Jharkhand State Electricity Regulatory Commission

Tariff Order
on
Annual Revenue Requirement
for
Financial Years 2007-08, 2008-09 & 2009-10
and
Determination of Distribution Tariff
for
Financial Year 2009-10
for
Jamshedpur Utilities & Services Company Limited
(JUSCO)

Ranchi

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List of Abbreviations

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

A1: INTRODUCTION

Jharkhand State Electricity Regulatory Commission (JSERC)

1.1 The Jharkhand State Electricity Regulatory Commission (herein after referred to as the "JSERC" or "the Commission") was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commission Act, 1998 on August 22, 2002. The Commission became operational w.e.f. April 24, 2003. The Electricity Act, 2003 (hereinafter referred to as "the Act" or "EA, 2003") came into force w.e.f. June 10, 2003; and the Commission is now deemed to have been constituted and functioning under the provisions of the Act.

1.2 The Government of Jharkhand vide its notification dated 22.08.2002 defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commission Act, 1998 to be the following, namely:-

(a) to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case may be, in the manner provided in section 29;

(b) to determine the tariff payable for the use of the transmission facilities in the manner provided in Section 29;

(c) to regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply in the State;

(d) to promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.

1.3 With the Electricity Act, 2003 being brought into force, the earlier Electricity Regulatory Commission Act of 1998 stands repealed and the functions of JSERC are now defined as per Section 86 of the Act.

1.4 In accordance with the Act, the JSERC discharges the following functions: -

(a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:

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

(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;

(c) facilitate intra-state transmission and wheeling of electricity;

(d) issue licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;

(e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;

(f) adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;

(g) levy fee for the purposes of this Act;

(h) specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;

(i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;

(j) fix the trading margin in the intra-state trading of electricity, if considered, necessary;

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

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

(a) promotion of competition, efficiency and economy in activities of the electricity industry;

(b) promotion of investment in electricity industry;

(c) reorganisation and restructuring of electricity industry in the State;

(d) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.

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

1.7 In discharge of its functions, the State Commission is guided by the National Tariff Policy as brought out by GoI in compliance to Section 3 of the Act. The objectives of the National Tariff Policy are to:

(a) ensure availability of electricity to consumers at reasonable and competitive rates;

(b) ensure financial viability of the sector and attract investments;

(c) promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;

(d) promote competition, efficiency in operations and improvement in quality of supply.

Jamshedpur Utilities and Services Company Limited (JUSCO)

1.8 Jamshedpur Utilities and Services Company Limited (hereinafter referred to as 'JUSCO' or the 'petitioner') is a company incorporated in August 2003 under the provisions of the Companies Act, 1956 and is a wholly owned subsidiary of Tata Steel Limited. JUSCO has been incorporated primarily to cater to the infrastructure and petitioner services of the city of Jamshedpur. In addition to Power services, the company's services encompass Water and Waste Management; Public Health & Horticulture Services; and Planning, Engineering & Construction.

1.9 JUSCO is the second Distribution Licensee operating in the Saraikela-Kharsawan region, the first being the Jharkhand State Electricity Board (JSEB). This is the first district in India where two utilities have been allowed to build parallel networks for distribution of power. JUSCO also has a separate Power Business Division (PBD) which is engaged in distribution of electricity in Jamshedpur town as a power distribution franchisee of Tata Steel Limited (Licensee of Jamshedpur).

1.10 The Electricity Act, 2003 opened up power distribution to the private sector and permitted more than one power distributor in a revenue region, vide proviso 6 of Section 14 of the said Act which states:

> *"Provided also that the Appropriate Commission may grant a licence to two or more persons for distribution of electricity through their own distribution system within the same area, subject to the conditions that the applicant for grant of licence within the same area shall, without prejudice to the other conditions or requirements under this Act, comply with the additional requirements [relating to the capital adequacy, credit-worthiness, or code of conduct] as may be prescribed by the Central Government, and no such applicant, who complies with all the*

requirements for grant of licence, shall be refused grant of licence on the ground that there already exists a licensee in the same area for the same purpose."

1.11 In line with the above provision and in reference to the Commission's communication to JUSCO with regard to filing a petition for distribution license for one or more revenue districts (letter no. JSERC/06/2004-05/64), JUSCO applied for a Second Distribution License vide application no. PBD/176/69/06 dated May 5, 2006 for the revenue district of Saraikela-Kharsawan. The Saraikela-Kharsawan district is contiguous to JUSCO's service area of Jamshedpur.

1.12 The Commission granted a Power Distribution License (No. 3 of 2006-07) to JUSCO on December 1, 2006 for the aforementioned revenue district.

1.13 Consequently, JUSCO began its power distribution services in revenue district of Saraikela –Kharsawan in September 2007 as a second distribution licensee.

Scope of present order

1.14 This Order relates to the ARR and Tariff Petitions filed by TSL at different points of time before the Commission for approval of the ARR for FY 2007-08, FY 2008-09 and FY 2009-10 and determination of tariff for FY 2009-10. The Order is in accordance with Sections 61, 62 and 64 of the Act and provisions of the JSERC (Terms and Conditions for Distribution Tariff) Regulation, 2004 (hereinafter referred to as 'Distribution Tariff Regulations, 2004')

1.15 While determining tariff for the revenue district of Saraikela-Kharsawan for FY 2009-10, the Commission has taken into consideration the following:

(a) Provisions of Section 86 of the Act;

(b) Provisions of the National Electricity Policy;

(c) Provisions of the National Tariff Policy; and

(d) Principles laid down in the 'Distribution Tariff Regulations, 2004'

A2: PROCEDURAL HISTORY

Background

2.1 FY 2007-08 was the first year of operations for JUSCO in the Saraikela-Kharsawan district and the power distribution operations were carried out for a period of 7 months w.e.f. September 2007.

2.2 JUSCO had filed its first ARR & Tariff petition for FY 2007-08 in June 2007.

2.3 In its order dated October 16, 2007 on the ARR & Tariff petition for FY 2007-08, the Commission stated:

> "Since two distribution licensees JUSCO and JSEB are operating in the same area (i.e. Saraikela-Kharsawan), for immediate operation of the distribution licensee JUSCO, we approve the maximum ceiling of the retail tariff as approved for the JSEB in terms of the proviso of Section 62(1)(d) of the Electricity Act, 2003. Within the aforesaid maximum ceiling of tariff the licensee JUSCO shall propose its own tariff for approval of the Commission within 15 days from the receipt of the order.
>
> The tariff shall be reviewed after four months, on receipt of required relevant details/information with reference to our regulations and its profit/loss will be taken into count in the next tariff period."

2.4 Subsequently, as per the order issued by the Commission vide order no. JSERC/Legal/08/2007-08/469 dated November 1 2007; JUSCO was directed to follow the JSEB tariff in toto as its provisional tariff, till further orders. Accordingly, JUSCO has been charging the same tariff as approved by the Commission for JSEB in its license area.

2.5 This Tariff Order addresses the petition filed by JUSCO before the Commission for approval of its ARR for FY 2007-08, 2008-09 and 2009-10, and determination of tariff for FY 2009-10 for the revenue district of Saraikela-Kharsawan.

Information Gaps in the petition

2.6 During the course of exercise for ARR and tariff determination for JUSCO, several deficiencies were observed in the tariff petition submitted by the petitioner. These information gaps were communicated to the petitioner vide letter no. JSERC/06/2009/73 dated May 26, 2009.

2.7 The petitioner submitted the additional information/data on July 16, 2009 vide PBD/PSD/10/242/09 in response to the aforementioned deficiencies and additional data requirements.

Inviting Public Response

2.8 After scrutinizing the additional information/data furnished by the petitioner, the Commission accepted the petition and directed the petitioner to make available copies of the ARR and tariff petition to the general public and to issue public notice for inviting comments/suggestions from public. The public notice was subsequently issued by the petitioner in various newspapers, as detailed hereunder:

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

Newspaper	Date
Telegraph (English)	30.8.09 & 31.08.09
Hindustan Times (English)	30.8.09 & 31.08.09
Prabhat Khabar (Hindi)	30.8.09 & 31.08.09
Hindustan (Hindi)	30.8.09 & 31.08.09

2.9 A period of thirty (30) days was provided for submitting the comments/suggestions. The Commission subsequently issued advertisement on its website www.jserc.org and various newspapers for conducting the public hearing on the ARR and Tariff filing of JUSCO for FY 2009-10. The newspapers where the advertisement for public hearing was issued by the Commission are detailed hereunder:

Table 2 List of newspapers and dates on which the public notice appeared

Newspaper	Date
Prabhat Khabar (Jamshedpur edition)	30.10.09
Hindustan (Jamshedpur edition)	30.10.09
Uditvani (Jamshedpur edition)	30.10.09
Dainik Jagran (Jamshedpur edition)	30.10.09
Ranchi Express	30.10.09
Hindustan Times	30.10.09
The Pioneer	30.10.09
Farooqui Tanzeem (Urdu Daily)	30.10.09

Submission of objections and conduct of public hearing

2.1 The public hearing was held on 8th November, 2009 at Adityapur and many respondents gave their comments and suggestions on the ARR filings filed by the petitioner. The comments/suggestion of the public as well as the petitioner's response to them is detailed in the section dealing with the public consultation process.

A3: SUMMARY OF ARR & TARIFF PETITION FILED BY JUSCO

Overview

3.1 Saraikela-Kharsawan license area is the first district in the country where two distribution licensees have been allowed to build parallel networks for distribution of power. JUSCO is the second distribution licensee in the area, JSEB being the first.

3.2 As detailed earlier, in terms of the order issued by the Commission in response to the petitioner's ARR and tariff petition for FY 2007-08, JUSCO has been charging the same tariff as approved by the Commission for distribution business of JSEB.

3.3 This Tariff Order addresses the petition for calculation of ARR for FY 2007-08, FY 2008-09 and FY 2009-10 and tariff determination for FY 2009-10 after taking into account the revenue gap/surplus during FY 2007-08 and FY 2008-09.

3.4 The figures for FY 2007-08 are based on the actual information provided by the petitioner. The figures for FY 2008-09 are based on the quarterly audited data /information till 31st December 2008 and figures for FY 2009-10 are based on the past performance and expected growth in each element of cost and revenue of the distribution business of the petitioner.

ARR and Tariff Determination

3.5 The summary of ARR as submitted by the petitioner is detailed hereunder:

Table 3 ARR Requirement by JUSCO (Rs. Lakhs)

Annual Revenue Requirement			
Costs	FY 2007-08	FY 2008-09	FY 2009-10
	Actual	*Provisional*	*Projected*
Power Purchase Cost	128.91	1106.75	2464.62
Employee Cost	22.38	158.67	291.66
Repair & Maintenance Expenses	0	24.36	179.77
Administrative & General expenses	23.28	67.54	149.03
Interest Charges	115.89	385.55	557.8
Depreciation	33.88	281.51	498.26
Provision for Bad & Doubtful Debts			
Income Tax	0.41	10.19	170.07
Less: Expenses Capitalized		12.7	30.24
Total Costs	**324.74**	**2021.88**	**4280.97**

Add: Reasonable Return	60.83	197.77	293.77
Less: Non-tariff Income	29.86	28.03	37.32
Annual Revenue Requirement	**355.71**	**2191.61**	**4537.42**
Revenue@ Existing Tariff	**204.79**	**1685.86**	**3505.05**
Revenue@ Existing Tariff (at 99% collection efficiency)			3470.00
Revenue (Gap)/Surplus	**150.92**	**505.76**	**1067.42**
Cumulative Revenue (Gap)/Surplus upto FY 2009-10			**1724.1**

3.6 In its tariff petition for FY 2009-10, the petitioner has also submitted a proposal for hike in tariff from FY 2009-10 onwards. According to the petitioner, the tariff proposal has been formulated to ensure that a large portion of cost recovery is not deferred to the extent that it puts upward pressure on the tariff in the coming years.

