all the consumers whose load factor exceeds 65%. For any 'X' % increase in the load factor over and above 65%, the rebate shall be allowed at the rate of 'X' % on the total energy charges corresponding to total energy consumption of the consumer subject to a



maximum ceiling rebate of 15%. The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.

#### **Clause VI: Installation of Shunt Capacitors**

Connections with inductive load/motors as specified in Clauses 8.2.34 and 8.2.35 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time, shall be installed with Shunt Capacitors to meet the Power Factor requirements. For existing consumer, the Petitioner should first serve one month's notice to all such consumers who do not have or have defective shunt capacitors. In case the consumers do not get the capacitor installed/replaced within the notice period, the consumer shall be levied a surcharge at 5% on the total billed amount charge (metered or flat), till they have installed the required capacitors.

#### **Clause VII: ToD Tariff**

TOD tariff shall be applicable as an option to HTS and HT Institutional Consumers as follows: -

- **Off Peak Hours: 10:00 PM to 06:00 AM:** 85% of normal rate of energy charge
- **Normal Hours: 10:00 AM to 06:00 PM:** 100% of normal rate of energy charge
- **Peak Hours: 06:00 AM to 10:00 AM and 06:00 PM to 10:00 PM:** 120% of normal rate of energy charge Clause

#### **VIII: Prompt Payment Rebate**

The due date for making payment of energy bills or other charges shall be as



specified in Clauses 10.1.5 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time. Prompt Payment Rebate shall be allowed for payment of bills by the Consumers in accordance with Clauses 10.76 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, as amended from time to time. Further no rebate shall be allowed after due date irrespective of the mode of payment.

#### **Clause IX: Rebate for Prepaid Metering**

The Commission has introduced rebate to prepaid meters at 3% of the Energy Charges for the respective Consumer Category. For such consumers, the Petitioner shall refund the entire Security Deposit within one month from the date of installation of such prepaid meters.

#### **Clause X: Rebate for Delayed Billing**

The Commission has introduced rebate in case of delayed billing to consumers to promote prompt billing by the Licensees. In case the bill is not received for two continuous billing cycles, a rebate at the rate of 1.00% on the bill amount per month for delay beyond two months or part thereof shall be applicable subject to a ceiling of 3%. The Utility shall not be eligible to claim such Rebate as a part of ARR. The same shall be treated as a Compensation for the consumers out of the RoE of the Licensee. This clause shall be applicable to all consumers.

#### **Clause XI: Other Terms and Conditions**

Reduction in Fixed Charges Recovery of Complete Fixed/Demand Charges from consumers shall be based on the availability of hours of supply recorded by meters installed in the consumer's premises. JBVNL would include the same in the consumer's bill and recover the Fixed Charges only in proportion to the hours of supply as per the meter. The cut off hours for complete recovery from Fixed/Demand Charges shall be 21 hours per day for LT consumers and 23 hours per day for HT Consumers.



Provided that interruption due to grid failure in Inter-State and Intra-State Transmission System, interruption due to prevention of accidents due sudden changes in weather conditions such as hail storm or intensive rainfall as declared by India Meteorological Department (IMD) or by State Government and planned outages/Rostering in the network to be uploaded on its website seven days in advance with a copy to the Commission and an intimation to the respective consumers shall be excluded while computing scheduled supply hours.

Provided that any reduction in recovery of Fixed/Demand Charges on account of lower than stipulated hours of supply shall not be claimed as a part of the ARR. Any reduction in the Fixed/Demand Charges shall be considered as a compensation to be paid to the Consumer by the Licensee.

The Commission in its earlier Order dated October 01, 2020 issued following directives: -

*“The Commission directs the Petitioner to submit a report on implementation of the above for all categories except for LT- Domestic, within 30 days of issue of this Order and implement the same from the billing cycle following the issuance of this Order. For LT-Domestic the Petitioner shall implement the same with effect from January 01, 2021.*

*However, till the time the above mechanism is implemented (i.e., December 31, 2020) for LT-Domestic, earlier mechanism for recovering fixed charge on the basis of the below mechanism specified in its earlier Order dated February 28, 2019 shall be applicable.*

$$FCr = FC \times (20-Y)/20$$

*FC = Total Fixed Charges for the consumer for the Billing Period.*

*FCr = Fixed Charges recoverable by the Petitioner for the Billing Period.*



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*Y = Average duration of no supply of power beyond 4 hours per day as recorded for the previous quarter.*

*The Petitioner is directed to adjust from the monthly fixed charges as per the above specified mechanism based on the SAIDI recorded in the previous quarter.”*

In view of the above, the Commission reiterate its direction that the Petitioner shall submit a report on implementation of the above, within 30 days of issuance of this Order and implement the same from the subsequent billing cycle.

### **Point of Supply**

The Power supply shall normally be provided at a single point for the entire premises. In certain categories like coal mines power may be supplied at more than one point on the request of consumer subject to technical feasibility. But in such cases metering and billing shall be done separately for each point.

### **Dishonored Cheques**

In terms of Regulation 10.10.5 of the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time, in the event of dishonoured cheque for payment against a particular bill, the Licensee shall charge a minimum of Rs. 300 or 0.5% of the billed amount, whichever is higher. In addition to the same, the Delay Payment Surcharge shall be levied extra as per the applicable terms and conditions of Delay Payment Surcharge.

### **Stopped/Defective Meters**

In case of existing consumers with previous consumption pattern, the provisional average bill shall be issued as per Clause 10.3.1 of the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time.

In case of meter being out of order from the period before which no pattern of

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consumption is available, the provisional average bill shall be issued on the basis of Sanctioned/Contract Load on following Load Factor applicable to respective categories:

Consumer Category	Load Factor
Domestic	0.15
Non-Domestic	0.20
LTIS	0.20
DS-HT	0.15
HT Consumer <132 kV	0.30
HT Consumer >132 kV	0.20

### **Sale of Energy**

No consumer shall be allowed to sell the electricity purchased from the Licensee to any other person/entity. In case of DS-HT consumers, who supply power to individual households, the average per unit charge billed to an individual consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

### **Release of New Connections**

No new connections shall be provided without appropriate meter.

#### **Conversion Factors**

The following shall be the conversion factors, as and where applicable: (PF=0.85 to 0.95):

1 kiloWatt (kW) = 1.176 kiloVolt Ampere (kVA)

1 kiloWatt (kW) = 1/0.746 Horse Power (HP)

1 Horse Power (1 HP) = 0.878 kiloVolt Ampere (kVA)

### **Fuel & Power Purchase Cost Adjustment (FPPCA)**

Applicable as per JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and as amended by the Commission from time to time.



## Chapter 14: STATUS OF EARLIER DIRECTIVES

16.1 The directives issued by the Commission in its earlier Orders, its compliance by the Petitioner and further view of the Commission on compliance is tabulated below:

Directives	Status	Views of the Commission
<b>Fixed Asset Register</b>		
<p>The Commission directs the Petitioner to maintain the Fixed Assets Register (FAR) considering the depreciation rates as specified in JSERC Distribution Tariff Regulations and submit the status report to the Commission along with FAR in the next tariff filing.</p> <p>The Petitioner is directed to specifically comply with the observations of the statutory authorities/auditors on the matter of Verification &amp; Monitoring of Fixed Assets/CAPEX/Inventory and Maintenance of proper records preferably in digital form for observance of statutory provisions.</p> <p>The Petitioner should also put in place a robust Integrated Accounts &amp; Financial Management System to minimize the time for preparation of Annual Accounts &amp; filing of Petitions/Business Plans/APR in time</p>	<p>The physical verification of all the assets under fixed asset register is completed by the selected agency, Delloitte Touche Tohmatsu Limited (DTTL). The same is submitted to internal finance department for asset valuation and reconciliation on the same is going on. It is estimated that the fixed asset register will be completed by the end of December 2024.</p> <p>The status of the FAR is provided in Annexure - 4.</p>	<p>The Commission observes that the Petitioner has not been able to comply with its self-declared target.</p> <p>The Commission take serious note of the same.</p>
<b>Scraps and Stores</b>		
<p>The Petitioner is directed to submit the itemized details of scraps and store items along with the estimated values within</p>	<p>Quantitative evaluation of scraps has been done in phase wise and some scraps were put to sale through MSTC in e- auction. The details of the</p>	<p>The Commission takes into consideration the submission and also advises the Petitioner</p>





