

Jharkhand State Electricity Regulatory Commission



Order on

True-up for FY 2019-20

and

Annual Performance Review for FY 2020-21

for

Tata Steel Utilities and Infrastructure Services Limited

Ranchi

November 24, 2022



CONTENTS

CONTENTS	2
LIST OF ABBREVIATIONS	4
LIST OF TABLES	5
A 1: INTRODUCTION	8
Jharkhand State Electricity Regulatory Commission.....	8
Tata Steel Utilities and Infrastructure Services Limited (TSUISL).....	10
The Petitioner’s Prayers	11
Scope of the Present Order.....	11
A 2: PROCEDURAL HISTORY	13
Background	13
Information Gaps in the Petition	13
Inviting Public Comments/Suggestions	14
Submission of Comments/Suggestions and Conduct of Public Hearing	15
A 3: BRIEF FACTS OF THE PETITION	16
True-up for FY 2019-20:.....	16
Annual Performance Review for FY 2020-21:	17
A 4: PUBLIC CONSULTATION PROCESS	20
Income Tax.....	20
A 5: TRUE-UP FOR FY 2019-20	21
Consumers, Connected Load and Energy Sales.....	21
Energy Balance	22
Power Purchase Cost.....	24
Capital Work in Progress (CWIP) & Gross Fixed Asset (GFA)	25
Consumer Contribution	27
Depreciation	27
Interest and Finance Charges (IFC)	29
Interest on Security Deposits.....	31
Return on Equity	32
Interest on Working Capital	33
Operation and Maintenance Expenses (O&M)	34
Non-Tariff Income	38
Revenue from Sale of Power.....	39



Summary of Annual Revenue Requirement and Revenue Gap/(Surplus)	39
A 6: ANNUAL PERFORMANCE REVIEW FOR FY 2020-21	41
A 7: REVENUE GAP AND ITS TREATMENT.....	42
Revenue Gap/(Surplus)	42
A 8: STATUS OF EARLIER DIRECTIVES	44
ANNEXURE	48
Annexure-1: List of members of public who participated in the Public Hearing and submitted their Suggestions/Comments.....	48



List of Abbreviations

Abbreviation	Description
ABR	Average Billing Rate
ACS/ACoS	Average Cost of Supply
A&G	Administration and General
CAPEX	Capital Expenditure
CGRF	Consumer Grievance Redressal Forum
CWIP	Capital Works In Progress
DS	Domestic Service
DS HT	Domestic Service High Tension
DVC	Damodar Valley Corporation
FY	Financial Year
GFA	Gross Fixed Assets
HP	Horse Power
HT	High Tension
HTS	High Tension Service
HTSS	High Tension Special Service
IAS	Irrigation & Agriculture Service
JUSCO	Jamshedpur Utilities and Service Company Limited
KV	Kilo Volt
KVA	Kilo Volt Ampere
KW	Kilo Watt
KWh	Kilo Watt Hours
LF	Load Factor
LT	Low Tension
MD	Maximum Demand
MU	Million Units
MVA	Mega Volt Ampere
MW	Megawatt
MYT	Multi Year Tariff
NDS	Non-Domestic Service
O&M	Operation and Maintenance
PPA	Power Purchase Agreement
PSD	Power Services Division
RBI	Reserve Bank of India
REC	Renewable energy Certificate
R&M	Repairs and Maintenance
RoE	Return on Equity
RPO	Renewable energy Certificate
SBI	State Bank of India
STU	State Transmission Utility
T&D	Transmission & Distribution
TSL	Tata Steel Limited
WPI	Wholesale Price Index



List of Tables

Table 1: List of newspapers and dates of publication of public notice by the Petitioner	14
Table 2: List of newspapers and dates of publication of Public Notice by the Commission	14
Table 3: Number of Consumers, Connected Load & Energy Sales as submitted by the Petitioner	16
Table 4: Energy Balance as submitted by the Petitioner (MU)	17
Table 5: ARR as submitted by the Petitioner (Rs. Crore).....	17
Table 6: Number of Consumers, Connected Load & Energy Sales as submitted by the Petitioner	17
Table 7: Energy Balance as submitted by the Petitioner (MU)	18
Table 8: ARR as submitted by the Petitioner (Rs. Crore).....	19
Table 9: Cumulative Revenue Gap till FY 2019-20 as submitted by the Petitioner (Rs. Crore)..	19
Table 10: Number of Consumers, Connected Load and Sales as submitted by the Petitioner and approved by the Commission.....	22
Table 11: Energy Balance as submitted by the Petitioner (MU)	23
Table 12: Energy Requirement as approved by the Commission (MU).....	24
Table 13: Power Procurement Cost as submitted by the Petitioner (Rs. Crore).....	24
Table 14: Power Procurement Cost as approved by the Commission (Rs. Crore).....	25
Table 15: CWIP & GFA as submitted by the Petitioner (Rs. Crore).....	26
Table 16: CWIP & GFA as approved by the Commission (Rs. Crore).....	26
Table 17: CC Capitalised and Received for FY 2019-20 as submitted by the Petitioner (Rs. Crore)	27
Table 18: Consumer Contribution as approved by the Commission (Rs. Crore)	27
Table 19: Depreciation as submitted by the Petitioner (Rs. Crore)	28
Table 20: Depreciation as approved by the Commission (Rs. Crore)	28
Table 21: Normative Loan & Normative Equity added during the Year (Rs. Crore)	29
Table 22: Interest and Finance Charges as submitted by the Petitioner (Rs. Crore)	29
Table 23: Interest and Finance Charges as approved by the Commission (Rs. Crore)	31
Table 24: Consumer Security Deposit as submitted by the Petitioner (Rs. Crore).....	31
Table 25: Consumer Security Deposit as approved by the Commission (Rs. Crore).....	31
Table 26: Return on Equity as submitted by the Petitioner (Rs. Crore)	32
Table 27: Return on Equity as approved by the Commission (Rs. Crore)	33
Table 28: Normative O&M Expenses as submitted by the Petitioner (Rs. Crore)	34
Table 29: O&M Expenses as per Audited Accounts as submitted by the Petitioner (Rs. Crore). 35	
Table 30: O&M Expenses including sharing of Gain/Loss as submitted by the Petitioner (Rs. Crore)	35
Table 31: O&M Expenses as per Audited Accounts considered by the Commission (Rs. Crore)35	
Table 32: Normative Employee Expenses as approved by the Commission (Rs. Crore).....	37
Table 33: Normative O&M Expenses as approved by the Commission (Rs. Crore)	38
Table 34: Sharing of Gain/Loss on account of O&M Expenses as approved by the Commission (Rs. Crore).....	38
Table 35: Non-Tariff Income as submitted by the Petitioner (Rs. Crore)	39
Table 36: Non-Tariff Income as approved by the Commission (Rs. Crore)	39
Table 37: Revenue as approved by the Commission for (Rs. Crore)	39
Table 38: Summary of ARR as approved by the Commission for (Rs. Crore)	40



Table 39: Cumulative Revenue Gap till FY 2020-21 as submitted by the Petitioner (Rs. Crore) 42
Table 40: Cumulative Gap/(Surplus) as approved by the Commission (Rs. Crore)..... 43



BEFORE

Jharkhand State Electricity Regulatory Commission, Ranchi

Case (Tariff) No.: 6 of 2020

In the matter of:

**Petition
for
True-up for FY 2019-20
and
Annual Performance Review for FY 2020-21**

In the matter:

Tata Steel Utilities and Infrastructure Services Limited
Sakchi Boulevard Road, Northern Town, Bistupur,
Jamshedpur- 831001.....**Petitioner**

PRESENT

Shri. Atul Kumar

Member (Technical)

Shri. Mahendra Prasad

Member (Legal)

Order dated November 24, 2022

Tata Steel Utilities and Infrastructure Services Limited (hereinafter referred to as 'TSUISL' or 'the Petitioner') has filed the Petition dated December 01, 2020 for approval of Truing-up for FY 2019-20 and Annual Performance Review for FY 2020-21.



A 1: INTRODUCTION

Jharkhand State Electricity Regulatory Commission

- 1.1 The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as the 'JSERC' or 'the Commission') was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commission Act, 1998 on August 22, 2002. The Commission became operational with effect from April 24, 2003.
- 1.2 The Government of Jharkhand vide its notification dated August 22, 2002 had defined the functions of JSERC as per Section 22 of the Electricity Regulatory 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 After the Electricity Act, 2003 (hereinafter referred to as the 'Act') came into force, the earlier Electricity Regulatory Commissions Act, 1998 stands repealed and the functions of SERCs are now defined under Section 86 of the Act.
- 1.4 In accordance with Section 86 (1) of the Act, the JSERC discharges the following functions:
 - (a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:
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 has to also advise the State Government as per sub section 2 of Section 86 of the Act, on all or any of the following matters, namely:
- (a) promotion of competition, efficiency and economy in activities of the electricity industry;
 - (b) promotion of investment in electricity industry;
 - (c) 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 also guided by the Tariff Policy notified by the Government of India under Section 3 of the Act. The objectives of the Tariff Policy are to:
- (a) ensure availability of electricity to consumers at reasonable and competitive rates;
 - (b) ensure financial viability of the sector and attract investments;



- (c) promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
- (d) promote competition, efficiency in operations and improvement in quality of supply.

Tata Steel Utilities and Infrastructure Services Limited (TSUISL)

1.8 Tata Steel Utilities and Infrastructure Services Limited formerly Jamshedpur Utilities and Services Company Limited is a company incorporated in August 2003, under the provisions of the Companies Act, 1956. TSUISL was incorporated primarily to cater to the infrastructure and power distribution services in the city of Jamshedpur. In addition to Power services, the company's services encompass of water and waste management, public health & horticulture services and planning, engineering & construction.

1.9 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.”