3.7 The tariff schedule as proposed in the petition is detailed hereunder:

Table 4 Proposed Tariffs Schedule for FY 2009-10

Consumer category	Fixed Charge		Energy Charge			Minimum Monthly Charge	
	Existing	*Proposed*	*Unit*	*Existing*	*Proposed*	*Existing*	*Proposed*
KJ-2 (Kutir Jyoti) Metered	NA	NA	Rs./kW	Nil	1.70	Nil	Nil
DS - I (a), (b), (c) Metered	NA	Rs. 30 per connection per month	Rs./kW	1.00	1.70	Nil	Nil
DS – II	Rs. 20 per connection per month	Rs. 30 per connection per month	Rs./kW (0-200 Units)	1.35	1.70	Nil	Nil
			Rs./kW (Above 200 Units)	1.70	2.30	Nil	Nil
DS – III	Rs. 40 per connection per month	Rs. 20 per kW per month	Rs./kW	1.70	2.30	Nil	Nil
DS HT	Rs. 30 per kVA per month	Rs. 50 per kVA per month	Rs./VA	1.50	2.00	Nil	Nil
NDS – I	NA	Rs. 100 per connection per month	Rs./kW	1.25	1.70	Nil	Nil
NDS – II	Rs. 100 per kW per month	Rs. 100 per kW per month	Rs./kW	3.60	3.70	Nil	Nil
LTIS	Rs. 60 per HP per month	Rs. 60 per HP per month	Rs./kW	3.50	3.60	Nil	Nil

IAS - I (Metered)	Nil	Nil	Rs./kW	0.50	1.70	Nil	Nil
IAS – II (Metered)	Nil	Nil	Rs./kW	0.75	2.30	Nil	Nil
HTS - 11 kV	Rs. 140 per kVA per month	Rs. 140 per kVA per month	Rs./kW	4.00	4.00	Rs. 250 per kVA per month	Rs. 250 per kVA per month
HTS - 33 kV	Rs. 140 per kVA per month	Rs. 140 per kVA per month	Rs./kW	4.00	4.00	Rs. 250 per kVA per month	Rs. 250 per kVA per month
HTS - 132 kV	Rs. 140 per kVA per month	Rs. 140 per kVA per month	Rs./kW	4.00	4.00	Rs. 250 per kVA per month	Note
HTSS	Rs. 300 per kVA per month	Rs. 300 per kVA per month	Rs./kW	2.50	3.00	Rs. 400 per kVA per month	Rs. 500 per kVA per month
Panchayats, Self Help Groups, Micro Rural DF	Nil	Nil	Rs./kW	0.70	1.70	NA	NA
Bulk Supply to MES	Rs. 150 per kVA per month	Rs. 150 per kVA per month	Rs./kW	2.50	3.00	Nil	Nil
Temporary Supply	Nil	Nil	Rs./kw	5.00	5.30	Nil	Nil

For 132 kV supply MMC/AMC (whichever is opted by the consumer) shall be calculated on the basis of Load Factor of 55% and Power Factor of 0.85

Note: If the power is supplied at 6.6 KV an additional charge of 2.5 % on the demand and energy charges will be levied.

A4: PUBLIC CONSULTATION PROCESS

Submission of comments/suggestions and conduct of public hearing

4.1 The tariff petition evoked response from several consumers. A public hearing was held on 8th November, 2009 in Adityapur in the district of Saraikela-Kharsawan to ensure the maximum public participation wherein respondents put forth their comments and suggestions before the Commission in the presence of the petitioner. There were 112 members of the public who took part in the pubic hearing process. The list of the attendees is attached in Annexure-I.

4.2 Further, there were 26 persons who filed written suggestions/comments on the Tariff petition filed by JUSCO, listed hereunder:

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

S. No.	Objector/Organization	Represented by
1	MP Tower Company	Sh. P.K. Bhatacharya
2	Small Industries Association	Sh. R.K. Sinha
3	Sh. R.K.Verma	Self
4	Smt. Reema	Self
5	Smt. Neha	Self
6	Sh. Lucky Ali Verma	Self
7	Sh. Pathak	Self
8	Sh. Sanjay Kumar Singh	Self
9	Sh. Rajeev Kumar Verma	Self
10	Sh. Gopal Hembram	Self
11	Sh. Santosh	Self
12	Sh. Brijesh Kumar Singh	Self
13	Sh. Rajesh Kumar	Self
14	Dr. M. Ram	Self
15	Sh. S. N. Thakur	Self
16	Sh. Lal Chand Agarwal	Self
17	Sh. Shroff	Self
18	Dr. S.K. Roy	Self
19	Sh. Khandelwal	Self
20	Sh. Singh	Self
21	Industrial Consumer of JUSCO	
22	Sh. P.C. Patra	Self
23	Sh. P.N.Singh	Self
24	Sh. Anup Roy	Self

25	Sh. Sunil Kumar	Self
26	Sh. Chandan Kumar Jha	Self

4.3 The Commission also allowed persons/ representatives of entities who had not submitted prior written representations but attended the public hearing to express their views, regarding the ARR and tariff petition, in person during the course of public hearing.

4.4 The comments and suggestions raised by the participants along with replies given to the suggestions/comments by JUSCO and views of the Commission thereon are discussed in the following sections.

Tariff revision/rationalization issues

Public Comments/Suggestions

4.5 The following are the relevant comments/suggestions of the public:

(a) Most of the consumers requested the Commission to ensure that the impact of tariff hike should be minimized on domestic consumers and weaker sections of the society. It was also requested that fixed charges should not be increased.

(b) Implementation of TOD tariff as suggested by JUSCO in its tariff petition should be made optional for the consumers

(c) JUSCO's submission to the Commission to stagger the holidays for the industries can be considered by the Commission

(d) Tariffs should be less for supply to villages

(e) Tariff hike for the consumers should be allowed in a rationalized manner

(f) Whether JUSCO has factored the increase in tariff sought by Tata Power Company Ltd. in its petition

(g) Tariff applicable for LTIS category are too high and hence should be reduced

(h) JUSCO should be directed to supply electricity at JSEB tariff

(i) Small scale industries have been badly affected due to the recession, their tariff should not be hiked.

(j) Regarding optional TOD tariff, it was requested to reduce the difference between peak hour tariff and non-peak hour tariff.

(k) Regarding the introduction of the "Non-Sunday Off Scheme", it was requested that the percentage rate of penalty and rebate be kept the same.

(l) It was pointed out that the petitioner did not ask for any increase in the HTS and HTSS supply charges, whereas energy charges for LTIS and Domestic categories have been proposed to be increased.

(m) There is a revenue gap of Rs. 1724.1 lakhs (due to initial year of operations) which the petitioner proposes to defer for recovery in coming years. Adityapur Small Industries Association (ASIA) requested the Commission to accept the proposal of petitioner to partially defer the revenue gap.

JUSCO's response

4.6 The petitioner's response on the above comments/suggestions are as under:

(a) As per the ARR and tariff petition for FY 2009-10, JUSCO has projected a cumulative gap of Rs. 1724 lakhs, a major portion of which has been requested to be deferred and be made Regulatory Asset so as to minimize the hike in tariff. However, in line with provisions of the NTP which guides towards a tariff regime within a range of ± 20% of the Average Cost of Supply, rationalization of the tariff structure has become imperative since domestic consumers are currently being cross-subsidized by other consumer categories (mainly industrial). Hence an increase has been proposed in the energy charges.

(b) With respect to optional TOD tariff and the proposed rebate for staggering holiday, the petitioner also requests the Commission to accept the same.

(c) As stated in Pt. (b)

(d) As stated in Pt. (a)

(e) As stated in Pt. (a)

(f) As stated in Pt. (a)

(g) As stated in Pt. (a)

(h) The tariff rates are as per JSEB tariff only

(i) The petitioner states that it is aware of the fact that small scale industries have been hit hard by the recession and thus it has proposed only a symbolic increase of 10 paisa per unit in the energy charges and has proposed to keep the fixed charges unchanged for these industries.

(j) The petitioner proposes to continue the optional TOD tariff and the difference between peak tariff and off-peak tariff has been kept at Re. 1.00/unit (Rs. 4.60 – Rs. 3.60). The petitioner submitted that a difference of this level is required to motivate non-continuous consumers to shift their load curve to off-peak hours. Additionally, an industry with fixed running load (all 24 hours) should not get undue benefit by just opting for the TOD tariff. The petitioner believes that any less difference shall fail to achieve the above stated objectives.

(k) The petitioner has not provided any comment on "Non-Sunday off Scheme".

(l) The proposed increase in the Domestic and LTIS category energy rates has been done in order to bridge the gap between cost of supply and average revenue billed in accordance with the guidelines of the NTP.

(m) Regarding ASIA's views on treatment of accumulated revenue gap, the petitioner also requests the Commission to approve the same.

Views of the Commission

4.7 The Commission has set forth its views on the issue of tariff revision/rationalization in Section 7 of this tariff order.

Miscellaneous Charges

Public Comments/Suggestions

4.8 The following are the relevant comments/suggestions of the public:

(a) Penalty and rebate applicable to the consumers for shifting the load profile should be symmetric and not asymmetric

(b) Meter charges should not be levied.

(c) JUSCO is already levying installation charges for the meters and in the tariff petition JUSCO has asked for an increase in the meter charges which is not correct.

(d) JUSCO has asked for revision in the MMC charges, this should not be allowed by the Commission.

(e) Since a late payment surcharge is applicable on consumer, a rebate for timely payment of bills should also be extended to consumers.

(f) The petitioner was requested to charge the total meter cost at the time of installation and abolish the system of charging meter rent on a monthly basis.

(g) There was a request to do away with MMC.

(h) JUSCO has proposed to increase the MMC from Rs. 250/kVA/month to Rs.500/kVA/month mainly on account of Load Factor and gap in revenue due to difference in cost of supply & projected revenue collection. The poor load factor has been attributable to recessionary economic conditions as well as the initial year of operation of JUSCO. Therefore, the sales forecast based on these factors may not reflect the true picture. With increase in sales the revenue gap is expected to come down. It is submitted that if a consumer having a contract demand of 100 kVA does not consume even a single unit then the fixed charges payable becomes Rs.25,000 p.m. instead of Rs. 14,000 p.m. and as per the proposed MMC it will become Rs. 50,000 p.m.. It is requested not to increase the MMC.

(i) It is submitted that the petitioner is proposing to change the rate DPS from 0.50% per week to 2.00% per month, and it was requested to keep it at the previous level.

(j) It is said that ASIA agrees to the proposed schedule of miscellaneous charges for various works referred.

JUSCO's response

4.9 JUSCO offered the following responses on the above comments/suggestions:

(a) No specific comments have been provided by the petitioner regarding pt. (a).

(b) On the issue of abolishing meter rent, the petitioner submitted that meter rent contributes towards the cost of recovery and maintenance of the meter and collecting meter rent is a practice which is prevalent across utilities in India. Hence the petitioner submits that it cannot be done away with.

(c) No specific comments have been provided by the petitioner.

(d) The petitioner submits that the hike in MMC has been proposed because the existing rates of MMC are too low as compared to the power availability given to consumers. The petitioner further states that this was evident in the last financial year, when even after recessionary conditions, which forced industries to run their plants on lesser capacities, there were only a few cases of consumers paying MMC. Also, MMC is required in order to incentivise consumers to optimise their power requirement/demand while applying for new power connections and it will also help in curbing the trend of getting higher load sanctioned and get the network assets blocked even if there is no actual requirement.

(e) On the issue of rebate for timely payment, the petitioner submits that since it engages its resources to get the meter reading and bill delivery done on time, it expects consumers to pay the same on time. Thus it does not see the need to further incentivise timely payment through any rebate mechanism. Further, the petitioner remarks that such a rebate would only increase the cost of supply which would finally be get paid by consumers only.

(f) The petitioner agrees that meter rent should be fixed based on the cost of the meter and its expected life. However, it submits that the present rates are based on the BSEB tariff of June 23, 1993, and therefore requests the Commission to take an appropriate decision based on the above facts.

(g) No specific comments has been provided by the petitioner on pt.(g)

(h) The present MMC are Rs. 250/ kVA/ month. This corresponds to energy usage at approx. 5% to 6 % of load factor. The petitioner submitted that a relatively lower MMC may lead to consumers blocking the limited power with the Licensee by contracting more than what is actually needed, as they will then lead to consume only 5% to 6% of the sanctioned load in order to achieve the consumption corresponding to MMC. This will result in sub-optimal usage of available power. The petitioner maintains that the proposed increase in MMC will bring the minimum energy charges corresponding to a load factor in the range of 10-12% only, which itself is quite low corresponding to availability of power being offered to the consumers in the area. The petitioner further submits that power availability in its network is in the range of 98%- 99% and therefore if the contract demand is fixed judiciously by consumers, it will not be difficult for any consumer to achieve a load factor above 12% corresponding to the proposed MMC. Moreover, the petitioner also intends to take power supply from DVC very shortly, where, as per the prevailing tariff the Monthly Minimum Guaranteed Energy Charges (MMGEC) are payable at 55% of load factor. In view of the above, the petitioner requests the Commission to accept the proposed increase in MMC.