Directives	Status	Views of the Commission
3 months from the issue of this Order	itemized details of scraps and stores are provided in Annexure -5.	to complete the auction of recognized items at the earliest and submit completion report to the Commission before filing of next petition.
<b>Conversion of Govt. Loan to grant</b>		
It is apparent that the Petitioner is enjoying a perpetual moratorium as no interest or debt is being serviced. It thus, in effect is akin to Government Grant. Hence, the Commission is of view that the Petitioner may approach the Government to convert the Government loan into Government Grant.	<p>The Petitioner has surrendered/repaid the loan received from State Govt. through book adjustment amounting to Rs 8414.41 Cr. (almost 43% of total loan received) till 31.03.2024 out of total loan of Rs 19640.02 Cr. received till 31.03.2024. So, to say that the Petitioner is not making any payments against loan may not be appropriate. It is to apprise that Out of Rs 8414.41 Cr paid, Rs 1534 Cr. is being converted into equity and Rs 459.98 Cr is converted into grant in the year 2023-24.</p> <p>Further, a meeting was proposed by Finance Department, Government of Jharkhand vide letter no. 2503 dated 29.10.2024 was cancelled on 18.11.2024 to discuss the equity position of the companies. JBVNL was planning to discuss the proposal of conversion of remaining loans and interest into equity which is more beneficial, however, the meeting got postponed. Copy of the letter is enclosed as Annexure - 6.</p> <p>So, company is in active contention of the proposal and will update the Commission about its subsequent development.</p>	<p>The Commission observes that the Petitioner has not been able to comply with directive of the Commission even after completion of more than 1 Year.</p> <p>The Commission takes serious note of the same and further directs to expedite the process and report to the Commission.</p>
<b>Comprehensive Roadmap for liquidation</b>		
The Commission vide letter no	The desired proposal has been	The Commission has



Directives	Status	Views of the Commission
JSERC/Case (Tariff) no.: 03 & 15 of 2022/505 dated February 6, 2024 has directed the Petitioner to provide a comprehensive roadmap for liquidation of Cumulative Gap/(Surplus) up to FY 2023-24 within a week. But till date the Petitioner had not submitted the same. In this regard, the Petitioner is redirected to submit the desired proposal within stipulated time frame	submitted to the Commission via letter dated 29/02/2024. However, it is requested to the Commission to pass the approved gap in subsequent tariff considering the financial position of the Petitioner.	noted the submission of the Petitioner and shall consider the submission.
<b>Resource gap funding</b>		
The then Principal Secretary Energy -B.K. Tripathi of State Government of Jharkhand vide letter date 14.07.2014 as annexed in Annexure-2 had intimated that released of Rs 1500 crores per annum towards resource gap to the JUVNL (erstwhile J.S.E.B) will be to meet the slashes/disallowance worked out by the Commission while fixing the tariff. It has been found that this amount is not disbursed from FY2019-20. Hence, JBVNL is directed to approach the Government of Jharkhand to release the said amount so that the gap may be liquidated	<p>The resource gap funding provided by the Govt of Jharkhand was withdrawn long before. The government has withdrawn the resource gap funding support to JBVNL after the subsidy support to consumers.</p> <p>Hence, RGF is not in force currently and approaching the state govt for the same is out of context.</p> <p>Further, JBVNL has approached the state government to provide for fund assistance against the revenue gap vide letter no 1719 dated 12/12/2023, 103 dated 10/05/2024 and 243 dated 25/10/2024 and others. The state government has provisioned for Rs 500 Crore in the budget. JBVNL has requested the state government to release the funds, and the decision is still pending.</p>	The Commission has noted the submission of the Petitioner.
<b>Continued reliability and efficiency</b>		
The distribution system plays a crucial role in the power delivery	JBVNL has been implementing RDSS scheme to improve the reliability and	The Commission has noted the submission



Directives	Status	Views of the Commission
chain, as it establishes the last mile connectivity with the ultimate consumers. Consumers are paramount in this process, serving as the revenue generators that sustain the entire power delivery chain, from generation to distribution. Distribution service providers have undertaken numerous commendable initiatives aimed at improving the system, reducing distribution losses, enhancing the safety of both personnel and equipment, and resolving issues related to meters and billing. However, there remains a need for further action by licensees to address existing challenges and ensure the continued reliability and efficiency of the distribution system	efficiency of the system. The detail of the scheme is provided in the petition.	of the Petitioner. Further, the Commission directs the Petitioner to expedite the process.
<b>Engagement of Outsourcing Personnel</b>		
The norms for engaging outsourcing personnel through Business associates, along with details regarding the number of outsourcing personnel at each division & circle level and their assigned works/ responsibilities, should be provided.	The detail on the engagement of outsourcing personnel is provided in Annexure - 7.	The Commission has noted the submission of the Petitioner.
<b>Dedicated Industrial Feeders</b>		
Present status and future planning for the creation of dedicated industrial feeders with adequate protection systems to ensure reliable power supply.	The list of dedicated industrial feeders as of date is provided in Annexure - 8.	The Commission notes the submission of the Petitioner
<b>Energy audit for HT and LT loss</b>		
An energy audit should be	As per BEE guidelines, the energy	The Commission notes



Directives	Status	Views of the Commission
conducted to assess LT & HT losses	audit has been undertaken by JBVNL. The audit report for FY23-24 is annexed in the petition. Currently, there is no specific audit for HT and LT loss.	that the Petitioner is undertaking Smart Metering project. The Petitioner to complete the project in timely manne and provide a system driven energy audit report to the Commission
<b>Valuation of assets before, after take over</b>		
Submission of the valuation of distribution assets under operation in their area of supply, categorized into three broad categories: existing assets before taking over, assets created after taking over by present DISCOMs, and assets created under Government funding before & after taking over of distribution business by the present DISCOMs, is required	The valuation of assets under FAR is under process now. Once that is complete, the valuation as per three broad categories as directed by the Commission will be done.	The Commission has noted the submission of the Petitioner.
<b>KYC Mechanism</b>		
A robust consumer database should be created by introducing a Know Your Customer (KYC) mechanism and other methods to identify genuine consumers and eliminate bogus consumers	A robust consumer dataset under KYC mechanism is being implemented by JBVNL through its billing agencies.	The submission of the Petitioner is noted by the Commission
<b>Consumer licensee interaction</b>		
Consideration should be given to organizing consumer-licensee interaction meetings to address consumer grievances and foster a consumer-friendly environment	Such interaction has been frequently done by JBVNL through its URJA melas and special camps. Further, such type of MELAs/camps are proposed to be done every month.	The submission of the Petitioner is noted by the Commission
<b>Purchase of HP DAM</b>		
The Commission directs the Petitioner not to purchase power	This is not a usual practice of JBVNL as it is well aware about the high price	The submission of the Petitioner is noted by



Directives	Status	Views of the Commission
under High Price Day Ahead Market (HP- DAM) in the integrated Day Ahead Market (I-DAM) segment	of HP DAM. Till date, JBVNL has not purchased any power under HP DAM. However, at emergency situations, if any, it is requested that such procurement may be granted by the Commission. This will be intimated to the Commission promptly.	the Commission. However, in order to reduce burden of Power purchase cost on the consumers, it is directed to avoid purchase from HP DAM through development of robust power procurement design and optimize power purchase cost
<b>Detailed slab/sub- slab wise billing determinants along with revenue</b>		
The Commission has observed that the Petitioner has not provided the detailed slab wise billing determinant (number of consumers, connected load and energy sales) along with revenue for ARR period for FY 2023-24. The Commission taking note of the non- compliance, directs the Petitioner to provide the detailed slab/sub-slab wise billing determinants along with revenue from the next Tariff filing failing which will lead to the proceedings of the non-compliance of directive as per Regulations/Act.	The last tariff was issued on September 30,2024. The Petitioner has got very less time for compliance on all the directives. Hence, the Petitioner requests the Commission to allow 1 months' time for submission of the detailed slab wise billing determinants.	The Commission notes the submission of Petitioner, however, this directive stands outstanding for the Petitioner to comply. An extension of 1 month from the issuance of this Order is granted
<b>Voltage-wise energy sales and losses data,</b>		
The Commission directs the Petitioners to provide voltage-wise energy sales and losses data, including information for 440V, 11kV, 33kV, 66kV, and 132 kV levels. Additionally, it is mandatory to submit both the energy audit report and the cost audit report, prepared in accordance with the	The Petitioner is in the process of conducting VCoS study for accessing the voltage wise energy sales and losses data across various voltage levels.  The last VCoS study was done by Feedback Ventures Private Limited in FY2017-18 by the Petitioner. However, The energy audit report and the cost audit report for FY23-24 is	The Commission directs the Petitioner to conclude the VCoS study in a timely manner.