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

1.11 The Commission granted the Power Distribution License (No.: 03 of FY 2006-07) to the Petitioner on December 01, 2006, for the aforementioned revenue district.

1.12 Consequently, the Petitioner began its power distribution services in revenue district of Saraikela-Kharsawan in September 2007 as a second Distribution Licensee.



The Petitioner's Prayers

1.13 The Petitioner in Petition No.: 06 of 2020 for Truing up for FY 2019-20 and Annual Performance Review for FY 2020-21 has prayed before the Commission as mentioned below:

- a) *Admit the Petition and examine the proposal submitted by the Petitioner in the enclosed Petition for a favourable dispensation;*
- b) *Pass suitable Orders with respect to its claim based on Regulations and audited accounts for the True-up of ARR of Rs. 342.69 Crore for FY 2019-20 which is incurred by the Petitioner for serving its consumers;*
- c) *Pass suitable orders with respect to its claim based on regulations and provisional actual for first six months and revised estimate for balance six months of FY 2020-21 for Annual Performance Review of Rs. 331.27 Cr. for FY 2020-21;*
- d) *Condone the delay, if any in filing this petition;*
- e) *Condone any inadvertent omissions/errors/shortcomings and permit the Petitioner to add/change/modify/alter this filing and make further submissions as may be required at a future date;*
- f) *Pass such further, as the Commission may deem fit and appropriate keeping in view the facts and circumstances of the case.*

Scope of the Present Order

1.14 The Commission in this Order has approved the True up for FY 2019-20.

1.15 The Commission has however not carried out the APR for FY 2020-21 as considerable time has lapsed and the Petitioner has already filed truing up Petition for FY 2020-21 based on audited account. As the truing up petition is under active consideration of this Commission. The Commission therefore does not find any merit in carrying out APR for FY 2020-21.

1.16 While approving this Order, the Commission has taken into consideration:

- a) Material placed on record by the Petitioner including Annual Audited Accounts for FY 2019-20;
- b) Provisions of the Electricity Act, 2003;
- c) Principles laid down in the National Electricity Policy;
- d) Principles laid down in the Tariff Policy;
- e) Provisions of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015 (hereinafter referred to as the Tariff Regulations, 2015);



- 1.17 Accordingly, the Commission has scrutinized the Petition in detail and hereby issues the Order on Truing up for FY 2019-20 for Tata Steel Utilities and Infrastructure Services Limited.



A 2: PROCEDURAL HISTORY

Background

- 2.1 The Commission had issued Order on Truing-up for FY 2014-15, APR for FY 2015-16, Business Plan for FY 2016-17 to FY 2020-21 and ARR for the MYT Control Period for Tata Steel Utilities and Infrastructure Services Limited and Tariff for FY 2016-17 to FY 2020-21 and Tariff for FY 2016-17 on February 28, 2017.
- 2.2 Later on, June 07, 2018, the Commission had issued Order for Tata Steel Utilities and Infrastructure Services Limited on Truing-up for FY 2015-16, APR for FY 2016-17 and determination of ARR and Tariff for FY 2017-18.
- 2.3 Further, the Petitioner had filed Review Petition against the Commission's Order dated June 07, 2018 which was disposed by the Commission on September 25, 2018.
- 2.4 The Commission had Trued-up ARR of revenue of Tata Steel Utilities and Infrastructure Services Limited for FY 2016-17 and FY 2017-18 vide its Order dated June 19, 2020.
- 2.5 The Commission had issued the Trued-up for FY 2018-19, APR for FY 2019-20, ARR for FY 2020-21 vide its Order dated September 29, 2020.
- 2.6 The Petitioner in the current Petition filed on December 01, 2020 has sought approval for Truing-up for FY 2019-20 and APR for FY 2020-21 for its Licensed Area.

Information Gaps in the Petition

- 2.7 The Petitioner submitted additional information to the Commission vide letter no.: PDB/17/09/59-J/2021 dated January 08, 2021.
- 2.8 As part of the Tariff determination exercise, several deficiencies/information gaps were observed in the Petition submitted by the Petitioner that were communicated to the Petitioner vide letter nos. JSERC/Case(Tariff) no.: 06 of 2020/382 dated January 11, 2020
- 2.9 The Petitioner submitted its response to the aforesaid letters and furnished additional data/information to the Commission vide letter no.: PBD/59/09/59-J/2021 dated January 23, 2021.
- 2.10 The Commission has scrutinized the Petition along with additional data/information and supporting documents as submitted by the Petitioner in response to the discrepancies identified and has considered the same while passing this Order.



2.11 In order to provide adequate opportunities to all stakeholders and general public, as mandated under Section 64 (3) of the Electricity Act 2003 and in relevant provisions of Regulations framed by the Commission and in order to ensure transparency in the process of tariff determination, the Commission decided to hold Public Hearing on August 24, 2022.

Inviting Public Comments/Suggestions

2.12 After the initial scrutiny of the Petition filed by the Petitioner, the Commission directed the Petitioner to issue a Public Notice inviting comments/suggestions on the Petition from public and to make available copies of the Petition to the members of general public on request.

2.13 The Public Notice was subsequently issued by the Petitioner in various newspapers and a period of twenty-one (21) days was given to the members of the general public for submitting their comments/suggestions.

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

Newspaper	Language	Date of Publication
Hindustan	Hindi	20.02.2021
Dainik Jagran	Hindi	20.02.2021
Times of India	English	20.02.2021
Hindustan Time	English	20.02.2021
Hindustan	Hindi	21.02.2021
Dainik Jagran	Hindi	21.02.2021
Times of India	English	21.02.2021
Hindustan Time	English	21.02.2021

2.14 The Commission issued a Public Notice on its website www.jserc.org and various newspapers giving time till March 15, 2021 to various Stakeholders to submit their comments/suggestions. Further, the Commission also organized a Public Hearing on August 24, 2022, where an additional opportunity was provided to all the Stakeholders to submit their comments/suggestions on the above said Petition. The details of newspapers wherein the Notice was published by the Commission are as under:

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

Newspaper	Language	Date of Publication
Prabhat Khabar	Hindi	31.07.2022
Dainik Jagran	Hindi	31.07.2022
The Times of India	English	31.07.2022
The Economics Times	English	31.07.2022
Prabhat Khabar	Hindi	17.08.2022



Newspaper	Language	Date of Publication
Dainik Bhaskar	Hindi	17.08.2022
The Times of India	English	17.08.2022
The Economics Times	English	17.08.2022

Submission of Comments/Suggestions and Conduct of Public Hearing

2.15 Comments/Suggestions on the Petition were received from various Stakeholders. The Comments/Suggestions of the Public, Petitioner’s Responses and Commission’s views thereon are detailed in **Section A4** of this Order.



A 3: BRIEF FACTS OF THE PETITION

3.1 The Petitioner in the present Petition has requested for the following:

- a) Truing-up for FY 2019-20 based on the Annual Audited Accounts;
- b) Annual Performance Review for FY 2020-21 based on Provisional data;

True-up for FY 2019-20:

Number of Consumers, Connected Load & Energy Sales

3.2 The following table summarises the number of Consumers, Connected Load and Energy Sales on actuals for FY 2019-20 as submitted by the Petitioner.

Table 3: Number of Consumers, Connected Load & Energy Sales as submitted by the Petitioner

Consumer Category	FY 2019-20		
	Petition		
	No. of Consumers	Connected Load (kVA)	Consumption (MU)
Domestic	4215	37,230	25.06
LT-Rural	500	1,173	0.64
LT-Urban	3,680	27,912	15.21
DS HT	35	8,146	9.22
Non-Domestic	875	8,762	7.66
Rural-Commercial	28	218	0.22
Urban-Commercial	847	8,545	7.44
Low Tension	256	13,224	12.13
Installation Based	245	12,556	11.14
Demand Based	11	668	0.99
HT Services	281	1,98,365	537.96
High Tension Service	264	1,64,980	450.45
HTS 11 KV	232	76,144	163.23
HTS 33 KV	32	88,836	287.21
HT Special Service	17	33,385	87.51
HTSS 11 KV	5	3,915	10.05
HTSS 33 KV	12	29,470	77.46
Temporary	3	45	0.003
Total	5,630	2,57,626	582.81

Energy Balance

3.3 The Energy Balance as submitted by the Petitioner vis-a-vis that approved by the Commission in Order dated September 29, 2020 is tabulated below:

**Table 4: Energy Balance as submitted by the Petitioner (MU)**

Particulars	FY 2019-20	
	APR	Petition
Energy Requirement		
Sales (MU)	637.78	582.81
Overall Distribution Losses %	1.83%	2.16%
Overall Distribution Losses (MU)	11.90	12.89
Energy Requirement	649.68	595.69
Energy Availability		
Tata Steel Ltd.	349.91	323.44
DVC at 33 kV	119.13	94.79
DVC at 132 kV	180.65	177.47
Energy Availability	649.68	595.69

Aggregate Revenue Requirement

3.4 The ARR for FY 2019-20 as submitted by the Petitioner vis-a-vis that approved by the Commission in APR Order dated September 29, 2020 for FY 2019-20 is tabulated below:

Table 5: ARR as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	APR	Petition
Power Purchase Cost	294.96	292.45
O&M Expenses	19.72	22.23
Depreciation	7.50	8.97
Interest and Finance Charges	4.09	4.70
Interest on Consumer Security Deposit	6.73	6.76
Return on Equity	8.49	9.11
Non-Tariff Income	0.85	1.54
ARR	340.64	342.69
Revenue from Sales	344.73	319.25
Revenue Gap/(Surplus)	(4.09)	23.44

Annual Performance Review for FY 2020-21:

Number of Consumers, Connected Load & Energy Sales

3.5 The following table summarises the number of Consumers, Connected Load and Energy Sales estimated by the Petitioner for FY 2020-21.