(i) The petitioner has proposed the following DPS:

(i) For industrial consumers – 0.50% per week

(ii) For other consumers – 2.00% per month

The petitioner submits that for a bill amount of Rs. 300-500, if a consumer doesn't pay the bill on time, the 2.00% DPS amount payable additionally would only be Rs.6-10. Such a low surcharge in absolute value does not push the consumer to pay the bill on time and hence the petitioner requests the Commission to fix Rs. 30 as the minimum DPS amount.

(j) The petitioner also requests the Commission to approve the proposed schedule of miscellaneous charges.

Views of the Commission

4.10 The Commission has set forth its views on the issue of miscellaneous charges in the directive section of this tariff order.

NOC and refund of security by JSEB for shifting of connection

Public Comments/Suggestions

4.11 Difficulty in obtaining No Objection Certificate (NOC) and refund of security, clearance certificate for shifting the connection from JSEB to the parallel licensee JUSCO

JUSCO's response

4.12 The matter related to non-issue of NOC and non-refund of security deposit by the first licensee is not related to the petitioner

Views of the Commission

4.13 There is already a provision in para 7.5 of the JSERC (Electricity Supply Code) Regulations, 2005 regarding issue of NOC. The Appellate Tribunal vide its order dated January 16, 2008 passed in appeal no.122 of 2007 has also issued appropriate directions in this regard.

Other Issues

Public Comments/Suggestions

4.14 On other issues, the relevant comments/suggestions of the public are as under:

(a) Replicate parallel licensee in other area of the State

(b) More bill collection facilities should be provided by JUSCO. The petitioner was also requested to open collection counters at Adityapur to facilitate consumers of that area.

(c) JUSCO should expand its system/ network to include other consumers in its jurisdiction, where there is no network of JUSCO and the criteria for expansion of network should not be solely based on the availability of a group of consumers.

(d) In case of load shedding, JUSCO should implement the provision of providing prior information through mobile SMS.

(e) JUSCO should take up installation of street lights within its area of operation.

(f) JUSCO should improve its phone enquiry system.

(g) JUSCO should provide necessary information in Hindi language also.

(h) The Commission has not conducted a hearing on the tariff petition filed by JUSCO (No.08/2007-08)

(i) The Commission should bring out advertisements for seeking comments on petition.

(j) A request was made that JUSCO should take over the maintenance activity of the 500 kVA distribution transformer owned by consumers on paid basis.

(k) It was suggested that consumers should be given an option to purchase meters on their own in which case they would not have to pay meter charges.

(l) Another suggestion was to install a separate transformer for a group of 8-10 consumers so as to minimize the burden of installation cost.

(m) ASIA requested the Commission to:

  (i) Fix up the price for sale of electricity of all the industries which are into electricity generation;

  (ii) There is a provision to give a certain fix percentage of electricity to the power producing State by the power generating units. ASIA requested that if, for some reason, the generator is not giving the power to JSEB or JSEB is not able to take this percentage for its own reasons, the same should be given to JUSCO so that the State ultimately gets the power.

(n) The Jharkhand Small Industries Association (JSIA) has requested the Commission to make amendments to the applicability of the LTIS category, in line with the Jharkhand Industrial Policy, 2001 and prevalent applicability for LTIS category in JSEB.

JUSCO's response

4.15 The following are the responses of JUSCO on the above comments/suggestions

(a) No specific comments has been provided by the petitioner on pt.(a)

(b) Regarding the demand for opening up a new collection centre at Adityapur, the petitioner has stated that it would take steps to initiate the opening of the same.

(c) No specific comments has been provided by the petitioner on pt.(c)

(d) Regarding informing customers in advance about scheduled power cuts, petitioner states that such information is always posted on the its website as and when there are scheduled power cuts. However, it would further attempt to share this information on phone and through SMS and would take up the matter with the mobile/telecom operator to device a cost effective method to do so. The petitioner also submitted that it has made sincere efforts to ensure continuous improvement in customer service and it is one of the few utilities in India to have a 24x7 consumer care centres named "JUSCO Sahyog" with service level guarantees for its services. The petitioner further submitted that compliance of complaints received against the service level guarantees has remained more than 90% in most cases.

(e) As for the demand for installation of street lights on poles, the petitioner submits that installation of street lights is the function of the local municipal authority and therefore, it is not in a position to take up the same.

(f) Same as pt. (d) above

(g) No specific comments has been provided by the petitioner

(h) No specific comments has been provided by the petitioner

(i) No specific comments has been provided by the petitioner

(j) In case of domestic HT category, ownership of the transformer lies with the consumer and hence the petitioner submitted that it will be difficult for it to takeover the maintenance of the same. Further, energy charges are also lower in case of the domestic HT category and as such the licensee does not need to maintain the same.

(k) On the issue of permitting consumers to purchase meters on their own, the petitioner submits that as long as the meters purchased by consumers meet the prescribed specification, it will facilitate the same. However, such meters must be tested for accuracy by the petitioner in its own lab in case of LTIS connections below 10 kW and additionally, at an independent Government/NABL approved laboratory at the cost of the consumer.

(l) The petitioner stated that it appreciates the idea of installing separate transformers for 8-10 consumers and will encourage such connections wherever feasible.

(m) JUSCO submitted that these matters are not related to its ARR & Tariff petition, nor are they in the form of any query, and hence it has no comments to offer.

(n) The petitioner has not given any comments on this issue.

Views of the Commission

4.16 The Commission feels that it is of utmost importance to have proper and well functioning CCC as these go a long way towards ensuring consumer satisfaction. The Commission also directs the petitioner to develop a plan for the implementation of the SMS facility for information sharing.

4.17 The Commission also directs the petitioner to develop a process and issue requisite circular for the LT consumers regarding the purchase and installation of their own meters and testing thereof.

4.18 The Commission has given relevant directions to the petitioner on the above, which are stated in the Section 8 of this order.

4.19 The Commission also directs the petitioner to make all efforts to expand the network and include more consumers in its network.

4.20 The Commission had issued the advertisement in leading newspapers for the conduct of the public hearing.

4.21 The Commission has accepted the request of the JSIA on revising the applicability of the LTIS category as per the Jharkhand Industrial policy, 2001 and prevalent applicability of LTIS category in JSEB. The Commission directs the petitioner to adhere to the revised LTIS applicability as mentioned above. The revised applicability of the LTIS category shall be as follows:

"This schedule shall apply to all industrial units applying for a load of less than or equal to 100 KVA (or equivalent in terms of HP or KW)."

4.22 The Commission further states that there are some other issues which are not in the purview of this tariff order and requests the consumers to make a separate submission to the petitioner or the Commission, as the case may be.

A5: COMMISSION'S ANALYSIS OF ARR AND TARIFF PETITION

5.1 This section contains a summary of the components of the petition submitted by JUSCO and the Commission's analysis thereon.

Energy Sales

Petitioner's submission

5.2 The petitioner has submitted details of actual energy sales for FY 2007-08, provisional sales for FY 2008-09 and projected sales for FY 2009-10. The sale during FY 2007-08 is only for a period of 7 months as actual operations during the year commenced from September 2007 in the FY 2007-08.

5.3 The projections for FY 2008-09 are based on the projected increase in demand by current consumers as well as estimated increase in sales through addition of new consumers in the network. The majority of growth during FY 2008-09 came from the demand generated by consumer additions and the petitioner submitted that it expects that the same pattern will continue during FY 2009-10, due to expansion in coverage area. During FY 2009-10, JUSCO plans to increase its network from the current coverage of about 30 sq. km. to more than 100 sq. km.

5.4 The projected connected load has been derived based on present connected load, load under process and expected load from fresh applications across each consumer category. The load factor for most of the consumer categories has been retained at FY 2008-09 levels except for the HTS and HTSS categories for which the load factor is assumed to be 20%.

5.5 The category-wise number of consumers proposed by the petitioner for FY 2007-08 (actual), FY 2008-09 (provisional) and FY 2009-10 (projected) is detailed below:

Table 6 Number of Consumers

Consumer Category	No. of Consumers		
	FY 2007-08	FY 2008-09	FY 2009-10
	Actual	*Provisional*	*Projected*
Domestic - DS I	0	0	200
Domestic - DS II	0	1	118
Domestic - DS III	13	38	90
Domestic - DS HT	2	3	15
Non Domestic - NDS I	0	0	100
Non Domestic - NDS II	8	25	53
Low Tension LTIS I	2	11	34
IAS I	0	0	10

HTS 11 KV	19	36	56
HTS 33 KV	1	5	11
HTSS 33 KV	0	0	1
Total	**45**	**119**	**688**

5.6 The category-wise connected load proposed by the petitioner for FY 2007-08 (actual), FY 2008-09 (provisional) and FY 2009-10 (projected) is detailed below:

Table 7 Total connected load (in kVA)

Consumer Category	Connected Load (kVA)		
	FY 2007-08	FY 2008-09	FY 2009-10
	Actual	*Provisional*	*Projected*
Domestic - DS I	0	0	235
Domestic - DS II	0	4	651
Domestic - DS III	158	391	1097
Domestic - DS HT	194	251	1251
Non Domestic - NDS I	0	0	176
Non Domestic - NDS II	46	232	1297
Low Tension LTIS I	148	796	2189
IAS I	0	0	41
HTS 11 KV	3884	8108	12943
HTS 33 KV	4100	24260	36260
HTSS 33 KV	0	0	1000
Total	**8530**	**34042**	**57140**

5.7 The category-wise contract demand and energy consumption proposed by the petitioner for FY 2009-10 is detailed below:

Table 8 Details of category-wise projected energy sales for FY 2009-10

Category	Contract Demand (in kVA)				Load Factor	Consumption
	Opening	Load under Progress	Fresh Applications	Total Load at end of FY	(%)	MUs
Domestic – DS I	0	0	235	235	6.67%	0.12
Domestic – DS II	4	59	588	651	7.74%	0.20
Domestic – DS III	391	118	588	1097	4.43%	0.30
Domestic – DSHT	251	500	500	1251	11.58%	0.88
Non Domestic - NDS I	0	0	176	176	5.00%	0.04
Non Domestic - NDS II	232	59	1006	1297	10.00%	0.71
Low Tension LTIS I	796	300	1093	2189	7.69%	1.05

IAS II	0	0	41	41	0.41%	0.00
HTS 11 KV	8108	2686	2149	12943	25.00%	19.54
HTS 33 KV	24260	10500	1500	36260	20.00%	48.55
HTSS 33 KV	0	1000	0	1000	20.00%	0.43
Total	**34042**	**15222**	**7876**	**57140**		**71.82**

5.8 The actual, provisional and projected sale of energy for FY2007-08, FY 2008-09 and FY 2009-10 respectively as proposed by the petitioner is tabulated below:.

Table 9 Estimates of Energy Sales (in kWh)

Category	FY 2007-08	FY 2008-09	FY 2009-10
	Actual	*Provisional*	*Projected*
Domestic - DS I	0	0	116800
Domestic - DS II	0	3391	195703
Domestic - DS III	25583	178440	302785
Domestic - DS HT	61760	254582	879817
Non Domestic - NDS I	0	0	43800
Non Domestic - NDS II	17101	136642	706140
Low Tension LTIS I	14550	500614	1050524
IAS I	0	0	1260
HTS 11 KV	1505953	13425558	19543008
HTS 33 KV	2761200	22649026	48551520
HTSS 33 KV	0	0	432000
Total units	**4386147**	**37148253**	**71823356**
Total sales (in MUs)	**4.39**	**37.15**	**71.82**

Commission's analysis

5.9 The Commission has scrutinized the commercial information and the basis of computation of sales as filed by the petitioner. Since the ARR filing for FY 2009-10 was done after the end of FY 2008-09, the Commission had asked the petitioner to submit the actual/latest commercial information figures for FY 2008-09.

5.10 The Commission observed anomalies in the computation of sales for FY 2009-10 in the submissions made by the petitioner. The discrepancies pertaining to the connected load/contract demand for various categories were brought to the knowledge of the petitioner for seeking clarification. Though the petitioner furnished additional information on the connected load for various categories but the information furnished was not adequate to substantiate the basis of projection of estimated sales.

5.11 However, since the sales figures as proposed by the petitioner for FY 2009-10 are on an estimated basis which shall be subjected to "truing-up" in subsequent tariff orders, the Commission approves the sales of 71.82 MUs as submitted by the petitioner. However, the Commission directs the petitioner to conduct demand forecasting and load research studies to correctly estimate the category-wise sales in future. The Commission has given timelines for the same in the directives section of this tariff order.