Directives	Status	Views of the Commission
Companies (Cost Records and Audit) Rules, along with the ARR/Tariff filing each year.	provided in Annexure 14 and 15 in this petition as required.	
<b>100% feeder metering and DT metering</b>		
The Petitioners are directed to ensure 100% feeder metering and DT metering and separation of agriculture feeders	Under RDSS scheme, this is being undertaken on priority by the Petitioner.	As per covenants of the RDSS scheme, the system metering has to be completed at the earliest. The Petitioner is directed to complete the system complete the system metering on high priority and submit the completion report to the Commission at the earliest.
<b>Interest on security deposit</b>		
There is lack of clarity on the interest of security deposited that has been given to the consumers. Petitioners in its submission should clearly demonstrate how much interest on security deposit was required to be given and how much interest has been actually disbursed	The details of the same has been captured in the audited account report and the same has been demonstrated in the petition.	The Commission has noted the submission. However, the category-wise consumer security deposit was sought from the Petitioner which the Petitioner has failed to submit. It is once again directed to submit the said report at the earliest.
<b>Business plan in accordance with JSERC (Facilitation of Telecommunication Network) Regulation 2023</b>		
There are several upcoming opportunities for the Licensees to enhance their nontariff income particularly from the broadband and 5G telecom companies for installation of their equipment on the electric poles and infrastructure of the licensees.	JBVNL is in the process of making a robust business plan for the same where it envisages to increase its non-tariff income. As JBVNL has got very less time before filing this petition as compared to the previous order, the same will be submitted in due course of time.	The Petitioner is once again directed to submit the Business plan within 1 month of issuance of this order.





Directives	Status	Views of the Commission
The licensees are directed to develop a business plan in accordance with JSERC (Facilitation of Telecommunication Network) Regulation 2023 in this regard and submit the same for the approval along with tariff of the Commission	For utilization of assets, fair bidding was done for leasing of such assets. The income of the same was shown in miscellaneous receipts that is part of NTI.	
<b>Uploading on website</b>		
The Petitioners shall upload on its website the Petition filed before the Commission along with all regulatory filings, information, particulars and related documents, which shall be signed digitally and in searchable pdf formats along with all Excel files and as per any other provision of the Regulations and Orders of the Commission. The Petitioner shall also ensure that these files are broken into such size which can be easily downloaded and will not keep them in compressed form as the stakeholders find it difficult to extract the files	All such files are being uploaded in the JBVNL's website and the consumer is free to download the same.	The Commission notes the submission of the Petitioner.
<b>Details of all pending cases against JSERC</b>		
The details of all pending cases filed by Petitioners against the Commission in various forums, along with their status, should be provided alongside the ARR/Tariff filing each year	The case filed against the Commission is provided in Annexure -9 with the petition as desired.	The Commission notes the submission of the Petitioner
<b>DSM account details</b>		
The Petitioners are directed to submit DSM account details separately from the power purchase along with each ARR/	The last tariff was issued on September 30,2024. The Petitioner has got very less time for compliance on all the directives. Hence, the	The Petitioner is once again directed to comply with the directive and submit



Directives	Status	Views of the Commission
Tariff filling	Petitioner requests the Commission to allow 1 months' time for submission of the DSM account details.	details within 1 month of issuance of this order.
<b>List of Open Access consumers</b>		
The list of Open Access consumers, categorized into Long Term, Short Term, and Medium Term, should be provided along with their consumption data and consumer category. This information should be included in the Petition submitted alongside the ARR/Tariff filing each year	There are no open access consumers as of now in JBVNL. The Commission will be provided the detailed list of open access consumers as directed along with tariff petition.	The Commission notes this submission of the Petitioner
<b>Mismatch in audited accounts</b>		
Wherever the opening values in the audited account doesn't match with the closing shown in the previous audited account, the reasons for the same to be provided as part of audited accounts henceforth	Generally, such mismatch does not happen in audited accounts. However, the reasons for the same if any will be provided to the Commission as directed.	The Commission notes this submission of the Petitioner
<b>Detailed breakup of CWIP</b>		
Provide the detailed breakup of CWIP claimed for the year along with the Petition along with the ARR / Tariff filing each year	The last tariff was issued on September 30,2024. The Petitioner has got very less time for compliance on all the directives. Hence, the Petitioner requests the Commission to allow 1 months' time for submission of detailed break up of CWIP.	The Petitioner is once again directed to comply with the directive and submit details within 1 month of issuance of this order.
<b>The month-wise actual category/sub- category/slab-wise Billing Determinants</b>		
The month-wise actual category/sub-category/slab-wise Billing Determinants, including the number of consumers, connected load, sales, and actual revenue for the year, should be submitted	The last tariff was issued on September 30,2024. The Petitioner has got very less time for compliance on all the directives. Hence, the Petitioner requests the Commission to allow 1 months' time for submission of the detailed slab wise billing	The Petitioner is once again directed to comply with the directive and submit details within 1 month of issuance of this order.





Directives	Status	Views of the Commission
alongside the future filings	determinants.	
<b>Reconciliation of actual O&amp;M compared to normative expenses</b>		
The reconciliation of actual O&M expenses (including employee expenses, A&G expenses, R&M expenses) compared to the normative expenses for the year should be submitted in each future filing	<p>This is submitted along with the petition. However, the clause 6.49 of the distribution tariff regulation 2020 says that</p> <p>“The gains/losses shall be computed on aggregate basis for controllable items such as Operation &amp; Maintenance Expenses (excluding Terminal Liabilities), Distribution Losses and Collection Efficiency considered collectively on annual basis.</p> <p>The computations shall be based on the data submitted by the Licensee in the Annual Performance Review and audited annual accounts and shall be subject to prudence check by the Commission.”</p> <p>The Commission is requested to clarify the understanding whether the actual O&amp;M expense will be compared with the data submitted by the licensee in its APR or not.</p>	The Commission notes this submission of the Petitioner
<b>Incorporation in audited accounts (power purchase details)</b>		
The Petitioners are directed to ensure that the actual Power Purchased Cost, including a detailed breakdown of each source, inter-state transmission charges, and intra-state transmission charges, are incorporated into the audited accounts	The same has been discussed with the finance department internally and the feasibility of the same is explored internally. The same will be incorporated in audit accounts from next year.	The Commission notes this submission of the Petitioner
<b>Actual category/sub- category-wise Billing Determinants</b>		
Ensure that the actual category/sub-category-wise Billing Determinants (including the number of consumers,	The same has been discussed with the finance department internally and the feasibility of the same is explored internally. The same will be	The Commission notes this submission of the Petitioner



Directives	Status	Views of the Commission
connected load, and sales) and category-wise actual revenue are included in the audited accounts henceforth	incorporated in audit accounts next year as audit account has already been finalized for FY23-24.	
<b>Power Purchase in audited accounts</b>		
The Petitioners are directed to ensure that actual power purchased (in million units) and ex-bus energy delivered at the Discom periphery (in million units), along with inter and intra-power purchase (in million units) and inter and intra-state losses, are included in the audited accounts henceforth	The same has been discussed with the finance department internally and the feasibility of the same is being discussed internally. After that, the same will be incorporated accordingly	The Commission notes this submission of the Petitioner
<b>Excel sheet with linked formulas</b>		
The Commission has observed that the few formats the data is incomplete. It has also been observed that the Excel files are not linked and formula driven which delays the proceedings. Therefore, the Petitioner is directed to ensure that all the Tariff and additional Formats are completely filled and are with formulas and links	Generally, the excel models are provided with all such links and formulas. In case of any additional requirement, JBVNL would be happy to provide all details upon request.	The Commission notes this submission of the Petitioner
<b>Submit a proposal outlining the category/subcategory- wise roadmap for cross-subsidy reduction.</b>		
The Petitioners are directed to submit a proposal outlining the category/subcategory-wise roadmap for cross-subsidy reduction. They should take necessary steps to reduce such subsidy to within +/- 20% of the Average Cost of Supply (ACoS) in compliance with the provisions of the Tariff Policy, 2016	The proposed tariffs and existing tariffs are provided according to the tariff policy 2016 where in regulations according to Cross subsidy reductions are duly taken care of.	The Commission notes this submission of the Petitioner
<b>Distribution network by implementing state-of-the-art technology conduct training</b>		