Table 6: Number of Consumers, Connected Load & Energy Sales as submitted by the Petitioner

Consumer Category	FY 2020-21		
	Petition		
	No. of Consumers	Connected Load (kVA)	Consumption (MU)
Domestic	5,100	43,902	29.90
LT-Rural	635	1,493	0.76



Consumer Category	FY 2020-21		
	Petition		
	No. of Consumers	Connected Load (kVA)	Consumption (MU)
LT-Urban	4,430	33,482	18.96
DS HT	35	8,927	10.18
Non-Domestic	1,028	10,412	6.37
Rural-Commercial	56	403	0.11
Urban-Commercial	972	10,009	6.26
Low Tension	282	14,259	9.85
Installation Based	269	13,508	8.89
Demand Based	13	751	0.96
HT Services	311	2,12,428	473.94
High Tension Service	293	1,76,893	372.19
HTS 11 KV	259	81,623	134.02
HTS 33 KV	34	95,270	238.17
HT Special Service	18	35,535	101.75
HTSS 11 KV	4	2,915	8.39
HTSS 33 KV	14	32,620	93.36
Temporary	1	2	0.01
Total	6,722	2,81,002	520.07

Energy Balance

3.6 The Energy Balance as submitted by the Petitioner vis-a-vis that approved by the Commission in Order dated September 29, 2020 is tabulated below:

Table 7: Energy Balance as submitted by the Petitioner (MU)

Particulars	FY 2020-21	
	MYT	Petition
Energy Requirement		
Sales (MU)	689.37	520.07
Overall Distribution Losses %	1.83%	2.50%
Overall Distribution Losses (MU)	12.85	13.34
Energy Requirement	702.22	533.41
Energy Availability		
Tata Steel Ltd.	378.33	255.33
DVC at 33 kV	128.66	94.11
DVC at 132 kV	195.24	183.97
Energy Availability	702.23	533.41

Aggregate Revenue Requirement

3.7 The ARR for FY 2020-21 as submitted by the Petitioner vis-a-vis that approved by the Commission in ARR Order dated September 29, 2020 for FY 2020-21 is tabulated below:

**Table 8: ARR as submitted by the Petitioner (Rs. Crore)**

Particulars	FY 2019-20	
	APR	Petition
Power Purchase Cost	311.34	272.52
O&M Expenses	22.19	27.80
Depreciation	9.26	10.51
Interest and Finance Charges	5.01	5.12*
Interest on Consumer Security Deposit	6.46	6.26
Return on Equity	10.32	10.68
Non-Tariff Income	0.85	0.85
ARR	363.72	332.05
Revenue from Sales	390.30	286.86
Revenue Gap/(Surplus)	(26.58)	45.18

*Petitioner Submission vide letter dated January 08, 2021

- 3.8 The Petitioner has estimated the cumulative Revenue Gap/(Surplus) of Rs. 68.33 Crore till FY 2020-21, as summarized below:

Table 9: Cumulative Revenue Gap till FY 2019-20 as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	FY 2020-21
	Projected	Projected
Opening Revenue Gap/(Surplus) as on 1 st April of FY	(5.81)	18.37
Revenue Gap/(Surplus) created during the year	23.44	45.18
Rate of Interest	12.55%	11.65%
Carrying Cost on Opening Balance	(0.73)	2.14
Carrying Cost on Add. Gap/(Surplus)	1.47	2.63
Gap/(Surplus) including Carrying Cost	18.37	68.33

- 3.9 The Petitioner further submitted that they have submitted a review Petition before the Commission vide letter no. PBD/2038/59-J/09/2020 dated November 06, 2020. In this review petition, the Petitioner has raised the following three points:
- R&M and A&G Expenses approved for FY 2018-19;
 - Capital Contribution (CC) received instead of CC capitalised considered by the Commission while determining normative equity and normative loan addition during the FY 2018-19; and
 - Rate of Carrying cost considered on Opening revenue surplus for FY 2018-19;
- 3.10 The Petitioner also submitted that they had approached Hon'ble APTEL on certain points against the True-up Order for FY 2016-17 and FY 2017-18 issued by the Commission on June 19, 2020 and requested the Commission to kindly consider the outcome of the same, while disposing the current Petition.



A 4: PUBLIC CONSULTATION PROCESS

- 4.1 The Petition filed by the Petitioner has evoked responses from several Stakeholders. The virtual Public Hearing was held on August 24, 2022, where an additional opportunity was provided to all the Stakeholders to submit their comments/suggestions on the above said Petition to ensure the maximum public participation and transparency wherein Stakeholders put forth their comments/ suggestions before the Commission. The list of the attendees is attached as **Annexure-1** to this Order.
- 4.2 The written as well as oral comments and suggestions of the members of the Public expressed during the Public Hearing along with the response thereon of the Petitioner and the views of the Commission are detailed hereunder:

Income Tax

Public Comments/Suggestions

- 4.3 The Stakeholder submitted that the Income Tax challan copy of Rs. 4.25 Crore submitted by the Petitioner however, petitioner is engaged in several business and earns revenue from these businesses and the challan submitted by the petitioner does not disclose the tax paid pertaining to power business. Further, the Stakeholder requested the Commission to conduct a prudence check on the aspect of revenue loss claimed in this Petition and income tax paid by the petitioner which is self-contradictory in nature.

Petitioner's Response

- 4.4 The Petitioner submitted that the Income Tax paid is for the entire company for all operations and the same Tax challan has been submitted to the Commission. However, Income tax in the ARR has been claimed by the Petitioner as per the provision of Tariff Regulations, 2015 on RoE.

Views of the Commission

- 4.5 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has scrutinised the Petition along with the supporting documents submitted by the Petitioner while approving the Income Tax for FY 2019-20 in Section A 5 of this Order.



A 5: TRUE-UP FOR FY 2019-20

- 5.1 The Commission had approved the MYT Order for the 2nd Control Period i.e., FY 2016-17 to FY 2020-21 and determined the Tariff for FY 2016-17 vide its Order dated February 28, 2017, based on the principles specified in the JSERC Distribution Tariff Regulations, 2015.
- 5.2 On June 07, 2018, the Commission had issued Order on Truing-up for FY 2015-16, Annual Performance Review for FY 2016-17, Annual Review Requirement and Tariff for FY 2017-18.
- 5.3 The Commission approved the Truing up for FY 2016-17 and FY 2017-18 vide its Order dated June 19, 2020. Further, the Commission vide its Order dated September 29, 2020 approved the True up for FY 2018-19, APR for FY 2019-20 and ARR & Tariff for FY 2020-21.
- 5.4 The Petitioner has now sought approval for True-up for FY 2019-20 based on the Audited Accounts taking into consideration the provisions of the Tariff Regulations, 2015 and the methodology adopted by the Commission in the earlier Orders.
- 5.5 The Commission, based on the provisions of the Tariff Regulations, 2015, has now carried out the True-up for FY 2019-20 taking in account the following:
 - (a) Audited accounts for FY 2019-20;
 - (b) Tariff Regulations, 2015;
 - (c) Materials placed before the Commission;
 - (d) Methodology adopted by the Commission in its earlier Orders.
- 5.6 The component-wise description of the Petitioner's Submission and the Commission's analysis on the same is detailed in the subsequent paragraphs.

Consumers, Connected Load and Energy Sales

Petitioner's Submission

- 5.7 The Petitioner submitted the category-wise detail of number of Consumers, Connected Load and Energy Sales for FY 2019-20 based on the actuals.
- 5.8 The petitioner further submitted that the actual sales has dipped from 709.29 MU in FY 2018-19 to 582.81 MU in FY 2019-20 on account of decrease in sales in High tension Service (HTS) category by 105.95 MU because most of the consumers in this category belongs to automobile sector which faced recession during FY 2019-20 which in turn



impacted the demand in this category. The demand was further curtailed due to the outbreak of COVID pandemic from March 2020.

Commission's Analysis

5.9 The Commission, after scrutinizing the latest information submitted by the Petitioner and after carrying out prudence check, approves the actual Number of Consumers, Connected Load and Energy Sales as submitted by the Petitioner for FY 2019-20 as summarised below:

Table 10: Number of Consumers, Connected Load and Sales as submitted by the Petitioner and approved by the Commission

Consumer Category	FY 2019-20					
	Petition			Approved		
	No. of Consumers	Connected Load (kVA)	Consumption (MU)	No. of Consumers	Connected Load (kVA)	Consumption (MU)
Domestic	4,215	37,230	25.06	4,215	37,230	25.06
LT-Rural	500	1,173	0.64	500	1,173	0.64
LT-Urban	3,680	27,912	15.21	3,680	27,912	15.21
DS HT	35	8,146	9.22	35	8,146	9.22
Non-Domestic	875	8,762	7.66	875	8,762	7.66
Rural-Commercial	28	218	0.22	28	218	0.22
Urban-Commercial	847	8,545	7.44	847	8,545	7.44
Low Tension	256	13,224	12.13	256	13,224	12.13
Installation Based	245	12,556	11.14	245	12,556	11.14
Demand Based	11	668	0.99	11	668	0.99
HT Services	281	1,98,365	537.96	281	1,98,365	537.96
High Tension Service	264	1,64,980	450.45	264	1,64,980	450.45
HTS 11 KV	232	76,144	163.23	232	76,144	163.23
HTS 33 KV	32	88,836	287.21	32	88,836	287.21
HT Special Service	17	33,385	87.51	17	33,385	87.51
HTSS 11 KV	5	3,915	10.05	5	3,915	10.05
HTSS 33 KV	12	29,470	77.46	12	29,470	77.46
Temporary	3	45	0.003	3	45	0.003
Total	5,630	2,57,626	582.81	5,630	2,57,626	582.81

Energy Balance

Petitioner's Submission

5.10 The Petitioner submitted that to meet its energy requirement, it has procured power from two sources i.e., Damodar Valley Corporation (DVC) at 33 kV and 132 kV and Tata Steel Limited (TSL) at 6.6 kV and 132 kV. The petitioner submitted that it has been able to sustain the T&D losses at lowest possible levels, which is among one of the best in the



industry. Therefore, requested the Commission to approve the energy balance as submitted below.