Distribution Losses

Petitioner's submission

5.12 The petitioner submitted the distribution losses at the level of 0.64% and 3.24% for FY 2007-08 and FY 2008-09 respectively.

5.13 For FY 2009-10, the petitioner submitted that since it is expanding its distribution network from the current coverage of about 30 sq. km. to more than 100 sq. km., it expects higher distribution losses and accordingly proposed 7.50% distribution loss for FY 2009-10. The petitioner had mentioned the following reasons for the higher distribution losses projected during FY 2009-10:

(a) Energizing of new power transformers in the later part of FY 2008-09 which will require time to reach optimal loading and hence add to existing distribution losses.

(b) In the initial period, the established system should be able to cater to the expected demand in the area for at least 3 to 5 years. But in this case it remains under-utilized and sub-optimally loaded, which results in additional losses.

(c) Being a parallel distribution licensee, JUSCO is building up its own distribution network and power line to wheel electric power from the source to the distribution area, and this adds to the losses which will reflect in the overall distribution loss of the licensee in this case, as against the transmission losses which are shown separately for utilities.

(d) Expects significant increase in consumers within the LT segment which is spread over a large area.

(e) The electricity distribution network in the area being in a nascent stage with only a few HT consumers being serviced earlier, the previous years' losses were extremely low. The petitioner further mentions that in fact, the entire T&D loss of 3.24% during FY 2008-09 were only technical loss. Due to envisaged expansion in network, it is expected that the loss levels would increase abruptly due to increase in line length, theft and illegal tapping of electricity.

5.14 The petitioner submitted that though it would make best efforts to contain such losses, it still estimates technical loss of 6-7% in FY 2009-10 and additional commercial losses of 1-2%, summing up the total distribution losses to 7-9%. However, since it plans to adopt proactive loss control measures, JUSCO has proposed an estimated distribution loss level of 7.5% during FY 2009-10. The petitioner further submitted that current distribution losses are not relevant as they are not indicative of stabilized distribution business operations.

5.15 Therefore, the petitioner has requested the Commission to allow distribution losses at a level of 7.5% for FY 2009-10, which it claims are still lower when compared to distribution losses of other efficient private distribution licensees in India.

Commission's analysis

5.16 The Commission notes that 95% of the additional sales proposed in FY 2009-10 over FY 2008-09, are projected to be made to consumers in HT category. The consumers in HT category have much lower distribution and technical losses as compared to LT categories. While the Commission understands that distribution losses may go up due to the network expansion, the Commission finds the loss level of 7.5% too high and deems it fit to approve a distribution loss level of 5% only keeping in view that a major portion of additional sales in FY 2009-10 would be to HT consumer category.

5.17 However, since the petitioner is expanding the network and there is little time remaining for the petitioner to improve the loss levels in FY 2009-10, in case the actual losses during FY 2009-10 are reported in the range as stated in the petition, the Commission would review the loss levels in the subsequent tariff order. **Meanwhile, the Commission directs the petitioner to conduct loss estimation and energy audit studies to ascertain the correct loss levels. The Commission has given timelines for the same in the directives section of this tariff order.**

Energy Balance

Petitioner's submission

5.18 The petitioner submitted that the energy balance for FY 2007-08 and FY 2008-09 is based on the actual energy purchase, energy sales and corresponding energy losses for both years as submitted by the petitioner in the main petition and additional data submitted to the Commission.

5.19 The petitioner's projection of energy balance for FY 2009-10 is based on the energy sales projections being grossed up by a proposed distribution loss level of 7.5%, in order to arrive at the quantum of power purchase required to cater to the expected demand of 71.82 MUs. Therefore, the petitioner's estimated power purchase requirement is 76.21 MUs for FY 2009-10.

Commission's analysis

5.20 For FY 2007-08 and FY 2008-09, certified accounts of the petitioner are available and as per these accounts, quantum of power purchased by the petitioner in FY 2007-08 and 2008-09 was 4.41 MUs and 38.39 MUs respectively. Hence, for the purpose of determination of ARR, the Commission has taken these figures into account.

5.21 For FY 2009-10, with an approved loss level of 5%, the total power purchase requirement estimated and approved by the Commission is 75.60 MUs.

5.22 The source-wise break-up of energy purchase is detailed in the table given below:

Table 10 Proposed and approved quantum of power purchase/sale

Energy Balance (in MUs)	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Energy Requirement (MUs)						
Total Energy Sales	4.39	4.39	37.15	37.15	71.82	71.82
Overall distribution loss (%)	0.64%	0.49%	3.24%	3.24%	7.50%	5%
Overall distribution loss (MUs)	0.03	0.02	1.24	1.24	5.82	3.78
Total Energy Requirement	**4.41**	**4.41**	**38.39**	**38.39**	**77.65**	**75.60**
Energy Availability (MUs)						
Power purchase from TSL -						
132 Kv	0.00	0.00	7.16	7.16	42.21	42.21
33 Kv	3.67	3.67	29.48	29.48	8.38	8.38
6.6 kV	0.74	0.74	1.76	1.76	1.93	1.93
Power purchase from DVC -						
33 Kv	0.00	0.00	0.00	0.00	25.13	23.08
Total Energy Availability	**4.41**	**4.41**	**38.39**	**38.39**	**77.65**	**75.60**

Power Purchase Cost

Petitioner's submission

5.23 The petitioner submitted that at the time of commencement of distribution operations, the only feasible source of electricity was Tata Steel Limited (TSL) due to proximity of the licensed area to Jamshedpur, which is the licensed area of TSL. TSL agreed to supply power to JUSCO, for starting its operations in the licensed area for an initial period of 2-3 years, on availability basis, at the fixed rate of Rs.2.72/kWh at 132 kV level and Rs.2.92/kWh at the level below 132 kV, with no provision for payment of any Annual Fixed Charges. Therefore, for FY 2007-08 and 2009-09, the power purchase cost comprises the power purchased from TSL only.

5.24 For FY 2009-10, since JUSCO expects to increase its distribution network manifold, its power needs can no longer be met through TSL alone and hence it has proposed to enter into a Power Purchase Agreement (PPA) with DVC, a government undertaking incorporated through central legislation which required the three governments- the Central Government and the state governments of West Bengal and Bihar (now also Jharkhand) to participate jointly for the purpose of building the DVC, for a medium term power purchase agreement for 10/20 MVA power from Jamshedpur at 33kV and 40/60 MVA power from other sub-station at 132kV.

5.25 In case of power purchase from DVC the capacity charges have been considered at Rs.365 per kVA per month and accordingly, the annual fixed charges for an average of 9.5 MVA for 9 months supply works out to Rs.312.08 Lakhs. Whereas, the energy charge is considered at Rs.1.63 per kWh (at the present tariff level of DVC), on a minimum normative energy units at 55% load factor as per the terms and agreement of Draft Agreement. The petitioner further states that irrespective of the actual consumption it will have to bear the energy cost for energy equivalent to 55% load factor. The petitioner had computed the energy charges at 45% load factor due to recessionary trend and accordingly estimates the rate of power purchase of Rs.1.90 per kWh from DVC during FY 2009-10.

5.26 In addition to above the fuel surcharge, presently at Rs.0.8071 per kWh is also applicable in case of power purchase from DVC.

5.27 The table given below summarizes the petitioner's power purchase cost.

Table 11 Proposed Power Purchase Cost (Rs. lakhs)

Sources	FY 2007-08	FY 2008-09	FY 2009-10
	Actual	*Provisional*	*Projected*
Tata Steel Limited			
132 kV	0.00	194.65	1148.04
33 kV	107.21	860.81	244.6
6.6 kV	21.69	51.3	56.43
DVC			
33 kV	0	0	1015.55
Total	**128.91**	**1106.75**	**2464.62**

5.28 It was further submitted by the petitioner that in future it will undertake competitive bidding route to procure power in future when a sizable volume is achieved by it and also network connectivity with grid/CTU/STU is established.

Commission's analysis

5.29 As per the terms of agreement dated December 1, 2008 with Tata Steel Limited (TSL), the energy charges for supply at 33,000 Volts level is Rs.2.92 per unit and for energy supplied at 132,000 Volts the energy charges is Rs. 2.72 per unit. These rates are valid for FY 2008-09. However, the rates mentioned above can be revised based on the tariff order of JSERC.

5.30 It pertinent to note that during FY 2007-08 and FY 2008-09, the petitioner power purchase is fully met by TSL. Therefore, for these financial years, the Commission has determined the cost of power from TSL on the basis of TSL's average power purchase cost of Rs.2.64 per unit and Rs.2.85 per unit for FY 2007-08 and FY 2008-09 respectively. These rates have been derived from the Tariff Order of TSL for FY 2007-08, FY 2008-09 and FY 2009-10, issued in January 2010.

5.31 For FY 2009-10, the Commission has again determined the cost of power purchase from TSL based on its average power purchase cost of Rs.2.91 per unit, which is determined on the basis of the Tariff Order for TSL for FY 2009-10, issued by the Commission in January 2010.

5.32 Meanwhile, since FY 2009-10 is the first year of contracting of power from the DVC and there is no information available on the load factor. The Commission has considered the energy charges at Rs.1.63 per unit at 55% load factor. The Commission approves the FSA of Rs.0.8071 per unit and fixed charges of Rs. 312.08 Lakhs, as proposed by the petitioner. The power purchase cost shall be trued- up as per the actual data, when it is made available by the petitioner in the next tariff petition.

5.33 On the basis of the above, the average power purchase rate for JUSCO is determined at Rs. 3.16 per unit for FY 2009-10. The table given below summarises the proposed and approved power purchase cost for JUSCO for FY 2007-08, FY 2008-09 and FY 2009-10.

Table 12 Proposed and approved Power Purchase Cost (Rs. lakhs)

Sources	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	***Approved by JSERC***	***Submitted by JUSCO***	***Approved by JSERC***	***Submitted by JUSCO***	***Approved by JSERC***
Tata Steel Limited	128.91	116.52	1106.75	1094.49	1449.07	1517.1
DVC	0.00	0.00	0.00	0.00	1015.55	874.6
Total	**128.9**	**116.52**	**1106.75**	**1094.49**	**2464.62**	**2391.7**

Basis of allocation of common costs for O&M expenses

Petitioner's submission

5.34 The petitioner submitted that being an integrated petitioner service provider where supply of electricity is just one of the several services it offers, it has some common costs catering to all operations of JUSCO that are incurred on a common platform in order to reap benefits from the economies of scale. Thus, two components of O&M expenses – employee cost and A&G expenses – consist of both direct costs as well as common costs are allocated from JUSCO's shared services. The petitioner further submitted that the segregation and allocation of costs and assets is based on information currently available with JUSCO.

5.35 The petitioner submitted that the cost data is captured through the Financial Accounting System (FAS) maintained on SAP platform and separate cost centres that have been created in the FAS through which identification of directly allocable expenditures has been carried out.

5.36 In case of expenditures that are of common nature, either across JUSCO or across the whole Power Services Division, apportionment has been done taking certain assumptions or keeping in view generally accepted accounting norms and principles. The indirect common employee costs arising out of various back office functions of JUSCO have been apportioned on the basis given in table below, whereas those of the Power Business Division has been apportioned equally between the licensee operations of Saraikela-Kharsawan and the franchisee operations of Jamshedpur, keeping in view the extra time and efforts being devoted by the common resources towards the commencement of the former's operations.