Directives	Status	Views of the Commission
<b>sessions on Standard Operating Procedures (SOP) and Consumer Grievance Redressal Forum (CGRF)</b>		
<p>The Petitioners are directed to enhance the quality of the distribution network by implementing state-of-the-art technology and contemporary technological solutions to address upcoming and new challenges in the sector.</p> <p>Additionally, the Licensees are directed to prioritize institutional capacity building, particularly focusing on operations related to smart metering, prepaid charging infrastructure, demand response, time of use (TOU), cyber security and privacy of data, and the utilization of AI tools. As part of this initiative, in-house Training Centers/Programs need to be established to expand the knowledge base and upgrade the competencies of their employees in line with technological trends in the sector.</p> <p>This will help bridge capacity gaps and reduce reliance on outsourcing essential and sensitive services. Furthermore, the Petitioners are required to conduct training sessions on Standard Operating Procedures (SOP) and Consumer Grievance Redressal Forum (CGRF) for the relevant personnel</p>	<p>The state-of-the-art technology solutions are being implemented in the JBVNL through the RDSS scheme. Continuously and constantly, the system is being upgraded through the new and innovative technology.</p> <p>Training and capacity building related to smart meter, accounting principles are being conducted in the JBVNL. It is a regular practice. Planning is underway to increase the frequency of such trainings online and offline for the JBVNL officials in the future realizing the change in technological trends to expand the knowledge base and upgrade the competencies of the officials.</p>	<p>The Commission notes this submission of the Petitioner</p>
<b>Quarter report on SoP</b>		
The Petitioners are required to	The SOP is already in practice in	The Commission notes



Directives	Status	Views of the Commission
file quarterly progress reports before the Commission on the implementation of Standard of Performance (SoP) as per JSERC Regulations	JBVNL and there are strict instructions to the field officials on adhering to these guidelines. As and when such complaints are received by the JBVNL, instant actions are taken to resolve the issue. The SOP quarterly report will be submitted to the Commission as desired.	this submission of the Petitioner
<b>RPO Trajectory</b>		
The Commission directs the Petitioners to follow the RPO trajectory set by the Commission and submit RPO compliance along with Tariff Fillings and other orders of the Commission from time to time	<p>RPO trajectory as set by the Commission has been duly followed by the JBVNL. However, due to failure by SECI to provide the required quantum as per PPA, it lacks behind the targets. However, SECI has been informed about the non fulfilment of RPO obligations. Also, the recent amendments have stiff targets for the RPO compliance for the utilities. For a state like Jharkhand, the financial impact of procuring such a huge RE vis-à-vis thermal generation needs a comprehensive study. However, the Petitioner is exploring various other alternatives to fulfil its RPO trajectory for solar, non-solar and other new technologies.</p> <p>Further, JBVNL has been receiving offers from various organisations like NTPC green, SJVN and other organisations. JBVNL is exploring such options to procure power from these developers through negotiation mode.</p>	The Commission notes the submission, however, it is directed to expedite the negotiations with the Power producers and conclude the discussion such that the Petitioner can fulfil its RPO obligation in future and reduce its past overhangs
<b>Prepaid Meter Installation</b>		
The Commission directs that pre-paid meter/ smart meter be installed for all new connections or replacement of faulty meters. 100% metering is a necessary	All new connections or replacements that come under the area of smart meter schemes are being undertaken through prepaid smart meters only. Stand-alone meters cannot be	The Petitioner is directed to expedite the smart metering under RDSS scheme is convert the maters to



Directives	Status	Views of the Commission
condition for an efficient distribution network and financial viability of the distribution companies	installed as this installation needs to be properly installed with necessary systems in place. So, these are comprehensive end to end solutions that can only be taken through the areas where such systems are in place (Ranchi and Dhanbad)	prepaid functionality at the earliest.
<b>Open Access to be allowed</b>		
The Commission directs the Petitioner, that the Open Access shall be allowed to those who wish to avail Open Access as per the provisions outlined by the Commission in its Regulations, Orders and any amendments from time to time	As of now, there are no consumers applied for OA from JBVNL. As and when, the Petitioner gets such a request from any consumer, that will be duly complied for.	The Commission notes this submission of the Petitioner
<b>Net Metering details</b>		
The Petitioner is directed to provide complete details of energy managed through net metering on monthly basis including energy banked / adjusted and the amount / energy settled at the end of financial year and the treatment done for the same in the financial statements and regulatory submissions every year along with ARR/ Tariff filing	The Petitioner is committed for net metering provisions as specified in the regulations and in the process of compiling all data related to energy banked / adjusted and the amount / energy settled at the end of financial year. The detailed status of Net metering have been submitted in Annexure - 10.	In this regards, the Petitioner is directed to increase their outreach program to promote the PM Suryaghar Yojana and ensure net metering to all the beneficiaries of rooftop solar program though robust software and hardware system.
<b>Captive consumption details in audited accounts</b>		
The Petitioner is directed to do proper accounting with regard to MUs and rates of captive/ internal consumption of electricity and captured the same in the audited balance sheet under separate head. The Petitioner is also directed to submit the complete details viz MUs consumed, tariff and	JBVNL has not purchased any power from concerned CPPs in FY23-24. However, the same has been discussed with the finance department internally and the feasibility of the same is being discussed internally. After that, the same will be incorporated accordingly in audit accounts and the details will be submitted accordingly.	The Commission notes this submission of the Petitioner



Directives	Status	Views of the Commission
revenue booked along with every ARR / Tariff filling		
<b>Initiate the installation and expansion of underground cable networks</b>		
In light of the increasing need for reliable and safe power distribution, and to minimize the risks associated with overhead power lines, it has been decided to initiate the installation and expansion of underground cable networks across various designated areas. This transition to underground cabling is aimed at improving the overall quality of power supply, reducing outages, and enhancing public safety	The underground cable networks entail higher cost as compared to existing system. However, the same has been taken for implementation under RDSS modernization scheme in some selective places. The same will be extended to other parts of Jharkhand also in due course of time.	The Commission directs that the target UG cabling under RDSS scheme to be completed in a time bound manner. The progress report of same to be submitted to the Commission.



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## **Chapter 15: DIRECTIVES**

- 15.1 The Petitioner is directed to complete its adherence to Jharkhand State Electricity Regulatory Commission (Framework for Resource Adequacy) Regulations, 2024 notified on November 5, 2024. Furthermore, the Petitioner is directed to submit the completion report outlining the steps undertaken to adopt the Regulations within three months of issuance of this order.
- 15.2 The Petitioner is directed to develop a targeted action plan for improving service reliability in high-consumption corridors and submit the same to this Commission within 3 months of issuance of this Order.
- 15.3 The Commission directs the Petitioner to maintain the Fixed Assets Register (FAR) considering the depreciation rates as specified in JSERC Distribution Tariff Regulations and submit the status report to the Commission along with FAR in the next tariff filing. The Petitioner is directed to specifically comply with the observations of the statutory authorities/auditors on the matter of Verification & Monitoring of Fixed Assets/CAPEX/Inventory and Maintenance of proper records preferably in digital form for observance of statutory provisions. The Petitioner should also put in place a robust Integrated Accounts & Financial Management System to minimize the time for preparation of Annual Accounts & filing of Petitions/Business Plans/APR in time.
- 15.4 The Petitioner was earlier directed to submit the itemized details of scraps and store items along with the estimated values within 3 months from the issue of earlier order. The Petitioner had submitted the itemized details. Furthermore, the Petitioner is directed to complete the auction of recognized items at the earliest and submit completion report to the Commission before the next tariff filing petition.
- 15.5 The Commission observed that Petitioner has not been able to convert its loan to grant, even though they are enjoying a perpetual moratorium. In this regards, the Petitioner is directed to steadfastly approach the Govt.
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of Jharkhand to take forward the steps already taken to convert the Government loan into Government Grant and complete the exercise within one (1) year of issuance of this order.