Table 11: Energy Balance as submitted by the Petitioner (MU)

Particulars	FY 2019-20	
	APR	Petition
Energy Requirement		
Sales (MU)	637.78	582.81
Overall Distribution Losses %	1.83%	2.16%
Overall Distribution Losses (MU)	11.90	12.89
Energy Requirement	649.68	595.69
Energy Availability		
Tata Steel Ltd.	349.91	323.44
DVC at 33 kV	119.13	94.79
DVC at 132 kV	180.65	177.47
Energy Availability	649.68	595.69

Commission's Analysis

- 5.11 The Commission has scrutinized the details submitted by the Petitioner and has approved the Sales for FY 2019-20 after prudence check and as per the Audited Accounts submitted by the Petitioner. The Commission has further approved the power purchase quantum from each source after scrutinising the energy bills raised by the Damodar Valley Corporation (DVC), Tata Power Company Limited (TPCL) and other generators.
- 5.12 The Commission has observed that the actual distribution loss of 2.16% for FY 2019-20 as claimed by the Petitioner being higher than the actual Distribution Loss approved by the Commission for FY 2018-19, i.e. 1.83%, vide its previous Order dated September 29, 2020. The Commission has however, approved the actual overall Distribution Loss for FY 2019-20 as per Clause 5.23 of the Tariff Regulations, 2015 as reproduced below:

“5.23 The Licensee shall file the distribution loss trajectory for the entire Control Period in the Business Plan commensurate with the capital investment plan for each year of the control period for approval of the Commission after verification and evaluation of the same.

The Licensee shall be allowed to operate at below 5% audited distribution loss without any incentive/penalty mechanism.”

- 5.13 The following table details the Energy Sales, distribution losses and power purchase quantum as submitted by the Petitioner and as approved by the Commission have been summarised in the table below:

**Table 12: Energy Requirement as approved by the Commission (MU)**

Particulars	FY 2019-20		
	APR	Petition	Approved
Energy Requirement			
Sales (MU)	637.78	582.81	582.81
Distribution Losses %	1.83%	2.16%	2.16%
Distribution Losses (MU)	11.90	12.89	12.89
Energy Requirement	649.68	595.69	595.69
Energy Availability			
Tata Steel Ltd.	349.91	323.44	323.44
DVC at 33 kV	119.13	94.79	94.79
DVC at 132 kV	180.65	177.47	177.47
Energy Availability	649.68	595.69	595.69

Power Purchase Cost

Petitioner's Submission

5.14 The Petitioner submitted that it has sourced its power requirement from TSL and DVC. The total power procurement cost works out to be Rs. 292.45 Crore out of which Rs. 175.31 Crore is towards power purchased from TSL and rest is towards power purchased from DVC. The Petitioner further added that the landed power purchase cost for FY 2019-20 is Rs. 4.91/kWh at Distribution System including Transmission Losses and other transmission related charges.

5.15 As regard the Renewable Power Obligation, the Petitioner quoted the extract of MYT Order dated February 28, 2017 as reproduced below:

“...8.15 Further, the Petitioner is mandated to purchase power from renewable energy (RE) sources to meet its RPO. The Petitioner has submitted that both DVC and TSL are distribution licensees and show energy sale to petitioner as a part of its Energy Requirement and both the licensees fulfil RPO as a percentage of this energy requirement which includes petitioner's requirement. Hence, the Petitioner has not considered any Renewable Power Purchase for meeting the RPO and the Commission approves the same.....”

5.16 The Petitioner thus requested the Commission to approve the power purchase cost for FY 2019-20 as shown below.

Table 13: Power Procurement Cost as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	APR	Petition
Tata Steel Ltd.	169.35	175.31
DVC at 33 kV	50.26	41.95
DVC at 132 kV	75.35	75.19



Particulars	FY 2019-20	
	APR	Petition
Power Purchase Cost	294.96	292.45

Commission's Analysis

- 5.17 The Commission has scrutinized the Audited Accounts and monthly power procurement bills of TSL and DVC as submitted by the Petitioner.
- 5.18 The Commission has gone through the submissions made by the Petitioner and approves the power procurement cost from TSL based on the average power procurement cost of TSL as approved for FY 2019-20 in True-up Order vide dated November 24, 2022.
- 5.19 In case of power procured from DVC, the Commission approves the power procurement cost based on the Audited Accounts and monthly bills raised by the DVC.
- 5.20 The Commission has scrutinized the details submitted by the Petitioner and is of the view that since the Petitioner is procuring power from Distribution Licensees i.e., TSL and DVC in Consumer Mode, the RPO compliance for the units sold to the Petitioner has to be met by the Distribution Licensees selling power to the Petitioner.
- 5.21 The Power Procurement Cost from each source as submitted by the Petitioner and approved by the Commission for FY 2019-20 is tabulated below.

Table 14: Power Procurement Cost as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	APR	Petition	Approved
Tata Steel Limited	169.35	175.31	174.13
DVC at 33 kV	50.26	41.95	41.95
DVC at 132 kV	75.35	75.19	75.19
Power Purchase Cost	294.96	292.45	291.28

Capital Work in Progress (CWIP) & Gross Fixed Asset (GFA)

Petitioner's Submission

- 5.22 The Petitioner submitted that it has considered the Opening and Closing Capital Work in Progress (CWIP) as per the Balance Sheet for FY 2019-20. The assets transferred to Gross Fixed Asset (GFA) are considered based on the Audited Accounts statement.
- 5.23 With regards to Capital Expenditure, the Petitioner submitted that it has incurred Rs. 52.27 Crore including Consumer Contribution against the approved value of Rs. 44.57 Crore in APR Order dated September 29, 2020.



- 5.24 The Petitioner further submitted variation in actual capex for FY 2019-20 vis-à-vis approved by the Commission in MYT Order dated February 28, 2017 and scheme-wise detail of capital expenditure and capitalisation was enclosed along with the Petition.
- 5.25 The Petitioner requested the Commission to review the Capital Expenditure and Capitalization for FY 2019-20 as submitted based on the Audited Accounts and approve the same.
- 5.26 The CWIP and GFA for FY 2019-20 as submitted by the Petitioner is shown below.

Table 15: CWIP & GFA as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	APR	Petition
Capital Work in Progress		
Opening CWIP	28.52	28.53
Capex Expenditure	44.57	52.27
Capitalization	47.43	54.75
Closing CWIP	25.66	26.04
Gross Fixed Asset		
Opening GFA	222.82	222.82
GFA Addition	47.43	54.75
Closing GFA	270.25	277.57

Commission’s Analysis

- 5.27 The Commission has scrutinised the scheme-wise details submitted by the Petitioner along with audited information for approval of CWIP and GFA for FY 2019-20. The Commission observed that the increase in actual capital expenditure during FY 2019-20 as compared to that approved in MYT Order dated February 28, 2017 is mainly due to increase in expenditure for providing connection to consumers which is funded by Consumer Contribution. Accordingly, the Commission has approved the actual Capital Expenditure during FY 2019-20. The CWIP and GFA as approved by the Commission for FY 2019-20 is shown below.

Table 16: CWIP & GFA as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	APR	Petition	Approved
Capital Work in Progress			
Opening CWIP	28.52	28.53	28.52
Capex Exp.	44.57	52.27	52.27
Capitalization	47.43	54.75	54.75
Closing CWIP	25.66	26.04	26.04
Gross Fixed Asset			
Opening GFA	222.82	222.82	222.82
GFA Addition	47.43	54.75	54.75
Closing GFA	270.25	277.57	277.57



Consumer Contribution

Petitioner's Submission

5.28 The Petitioner has submitted the details of Consumer Contribution (CC) capitalised and received during FY 2019-20 as shown below:

Table 17: CC Capitalised and Received for FY 2019-20 as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20
	Petition
CC received during the Year	17.75
CC capitalized during the Year	19.97

Commission's Analysis

5.29 The Commission has scrutinized the details submitted by the Petitioner and approves the CC received during FY 2019-20 as below as the same is considered for calculation of Depreciation, Loan Addition and Equity Addition calculations as per the methodology adopted by the Commission in the previous Orders.

Table 18: Consumer Contribution as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20	
	Petition	Approved
Consumer Contribution received during the Year	17.75	17.75

Depreciation

Petitioner's Submission

5.30 The Petitioner submitted that the depreciation proportionate to the extent of fixed assets being funded through Consumer Contribution have been deducted from the Gross Depreciation in order to arrive at the net Depreciation.

5.31 The Petitioner further submitted that the details of accumulated depreciation can be referred in the Audited Accounts of FY 2019-20 and depreciation charged during FY 2019-20 can be referred from Profit and Loss (P&L) Statement.

5.32 The Petitioner further submitted that the net Depreciation claimed in True-up Petition is in proportion to the asset addition after deducting the assets created out of Consumer Contribution as per the Audited Accounts. Accordingly, the Petitioner has claimed Rs. 8.97 Crore towards depreciation against the approved value of Rs. 7.50 Crore for FY 2019-20.