Table 13 Allocation of cost

Items	Assumption with Rationale
O&M Cost as per SAP	Common Cost of JUSCO identified as Employee Cost and A&G Expenses and then apportioned to the Saraikela-Kharsawan project based on the following ratio.
HR	Allocation based on number of employees in Saraikela project vis-à-vis JUSCO
IT	Allocation based on number of PCs/laptops in Saraikela project vis-à-vis JUSCO
Legal	Allocated equally among all 8 segments of services within JUSCO and further allocating half of the PSD's share to the Saraikela project
GM (JTS) Secretariat	Allocation based on ratio of turnover of Saraikela project vis-à-vis JUSCO
TPM Activity	Allocation based on ratio of turnover of Saraikela project vis-à-vis JUSCO
Accounts	Allocation based on ratio of turnover of Saraikela project vis-à-vis JUSCO
MD Secretariat	Allocation based on ratio of turnover of Saraikela project vis-à-vis JUSCO
Administration	Allocated equally among all 8 segments of services within JUSCO and further allocating half of the PSD's share to the Saraikela project

Corp Communication	Allocated equally among all 8 segments of services within JUSCO and further allocating half of the PSD's share to the Saraikela project
Security	Allocated equally among all 8 segments of services within JUSCO and further allocating half of the PSD's share to the Saraikela project
JUSCO Sahyog, Billing and Collection	Allocation based on number of consumers of Saraikela project vis-à-vis JUSCO
Procurement	Allocation based on value of procurement of Saraikela project vis-à-vis JUSCO

Commission's Analysis

5.37 The Commission approves the methodology for cost allocation used by the petitioner for this tariff petition. **Meanwhile, the Commission directs JUSCO to maintain separate set of accounts for Saraikela-Kharsavan and get it duly certified by the auditors. The Commission has given timelines for the same in the directives section of this tariff order.**

Employee cost

Petitioner's submission

5.38 The direct employee cost for FY 2007-08 has been considered as nil since the entire expense was capitalized since very few operations had commenced. The actual cost of project operations in FY 2007-08 has been factored in the computation of the indirect employee cost as an apportionment of JUSCO's integrated costs and this is given as Rs.22.38 lakhs. For FY 2008-09, the direct employee cost has been estimated to be Rs.92.32 lakhs while the allocated employee cost has been estimated to be Rs. 66.35 lakhs. The net employee cost for FY 2007-08 and FY 2008-09, after taking into account capitalization of nil and Rs.12.70 Lakhs, is estimated to be Rs.22.38 lakhs and Rs.145.97 lakhs respectively.

5.39 For projecting the employee cost for FY 2009-10, an inflation rate of 10% over the previous year's employee cost is considered, which includes considerations on account of distribution network expansion during the year. The common costs thus calculated are then apportioned to the Saraikela project as per the assumptions detailed earlier.

5.40 The allocated employee cost for FY 2009-10 is thus computed by the petitioner at Rs.71.78 lakhs. Similarly, the direct employee cost for FY 2009-10 have also been calculated by considering an inflation factor of 10% over the previous years' direct employee cost, after taking into consideration the average increase in number of employees during FY 2009-10 over FY 2008-09. The direct employee cost for FY 2009-10 is computed by the petitioner to be Rs. 219.88 lakhs.

5.41 The total employee cost proposed for FY 2009-10 is Rs.291.66 Lakhs. The petitioner has proposed to capitalize Rs.30.24 lakhs of the employee's expenses, thereby projecting the net employee costs of Rs. 261.42 lakhs.

Commission's analysis

5.42 The Commission approves the number of employees as given in the petition for each year.

5.43 The Commission further approves the employee costs submitted by the petitioner for FY 2007-08 & FY 2008-09.

5.44 For computing the components of salaries & allowances for FY 2009-10, the Commission first determined the average cost per employee for each component in FY 2008-09 and then computed the corresponding figures for FY 2009-10 for the average number of employees in FY 2009-10 and escalated by an inflation factor of 10%. Therefore, the total direct employee cost approved by the Commission for FY 2009-10 is Rs. 211.81 lakhs as against the petitioner's proposal of Rs.219.88 lakhs.

5.45 The Commission has also accepted the basis of apportionment of employee costs and hence approves the allocated employee expenditure of Rs. 71.78 lakhs for FY 2009-10. It also approves the petitioner's submission of capitalizing Rs.30.24 lakhs and thus approves the net employee cost of Rs. 253.34 lakhs for FY 2009-10, as detailed hereunder:

Table 14 Proposed and approved employee costs (Rs. lakhs)

Employee Cost	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
No. of Employees	12	12	23	23	50	50
Salaries & Allowances						
Salary (Basic)			33.08	33.08	78.79	75.89
Sp. Allowance			14.78	14.78	35.20	33.91
Wages & Other Charges			15.54	15.54	37.01	35.65
HRA			2.87	2.87	6.84	6.58
Conveyance			2.78	2.78	6.62	6.38
Reimbursement-Chauffeur			0.33	0.33	0.79	0.76
LTA			1.19	1.19	2.83	2.73
Leave Salary			7.73	7.73	18.41	17.73
Superannuation Fund			3.07	3.07	7.31	7.04
Cont. to PF			3.22	3.22	7.67	7.39
Cont. to TEPS			0.11	0.11	0.26	0.25
Gratuity			4.80	4.80	11.43	11.01
Med. Exp.			2.75	2.75	6.55	6.31
Other			0.07	0.07	0.17	0.16
Employee Cost (Direct)			**92.32**	**92.32**	**219.88**	**211.81**

Common Cost of JUSCO	22.38	22.38	66.35	66.35	71.78	71.78
Gross Employee Cost	**22.38**	**22.38**	**158.67**	**158.67**	**291.66**	**283.58**
Less: Capitalized			*12.70*	*12.70*	*30.24*	*30.24*
Net Employee Cost	**22.38**	**22.38**	**145.97**	**145.97**	**261.42**	**253.34**

Administration & General (A&G) Expenses

Petitioner's submission

5.46 The direct A&G cost incurred by JUSCO for FY 2007-08 is only Rs. 0.51 lakhs, on account of part-year operations. The same for FY 2008-09 has been proposed as Rs.23.33 lakhs. The petitioner has submitted that the rise in A&G costs is expected due to the manifold increase in the scale of operations during the year. The allocated A&G costs for FY 2007-08 and 2008-09 is proposed to be Rs. 22.76 lakhs and Rs. 44.21 lakhs respectively. Thus, the total A&G cost for FY 2007-08 and 2008-09 sums up to Rs. 23.28 lakhs and Rs. 67.54 lakhs respectively.

5.47 For FY 2009-10, an inflation factor of 5% over the previous year's corresponding costs has been used for calculating the common A&G expenses. After allocation, the indirect A&G costs come to Rs. 49.22 lakhs. Combined with the proposed direct cost of Rs. 99.81 lakhs, the total A&G costs for FY 2009-10 amounts to Rs. 149.03 lakhs.

Commission's analysis

5.48 The Commission observes that the petitioner has not considered the capitalisation of common cost. As per generally accepted accounting principles the cost incurred in relation to creation of fixed assets needs to be capitalised. Considering that, a portion of common expenses of JUSCO are being utilised for creation of fixed assets, the Commission has considered the capitalisation at the nominal rate of 5% and allowed A&G expenses accordingly.

5.49 For FY 2007-08 and FY 2008-09, the gross A&G expenses claimed by the petitioner have been allowed and after taking into account the capitalisation of common expenses, the petitioner has been allowed the net A&G expenses of Rs. 22.14 lakhs and Rs.65.35 lakhs for FY 2007-08 and FY 2008-09 respectively.

5.50 For FY 2009-10, the Commission observes that the consultancy expenses and expenses on Private Security Guards/ Home Guards are exorbitantly projected at Rs.27.50 lakhs and Rs.18.00 lakhs respectively. The Commission is not convinced with the clarification given by the petitioner and deems it fit to allow only 50% of the expenses claimed by the petitioner under these heads.

5.51 Thus, the Commission allows Rs.123.83 lakhs as A&G expenses for FY 2009-10. The item-wise details of A&G expenditure approved by the Commission is detailed hereunder:

Table 15: Item-wise A&G expenses (Rs. Lakhs)

A&G Expenses	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Legal Charges			11.01	11.01	13.00	13.00
Consultancy Charges/ Tech Fees			3.70	3.70	27.50	13.75
Travelling Exp			2.02	2.02	4.00	4.00
Vehicle Running (Light), Petrol & Oil			0.81	0.81	8.66	8.66
Printing & Stationery			0.02	0.02	1.20	1.20
Donation			0.80	0.80	2.50	2.50
Office maintenance			0.02	0.02	4.20	4.20
Telephone & Mobile Exp					2.40	2.40
Fees & Subscription			0.23	0.23	2.00	2.00
Insurance Premium			3.18	3.18	6.00	6.00
Entertainment	0.47	0.47	0.13	0.13	0.60	0.60
Pvt. Security Guards/ Home Guards	0.02	0.02	0.05	0.05	18.00	9.00
Miscellaneous Exp.			0.92	0.92	1.20	1.20
Training	0.02	0.02	0.46	0.46	1.50	1.50
Bank Charges					0.25	0.25
Vehicle Hire Expenses					2.40	2.40
Rent, Rates & Taxes					3.83	3.83
Bill Distribution Expenses					0.58	0.58
Total A&G Cost (Direct)	**0.51**	**0.51**	**23.33**	**23.33**	**99.81**	**77.07**
Common Cost of JUSCO	22.77	22.76	44.21	44.21	49.2	49.22
Gross A&G Cost	**23.28**	**23.27**	**67.54**	**67.54**	**149.03**	**126.29**
Less: Capitalised	0.00	1.14	0.00	2.19	0.00	2.46
Net A&G Cost	**23.28**	**22.14**	**67.54**	**65.35**	**149.03**	**123.83**

Repairs & Maintenance (R&M) Expenses

Petitioner's submission

5.52 The petitioner has submitted that there are no R&M expenses for FY 2007-08 because it was the first year of operation for this project and all assets were newly laid and no repair work was allowed.

5.53 In FY 2008-09, an amount of Rs. 24.36 lakhs has been submitted by the petitioner as having been incurred on R&M. The petitioner has submitted that there is no common cost apportioned to the Saraikela project under R&M expenses.

5.54 For 2009-10, the petitioner has estimated its R&M expenses at 2.5% of the opening GFA which translates to Rs.179.78 lakhs.

Commission's analysis

5.55 The Commission has not considered any R&M expenses for FY 2007-08 as proposed by the petitioner.

5.56 For FY 2008-09, the Commission approves R&M expenses of Rs. 24.36 lakhs, in accordance with the audited accounts.

5.57 For FY 2009-10, the Commission is not convinced with the petitioner's proposal of considering 2.5% of the opening GFA as R&M expenses because during the immediately preceding financial year (i.e. FY 2008-09), R&M expenses were equivalent to 0.87% of the opening GFA. The Commission feels that since the most of the assets have been laid by the petitioner in the last two years, they would be covered under warranty period and much of the repair works, if required, would be carried out free of cost.

5.58 Therefore, for FY 2009-10 the Commission approves 1% of opening GFA as R&M expenses amounting to Rs.71.81 lakhs as detailed hereunder:

Table 16: Proposed and Approved R&M Expenses (Rs. Lakhs)

Particulars	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Building	0	0	4.94	4.94	36.45	14.56
Civil Works	0	0	0.03	0.03	5.26	2.10
Plant & Machinery	0	0	18.3	18.3	130.03	51.94
Office Equipments	0	0	1.09	1.09	8.04	3.21
Total	**0**	**0**	**24.36**	**24.36**	**179.78**	**71.81**

Total O&M Expenses

5.59 Thus the total O&M expenses proposed and approved for FY 2007-08, FY 2008-09 and FY 2009-10 is summarized in the table given below:

Table 17 Proposed and Approved O&M Costs (Rs. Lakhs)

Components	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Employee Cost	22.38	22.38	145.97	145.97	261.42	253.34
A&G Expenses	23.28	22.14	67.54	65.35	149.03	123.83
R&M Expenses	0	0	24.36	24.36	179.78	71.81
Total O&M Expenses	**45.66**	**44.52**	**237.87**	**235.68**	**590.23**	**448.98**

Capital Investment Plan

Petitioner's submission

5.60 The petitioner has submitted the capital investment plan of Rs.1925 Lakhs for FY 2009-10 as detailed hereunder:

Table 18 Proposed Capital Investment plan for FY 2009-10 (Rs. Lakhs)

S No.	Particulars	Capital Investment
1.	132 kV Line from DVC Chandil Substation	800
2.	33 kV Overhead lines from Gamharia to Saraikela	210
3.	11 kV Overhead lines from secondary distribution	100
4.	11/.433 Volt Distribution transformers substations	100
5.	Land for Substation in various blocks of Saraikela-Kharasawan	60
6.	33/11 kV Substation at Saraikela	120
7.	LDC for distribution system in Saraikela-Kharasawan	150
8.	Vehicle for Testing equipment/staff movement	5
9.	Mobile Transformer with van on Trolley and switchgears	10
10.	56 MVA, 132/33 kV Power Transformer	370
11.	**Total Capital Investment Plan**	**1925**

Commission's analysis

5.61 The Commission accepts the Capital investment plan for FY 2009-10 submitted by the petitioner. The Commission directs the petitioner to submit scheme-wise details of actual capital expenditure incurred in FY 2008-09 & upto date for FY 2009-10 and also the scheme-wise implementation schedule for FY 2010-11, with the next tariff petition.