- 15.6 The Commission has observed that the Petitioner has not provided the detailed slab wise billing determinant (number of consumers, connected load and energy sales) along with revenue for ARR period for FY 2024-25. The Commission taking note of the non- compliance, directs the Petitioner to provide the detailed slab/sub-slab wise billing determinants along within revenue in one month from issuance of this order failing which will lead to the proceedings of the non- compliance of directive as per Regulations/Act.
- 15.7 The Petitioner has submitted CAPEX schemes under the RDSS scheme such as Loss Reduction, Modernization and Smart Metering. In this regards, the Petitioner is directed to submit the target timelines and quantum of work to be under taken and a monthly progress report to be submitted to the Commission.
- 15.8 There is lack of clarity on the interest of security deposited that has been given to the consumers. Petitioners in its submission should clearly demonstrate how much interest on security deposit was required to be given and how much interest has been actually disbursed. The Petitioner is directed to submit yearly consumer count and their connected load across various categories.
- 15.9 There are several upcoming opportunities for the Licensees to enhance their non-tariff income particularly from the broadband and 5G telecom companies for installation of their equipment on the electric poles and infrastructure of the licensees. The Petitioner is once again directed to develop a business plan in accordance with JSERC (Facilitation of Telecommunication Network) Regulation 2023 in this regard and submit the same for the approval along with tariff of the Commission.
- 15.10 The Petitioner is directed to submit DSM account details separately from the power purchase within one month of issuance of this order.
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- 15.11 In regards to the RPO compliance of the Petitioner, it is directed to expedite the negotiations with the Power producers and conclude the discussion such that the Petitioner can fulfil its RPO obligation in future and reduce its past overhangs.
- 15.12 To promote rooftop solar installation and provide net metering services to consumers, the Petitioner is directed to increase their outreach program to promote the PM Suryaghar Yojana and ensure net metering to all the beneficiaries of rooftop solar program through robust software and hardware system.
- 15.13 The Petitioner is directed to incorporate suitable changes / modification in its billing software for automatic pass-through of fixed charge amount for the period of non-availability of power to the consumers.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on April 30, 2025.

**Date: 30.04.2025**

**Place: Ranchi**

**Sd/-**  
**(Atul Kumar)**  
**MEMBER (Technical)**

**Sd/-**  
**(Mahendra Prasad)**  
**MEMBER (Law)**



## Chapter 16: List of Public Who Participated in public hearing

### List of public who participated in the Public Hearing and submitted their Suggestions/Comments

Sl. No	Name	Address/Organization
<b>Place: Chaibasa, Date: March 19, 2025</b>		
1.	Sanjay Mundra	Police Lines Chaibasa
2.	Prakash Upadhaya	PCCI
3.	Sheo Narayan Prasad	Amlatola
4.	Gautam Rana	JBVNL
5.	Raushan Kumar	JBVNL
6.	Aditya Kumar	UUSNF
7.	Sudhir Kumar	JSL
8.	SK Paswan	EEE/ADP
9.	Dilip Kumar Maharana	Chaibasa PSS
10.	Sabeer	CiTILPi
11.	Kapil	EEE Nango
12.	Rajkumar	Sadar Bazar Chaibasa
13.	Dasingh	Chaibasa
14.	Vinay Baxla	Meri tola Chaibasa
15.	Naveen Topno	Meri tola Chaibasa
16.	Kamal Lath	Mla Tola Chaibasa
17.	Dilip Agarwal	Amla tola Chaibasa
18.	Rajesh Ranjan	Chaibasa
19.	Jaswant Kumar	Chaibasa
20.	Satish	Chaibasa
21.	Samuel	Tonto
22.	Vinay Kumar	JBVNL
23.	Vishal Rajak	JBVNL



Sl. No	Name	Address/Organization
24.	Maheshwar Mahto	JBVNL
25.	Gaurav Lokhani	JBVNL
26.	Prashan Yadav	Chaibasa
27.	Anil Kumar Mardi	JBVNL
28.	Arvind Kumar	JBVNL
29.	Shobhan singh	JBVNL
30.	Suyash Kumar	JBVNL
31.	Kumar Shaukan	JBVNL
32.	Kamal Kishore	JBVNL
33.	Sonaram Besra	JBVNL
34.	Sanjay Singh	JBVNL
35.	Mantosh Mani Singh	JBVNL
36.	CA Satyanaran Prakash	JBVNL
37.	CA Manush Singh	JBVNL
38.	Suit Tuti	JBVNL
39.	Jitendra Munda	Chaibasa
40.	Muskan Poddar	Chaibasa
41.	Chandmani Birulu	Tambo Chaibasa
42.	Abinash Kumar Gupta	Gandhi tola Chaibasa
43.	Madhusudhan Agarwal	Cahibasa
44.	Niraj Sardwar	Jhumkpani
45.	Shirnivas P.	JBVNL
<b>Place: Dhanbad, Date: March 20, 2025</b>		
1.	SK Kashyap	ESE/S/Dhanbad
2.	MK Nirala	EEE/S/Nirsa
3.	AK Amar	EEE/S/Lozabad
4.	Mukul Kumar	EEE/S/Govindpur
5.	Surabh Jani	HC (Accounts)
6.	Umesh Kumar Ram	EEE/Desa



Sl. No	Name	Address/Organization
7.	Arvind Kumar	JBVNL
8.	Raj Kumar Agarwal	JBVNL
9.	Dineshwar Kr. Singh	JBVNL
10.	Sakla Hembram	JBVNL
11.	Mantosh Mani Singh	JBVNL
12.	Nitish Kumar	Dhaiya
13.	Rajesh Paswan	Dhanbad
14.	Bablu Kumar	Kendua
15.	Rohit Mode	Kendua
16.	Deepak Kumar Gupta	Dhanbad
17.	Bipendra Sharma	Dhanbad
18.	Rajesh Kumar	Dhanbad
19.	Shiv Raj Sharma	Dhanbad
20.	Ashok Kumar Gupta	Dhanbad
21.	Kailash Chandra	Dhanbad
22.	Saurabh Jain	JBVNL
23.	Dharamveer Sharma	Dhaiya
24.	Gaurav Lohani	MTCPL, Ranchi
25.	Neelendra Singh	MTCPL, Ranchi
26.	Sunil Agarwal	Dhanbad
27.	Romit Kumar Singh	Dhanbad
28.	Yogesh Kumar Paswan	JBVNL
29.	Kameshwar	JBVNL
30.	Abhishek Kumar Singh	JBVNL
31.	Satyendr Kumar Singh	JBVNL
32.	Suman Kumar Dubey	JBVNL
33.	Debprasad Dutta	Dhanbad
34.	Mukul	JBVNL
35.	Prabhakar Kumar	EEE/Tenughat



Sl. No	Name	Address/Organization
36.	Sanjay Kumar	Dhanbad
37.	Swaraj Kuar Bakshi	Dhanbad
38.	Anil Kumar	Jharia
39.	Sujit Singh	Dhanbad
40.	Md. Faheem Ansari	Dhanbad
41.	Ashok Keshri	Dhanbad
42.	Shiv Shankar Prasad	Dhanbad
43.	Abhimast Kr. Napit	Dhaiya
44.	Suman Kumar	Dhanbad
45.	Shailendra Bhushan Tiwari	EEE/JBVNL
46.	Santosh Kushwaha	Jharkhand Urja Mitra Sangh
47.	Dayanad Sharma	Jharia
48.	Gautam Kumar	Dhanbad
49.	Raj Kumar	Dhanbad
50.	Satish Kumar	Jharia
51.	Subodh Kumar roy	Dhanbad
52.	Rajesh barnwal	Dhanbad
53.	Mahesh Kumar	Dhanbad
<b>Place: Deoghar, Date: March 21, 2025</b>		
1.	Kundan Thakur	Deoghar
2.	Amarjit Ambasht	Deoghar
3.	Vijay Kumar	Deoghar
4.	Jotish Kumar	Deoghar
5.	Mahendra Verma	Deoghar
6.	Leela Ram Yadav	Deoghar
7.	Bhola Mahtha	Girdih, Deoghar
8.	Nishant	JSD
9.	Virendra Kumar Sharma	Jasidih
10.	Prakash Yadav	Deoghar



Sl. No	Name	Address/Organization
11.	Sanjay Kumar	Giridih
12.	Manish Singh	Deoghar
13.	Rajendra Chowdhary	Rajabagh
14.	Amitabh Bachchan Soren	EEE/Dumka
15.	Raj Kamal	SEE/Basukinath
16.	Priti Kumari	AEE/Deoghar
17.	Ashish Mishra	Shivpuri, Deoghar
18.	Arvind Kumar	JBVNL
19.	Sanjay Singh	JBVNL
20.	Mantosh Mani Singh	JBVNL
21.	Rakesh Kumar Barnwal	Deoghar
22.	Amit Kumar	Deoghar
23.	Ramesh Kumar Bajla	Deoghar
24.	Ravi Kumar Koshni	Deoghar Chamber of Commerce
25.	Rakesh Prasad	JBVNL
26.	Rajesh Kumar Mishra	EEE/Godda
27.	Somesh Kumar	AEE/Girdih
28.	Deepak Kumar	AEE/MDP
29.	Neeraj Anand	Deoghar
30.	Rohit Manjhi	Madhupur
31.	Mahadev Murmu	Deoghar
32.	Sourabh Jain	JBVNL
33.	KK Singh	Deoghar
34.	Ashish Kumar	Deoghar
35.	Alok Kumar Mallick	SP Chambers of Commerce and Industries
36.	Prince Singhal	SPCCI
37.	Bipin Mishra	Deoghar
38.	Roshan Kumar	HRI, Deoghar