**Table 19: Depreciation as submitted by the Petitioner (Rs. Crore)**

Particulars	FY 2019-20	
	APR	Petition
Gross Depreciation	14.74	15.21
Depreciation on Account of CC	7.24	6.24
Net Depreciation	7.50	8.97

Commission's Analysis

- 5.33 The Commission in its query dated January 11, 2022, directed the Petitioner to provide the basis for calculation of Depreciation of assets created out of CC and substantiate the same from the Audited Accounts. In compliance to Commission's query, the Petitioner submitted the comprehensive detail of opening Consumer Contribution, closing Consumer Contribution and addition in Consumer Contribution during the FY 2019-20. Further, the Petitioner submitted the details of actual capitalization out of Consumer Contribution received and substantiated the same with the Audited Accounts.
- 5.34 The Commission has scrutinized the details submitted by the Petitioner and has observed that the Petitioner has calculated the depreciation on GFA based on the rates as specified in the Regulations. However, the Petitioner has calculated the depreciation on Consumer Contribution at 6.03% per annum derived as the average rate of depreciation during the Financial Year.
- 5.35 The Commission has analysed the claim of the Petitioner of net depreciation after deducting the depreciation associated to Consumer Contribution from the Gross Depreciation. The Commission has approved the depreciation on Gross Fixed Asset based on the average value of opening and closing Gross Fixed Asset of the Financial Year. The rate of depreciation has been considered as claimed by the Petitioner. Further, the Commission has approved the depreciation on asset created out of Consumer Contribution based on the average value of opening and closing Consumer Contribution received of the respective Financial Year and in proportion to gross depreciation computed on Gross Fixed Asset.
- 5.36 The following table summarizes the Depreciation as claimed by the Petitioner and as approved by the Commission for FY 2019-20.

Table 20: Depreciation as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	APR	Petition	Approved
Gross Depreciation	14.74	15.21	15.21
Depreciation on account of CC	7.24	6.24	7.36
Net Depreciation	7.50	8.97	7.85



Interest and Finance Charges (IFC)

Petitioner's Submission

5.37 The Petitioner submitted that the normative loan has been computed considering the normative Debt-Equity ratio of 70:30. The deemed normative loan addition is considered as 70% of additional capitalisation net of Consumer Contribution capitalised during FY 2019-20. The deemed repayment has been considered equivalent to net depreciation for the Financial Year.

5.38 The table below shows the normative loan and normative equity added during the FY 2019-20 as submitted by the Petitioner. The normative loan is estimated based on the actual Capitalization and Consumer Contribution capitalized during the Financial Year as per the Audited Accounts.

Table 21: Normative Loan & Normative Equity added during the Year (Rs. Crore)

Particulars	FY 2019-20
	Petition
Assets added during the Financial Year	54.75
Less: CC capitalised during the Financial Year	19.97
Normative Amount added during the FY	34.78
Equity Addition (30%)	10.43
Debt Addition (70%)	24.35

5.39 The Petitioner submitted that it has computed normative interest in accordance with the Regulations 6.24 and 6.25 of the Tariff Regulations, 2015 on the average balance of the normative loan during the Financial Year. The addition of loan amount has been considered on normative basis and repayment equal to depreciation is considered for FY 2019-20. The rate of interest is considered as SBI Base Rate plus 200 basis points as on April 01, 2019.

Table 22: Interest and Finance Charges as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	APR	Petition
Opening Balance of Normative Loan	30.41	34.86
Add: Deemed Addition during the FY	20.78	24.35
Less: Deemed Repayment	7.50	8.97
Closing Balance of Normative Loan	43.68	50.24
Average Balance of Normative Loan	37.05	42.55
SBI Base Rate plus 200 bp	11.05%	11.05%
Interest on Loan	4.09	4.70
Finance Charges	-	-
Interest and Finance Charges	4.09	4.70



Commission's Analysis

- 5.40 The Commission in its query dated January 11, 2021 directed the Petitioner to substantiate its basis for considering Consumer Contribution (CC) capitalised while calculating normative equity and debt. In compliance to Commission's query, the Petitioner submitted that it has considered Consumer Contribution capitalised instead of Consumer Contribution received during the year because there is a time difference between Consumer Contribution received and capitalisation of related assets. Once the CC is received necessary expenditure is made to extend the power supply to the consumers, which may capitalised in the next or subsequent financial year.
- 5.41 The Petitioner further added that in few cases, capital work is restricted due to Right of Way (ROW) issues and in such cases CWIP may continue to remain as such even for a longer period. Therefore, the Petitioner submitted that Consumer Contribution received, not yet capitalised (accounted in CWIP), is not considered for calculation of return on equity and interest on loan.
- 5.42 The Commission observed that the Petitioner, in its Petition has calculated the normative equity and loan addition during the FY 2019-20, considering the net GFA addition as Rs. 34.78 Crore, which is GFA Addition of Rs. 54.75 Crore less GFA funded out of Consumer Contribution capitalised of Rs. 19.97 Crore whereas the Commission, while approving the normative addition for FY 2019-20, has considered the GFA addition and Consumer Contribution received during FY 2019-20, in line with its earlier Orders.
- 5.43 Further, in accordance with the Tariff Regulations, 2015 and the principles adopted in the previous Tariff Order, the Commission has computed the normative loan addition during the Financial Year equal to 70% of the approved capitalization during FY 2019-20 excluding those funded through Consumer Contribution. The deemed repayment is approved as equal to the approved net depreciation during the Financial Year.
- 5.44 Further, in accordance with the above-mentioned Regulations, interest on normative loan has been calculated on the average normative loan outstanding during the year at the interest rate of SBI Base Rate plus 200 BP as on April 01, 2019.
- 5.45 The following table details the Interest and Finance Charges as submitted by the Petitioner and that approved by the Commission for FY 2019-20 as shown below.

**Table 23: Interest and Finance Charges as approved by the Commission (Rs. Crore)**

Particulars	FY 2019-20		
	APR	Petition	Approved
Opening Loan	30.41	34.86	30.41
Normative Addition	20.78	24.35	25.90
Normative Repayment	7.50	8.97	7.85
Closing Loan	43.68	50.24	48.46
Average Loan	37.05	42.55	39.44
Rate of Interest	11.05%	11.05%	11.05%
Interest on Loan	4.09	4.70	4.36
Finance Charge	-	-	-
Interest and Finance Charges	4.09	4.70	4.36

Interest on Security Deposits

Petitioner's Submission

5.46 The Petitioner furnished the details of Interest on Security Deposit as per the Audited Account submitted along with the Petition. The Petitioner submitted that it has paid Interest on Security Deposits after considering the actual security deposits, period of security deposits held and applicable interest rate which is as shown below.

Table 24: Consumer Security Deposit as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	APR	Petition
Opening Consumer Security Deposit	71.90	71.90
Consumer Security Deposit Addition	4.84	4.45
Closing Consumer Security Deposit	76.74	76.35
Interest on Consumer Security Deposit	6.73	6.76

Commission's Analysis

5.47 The Commission has scrutinised the detail along with audited accounts submitted before the Commission and after prudence check approves the Interest on Consumer Security Deposit based on the audited accounts for FY 2019-20 as shown below:

Table 25: Consumer Security Deposit as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	APR	Petition	Approved
Opening Consumer Security Deposit	71.90	71.90	71.90
Consumer Security Deposit Addition	4.84	4.45	4.45
Closing Consumer Security Deposit	76.74	76.35	76.35
Interest on Consumer Security Deposit	6.73	6.76	6.76



Return on Equity

Petitioner's Submission

- 5.48 The Petitioner submitted that it has claimed Return on Equity in accordance with the Regulations. The Petitioner further added that the deemed addition to the normative equity has been taken at 30% of GFA added during the Financial Year net of Consumer Contribution. The normative Return on Equity is claimed at 15.50% in line with the Tariff Regulations, 2015.
- 5.49 The Petitioner has computed the normative tax as per the principles laid down in the Tariff Regulations, 2015 and methodology approved by the Commission in previous Tariff Orders. Considering the above methodology, the Petitioner has claimed the Income Tax at 25.17% and accordingly Return on Equity is grossed by Tax Rate for Truing up purpose along with the copy of the income tax challan copy.
- 5.50 The Petitioner further submitted that in the Income Tax Act, a new section 115BAA was introduced under the Income Tax Act by the Government of India through Taxation (Amendment) Ordinance 2019 dated September 20, 2020. As per the provisions of the Section 115BAA, a Company has the option to pay Income Tax at the reduced rate of 25.17% and if adopted, MAT will not be applicable on the Company. The Petitioner, after due analysis and consideration, opted for the said Scheme for FY 2019-20 as well as for subsequent years and accordingly, the Tax Rate of 25.17% has been considered by the Petitioner for FY 2019-20 and for subsequent years.

Table 26: Return on Equity as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	APR	Petition
Opening Equity	36.52	38.78
Deemed Addition	8.90	10.43
Closing Equity	45.42	49.22
Rate of Return on Equity	15.50%	15.50%
Return on Equity	6.35	6.82
Tax Rate	25.17%	25.17%
Tax on Return on Equity	2.14	2.29
Return on Equity including Tax	8.49	9.11

Commission's Analysis

- 5.51 The Commission observed that the Petitioner, in its Petition has calculated the normative equity and loan addition during the FY 2019-20, considering the net GFA addition as Rs. 34.78 Crore, which is GFA Addition of Rs. 54.75 Crore less GFA funded out of



Consumer Contribution capitalised of Rs. 19.97 Crore whereas the Commission, while approving the normative addition for FY 2019-20, has considered the GFA addition and Consumer Contribution received during FY 2019-20 as per the methodology followed in the previous Orders.

- 5.52 Further, in accordance with the Tariff Regulations, 2015, the Commission has considered the equity addition during the Financial Year equal to 30% of approved Capitalization (net of Consumer Contribution) during the Financial Year. The Commission has allowed a rate of return of 15.50% (post tax) on equity which is as per Clause 6.17 of the Tariff Regulations, 2015 and methodology adopted in MYT Order dated February, 28, 2017.
- 5.53 The Commission observed that the Petitioner has submitted the challans receipts of advance tax deposited by the Petitioner along with the Petition. Considering the submission made by the Petitioner, the Commission has approved Return on Equity by grossing it up with the Income Tax rate at 25.17%. The table below details the Return on Equity submitted by the Petitioner and that approved by the Commission for FY 2019-20.