CWIP & Gross Fixed Asset

Petitioner's submission

5.62 The petitioner has submitted that it would be able to convert Rs.1078.00 Lakhs out of the total CWIP outstanding at the beginning of the year and capex planned during the year. The petitioner submitted the following figures for CWIP and Gross Fixed Assets for FY 2007-08, FY 2008-09 and FY 2009-10.

Table 19 Proposed CWIP and GFA (Rs. Lakhs)

Particulars	FY 2007-08	FY 2008-09	FY 2009-10
Capital Investment	4831.54	2429.74	1925.00
CWIP Capitalized	2921.06	4269.37	1078.51

Closing Balance of GFA	2921.35	7190.71	8269.22

Commission's analysis

5.63 The Commission has approved the CWIP and GFA for FY 2007-08 and 2008-09 as per the certified accounts submitted by the petitioner. For FY 2009-10, the Commission approves the conversion of Rs.1078.00 Lakhs from opening CWIP and capex planned during FY 2009-10:

Table 20 Approved CWIP (Rs. Lakhs)

Particulars	FY 2007-08	FY 2008-09	FY 2009-10
Opening CWIP	-	2162.89	1166.72
Capex During the Year	5084.24	3263.66	1925.00
Total CWIP	5084.24	5426.56	3091.72
Less. Transferred to FA	2921.35	4259.84	1078.00
Closing CWIP	**2162.89**	**1166.72**	**2013.72**

5.1 On the basis of approved CWIP detailed above, value of approved GFA for FY 2009-10 is detailed hereunder:

Table 21: Approved GFA (Rs. Lakhs)

Gross Fixed Assets	FY 2007-08	FY 2008-09	FY 2009-10
Opening balance of GFA	-	2921.35	7181.18
Transferred from CWIP	2921.35	4259.84	1078.00
Closing balance of GFA	**2921.35**	**7181.18**	**8259.18**

Depreciation

Petitioner's submission

5.2 The computation of depreciation expense is based on the straight-line method (SLM) as prescribed in the 'Distribution Tariff Regulations, 2004'. The petitioner submitted that the rates of depreciation are as per the depreciation schedule given in Appendix II of the said Regulations. For assets capitalized during the financial year, depreciation is charged on a *pro-rata* basis. For assets projected to be capitalized in FY 2009-10, depreciation has been computed for 6 months only based on the assumption that the assets would be capitalized at different points of time during the year. Accordingly, depreciation charges for FY 2007-08, FY 2008-09 and FY 2009-10 amounts to Rs. 33.88 lakhs, Rs 281.51 lakhs and Rs. 498.26 lakhs respectively.

Commission's analysis

5.3 The 'Distribution Tariff Regulations, 2004' specify that the capital base for the purpose of depreciation shall be the historical cost of the asset with the residual life of the asset being 10% of its approved original cost. Since the said Regulations state that in case of operation of the asset for part-year depreciation shall be charged on *pro-rata* basis, hence the Commission has made use of the information submitted by the petitioner regarding the date of capitalization of various assets and accordingly calculated depreciation on *pro-rata* basis for assets capitalized during the year.

5.4 The Commission has not considered depreciation rates of certain category of assets taken by the petitioner as they do not form part of the depreciation schedule. Further, in accordance with the 'Distribution Tariff Regulations, 2004', the Commission calculated depreciation on newly capitalized assets taking into account their exact date of capitalization as opposed to the petitioner's computations on average basis.

5.5 Out of the total depreciation as calculated above, the proportionate depreciation on the assets created out of consumer contribution is deducted to arrive at the permissible depreciation. Accordingly, the Commission approves depreciation charge of Rs. 28.16 lakhs for FY 2007-08, Rs. 236.86 lakhs for FY 2008-09 and Rs. 475.11 lakhs for FY 2009-10.

Table 22 Proposed and approved depreciation costs

Particulars of Assets	Approved Depreciation Rate	Depreciation Cost (Rs. lakhs)					
		FY 2007-08		FY 2008-09		FY 2009-10	
		Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Land Development	0.00%	0.00	0.00	0.00	0.00	0.00	0.00
Offices & Showroom	3.02%	0.02	0.00	9.88	9.88	16.22	16.22
Other Buildings	3.02%	0.09	0.09	0.18	0.18	0.18	0.18
Transformers	7.81%	4.20	4.17	42.47	42.43	86.56	59.49
Switchgear including cable connections	7.84%	16.02	15.94	104.03	103.96	152.83	152.83
Underground cable	5.27%	7.30	7.23	56.80	56.75	80.09	80.09
Overhead Lines < 66kv (LT)	7.84%	0.00	0.00	0.27	0.26	4.59	4.59
Overhead Lines > 66kv	5.27%	0.90	0.90	51.20	51.19	115.50	107.33
Meters	12.77%	0.00	0.00	1.13	1.13	2.30	2.30
Self propelled vehicles	33.40%	0.72	0.72	0.96	0.96	3.47	0.96
Air conditioner (portable)	33.40%	0.00	0.00	0.05	0.05	0.50	0.50
Office furniture	12.77%	0.08	0.08	0.35	0.35	0.79	0.77

& fittings							
Office Equipments	12.77%	0.06	0.04	2.09	2.09	7.86	7.86
Street Light fittings	12.77%	0.00	0.00	0.02	0.02	0.04	0.04
Communication System	12.77%	0.00	0.00	0.02	0.02	0.13	0.13
Data Processing Machine	12.77%	0.02	0.01	2.19	1.72	4.14	3.26
Software	9.00%	1.20	0.00	2.96	0.56	3.56	1.15
Other Assets	Different rates	3.27	3.27	6.91	6.88	19.51	19.51
Depreciation Charges		**33.88**	**32.46**	**281.51**	**278.43**	**498.26**	**457.22**
Add: Dep. on assets added during FY10		-	-	-	-	-	34.27
Less: Depreciation on assets created out of consumer contribution		-	4.30	-	41.57	-	16.38
Net Depreciation Charges		**33.88**	**28.16**	**281.51**	**236.86**	**498.26**	**475.11**

Interest and Other Finance Charges

Interest on Loan

Petitioner's submission

5.6 The petitioner has submitted that the entire capital expenditure incurred by JUSCO has been funded through its own resources in the form of equity infusion and through consumer contribution.

5.7 Therefore, the total capital expenditure undertaken during the year is reduced by consumer contribution for the year, and the balance of the investment in the project till date is divided into debt and equity on normative basis in a ratio of 70:30. The normative loan has been calculated as 70% of closing balance of Gross Fixed Assets (GFA) net of consumer contribution.

5.8 Based on normative debt as described above, the interest liability is calculated at an interest rate of 12.75% which is equivalent to the SBI PLR as on April 1, 2007 (viz. 12.25%) plus an additional 0.50% for the risk margin considered by bank in case of long-term loans. Thus, interest charge on debts for FY 2007-08, FY 2008-09 and FY 2009-10 have been computed by the petitioner to be Rs. 113.08 lakhs, Rs. 356.39 lakhs and Rs.498.13 lakhs respectively.

Commission's analysis

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

5.10 In accordance with the generally accepted accounting principles and norms specified in the 'Distribution Tariff Regulations, 2004', interest on normative loan has been calculated on the average normative loan as outstanding during the year at the interest rate of 12.75%.

5.11 The normative interest amount approved by the Commission for FY 2007-08, 2008-09 and 2009-10 amounts to Rs. 111.02 lakhs, Rs. 346.54 lakhs and Rs. 475.52 lakhs respectively, as detailed in the table given below:

Table 23 Approved interest on loan (Rs. In Lakhs)

Particulars	FY 2007-08	FY 2008-09	FY 2009-10
Opening Balance	-	1,741.53	3,694.40
Deemed Addition during the year	1,769.68	2,189.72	545.50
Deemed Repayments	28.16	236.86	475.11
Closing Balance	1,741.53	3,694.40	3,764.79
Average balance during the Year	870.76	2,717.96	3,729.59
Net interest	**111.02**	**346.54**	**475.52**

Interest on Security Deposits

Petitioner's submission

5.12 The licensee is paying interest on security deposits of consumers at the rate of 5.75% p.a. The petitioner mentions Rs. 2.82 lakhs, Rs. 29.16 lakhs and Rs. 59.67 lakhs respectively as the interest on consumers' security deposits for FY 2007-08, FY 2008-09 and FY 2009-10.

Commission's analysis

5.13 Regulation 13 of the 'Distribution Tariff Regulation, 2004' states that *"interest on consumer security deposits shall be equivalent to the bank rate or more, as may be specified by the Commission from time to time."*

5.14 For FY 2007-08 and 2008-09, the Commission approves Rs. 2.82 lakhs and Rs. 29.37 lakhs as the interest on security deposits, on the basis of the audited accounts of the petitioner.

5.15 The consumer security deposit for FY 2009-10 has been projected on the basis of projected addition of consumers during FY 2009-10. The interest on consumer security deposit has been computed @ 5.75% p.a.

5.16 The Commission approves the interest on security deposit of Rs. 57.14 lakhs for FY 2009-10.

Total Interest and Finance Charges

5.17 As per the analysis of the Commission detailed above, the Interest and Finance Charges for the FYs 2007-08, 2008-09 and 2009-10 are approved as follows

Table 24 Proposed and approved Interest and other Finance charges (Rs. In Lakhs)

Particulars	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Interest on Loan	113.08	111.02	356.39	346.54	498.13	475.52
Interest on Security Deposits	2.82	2.82	29.16	29.16	59.67	57.14
Total Interest & Finance Charges	**115.90**	**113.84**	**385.55**	**375.91**	**557.80**	**532.67**

Return on Equity (RoE)

Petitioner's submission

5.18 The petitioner has submitted that although the Commission recommends a return of 14% on equity, the power distribution business is perceived to have a greater inherent risk than generation or transmission business due to various factors including direct interface with retail consumers. The petitioner further submitted that various SERC's offer a rate of return of 16% for power distribution business in acknowledgment of the greater business risk. Hence the petitioner has computed RoE considering a 16% rate of return.

5.19 The equity base considered by petitioner is 30% of GFA less consumer contribution. RoE is also computed proportionately on the assets capitalized during the year. The RoE proposed by the petitioner for FY 2007-08, FY 2008-09 and FY 2009-10 is Rs.60.83 lakhs, Rs.197.77 lakhs and Rs.293.77 lakhs respectively.

Commission's analysis

5.20 In accordance with the 'Distribution Tariff Regulations, 2004', the Commission has considered the equity base to be equal to 30% of gross fixed assets net of consumer contribution.

5.21 Further, the Commission permits a rate of return of 14% as specified by Regulation 20.1 of the 'Distribution Tariff Regulations, 2004' as against the petitioners' requested rate of return of 16%.

5.22 For FY 2007-08, the return on average equity outstanding during the year has been computed for a period of 7 months only corresponding to the actual operations of the petitioner during that year. For subsequent years the RoE has been allowed for 12 months period. Accordingly, the Commission approves RoE amounting to Rs.31.04 lakhs for FY 2007-08, Rs.173.37 lakhs for FY 2008-09 and Rs.257.17 lakhs for FY 2009-10, as detailed in the table given below:

Table 25 Proposed and approved Return on Equity

Return on Equity	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Normative Equity Base (Rs. lakhs)	380.19	380.10	1236.06	1238.33	1836.06	1836.95
Rate of Return (%)	16%	14%	16%	14%	16%	14%
Return on Equity (Rs. lakhs)	60.83	31.04	197.77	173.37	293.77	257.17

Income Tax

Petitioner's submission

5.23 The income tax is calculated based on the provisions of the Income Tax Act, 1961. The tax computations are based on adding back the depreciation as per the amount claimed in the ARR (calculated based on the rates of depreciation as specified in Annexure-II to the Distribution Tariff Regulations, 2004) and then deducting the depreciation calculated as per the requirement under the Income Tax Act, 1961 using the written down value (WDV) method.

5.24 Accordingly, the petitioner has proposed the income tax liability of Rs. 0.41 lakhs, Rs.10.19 lakhs and 170.07 lakhs for FY 2007-08, FY 2008-09 & FY 2009-10 respectively.

Commission's analysis

5.25 The Commission has considered the method of computation of income tax as proposed the petitioner and computed income tax liability accordingly. There is deviation in the income tax claimed and approved by the Commission. This is due to the difference in RoE and depreciation figures approved by the Commission and proposed by the petitioner.