Sl. No	Name	Address/Organization
39.	Manish Kumar	Deoghar
40.	Virendra Kumar	Jasidih
41.	Bablu Kumar mandal	Charkhi
42.	Upendra Kumar	Deoghar
43.	Bijay Kumar	Giridih
44.	Rupesh Kumar	Deoghar
45.	Gopal Krishna Sharma	Basanti Dham
46.	Ritesh Tibreval	SPCCI
47.	Birendra Kumar Singh	Deoghar
48.	Baidyanath Real Food	Chopa More
49.	Rajesh Kumar Sultania	Bhawani Ferrous
50.	Amit Kumar Singh	Deoghar
51.	Rauhan Kuar	Bada Bazar, Deoghar
52.	Prof Uday Kumar Prakash	Deoghar
53.	Niranjan Kumar singh	Modern Arts and Craft
54.	Gopal Yadav	Deoghar
55.	Kishore Mandal	Deoghar
56.	Maahdev Yadav	Deoghar
57.	Sanjay	Deoghar
58.	Amit Kuar Singh	Girdih
59.	Rakesh Jha	Deoghar
60.	Namo Narayan Thakur	Deoghar
61.	Bhola Ram	Deoghar
62.	Sagar Yadav	Deoghar
63.	Gopi Yadav	Deoghar
64.	Mithilesh Yadav	Deoghar
<b>Place: Daltonganj, Date: March 24, 2025</b>		
1.	Nand Kumar Singh	Garhwa
2.	Anuj Kumar Chaudhry	Garhwa



Sl. No	Name	Address/Organization
3.	Bably Kumar	Garhwa
4.	Ramesh Kumar	Garhwa
5.	Jitendra Kumar Sahu	Garhwa
6.	Dharmendra	Daltonganj
7.	Vikash Kumar Gupta	Palamau
8.	Dipak Kumar	Latehar
9.	Pankaj Kumar	Baralota
10.	Amar Kumar Yadav	Manatu
11.	Anil Kumar	Manatu
12.	Amol Rai	Garhwa
13.	Saurabh Kumar Singh	Daltonganj
14.	Shubham Singh	Daltonganj
15.	Rajendra Lohra	JBVNL
16.	Pradeep Kumar	ZP Member Manatu
17.	Arun Saw	Parsai
18.	Awadhesh Mmanti	Padma
19.	Vijay Shukla	Rehla
20.	Prince Tiwari	Daltonganj
21.	Kalindra Kumar	Latehar
22.	Abhishek Kuar	Datonganj
23.	Shamshad Alam	Latehar
24.	Sunil Shukla	Daltonganj
25.	Mukesh Kumar	JBVNL
26.	Mankee istry	JBVNL
27.	Vikash Jyoti Prasad	JBVNL
28.	Gunian	JBVNL
29.	Parshuram Bhola	Daltonganj
30.	Deepak Kumar	Garhwa
31.	Ahif Ekbal	Chhattarpur





Sl. No	Name	Address/Organization
32.	Saraasvati Devi	JBVNL
33.	Pawan Kumar	JBVNL
34.	Rajiv Mishra	JBVNL
35.	Kumari Anuradha	JBVNL
36.	Kamal Kumar	JBVNL
37.	Ashok	Daltonganj
38.	Adesh Kumar Thakur	Garu
39.	Satyanarayan	Chairpur
40.	Satnu Vishwakarma	Kutmu
41.	Surendra Kumar	Panki
42.	Basant Ram	Sudna
43.	Shashikant Tiwary	SPS
44.	Satyendra Thakur	Daltonganj
45.	Shiv Charan Mehta	Daltonganj
46.	Umesh Prajapati	Chainpur
47.	Mit Kumar	Lesliganj
48.	Mukesh Kumar	Bishranpur
49.	Ratu Kuar	Baralata
50.	Rupesh Kumar	Nawadih
51.	Mantu Kumar	Sudna
52.	Rajaram Singh	Chainpur
53.	Awadesh Kumar Bakshi	Daltonganj
54.	Vikash Kumar Mahto	JBVNL
55.	Gautam Kumar	Daltonganj
56.	Mahendra Prajapati	JBVNL
57.	Firoz Alam Khan	JBVNL
58.	Umesh Kumar	JBVNL
59.	Sarju ram	Daltonganj
60.	Kuldeep Kumar	Lesliganj



Sl. No	Name	Address/Organization
61.	Rajan Kumar	Daltonganj
62.	Anuj Kumar Ram	JBVNL
63.	Navneet	Daltonganj
64.	Sunil Kumar	JBVNL
65.	Rajesh Kumar singh	Member VUSNF
66.	Pradeep Kumar Singh	JBVNL
67.	Sudhir Bando	JBVNL
68.	Vijay Mohta	Daltonganj
69.	Kunal Kumar	Daltonganj
70.	Deepak Kumar	JBVNL
71.	Ankur Kuar	Bairia
72.	Heel Prakash Dubey	CGRF
73.	Prakash Kuar	JBVNL
74.	Nerender singh	MTCPL
75.	Gaurav Lohani	MTCPL
76.	Sachitanand	Dainik Jagran
77.	Santosh Kumar	JBVNL
78.	Govind Mishra	Patan
79.	Chandan singh	Daltonganj
80.	Dhirendara Kumar	JBVNL
81.	Randhir Yadav	Daltonganj
82.	Vikas Kumar	JBVNL
83.	Gopal Prasad	JBVNL
84.	Rahe shyam Tiwari	JBVNL
85.	Prem Kumar Jha	JBVNL
86.	Damodar Pandey	Daltonganj
87.	Bhola Oraon	Daltonganj
88.	Azad Ahmad	Daltonganj
89.	Chhotu Kumar	Patan



Sl. No	Name	Address/Organization
90.	Jitendra Kumar Thakur	Daltonganj
91.	Raj Kumar	Daltonganj
92.	Mahadec Mahato	JBVNL
93.	Sanjay Singh	JBVNL
94.	Anish Ranjan	JBVNL
95.	Ramesh Kumar	Daltonganj
96.	Sheo Pujan Sharma	Daltonganj
97.	Sanjeev Kumar	JBVNL
98.	Maheshwar Kumar	JBVNL
99.	Pankaj Kumar Gautam	JBVNL
100.	Sanjay Kumar Singh	Daltonganj
101.	Ashish Kumar	Daltonganj
102.	Sushil Kumar	Sudna
103.	Praveen Kumar	JBVNL
104.	Dhirendra Kumar	JBVNL
105.	RN Singh	JBVNL
106.	Parasnath Tiwari	JBVNL
107.	Amit Kumar	JBVNL
108.	Arvind Kumar	JBVNL
109.	Yogendra Kumar	JBVNL
110.	Rahu Kumar Mehta	JBVNL
111.	Vikas Kumar	Daltonganj
Place: Ranchi, Date: March 25, 2025		
1.	NK Patodia	FJCCI
2.	Anjay Pachewala	JSIA
3.	Deepak Kumar Maroo	JSIA
4.	AK Sinha	Ranchi
5.	Verendra	Dainik Bhaskar
6.	Ashish Tigya	Hindustan



Sl. No	Name	Address/Organization
7.	Tapeshwar Gupta	JSTSBE Association, Bokaro
8.	Mukesh	Ranchi
9.	Rajni Ojha	Ranchi
10.	Gargi Srivastava	Noida
11.	Varun Joel	Noida
12.	Rajkumar Dayma	Gajanan Ferro
13.	Akhilesh Mishra	NTCPL
14.	Nupur Raj	JBVNL

## Annexure-1

## Minutes of Meeting

**दिनांक 26.03.2025 को संपन्न हुए राज्य सलाहकार समिति की बैठक की कार्यवृत्ति**

राज्य सलाहकार समिति की बैठक श्री महेन्द्र प्रसाद, माननीय सदस्य (विधि), झारखण्ड राज्य विद्युत नियामक आयोग, राँची की अध्यक्षता में दिनांक 26.03.2025 को आयोग के सभागार में संपन्न हुई। इस बैठक में राज्य सलाहकार समिति के निम्नांकित सदस्य/ सदस्यों के प्रतिनिधि उपस्थित हुए:-