Table 27: Return on Equity as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	APR	Petition	Approved
Opening Equity	36.52	38.78	36.52
Deemed Addition	8.90	10.43	11.10
Closing Equity	45.42	49.22	47.62
Rate of Return on Equity	15.50%	15.50%	15.50%
Return on Equity	6.35	6.82	6.52
Tax Rate	25.17%	25.17%	25.17%
Tax on ROE	2.14	2.29	2.19
Return on Equity including Tax	8.49	9.11	8.71

Interest on Working Capital

Petitioner's Submission

- 5.54 The Petitioner has not claimed any Interest on Working Capital (IoWC) for FY 2019-20.

Commission's Analysis

- 5.55 The Commission has also not considered the Interest on Working Capital (IoWC) during the Truing up FY 2019-20.



Operation and Maintenance Expenses (O&M)

Petitioner's Submission

- 5.56 The Petitioner has submitted that it has segregated each component of O&M Expenses and claimed the normative Employee Expenses for FY 2019-20 considering the inflation of 6.09% and actual load growth excluding Terminal Liabilities. Similarly, the Petitioner has projected the normative A&G Expenses for FY 2019-20 based on the normative A&G Expenses for FY 2018-19, and inflation factor of 6.09% excluding Petition filling Fee and CGRF Expenses.
- 5.57 The Petitioner has calculated the normative R&M Expenses considering the 'k' factor as 2.54% as approved by the Commission in the MYT Order dated February 28, 2017. The Petitioner has factored in the inflation factor (6.09%) while calculating the normative R&M Expenses for FY 2019-20.
- 5.58 The Petitioner further submitted that it has claimed Terminal Liabilities, Petition filling Fee and CGRF Expenses based on audited accounts for FY 2019-20
- 5.59 The Petitioner requested the Commission to revise the approved normative figures of O&M Expenses for FY 2019-20 based on the following parameters.
- Employee Expenses considering load growth & inflation;
 - A&G Expenses considering load growth & inflation;
 - R&M Expenses considering the 'k' factor and inflation;

Table 28: Normative O&M Expenses as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	APR	Petition
Employee Expenses (excluding Terminal Liabilities)	10.37	12.06
A&G Expenses (excluding filing & CGRF Expenses)	2.78	4.00
R&M Expenses	5.66	6.00
O&M Expenses	18.80	22.07

- 5.60 Further, for calculation of sharing of gains/(loss) on O&M Expenses, the Petitioner has calculated the actual O&M Expenses based on the Audited Accounts for FY 2019-20.
- 5.61 The Petitioner submitted the actual value of Employee Expenses, A&G Expenses and R&M Expenses based on Audited Accounts for FY 2019-20 as shown below.

**Table 29: O&M Expenses as per Audited Accounts as submitted by the Petitioner (Rs. Crore)**

Particulars	FY 2019-20
	Petition
Employee Expenses (excluding Terminal Liabilities)	8.21
A&G Expenses (excluding filing & CGRF Expenses)	3.90
R&M Expenses	7.35
O&M Expenses	19.46

5.62 The Petitioner has additionally claimed Rs. 0.82 Crore against Terminal Liabilities, Rs. 0.20 Crore against Petition Filing Fee and Rs. 0.18 Crore for CGRF Expenses (Rent & Remuneration) and requested the Commission to allow the above said expenses over and above the normative O&M Expenses.

5.63 The table mentioned below depicts the O&M Expenses claimed by the Petitioner including sharing of gain/(loss).

Table 30: O&M Expenses including sharing of Gain/Loss as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20
	Petition
Normative O&M Expenses	22.07
Actual O&M Expenses	19.46
Gain/(Loss)	2.61
Sharing of Gain/(Loss)	1.57
Add: Change in Law (Terminal Liabilities, Petition filing Fee & CGRF Expenses)	1.20
O&M Claimed	22.23

Commission's Analysis

5.64 The Commission has approved the actual O&M expenses for FY 2019-20 based on the values as per the Audited Accounts for FY 2019-20 as shown below.

Table 31: O&M Expenses as per Audited Accounts considered by the Commission (Rs. Crore)

Particulars	FY 2019-20
	Approved
Employee Expenses (excluding Terminal Liabilities)	8.21
A&G Expenses (excluding filing & CGRF Expenses)	3.90
R&M Expenses	7.35
O&M Expenses	19.46

5.65 The Commission has approved the O&M Expenses as per Regulations as reproduced below:

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



$$O\&Mn = (R\&Mn + EMPn + A\&Gn) * (1 - Xn) + \text{Terminal Liabilities}$$

Where,

R&Mn – Repair and Maintenance Costs of the Licensee for the *n*th year;

EMPn – Employee Costs of the Licensee for the *n*th year excluding terminal liabilities;

A&Gn – Administrative and General Costs of the Licensee for the *n*th year;

Xn – is an efficiency factor for *n*th year. The value of *Xn* will be determined by the Commission in its first MYT order for the Control Period;

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

a) $R\&Mn = K * GFA$

Where,

‘*K*’ is a constant (expressed in %) governing the relationship between *R&M* costs and Gross Fixed Assets (*GFA*) and will be calculated based on the % of *R&M* to *GFA* of the preceding year of the Base Year;

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

b) $EMPn \text{ (excluding terminal liabilities)} + A\&Gn = (EMPn-1 + A\&Gn-1) * (INDXn / INDXn-1) + Gn$

Where,

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

Gn – Increase in Employee Expenses in *n*th year due to increase in consumer base/ load growth. Value of *G* for each year of the Control Period shall be determined by the Commission in the MYT Tariff order based on Licensee’s filing, benchmarking with the efficient utilities, actual cost incurred by the licensee due to increase in consumer base/load growth in past, and any other factor considered appropriate by the Commission;

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

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



Note 2: Any variation due to changes recommended by the Pay Commission etc. will be considered separately by the Commission.

Note 3: Terminal Liabilities will be approved as per actual submitted by the Licensee or be established through actuarial studies.

- 5.66 The Regulations has the provision for consideration of impact of load growth only in the Employee Expenses. Hence, the Commission has considered the impact of load growth only in approving the Employee Expenses.
- 5.67 The Commission in this Order has calculated the normative Employee Expenses for FY 2019-20 based on the normative Employee Expenses (Salaries and Wages and Staff Welfare Expenses) for FY 2018-19 approved by the Commission in its Order dated September 29, 2020. Further, in line with the approved methodology in earlier Order dated June 19, 2020 and September 29, 2020, the Commission has approved the normative Employee Expenses based on the inflation factor (4.90%) as per the Regulations and approved load growth (8.93%) for FY 2019-20.
- 5.68 The terminal benefits (Contribution to Provident & other funds) are approved on actuals as per the Audited Accounts for FY 2019-20.

Table 32: Normative Employee Expenses as approved by the Commission (Rs. Crore)

Particulars	UoM	FY 2019-20
		Approved
Employee Cost of Previous Year	Rs. Cr.	8.70
Connected Load of Previous Year	kVA	2,36,504
Employee Cost/kVA	Rs./kVA	367.86
Inflation Factor	%	4.90%
Employee Cost/kVA including Inflation	Rs./kVA	385.87
Connected Load (kVA) for Current Year	kVA	2,57,626
Normative Employee Cost (excluding Terminal Liabilities) including load growth	Rs. Cr.	10.83

- 5.69 The Commission has calculated the normative A&G Expenses for FY 2019-20, based on the normative A&G Expenses (A&G Expenses excluding petition filing fee and CGRF Expenses) approved during true up for FY 2018-19 vide Order dated September 29, 2020 and the inflation factor as 4.90% for FY 2019-20.
- 5.70 The Commission has considered Petition filing fees and CGRF Expenses on actual basis as the same are non-escalable expenses.



- 5.71 For the purpose of evaluating the normative R&M Expenses, the Commission has considered the approved opening value of GFA for FY 2019-20 and multiplied it with the ‘k’ factor of 2.54% as approved in the MYT Order dated February 28, 2017.
- 5.72 The Normative O&M Expenses calculated based on the Methodology discussed above is summarised in the table below:

Table 33: Normative O&M Expenses as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20
	Approved
Employee Expenses (excluding Terminal Liabilities)	10.83
A&G Expenses (excluding filing & CGRF Expenses)	2.78
R&M Expenses	5.66
Normative O&M Expenses	19.27
Terminal Liabilities	0.82
Petition Filing Fee	0.20
CGRF Expenses (Rent & Remuneration)	0.18
Normative O&M Expenses including Terminal Liabilities, Filing Fee and CGRF Expenses	20.47

- 5.73 Considering the above Table, it is clear that the Actual O&M Expenses is higher as compared to the normative O&M Expenses calculated as per the Regulations. Hence, the Commission has approved the O&M Expenses based on the Normative value calculated and has not approved any loss to be shared with the consumers as per the Regulations as shown below.

Table 34: Sharing of Gain/Loss on account of O&M Expenses as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20	
	Petition	Approved
Normative O&M Expenses	22.07	19.27
Actual O&M Expenses	19.46	19.46
Gain/(Loss)	2.61	(0.19)
Sharing of Gain/Loss	1.57	0.00
Terminal Benefits, Petition Filing Fees and CGRF Expenses	1.20	1.20
O&M Approved	22.23	20.47

Non-Tariff Income

Petitioner’s Submission

- 5.74 The Petitioner has claimed Rs. 1.54 Crore towards Non-Tariff Income for FY 2019-20 based on audited account.