5.26 The table given below summarises the income-tax liability proposed by the petitioner and approved by the Commission:

Table 26 Proposed and approved Income Tax (Rs. Lakhs)

Return on Equity	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Return on Equity	60.83	31.04	197.77	173.4	293.77	257.17
Income Tax rate	33.99%	33.99%	33.99%	33.99%	33.99%	33.99%
Gross RoE	92.2	47.0	299.6	262.7	445.0	389.60
Depreciation as per ARR	33.88	28.16	281.51	236.86	498.26	475.11
Depreciation as per Income-Tax	-237.9	-237.9	-907.53	-907.53	-941.1	-941.08
Normative interest on Loan	113.08	111.32	356.39	349.76	498.13	475.52
Taxable income	1.20	-51.4	30.0	-58.3	500.3	399.15
Income tax	0.41	0.00	10.19	0.00	170.07	135.67

Non Tariff Income (NTI)

Petitioner's submission

5.27 The Non-tariff income includes meter rent, DPS and supervision charges, among others. Meter rent for FY 2009-10 has been estimated based on projected increase in number of consumers compared to FY 2008-09, whereas DPS has been projected in proportion to the tariff income.

5.28 The NTI for 2007-08, 2008-09 and 2009-10 is proposed as Rs.29.86 lakhs, Rs.28.04 lakhs and Rs.37.32 lakhs.

Commission's analysis

5.29 The Commission has considered the non-tariff income as proposed by the petitioner as shown below in Table 18.

Table 27 Proposed and approved NTI

Particulars	FY 2007-08		FY 2008-09		FY 2009-10	
	Submitted by JUSCO	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Meter Rent	0.23	0.23	2.35	2.35	7.95	7.95
Delayed Payment Surcharge			1.60	1.60	3.32	3.32
Supervision charges	29.63	29.63	22.47	22.47	26.05	26.05
Others	-	-	1.62	1.62	-	-
Total Income	**29.86**	**29.86**	**28.04**	**28.04**	**37.32**	**37.32**

Revenue from existing tariff

Petitioner's submission

5.30 The petitioner has submitted the category-wise revenue from existing tariffs for FY 2007-08, FY 2008-09 on the basis of the accounts and for FY 2009-10 on the basis of the projected sales and connected load for each category. The revenues from existing tariff submitted by the petitioner for FY 2007-08, FY 2008-09 and FY 2009-10 are Rs. 204.79 lakhs, Rs 1685.86 lakhs and Rs. 3505.05 lakhs. The petitioner has requested for allowing revenue as per 99% collection efficiency.

Commission's Analysis

5.31 The Commission approves the revenues from existing tariff for FY 2007-08 and FY 2008-09 as these are as per the annual accounts submitted by the petitioner. For FY 2009-10, the Commission has approved the revenues at existing tariffs which amounts to Rs.3505.05 Lakhs.

5.32 The Commission disallows the reduction in revenue on account of lower collection efficiency, as there is no provision for bad debts as per clause 10 of the ''Distribution Tariff Regulations, 2004'' and any inefficiency on part of the petitioner should not be loaded to the consumers.

Table 28 Revenue from existing tariffs for FY 2009-10

Consumer Category	FY 2009-10					
	Sales (Kwh)	Revenue (fixed charges)	Revenue (energy charges)	Others	Total revenue (in Rupees)	Average Tariff (Rs/Kwh)
Domestic - DS I	116,800	24,000	157,680		181,680	1.56
Domestic - DS II	195,703	14,160	298,446		312,606	1.60
Domestic - DS III	302,785	30,720	514,734		545,454	1.80
Domestic - DS HT	879,817	315,360	1,319,726		1,635,086	1.86
Non Domestic - NDS I	43,800	976,200	54,750		54,750	1.25
Non Domestic - NDS II	706,140		2,542,104		3,477,204	4.98
Low Tension LTIS I	1,050,124	1,130,760	3,676,834	292,177	5,097,612	4.85
IAS I	1,260		630		630	0.50
HTS 11 KV	19,543,008	17,970,960	77,800,775	1,278,335	96,612,686	4.97
HTS 33 KV	48,551,520	50,206,800	187,291,532	2,510,796	230,369,796	4.74
HT 132 KV						
HTSS 33 KV	43,200	900,000	1,041,547	155,920	1,900,252	4.86
Total	**71,823,357**	**71,568,960**	**274,698,112**	**4,237,228**	**350,504,947**	**4.88**
Total (Rs. Lakhs)		**715.69**	**2746.98**	**42.37**	**3505.05**	

A6: SUMMARY OF ARR AND TREATMENT OF REVENUE GAP

Summary of Annual Revenue Requirement

6.1 In view of the above analysis, the Annual revenue requirement along with the revenues at existing tariffs and revenue gap for FY 2007-08, FY 2008-09 and FY 2009-10 are summarized below:

Table 29 Summary of Annual Revenue Requirement (Rs. Lakhs)

Annual Revenue Requirement	FY 2007-08 (Actual)		FY 2008-09 (RE)		FY 2009-10 (Projected)	
Costs	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*	*Submitted by JUSCO*	*Approved by JSERC*
Power Purchase Cost	128.91	116.52	1106.75	1094.49	2464.62	2391.72
Employee Costs	22.38	22.38	158.67	145.97	291.66	253.34
Repair & Maintenance Expenses	0.00	0.00	24.36	24.36	179.77	71.81
Administrative & General expenses	23.28	22.14	67.54	65.35	149.04	123.83
Interest Charges	115.89	113.84	385.55	375.91	557.80	532.67
Depreciation	33.88	28.16	281.51	236.86	498.26	475.11
Income Tax	0.41	0.00	10.19	0.00	170.07	135.67
Less: Expenses Capitalized			12.70		30.24	
Total Costs	**324.74**	**303.03**	**2021.88**	**1942.94**	**4280.97**	**3984.15**
Add: Reasonable Return	60.83	31.04	197.77	173.38	293.77	257.17
Less: Non-tariff Income	29.86	29.86	28.04	28.04	37.32	37.32
Annual Revenue Requirement	**355.71**	**304.21**	**2191.61**	**2088.27**	**4537.42**	**4204.00**
Revenue@ Existing Tariff	204.79	204.54	1685.86	1685.86	3505.05	3505.05
Revenue@ Existing Tariff (at 99% collection efficiency)					3470.00	
Revenue (Gap)/Surplus	**(150.92)**	**(99.42)**	**(505.76)**	**(402.42)**	**(1067.42)**	**(698.95)**
Cumulative (Gap)/Surplus upto FY 2009-10					1724.1	1200.79

6.2 The cumulative revenue gap approved by the Commission upto FY 2009-10 is **Rs. 1200.79 Lakhs** as against the gap of Rs. 1724.1 lakhs proposed by the petitioner.

Treatment of Revenue Gap

6.3 The petitioner has proposed that 67.06% of the revenue gap be recovered from the consumers in FY 2009-10 and the remaining be deferred as regulatory asset.

6.4 The Commission feels that as the effective time period remaining for the tariff year is less and implementing the same at this time, fully or partially, may lead to a tariff shock for the consumers, it has been decided that the revenue gap of **Rs. 1200.79 Lakhs** be converted as regulatory asset to be amortized in 3 years .

6.5 Accordingly, the Commission has decided to not to make any revisions in the existing Tariff schedule except the revised applicability of LTIS (as given the section 4.21 of this Order) and the Load factor rebates (as mentioned in the section 7.7 of this Order) .

6.6 The Commission feels that if the petitioner is able to expand the network and improve the revenues in future, the approved revenue gap may automatically get adjusted in the subsequent ARRs, resulting in further relief to the consumers.

A7: TARIFF RELATED OTHER ISSUES

Tariff Rationalization

Petitioner's submission

7.1 The petitioner has submitted that, the average cost of supply for JUSCO is around Rs. 6.32 per unit in FY 2009-10, without taking into account past recoveries on account of revenue gap in FY 2007-08 and FY 2008-09. As against this, total revenue per unit (from all consumer categories) is estimated to be Rs.4.88/kWh with the average realization from the Domestic and Non-Domestic consumer categories being very low and in the range of Rs. 1.26 per unit to Rs. 1.86 per unit.

7.2 The petitioner has proposed rationalization of tariffs on account of relevant provisions in 61 (g) of the Electricity Act which states that the "Appropriate Commission shall be guided by the objective that the tariff should reflects the cost of supply and reduce the cross subsidies within a period to be specified by the Commission". The petitioner has also referred to the provisions of the National Tariff Policy which also states that "the tariff progressively reflects the cost of supply of electricity".

View of the Commission

7.3 The Commission restates that as the effective time period remaining for the tariff year is less and as there is no increase in tariff envisaged by the Commission for FY 2009-10, it is reasonable to avoid any change in tariffs for any category.

7.4 In regard of the provisions of the Section 61 (g) and the National Tariff Policy for ensuring that the tariffs reflect the cost of supply of electricity, the Commission feels that it is important for the petitioner to determine the cost of supply for each category and then compare the same with the revenue recovered from the respective categories. The Commission has given relevant directives to the petitioner for conducting the Cost of Supply study in the Directives section of this order.

Load Factor Rebate

Petitioner's submission

7.5 The petitioner has proposed minor changes in the load factor rebate slab for HT consumers with the prime objective to induce HT consumers to improve the load factor. The petitioner submitted that the proposed move would enable the licensee to improve the efficiency of the network system and to reduce the per unit power purchase cost.

Table 30 Existing and Proposed Load Factor Rebate for HT category

Load Factor	Load Factor Rebate	
	Existing	*Proposed*
40-60%	5%	Nil
60-70%	7.5%	7.5%
70-100%	10%	7.5%

Views of the Commission

7.6 The Commission appreciate the intentions of the petitioner in taking steps to improve the efficiency of the network by inducing the HT consumers to improve their load factors. Accordingly, the Commission approves the abolishment of load factor rebates on load factors below 60%. Meanwhile, the Commission feels that it is also important that the HT consumers maintaining high load factor are suitably incentivised and the load factor rebate for the slab of HT consumers maintaining load factor above 70% should not be reduced. This will lead to increase in revenue from sale of electricity which will reduce the revenue gap of the petitioner

7.7 The changes approved in the Load factor rebate are mentioned below

Table 31 Existing and Approved Load Factor Rebate for HT category

Load Factor	Load Factor Rebate	
	Existing	*Approved*
40-60%	5%	Nil
60-70%	7.5%	7.5%
70-100%	10%	10%

Rebate for Staggering of Weekly Holiday

Petitioner's submission

7.8 The petitioner has submitted that the load factor of the system is reasonably better for six days of the week. However, on the seventh day the load drops on account of Sunday which is industrial holiday. On account of this, the power contracted for Sunday is not utilized optimally, thus increasing the overall per unit power purchase cost.

7.9 The petitioner has submitted that to overcome this problem and to encourage consumers to start staggering their holidays, it has proposed a scheme namely, "Non Sunday Off Scheme", for consumers who voluntarily propose to shift their holidays to days other than Sundays. Under the scheme, while the consumer can propose an alternate day for holidays, the decision to accept the choice of the day would be at the discretion of the licensee.

7.10 The proposed rebate for staggering day is as follows

Table 32 Proposed additional rebate for Staggering Day

Criteria	Additional Tariff Rebate/Penalty (% of Energy Charges)
Customer Opted and sanctioned for Non Sunday Off Scheme and **a) Max. Demand on declared off day is less than 20% of Max. Demand recorded for the month; and** **b) Energy recorded on declared off day is less than 20% of the Average Energy drawn during the month on a particular day**	A rebate of 1.25% on total bill amount excluding duty, arrears, and other charges not specifically for that particular month.
Customer opted and sanctioned for Non Sunday Off scheme and Non-Compliance of either a) or b).	A penalty of 2.5% on total bill amount excluding duty, arrears, and other charges not specifically for that particular month

Views of the Commission

7.11 The Commission approves of the scheme and directs the petitioner to prepare a circular for implementation of the scheme along with the terms and conditions and submit the same to the Commission for approval. The timelines for this are given in the directive section of this order.

Monthly Minimum Charges

Petitioner's submission

7.12 The petitioner has proposed to increase the MMC for the HT category. The petitioner has submitted that the existing charges are too low compared with the power availability being given to the consumers as well as to incentivise the consumers to optimize its power requirement/ demand while applying for new power connection.