क्र० सं०	सदस्यों के नाम	सदस्य/ प्रतिनिधि
1	श्री अनुल कुमार, माननीय सदस्य (तकनीकी), झारखण्ड राज्य विद्युत नियामक आयोग, राँची।	सदस्य
2	श्री आशीष कुमार, कार्यकारी निदेशक (वाणिज्य एवं राजस्व), जे०यु०एस०एन०एल०, छोटण्डा, राँची।	प्रतिनिधि
3	श्री राकेश रौशन, कार्यकारी निदेशक (तकनीकी) जे०यु०यु०एन०एल०, राँची।	प्रतिनिधि
4	श्री संजय सिंह, महा प्रबंधक (वाणिज्य) झारखण्ड बिजली वितरण निगम लिमिटेड, अभिव्यंजन भवन, एच०ई०सी०, पूर्वा, राँची।	प्रतिनिधि
5	श्री अतिलेश जीतन, विद्युत कार्यपालक अभियंता, छेदा, राँची।	प्रतिनिधि
6	श्री एस० आर० सिंह, विद्युत कार्यपालक अभियंता, तेनुघाट विद्युत निगम लिमिटेड, हिन्ना, राँची।	प्रतिनिधि
7	श्री समित मंडल, वरीय महाप्रबंधक, दामोदर घाटी निगम, डी०वी०सी० टावर, कोलकाता - 700 054	प्रतिनिधि
8	श्री डी०पी० सिंह, वरीय महाप्रबंधक, एटा स्टील युटिलिटीज इन्फ्रास्ट्रक्चर सर्विसेज लिमिटेड, जमशेदपुर	प्रतिनिधि
9	श्री आर०पी० सिंह, महाप्रबंधक (E&M), सी०सी०एल०, राँची।	प्रतिनिधि
10	प्रोफेसर एस०के० सनदर्शी, सेंट्रल युनिवर्सिटी झारखण्ड, राँची।	प्रतिनिधि
11	श्री एन०के० पट्टीदिया, फोटोसेल ऑफ झारखण्ड वेम्बर ऑफ कॉमर्स एण्ड इंडस्ट्रीज, राँची।	प्रतिनिधि
12	श्री अंजय पचेरीवाल, झारखण्ड स्मॉल इंडस्ट्रीज एसोसिएशन, कोकर, राँची।	प्रतिनिधि
13	श्री कैलाश चन्द्र गोयल, महासचिव, धनबाद पलावर मिल्स एसोसिएशन, धनबाद।	सदस्य
14	श्रीमती हेमलता उरौंव, ग्रामीण प्रतिनिधि।	सदस्य
15	श्री सुंदम कुमार उपाध्याय, अध्यक्ष, Jharkhand Small Tiny Services & Business Enterprises Association, बोकारो।	सदस्य
16	श्री इतिज डीनरा, (DM - RA) Indian Energy Exchange Ltd., Noida, Uttar Pradesh	प्रतिनिधि

सर्वप्रथम आयोग के सचिव द्वारा राज्य सलाहकार समिति को सभी सदस्यों/प्रतिनिधियों का स्वागत किया गया। तत्पश्चात् माननीय सदस्य (विधि) महोदय की अनुमति से बैठक की कार्यवाही प्रारंभ की गई।

तत्पश्चात् श्री संजय सिंह, महा प्रबंधक (वाणिज्य), झारखण्ड बिजली वितरण निगम लिमिटेड (जे०बी०वी०एन०एल०) ने पी०पी०टी० के माध्यम से FY 2023-24 का True-up, FY 2024-25 का Annual Performance Review (APR) तथा FY 2025-26 का ARR एवं Tariff का संक्षिप्त विवरणी पेश किया।

तत्पश्चात् माननीय आयोग ने निम्न बिंदुओं पर झारखण्ड बिजली वितरण निगम लिमिटेड के पदाधिकारियों का ध्यान आकृष्ट करते हुए उनका पक्ष रखने को कहा :-

**A. Resource Adequacy plan:-**

इस संबंध में जे०बी०वी०एन०एल० के प्रतिनिधि ने कहा कि अभी तक यह विनियमन में उल्लिखित रूपरेखा को अनुरूप नहीं है, लेकिन यह विनियमन के अनुसार एक सप्ताह के अंदर कार्यान्वयन के लिए रूपरेखा तैयार कर लेंगे।

**B. Roadmap of refund of consumer security deposit: -**

इस संबंध में जे०बी०वी०एन०एल० द्वारा कहा गया कि सभी उपभोक्ताओं के डेटा का मिलान किया जाना अभी बाकी है। इस बीच उन उपभोक्ताओं के रिफंड की प्रक्रिया चल रही है, जिनके डेटा उपलब्ध हैं और साथ ही डेटा का मिलान भी किया जा रहा है। जे०बी०वी०एन०एल० ने शेष उपभोक्ताओं के रिफंड के लिए 15 दिनों के भीतर रूपरेखा तैयार करने की बात कही।

**C. Smart metering project. & Roadmap for distribution loss reduction: -**

इस संबंध में जे०बी०वी०एन०एल० ने बताया कि उसके द्वारा 3 परियोजनाएं शुरू की गई हैं। लक्ष्य और (उपलब्धि) इस प्रकार हैं:

1. वर्ल्ड बैंक द्वारा वित्तपोषित - 3.5 लाख (3.2) लाख
2. राज्य द्वारा वित्तपोषित - 1.5 लाख (0.8 लाख)
3. आरडीएसएस योजना - 1.3 लाख (0.85 लाख)

जे०बी०वी०एन०एल० ने बताया कि एक बार स्थापना पूरी हो जाने के बाद, एक उचित ऊर्जा लेखा परीक्षा होगी और हानि वाले क्षेत्रों की पहचान की जा सकेगी।

लक्ष्य समाप्ति तिथि इस प्रकार है:

1. वर्ल्ड बैंक द्वारा वित्तपोषित - जुलाई 2025
2. राज्य द्वारा वित्तपोषित - अक्टूबर 2025
3. आरडीएसएस योजना - 2 वर्ष

माननीय आयोग ने आगे निर्देश दिया कि समय सीमा को कम करने के लिए प्रति दिन अधिक से अधिक मीटर लगाई जाय जिससे लक्ष्य की प्राप्ति जल्द की जा सके।

जे०बी०वी०एन०एल० ने कहा कि वह लक्ष्य को शीघ्र पूरा करने के लिए अपनी क्षमता बढ़ाएगा।

**D. Status of fixed asset Register: -**

इस संबंध में जे०बी०वी०एन०एल० ने कहा कि Fixed Asset Register बनाने की प्रक्रिया सम्पन्न हो गई है। लेखा विभाग में विचार विमर्श किया जा रहा है और इसे 2 महीने के भीतर उपलब्ध करा दिया जायगा।

**E. Operation and maintenance reliability Indices: -**

इस संबंध में जे०बी०वी०एन०एल० ने कहा कि स्थापित ए०एम०आर० मीटर अब अप्रचलित हो चुके हैं और नए फीडर मीटर, स्मार्ट मीटरिंग कार्यक्रम के तहत लगाए जाएंगे। इस काम को अगले 6 महीनों के भीतर पूरा कर लिया जाएगा। माननीय आयोग ने कहा कि जे०बी०वी०एन०एल० द्वारा पहले भी एस०ओ०पी० अनुपालन नहीं किया गया है। स्मार्ट फीडर मीटर की तैनाती और उनकी निगरानी 6 महीने के भीतर पूरी की जाए और एस०ओ०पी० अनुपालन के दिग्दर्शक के रूप में सिस्टम शटडाउन की रजिस्टर प्रविष्टि भी प्रस्तुत की जाए।

**F. Utilization plan of Patratu Vidyut Utpadan. Nigam :-**

जे०यू०एस०एन०एल० ने कहा कि ऊर्जा को कटिया से बेड़ो और कटिया से हटिया झिड के माध्यम से Evacuate किया जाएगा। उन्होंने 15 अप्रैल, 2025 तक Evacuation की रूप रेखा तैयार करने की बात कही। माननीय आयोग ने कहा कि इस बिजली की खरीद के लिए क्या दर लागू होगी और इसके उपयोग के लिए रोडनैप भी प्रस्तुत किया जाना चाहिए।