Table 35: Non-Tariff Income as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	APR	Petition
Non-Tariff Income	0.85	1.54

Commission’s Analysis

5.75 The Commission has scrutinized the Audited Accounts and finds the claim of the Petitioner in line with the Tariff Regulations, 2015. Hence, the Commission approves the Non-Tariff Income as claimed by the Petitioner.

Table 36: Non-Tariff Income as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	APR	Petition	Approved
Non-Tariff Income	0.85	1.54	1.54

Revenue from Sale of Power

Petitioner’s Submission

5.76 The Petitioner submitted the revenue from Sale of Power as per the Audited Accounts, comprising of Demand Charges, Energy Charges, Revenue from FPPPA Charge, Power Factor Surcharge, Rebates, etc., as Rs. 319.25 Crore for FY 2019-20.

Commission’s Analysis

5.77 The Commission has scrutinized the Audited Accounts submitted by the Petitioner along with the Petition. The Commission has approved the Revenue from Sale of Power as Rs. 319.25 Crore based on the Audited Accounts for FY 2019-20 submitted by the Petitioner along with the Petition.

Table 37: Revenue as approved by the Commission for (Rs. Crore)

Particulars	FY 2019-20	
	Petition	Approved
Revenue	319.25	319.25

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

Petitioner’s Submission

5.78 The Petitioner has projected a Revenue Gap of Rs. 23.44 Crore for FY 2019-20 based on audited accounts and normative claimed in the Petition and requested the Commission to approve the same.



Commission's Analysis

5.79 The following table summarises the Annual Revenue Requirement and Surplus for FY 2019-20 as submitted by the Petitioner vis-à-vis the values approved by the Commission.

Table 38: Summary of ARR as approved by the Commission for (Rs. Crore)

Particulars	FY 2019-20		
	APR	Petition	Approved
Power Purchase Cost	294.96	292.45	291.28
O&M Expenses	19.72	22.23	20.47
Depreciation	7.50	8.97	7.85
Interest and Finance Charges	4.09	4.70	4.36
Interest on Consumer Security Deposit	6.73	6.76	6.76
Interest on Working Capital	0.00	0.00	0.00
Return on Equity	8.49	9.11	8.71
Less: Non Tariff Income	0.85	1.54	1.54
Annual Revenue Requirement	340.64	342.69	337.89
Revenue from Sale of Power	344.73	319.25	319.25
Revenue Gap/(Surplus)	(4.09)	23.44	18.64

5.80 The Commission has approved the treatment of the Gap/(Surplus) in **Section A7** of this Order.



A 6: ANNUAL PERFORMANCE REVIEW FOR FY 2020-21

6.1 As per Clause 9.2 of the Tariff Regulations, 2015:

“9.2 The Licensee shall submit the Annual Performance Review report as part of annual review on actual performance as per the timelines specified in the Section 11 of these Regulations to assess the performance vis-à-vis the targets approved by the Commission at the beginning of the Control Period. This shall include annual statements of its performance and accounts including audited/ authenticated accounts and the tariff worked out in accordance with these Regulations;”

6.2 The Petitioner submitted the Annual Performance Review (APR) for FY 2020-21 based on the actual for first six months (H1) and estimated for the balance six months (H2).

Commission’s view

6.3 The Commission has not carried out the APR for FY 2020-21 as considerable time has lapsed and the Petitioner has already filed truing up Petition for FY 2020-21 based on audited account. As the truing up petition is under active consideration of this Commission. The Commission therefore does not find any merit in carrying out APR for FY 2020-21.



A 7: REVENUE GAP AND ITS TREATMENT

Revenue Gap/(Surplus)

Petitioner's Submission

- 7.1 The Petitioner has estimated the cumulative Revenue Gap/ (Surplus) of Rs. 68.33 Crore till FY 2020-21.
- 7.2 The Petitioner submitted that the Commission in Tariff Order dated September 29, 2020 has adopted a methodology which is different from the one considered by the Petitioner. The Commission has considered the opening surplus for FY 2018-19 as Rs. (8.70) Crore as approved in Tariff Order dated June 19, 2020.
- 7.3 The Petitioner further submitted that based on the Revenue Gap for FY 2016-17, FY 2017-18 and FY 2018-19 as approved in previous tariff orders and the submissions of FY 2019-20 and FY 2020-21 in current petition, the cumulative revenue gap/ (surplus) till FY 2020-21 as per the methodology adopted by the Commission has been summarized below:

Table 39: Cumulative Revenue Gap till FY 2020-21 as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Opening Revenue Gap/(Surplus) as on 1 st April of FY	20.45	7.52	(8.70)	(5.81)	18.37
Revenue Gap/(Surplus) created during the year	(12.15)	(15.26)	3.72	23.44	45.18
Rate of Interest	12.80%	12.60%	12.20%	12.55%	11.65%
Carrying Cost on Opening Gap/(Surplus)	-	-	(1.06)	(0.73)	2.14
Carrying Cost on Gap/(Surplus) during the FY	(0.78)	(0.96)	0.23	1.47	2.63
Total Gap/(Surplus) including Carrying Cost	7.52	(8.70)	(5.81)	18.37	68.33*

**Petitioner Submission vide letter dated January 08,2021*

Commission's Analysis

- 7.4 The Commission has considered the Revenue Surplus as Rs. (5.81) Crore till Truing up for FY 2018-19 as approved in Tariff Order dated September 29, 2020.
- 7.5 Based on the approved value of Truing up for FY 2019-20, the cumulative Revenue Gap/(Surplus) approved by the Commission till FY 2019-20 is shown below:



Table 40: Cumulative Gap/(Surplus) as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20
	Approved
Opening Gap/(Surplus)	(5.81)
Revenue Gap/(Surplus) during FY	18.64
Rate of Carrying Cost (%)	12.55%
Carrying Cost on Opening Revenue Gap/(Surplus)	(0.73)
Carrying Cost on Revenue Gap/(Surplus) during FY	1.17
Closing Revenue Gap/(Surplus)	13.27

7.6 The Gap/(Surplus) approved in this Order for FY 2019-20 will be passed-on to the Beneficiary while carrying out the Annual Revenue Requirement for subsequent year.



A 8: STATUS OF EARLIER DIRECTIVES

8.1 The directives issued by the Commission in its earlier Orders, its compliance by the Petitioner and further view of the Commission on compliance is tabulated below:

Directives	Status	Views of the Commission
Expansion of Network and Service Area		
<p>The Commission directed the Petitioner to expand its network to reach all the consumers in its licensee area.</p>	<p>The Petitioner submitted that they are extending its network as per the approved capex plan. Further, the capital expenditure plan for the next MYT Period is being prepared and will be submitted before the Commission for approval.</p> <p>The Petitioner further stated that while execution of work, there are challenges like Right of Way (RoW), space constraints, forest clearance operational Consent issue or delay in approval of NOC from various Authorities are taking time because of limited priorities at their end and resource constraints.</p>	<p>The Commission noted the submission of the Petitioner.</p>
Power Procurement from different Sources		
<p>The Commission directed the Petitioner to continue exploring cheaper power options and submit report on same to the Commission along with next tariff petition.</p> <p>The Petitioner should continue exploring cheaper power through open access via DVC and submit proper petition before the Commission for approval.</p>	<p>The Petitioner submitted that the demand forecast for the next Business Plan period has been done by the Licensee and same is submitted along with the MYT Petition for next Control Period.</p> <p>For purchase of Power from Open Access, the Petitioner has requested the DVC for allowing the purchase of power through Open Access (OA) on short term basis.</p>	<p>The Commission noted the submission of the Petitioner.</p>
Report on Demand Side Measures		
<p>The Commission had approved expenditure for implementation of Demand Side Measures (DSM) as proposed by the Petitioner.</p>	<p>The Petitioner submitted that the program documents were already submitted to the Commission. Further, the Commission vide its</p>	<p>The Commission noted the submission of the Petitioner.</p>



Directives	Status	Views of the Commission
<p>However, the Petitioner has failed to submit any progress report in this regard. The Commission directed the Petitioner to submit a progress report in this regard within three months of issuance of this Order.</p>	<p>Order dated June'2019 in Case no.:3 of 2019 approved the same.</p> <p>These approved DSM program will run for approximately 24 months and awareness campaign on energy saving for domestic & Commercial consumers was done in January'2020 and February'2020.</p> <p>However, due to outbreak of COVID-19, social distancing and movement restrictions programs were deferred and will be resumed once the COVID situation improves.</p>	
Wheeling Tariff		
<p>The Commission directed the Petitioner to propose capacity-based wheeling tariff and specify the voltage-wise distribution losses as per clause 7.9 of the JSERC MYT Regulations, 2015.</p>	<p>The Petitioner has approached Tata Power Delhi Distribution Limited (TPDDL) to find out the methods for determination of capacity based wheeling tariff and will update the Commission once some progress is made.</p>	<p>The Commission noted the compliance of the Petitioner.</p> <p>The Commission directs the Petitioner to update the status within six months of issuance of this Order.</p>
Investment in Cyber Security solutions		
<p>The Commission directed the Petitioner to submit proper proposal for Investment in Cyber Security solutions.</p>	<p>The Petitioner submitted that it is under process of implementing different cyber security measures. Further, quotations have been received from IT consultants for the same, detail proposed plan is submitted along with Petition.</p>	<p>The Commission noted the compliance of the Petitioner.</p>
Redundancy in Distribution Infrastructure		
<p>The Commission directs the Petitioner to carry out a detailed study to expand its existing infrastructure and steps to interconnect its upstream transmission network to improve its power availability and submit its DPR within 3</p>	<p>The Petitioner is evaluating options to connect some of its load to JUSNL at 33 kV for which petitioner has already approached JUSNL. However, the consent of JUSNL is still awaited.</p> <p>The Petitioner is also evaluating option for grid connectivity at 132/220 kV level from JUSNL/Power Grid. However, there are physical</p>	<p>The Commission noted the compliance of the Petitioner.</p> <p>The Commission directs the Petitioner to update the status within six months of issuance of this Order.</p>