Views of the Commission

7.13 The Commission restates that as the effective time period remaining for the tariff year is less and as there is no increase in tariff envisaged by the Commission for FY 2009-10, the Commission does not approve any change proposed changes in tariff.

Miscellaneous Charges

Petitioner's submission

7.14 The petitioner has proposed to increase the miscellaneous charges for various activities, as given in the petition for FY 2009-10 filed by JUSCO.

Views of the Commission

7.15 The Commission feels that there is no immediate need to change/revise the miscellaneous charges for this tariff period as the effective time period remaining for the tariff year is less and implementing the same at this point of time may cause undue hardship to the consumers.

7.16 The Commission has also observed that the petitioner has proposed the increase of miscellaneous charges without considering its effect on the ARR through the change in NTI. **The Commission directs the petitioner to consider the impact of the proposed miscellaneous charges and show separate calculations for NTI at existing miscellaneous charges and NTI at proposed miscellaneous charges with details while filing the ARR for FY 2010-11.**

A8: COMMISSION'S DIRECTIVES

8.1 The Commission has observed through out the tariff petition that some areas of the operational and financial performance of JUSCO require further improvement. Therefore, the Commission is issuing the following directives:

Sales estimates and projections

8.2 The Commission has observed discrepancies in assessment of connected load and the load factors used to determine the sales. The Commission directs JUSCO to undertake a detailed study for load research and demand forecast in order to correctly workout its short term and long term peak energy requirement.

8.3 The Commission directs JUSCO to estimate consumption for different categories including un-metered category, if any, and to furnish number of hours of supply to various categories of consumers for the previous years with the tariff petition for FY 2010-11.

Cost estimates and projections

8.4 The Commission directs JUSCO to maintain the separate heads of accounts under PBD for both Jamshedpur and Saraikela-Kaharsavan area of distribution. The Commission directs the petitioner to complete the exercise within six months of the date of issue of this order.

Distribution loss estimation

8.5 The Commission directs the petitioner to conduct a study and devise a methodology to ascertain the feasible distribution loss level for future years. The Commission also directs JUSCO to formulate a task force for supervising the distribution loss in its licensed area. The task force should report to the Commission on a quarterly basis about the various efforts that have been undertaken to correctly ascertain the distribution loss levels.

8.6 The Commission also directs JUSCO to carry out energy audit of its system and provide quarterly reports to the Commission regarding the progress of energy audit, action taken to reduce distribution loss and results achieved.

Metering issues

8.7 The Commission believes that a correct and adequate metering system assists in maintaining and reducing the loss levels of any petitioner. In view of this, the Commission directs JUSCO to, within three months of this order, submit a report on the metering technology used for various categories of consumers and also submit quarterly reports on the number of non-performing/defective meters for each category in the system and time taken to replace such meters.

8.8 The Commission also directs the petitioner to develop a process for installation of consumer purchased meters and issue relevant circulars within three months of issue of this order.

Cost of Supply (CoS)

8.9 In view of the provisions of Section 61(g) and National Tariff Policy which state that the tariffs should reflect the CoS of electricity, the Commission directs the petitioner to conduct the CoS study for each category within one year of the issue of this order and submit it to the Commission for review and finalization. The petitioner should also submit the scope of work and the methodology to be followed for conducting the CoS Study.

Non-Sunday Off Scheme

8.10 The Commission appreciates that the petitioner has proposed the introduction of Non Sunday off scheme and directs the petitioner to prepare and submit the same within one months of issue this order for approval of the Commission.

Capitalization and Asset register

8.11 The Commission observes that the details of Capital work in progress (CWIP) are important as they form the base for the capitalization on completion of capital work. The Commission, therefore, directs JUSCO to declare its capitalization policy and to provide the year wise details regarding CWIP with the next tariff petition.

Standards of performance

8.12 The Commission observed during the public hearing that some consumers complained about the quality of supply and service of power supplied by the petitioner. The Commission directs JUSCO to submit the statement of record mandated under JSERC(Distribution Licensees' Standard of Performance)Regulations, 2005 along-with the amount of compensation/claim paid since inception and up to the 3rd quarter of FY 2009-10 and thereafter submit the same to the Commission on quarterly basis.

8.13 The Commission also directs JUSCO to submit the implementation plan for opening of new bill collection centre at Adityapur within three months of the issue of this order.

8.14 The Commission further directs JUSCO to submit an action plan for the disseminating the information regarding load shedding to its consumers through phone/ SMS by mobile phones, within three months of the issue of this order.

Capital Investment Plan

8.15 The Commission directs the petitioner to submit scheme-wise details of actual capital expenditure incurred in FY 2008-09 & upto date for FY 2009-10 and also the scheme-wise implementation schedule for FY 2010-11, with the next tariff petition.

Load factor of High Tension Service and EHTS category

8.16 As per the Information submitted by JUSCO, the load factor for the Extra High Tension Service (EHTS) (at 132 kV) category consumers stood at a very low level of 10.65%. However, as per the industry standards, it has to be in the range of 75-80%. JUSCO is directed to carry out a study considering the contract demand, the actual consumption, load factor, billing, collection, reasons for low load factor and submit it to the Commission within a period of six months from the date of issue of this tariff order.

Adjustment of Bills & payments/receipt as per revised power sale rate of TSL

8.17 The Commission directs the petitioner to reconcile the payment due/receipts with TSL, in lieu of the revised rate for sale of power sold to JUSCO determined by the Commission for FY 2007-08, FY 2008-09 and FY 2009-10 vide the Commissions Tariff Order for TSL dated 20th January 2010, within three month of the issue of this order.

Data adequacy in next Tariff petition and auditing of accounts

8.18 The Commission directs JUSCO to come up with the next tariff petition for FY 2010-11 removing the various data deficiencies highlighted in the tariff order along with the latest information for FY 2009-10.

8.19 The Commission also directs JUSCO to maintain the separate set of accounts for Saraikela-Kharsavan and such duly audited accounts should be submitted along-with the filing of next tariff petition.

8.20 The Commission also directs the distribution company to file the next tariff petition for FY 2010-11 within one month of the issue of this order and also ensure submission of subsequent ARR & tariff filings for the ensuing year are done by 1st November every year prior to the tariff period.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on this the 20th day of January, 2010.

Date: 20th January, 2010
Place: Ranchi

Sd/-
(MUKHTIAR SINGH)
CHAIRPERSON

A9: ANNEXURES

ANNEXURE-I

List of participating members of public in the public hearing

Sl. No.	Name (S/Shri)	Address / Organisation if any
1.	P.K. Bhattarcharjee	M.P. Tower Ph. II Adityapur
2.	Raj Kr. Verma	M Type, Adityapur
3.	Chandan Kr. Jha	EWS- 13/11, Road No. 10, Adityapur
4.	Rima Chakraborty	Adityapur
5.	Neha Kumari	Adityapur
6.	Vikki Kumar	Adityapur
7.	Dheeraj Kumar	Adityapur
8.	Lukhimani	Adityapur
9.	Ashish Puthal	Bargidih Near NIT
10.	Sanjay Kr. Sinha	M Type, Adityapur
11.	Khagendra Nath Mahato	Adityapur
12.	Raju Kr. Verma	Krishnapur (N.I.T)
13.	Gopal Hembram	Adityapur
14.	Sundep C. Topno	Jamshedpur
15.	Sameer Sinha	Adityapur
16.	S.K. Bhatterji	M.P. Tower
17.	P.L. Manjuka	Tata Power, Jojebera
18.	Alok Chatterjee	Tata Power, Jojebera
19.	Anil Nair	Tata Power
20.	U.S. Bapat	Tata Power
21.	Soumo Chakroboty	Adityapur
22.	Subasish Das	Adityapur
23.	V H Wagle	Tata Power - Mumbai
24.	Anirban Das	Tata Power - Jojobera
25.	Mahavi R. Rai	Adityapur
26.	K.K. Guha	Adityapur
27.	A. Ranjan	Jamshedpur

28.	R.K. Sinha	ASIA
29.	S.Roy Chowdhury	Adityapur
30.	Amit kumar	Hindustan Times, Jamshedpur
31.	Santosh Khetan	ASIA
32.	Brijesh Singh	River View
33.	Shamsher Alam	Adityapur
34.	Vafeel Ahmad	Adityapur
35.	Tarun Kr. Das	Adityapur
36.	Ranjeet Singh	River View
37.	Anand Singh	Vidya Jyoti School
38.	Kumud Nowrangi	Vidya Jyoti School
39.	Savitri Devi	Vidya Jyoti School
40.	Supria Laxmi	Vidya Jyoti School
41.	Brahmanand Sharma	Vidya Jyoti School
42.	Chandan Kr. Jha	Vidya Jyoti School
43.	Rajesh Kr.	Adityapur
44.	Suman Mundul	Adityapur
45.	Dr. M. Ram	B.M.C. Metal Cast.
46.	S.N. Thakur	President ASIA
47.	Deepak Dokania	V.P. ASIA
48.	Rajesh Verma	Hindi Hundustan
49.	Amid Agarwal	Jamshedpur
50.	M.P. Verma	Sahara Garden City
51.	Y. Prasad	Golmuri
52.	D.K. Singh	Adityapur
53.	F. Topno	Vidya Jyoti School
54.	Anindita	Vidya Jyoti School
55.	Shabnam	Vidya Jyoti School
56.	Neeta Gupta	Vidya Jyoti School
57.	Rajesh Naga	Jamshedpur
58.	Binod Agarwal	N.W. Forges
59.	Santulal Khandelwal	Sant Steel
60.	A.K.P. Mishra	Mishra Brothers
61.	Raman Khandelwal	Tatanagar, Agri (P) L.

62.	Sahaj Kr. Sinha	Motel Madhuban
63.	P.R. Rao	M Type, Adityapur
64.	Jarnail Singh	S. Type, Adityapur
65.	B.K. Ojha	Dainik Jagran
66.	Atul Dua	MMPL V.P. ASIA
67.	Sanjay Kr. Singh	Hejheo Engrs Pvt. Ltd.
68.	Ved Prakash	City Palace, Adityapur
69.	C.S. Pershed	City Palace, Adityapur
70.	Susil Kumar	City Palace, Adityapur
71.	Mr. Murty	City Palace, Adityapur
72.	T.K. Sarkar	City Palace, Adityapur
73.	B.K. Jha	City Palace, Adityapur
74.	S. Kumar	7, Old Housing Colony, Adityapur
75.	H. Kumar	7, Old Housing Colony, Adityapur
76.	S. Kumar	7, Old Housing Colony, Adityapur
77.	S. Kumar	7, Old Housing Colony, Adityapur
78.	G.P. Agarwal	Steel City
79.	J.K. Verma	National Engg. Entp
80.	L.C. Agarwal	Laghu Udyog Bharti
81.	D. Upodhayay	ASIA
82.	P. Gurgutia	ASIA
83.	P.C. Patra	
84.	Binod Kr. Singh	ASIA
85.	I.K. Agarwal	ASIA
86.	R. Gupta	ASIA
87.	S.K. Choudhary	Laghu Udyog Bharti
88.	Amit Singh	Santech Motors
89.	Deepak Shrivastava	New Ispat Mail
90.	M.K. Hamatuha	Bharat Malleable Pvt Ltd.
91.	V.K.P. Singh	TAYO
92.	Madan Kishore	MIG 237 Adityapur
93.	B.K. Jha	City Palace, Adityapur
94.	Indu Jha	Vidya Jyoti School
95.	Binoy Kr. Jha	Adityapur

96.	V.K. Singh	ASIA
97.	Tepnal Singh	Matham Const. (ASIA)
98.	Sudha Singh	Steel City (ASIA)
99.	Kashi Nath Singh	Laghu Udyog Bharti
100.	Dr. Niteen	M Type, Adityapur
101.	Dr. S.K. Roy	Near Housing Colony
102.	B.K. Singh	TANTEC
103.	B.N. Sinha	SO Adityapur
104.	D.N. Ghosh	Ramkrishna Forge Ltd
105.	R.N. Choudhary	Golmuri
106.	Sandip Sod	Adityapur
107.	Ranjeev Ranjan	A.K. Industries, Adityapur
108.	A. Chaudhary	R.K. Industries,
109.	M. Nadim Ahsan	The Daily Farooqui Tanzeem, Urdu
110.	Amit Roy	Pushkar Techno
111.	Ajit Kumar Roy	Narad Bhavan, New Housing Colony, Sarita Talkies Road, Adityapur
112.	Sushil Kr.	252, City Palace Adityapur