**G. Conversion of loan to grant: -**

जे०बी०वी०एन०एल० से जब यह पूछा गया कि क्या पिछली टैरिफ के निर्देशानुसार जे०बी०वी०एन०एल० द्वारा ऋण को अनुदान में बदलने के लिए राज्य सरकार के साथ कोई पत्राचार किया गया है। इसके जवाब में जे०बी०वी०एन०एल० ने बताया कि इस संबंध में अभी तक कोई कार्रवाई नहीं की गई है। इस पर माननीय आयोग ने कहा कि जे०बी०वी०एन०एल० को उधार लेने की लागत कम करने और ऋण को अनुदान में बदलने के लिए सरकार के साथ बातचीत शुरू करनी चाहिए।

**H. PM Surya Ghar Yojana promotion**

इस संबंध में जे०बी०वी०एन०एल० ने बताया कि इस योजना के तहत मात्र 153 उपभोक्ताओं ने रूफटॉप सोलर लगाये गये हैं। जे०बी०वी०एन०एल० ने कहा कि अधिकांश उपभोक्ता राज्य सरकार से सब्सिडी प्राप्त करते हैं, इसलिए वे रूफटॉप सोलर में निवेश नहीं करना चाहते हैं।

इसके जवाब में श्री अंजय पचेरीवाला, प्रतिनिधि, झारखण्ड स्मॉल इंडस्ट्रीज एसोसिएशन ने कहा कि अधिकांश उपभोक्ताओं को इस योजना की जानकारी नहीं है। इसके लिए जागरूकता कार्यक्रम एवं विज्ञापन पर काम किया जाना चाहिए और नेट मीटरिंग बिलिंग को सही तरीके से किया जाना चाहिए, ताकि इस सेवा का लाभ अधिक से अधिक लोगों द्वारा उठाया जा सके। उन्होंने कहा कि ऐसे अनेकों उपभोक्ता हैं (खुद का उदाहरण दिया) जो इस तरह के समस्याओं से जूझ रहे हैं। सुझाव में उन्होंने कहा कि मीटर की प्रोपर मॉनिटरिंग होनी चाहिए साथ ही साथ संबंधित कार्य के प्रति जिम्मेदारी भी सुनिश्चित हो तभी सुधार सम्भव है।

ओवर बिलिंग और लेट बिलिंग भी एक बड़ी समस्या है, इस कारण भी लोग इसे नहीं अपना रहे हैं। बिलिंग में सुधार के लिए एक सिस्टम विकसित करने की भी जरूरत है। इसे जे०बी०वी०एन०एल० के वेबसाइट पर भी डालने की जरूरत है, साथ ही उन्हें जवाबदेह बनाने की भी जरूरत है। नेट बिलिंग को शामिल करने के लिए एस०ए०पी० सिस्टम कार्यान्वयन और अन्य आईटी टूल्स जैसी तकनीक में सुधार की भी जरूरत है। अनुचित बिलिंग के मामलों का समाधान नहीं होने पर संबंधित ए.ई. या जे.ई. को इसके प्रति जवाबदेह बनाने की भी आवश्यकता है।



#### I. Pending CAPEX as per business plan

माननीय आयोग के यह पूछने पर कि वित्त वर्ष 2022-26 नियन्त्रण अधि के लिए स्वीकृत पूंजीगत व्यय 9,064.11 करोड़ रुपये है, जबकि अब तक केवल 2898.43 करोड़ रुपये ही खर्च किए जा सके हैं। शेष नियंत्रण अधि के दौरान 6,165 करोड़ रुपये के व्यय को पूरा करने के लिए क्या योजनाएं हैं ?

माननीय आयोग ने जे0बी0वी0एन0एल0 को जल्द से जल्द पूंजीगत व्यय के योजनाओं का विवरण प्रस्तुत करने का निर्देश दिया ।

#### J. DVC- REC purchase dependency

माननीय आयोग ने कहा पड़ोसी राज्यों की तुलना में डीवीसी की बिजली खरीद लागत अधिक है, लगभग 5.60 रुपये। आर0पी0ओ0 अनुपालन की पूर्ति के लिए खरीदे गए आर0ई0सी0 प्रमाण पत्रों की लागत भी बहुत अधिक है। डीवीसी के कार्यक्षेत्रों के खातों का प्रयत्नकरण डीवीसी ने प्रस्तुत किया और कहा कि झारखंड में उपभोक्ताओं की सेवा के लिए 11 कोठी बुनियादी ढांचे का विकास किया जाएगा। डीवीसी ने कहा कि यह खातों को अलग करने में सक्षम नहीं होगा क्योंकि यह डीवीसी अधिनियम, 1948 द्वारा शासित है एवं केन्द्रीय सरकार के अधीन है।

श्री वी0 पी0 सिंह, टाटा स्टील लिमिटेड के प्रतिनिधि ने पूछा कि यद्यपि प्रति यूनिट बिजली खरीद लागत कम हो रही है, फिर भी जे0बी0वी0एन0एल0 में कुल बिजली खरीद लागत क्यों बढ़ रही है।

श्रीमती हेमलता उरौंध, ग्रामीण प्रतिनिधि ने कहा कि ग्रामीण क्षेत्रों में भी जन-सुनवाई आयोजित की जाए, ताकि गांवों का प्रतिनिधित्व भी शामिल हो। इस पर माननीय आयोग ने कहा कि जिला मुख्यालय में अधिक से अधिक लोगों की सहभागिता होती है इसलिए जिला मुख्यालय में जन-सुनवाई आयोजित की जाती है । वैसे आयोज इस पर विचार करेगा । श्रीमती उरौंध ने यह भी कहा कि जब तक जे0बी0वी0एन0एल0 अपनी आगियों को दूर नहीं कर लेता, तब तक टैरिफ में बढ़ोतरी की अनुमति नहीं दी जानी चाहिए।

श्री कैलाश चन्द्र गोयल ने अपने सुझाव में कहा कि विद्युत कनेक्शन की प्रक्रिया जटिल होने के कारण अधिकांश लोगों को बिजली कनेक्शन नहीं मिलती है जिसके कारण बिजली की चोरी का मार्ग चुनते हैं जिसके फलस्वरूप राज्य की हानि होती है जे0बी0वी0एन0एल0 द्वारा इसके निदान के लिए मकान के पेपर रहित क्षेत्रों में अस्थाई विद्युत कनेक्शन दिये जाने को सराहनीय कदम बताया । इससे बिजली चोरी में निश्चित ही कमी आयेगी एवं राज्य में बढ़ोतरी

भी होगी। उन्होंने यह भी अपने सुझाव में कहा कि एल0टी0आई0एस0 के नये उपभोक्ताओं को विद्युत कनेक्शन के लिए इस नियम को सरल बनाया जाना चाहिए।

श्री क्षितिज दिग्गर, आई0ई0एस0 ने मेघालय राज्य का उदाहरण दिया जहाँ अप्रैल, मई, और जून के महीने में Surplus Power होने की स्थिति में Surplus Power को एक्सचेंज पर बेची जाती है ठीक उसी प्रकार पसरामू विद्युत उत्पादन निगम की Surplus Power को वित्तीय लाभ पर उक्त महीनों एक्सचेंज के माध्यम से बेची जा सकती है। इसपर माननीय आयोग ने जे0बी0भी0एन0एल0 को इसके लिए पूर्व में ही समुचित योजना बना लेने की बात कही।

अंत में माननीय सदस्य (विधि) महोदय ने बैठक में भाग लेने के लिए सभी सदस्यों/प्रतिनिधियों का आभार व्यक्त करते हुए बैठक का समापन किया।

(राजेन्द्र प्रसाद नायक)  
सचिव



Annexure-2

Letter No. 03/3060/2020-07/14 — 1490 Dated 14.7.14

From, B.K. Tripathi  
Principal Secretary

To, The Chairman-cum-Managing Director,  
Jharkhand Urja Vikas Nigam Limited,  
Corporate Office,  
Engineering Building, HEC,  
Dhurwa, Ranchi-834004.

Sub: Release of Rs. 1500 Crs. towards Resource Gap.

Sir,

The State Government provides Rs.1500 Cr. Per annum towards resource gap to the JUVNL (erstwhile J.S.E.B.). This amount may be utilized to meet the slashes/disallowances worked out by the Hon'ble Commission while fixing the tariff.

This is for information.

Yours faithfully,  
B.K. Tripathi  
(B.K. Tripathi)  
Principal Secretary 14/7/14

CE(C&P)  
14/7/14