Directives	Status	Views of the Commission
<p>months from the date of this Order.</p>	<p>constraints of right of way and space for additional bay. The Petitioner is still in the process of evaluating the cost viability and will communicate the progress to the Commission. Petitioner would like to submit that Project Report can only be made once it seems to be feasible and necessary in principle consent is achieved from either JUSNL or Power Grid.</p>	
<p>Submission of ToD Data</p>		
<p>The Commission directed the Petitioner to submit the load curves for days with maximum peak demand and minimum peak demand for each month of FY 2019-20 and April 2020 to September 2020 along with its technical preparedness for implementation of ToD Tariffs while submitting the Business Plan and MYT Petition for FY 2021-22 to FY 2025-26.</p>	<p>The Petitioner submitted that the load curves for days with maximum peak demand and minimum peak demand for each month of FY 2019-20 and from April 2020 to September 2020 is enclosed with this Petition.</p> <p>The Petitioner also submitted that the implementation of ToD tariff for HT consumers will take around at least six months, due to technical preparedness such as purchase and installation of ToD compliant meters as well as making necessary changes in Billing Software to incorporate ToD tariff structure. This will also require additional cost related to Metering and Billing System.</p> <p>The Petitioner also submitted that the ToD tariff is not currently feasible for LT consumers as the meters of LT consumers are required to be converted to Smart Meters for capturing of Time Block Data. Thus, the Petitioner submitted that for first year, ToD may be implemented only in HT category and that too after providing timeframe of around 8-10 months for preparedness. Further, ToD tariff for LT category should be</p>	<p>The Commission noted the compliance of the Petitioner.</p> <p>The Commission will review the compliance while dealing with the Order on MYT for the Control Period from FY 2021-22 to FY 2025-26.</p>



Directives	Status	Views of the Commission
	<p>implemented only from second year of Control Period.</p> <p>The Petitioner also submitted that the necessary cost towards procurement and installation should be approved by the Commission and the same should be a part of ARR.</p>	
Reduction in Fixed Charges		
<p>The Commission directed the Petitioner to submit a report on implementation of the above, within 30 days of issue of this Order and implement the same from the subsequent billing cycle following the issuance of this Order.</p>	<p>The Petitioner submitted that the revised tariff as per the Tariff Order dated September 29, 2020 has been implemented by the Petitioner.</p>	<p>The Commission noted the compliance of the Petitioner.</p>

8.2 The Petitioner is directed to review the comments of the Commission and comply with the directives issued by the Commission with utmost sincerity failing which penal action may be taken.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on November 24, 2022.

Date: 24.11.2022

Place: Ranchi

Sd/-

(Atul Kumar)

MEMBER (Technical)

Sd/-

(Mahendra Prasad)

MEMBER (Legal)



ANNEXURE

Annexure-1: List of members of public who participated in the Public Hearing and submitted their Suggestions/Comments

Sr. No.	Name (Smt/Shri)	Address/Organization
Date & Time: August 24, 2022, 2:30 PM		
1.	Dilip Kumar Das	Hanuman Tower, Hirajganj
2.	Magan Kumar Mishra	Kalpanapuri, 92A
3.	Sanjay Kumar Mahto	Sitarampur
4.	S. Kumar	Sonari
5.	Kamlesh Kumar	116/9, Aditya Garden, Adityapur
6.	Priya Ranjan	Prabhat Khabar
7.	Jai Pushpit Pallav	Tata Steel UISL
8.	M. P. Verma	Golden Berry Sahara Garden
9.	J. N. Choubey	Adityapur – 2
10.	K. B. Rao	G. L. Apartment, Jaiprakash Udyan
11.	Yugeshwar Prasad Singh	112, Hanuman Tower, Adityapur
12.	M. K. Pandit	Tata Steel UISL
13.	Sunil Kumar	Professional Flat 49C, Kadma
14.	K. Manjunatha	SBB Professional Flat, Kadma
15.	Ritesh Gupta	Bistupur, JSR
16.	Debashish Singha	Sonari, Jamshedpur
17.	N. Leena	Tata Steel UISL
18.	J. Son	Tata Steel UISL
19.	V. P. Singh	Tata Steel UISL
20.	Ranabir Mullick	Tata Steel UISL
21.	Vinod Menon	CW Tyres
22.	Puri-Zron Ltd.	Gamharia
23.	Pawan Kumar Agarwal	New Engineering works
24.	Prabir Kumar Dan	Saraikela Kharsawan
25.	Inder Agarwal	Adityapur
26.	Rajesh Kumar Gupta	Adityapur
27.	Ashok Kumar Gupta	Adityapur
28.	Ratan Agarwal	Adityapur
29.	Ashwin Debuka	Adityapur
30.	Sajan Kumar Agarwal	Adityapur
31.	S. Mahansu	Tata Steel UISL
32.	H. N. Jha	Adityapur
33.	Lalit Dubey	Dainik Bhaskar
34.	Deepak Shriwastava	Prabhat Khabar
35.	Ram Poddar	Gamharia
36.	S. N. Thakur	J. E. private Ltd.



Sr. No.	Name (Smt/Shri)	Address/Organization
37.	G. MS Roi	Brahanand Ashiana, Tamokia
38.	Anil Kumar Gupta	Aototec Engineering, Gamharia
39.	Dharmu Majhi	Gamharia
40.	Pitamber urmu	Gamharia
41.	Raj jaiswal	Mkers Casting Pvt. Ltd., Adityapur
42.	Sanjay Sinha	Sinhaa Hitech
43.	Rajeev Ranjan	Hindustan Precisim machine Tra., E-56, Iind Phase
44.	Manish Kumar	Kjocera CTC VII Phase
45.	Hari Sharma	Kjocera CTC VII Phase
46.	Praveen Gutgutia	E. Feb. Pvt. Ltd, Adityapur
47.	Sanjay	Metal Dyne
48.	Suresh Agarwal	Auto Tech Engineering
49.	Ashish Aurawaz	15 P Vth Phase Gamharia
50.	Tusar Raj	Tata Steel UISL
51.	Suraj Kumar Sharma	Tata Steel UISL
52.	Nirmal Prasad	Danik Jagran
53.	Suman Mandal	Tata Steel UISL
54.	U. K. Mishra	Tata Steel UISL
55.	D. Gandhi	Empiro Auto
56.	D. Upadhayay	Hiranya Udyog
57.	Naveen Sharma	New Engineering works
58.	B. N. Hazra	Radha Krisna steel. Co. (P) Ltd.
59.	CA Sidharta Khandalwal	Office no. 121, Frist floor, Ashiana Trada Centre, Adityapur, JSR
60.	Krishna Mohan Pandey	Sonari
61.	Sukanya Das	Tata Steel UISL
62.	Manmohan Singh	Tata Steel UISL
63.	S. K. Singh	Tata Steel UISL
64.	Santosh Singh	ASIA
65.	Naman Agarwal	ASIA
66.	Divesh	New Engineering works
67.	Vikash Kumar	Secretary, TISCO Housing Society
68.	Deepak Khemani	Suraj Logistix Pvt. Ltd., Large Sector
69.	Sudhir Singh	U. P. ASIA
70.	T. K. Pattanayah	Saraikela P. tola, Ward – 6
71.	Taini Kumar	Saraikela P. tola, Ward – 6
72.	Vikash Kumar	Saraikela P. tola, Ward – 6
73.	Pinkesh Maheshwari	Gajanan Ores Pvt. Ltd.
74.	Nirmal Kumar Singh	Tata Steel UISL
75.	Sameer Singh	Gen. Secretary, Laghu Udyog Bharti
76.	Deepak	VP ASIA
77.	Ashutosh Kumar	Lakhshiya Apartment
78.	Rajesh Sinha	Lakshya Construction



Sr. No.	Name (Smt/Shri)	Address/Organization
79.	S. K. Monsob	Town Electrical Tata Steel UISL
80.	Vinod Sharma	Kamsa Steel, Adityapur
81.	Mritunjay Kumar	PSD
82.	Sandeep Chaudhary	Ganesh Lakshya Apartment Jaiprakash Udy
83.	Mani Pandey	Tata Steel UISL
84.	Koustav Banerjee	Tata Steel UISL
85.	Santosh Khetan	ASIA President
86.	B. S. Managalmurti	Adityapur – 2
87.	Ashok Kumar Bihany	ASIA
88.	Swapan Majumdar	ASIA
89.	K. Muralidharam	ASIA
90.	Manoj Harhathka	ASIA
91.	Avnit Mutreja	Metro Industries, Adityapur
92.	Kalikinar Chakrawarty	Sonari
93.	Anjani Kumar	Adityapur-2
94.	Kanhaiya Upadhaya	SDS Tower
95.	Manas Ranjan Bhoi	Highco Engineers (P) Ltd.
96.	Gurpreet Singh	Eastern Coatings & Services Pvt. Ltd.
97.	Samir Patra	Mirudih
98.	Dinesh Sharma	Gamharia
99.	Nitu Sharma	Adityapur
100.	Pawan Singh	Adityapur
101.	Bhavesk Kumar	Synergy Enterprises
102.	Rajesh Kumar	Sonari
103.	Dhananjay Kumar Pathak	203, Palm View Apartment
104.	Nirmal Kumar Kar	Adityapur S. Type
105.	Arvind Kumar Sinha	Flat No. E-174, Block-18, Ashiana Brahanand, Tamolia
106.	Dhiren Mahato	Uperbeda Village Gamharia
107.	A. K. Nayak	Akshay Steel Works (P) Ltd.
108.	Akshay Sachdev	Industrial forge & Engg., Gamharia
109.	Sumit Kumar Singh	Press
110.	Manmohan Singh	Press