

PUBLIC NOTICE ON DETERMINATION OF RETAIL SUPPLY TARIFF

Objections/Comments invited from various stakeholders on the Petition submitted by JBVNL for True-up for FY 2016-17 & FY 2017-18, Annual Performance Review for FY2018-19 and determination of Aggregate Revenue Requirement and Tariff for FY 2019-20

Jharkhand Bijli Vitran Nigam Limited (JBVNL) is a Distribution Licensee under the provisions of the Electricity Act, 2003 having license to supply electricity in the State of Jharkhand.

In accordance with the provisions the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015 and other relevant Acts/ Regulations/ Policies, JBVNL has filed the Petition True-up for FY 2016-17 & FY 2017-18, Annual Performance Review for FY 2018-19 and determination of Aggregate Revenue Requirement and Tariff for FY 2019-20.

The Commission has scrutinized and admitted the Petition and has directed JBVNL to publish a public notice for inviting objections/comments from various stakeholders.

Some of the highlights of tariff proposal are given below. The entire Petition is available on the website of the Commission (at www.jserc.org/jbvnl.aspx) as well as JBVNL (at www.jbvnl.co.in).

1. TARIFF REVISION PROPOSAL FOR FY 2019-20

Table 1: Tariff Proposal by the Petitioner for FY 2019-20

Category	EXISTING TARIFF (FY 2018-19)			PROPOSED TARIFF (FY 2019-20)		
	Slabs	Energy Charges (Rs.)	Fixed Charges/month (Rs.)	Slabs	Energy Charges (Rs.)	Fixed Charges/month (Rs.)
Domestic	Kutir Jyoti	4.40/kWh	20/conn	LT	6.00/kWh	75/conn
	Rural	4.75/kWh	35/conn			
	Urban	5.50/kWh	75/conn			
	HT	5.25/kWh	200/kVA			
Commercial	Rural	5.25/kWh	60/conn	HT	7.00/kWh	225/conn
	Urban	6.00/kWh	225/conn			
Industrial	Low Tension Industrial Supply	5.50/kWh	160/kVA	Low Tension Industrial Supply	6.00/kVAh	300/kVA
	High Tension Industrial Supply	5.75/kVAh	300/kVA	High Tension Industrial Supply	6.00/kVAh	400/kVA
	High Tension Special Service	4.00/kVAh	500/kVA	High Tension Special Service	6.00/kVAh	400/kVA
Irrigation and Agriculture		5.00/kWh	20/HP		5.00/kWh	20/HP
Institutional	Streetlight Service	6.00/kWh	100/conn	Streetlight Service	6.50/kWh	100/kW
	Railway Traction Services	4.60/kVAh	350/kVA	Railway Traction Services	5.00/kVAh	350/kVA
	Military Engineering Services	4.60/kVAh	350/kVA	Military Engineering Services	5.00/kVAh	350/kVA
	Other Distribution Licensee	4.60/kVAh	350/kVA	Other Distribution Licensee	4.70/kVAh	350/kVA

2. AGGREGATE REVENUE REQUIREMENT

The summary of Aggregate Revenue Requirement for FY 2016-17 to FY 2019-20 as submitted by the Petitioner has been tabulated below:

Table 2 ARR (in Rs Crore) for the FY 2016-17 to FY 2019-20 as submitted by the Petitioner

Particulars	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Approved	Actual	Approved	Actual	Approved	Projected	Approved	Projected
Power Purchase cost	5223.19	5223.00	5081.82	5733.36	4833.48	5740.18	6548.22	6172.39
Transmission charges	185.40	185.40	160.16	204.07	207.80	216.95	282.25	229.10
O&M expenses	324.08	324.08	408.31	346.45	465.14	465.01	535.87	594.02
Depreciation	203.03	195.60	222.57	185.04	294.22	316.72	212.52	462.85
Interest on Loan	144.46	162.28	144.76	162.15	169.39	205.82	202.15	339.26
Return on Equity	143.86	140.95	166.59	148.99	202.28	196.40	175.16	305.13
Interest on Working Capital	25.47	27.09	24.25	26.18	12.12	33.87	-	50.55
Interest on security deposit	49.14	42.12	44.80	46.05	52.74	46.22	110.09	48.53
Provision for doubtful debts	-	-	-	-	-	478.84	-	296.43
Less: Non-Tariff Income	(128.62)	(143.52)	(135.05)	(132.14)	(141.80)	(122.48)	(155.47)	(123.02)
Gross ARR	5906.38	6156.99	6118.22	6720.13	6095.39	7577.52	7910.79	8375.24
RGF Provided	1200	1200	2500.00	2999.99	-	-	-	-
Disallowances	263.63	291.12	-	508.44	-	-	-	-
Less: RGF Considered	936.37	908.88	2500.00	2491.56	-	-	-	-
Opening Revenue Gap		2573.11		5757.43		7739.40		
Gap during the Year		2531.00		1115.93		2789.17		
Closing Revenue Gap		5104.10		6783.36		10528.57		
Interest Rate		12.80%		12.60%		12.20%		
Carrying Cost		653.33		866.05		1284.49		
Total Gap		5757.43		7739.40		11813.05		

*The Petitioner has proposed to meet the cumulative revenue gap of Rs. 11813.05 Crore till FY 2018-19 through the creation of Regulatory Asset. The Petitioner has proposed a period of 5 years to amortize the regulatory assets.

3. TARIFF PROPOSAL TO MEET THE TOTAL GAP FOR FY 2019-20

a) Simplification and Rationalization of Tariff

JBVNL has proposed simplification and removal of categories & sub-categories of the current tariff structure in accordance with the National Tariff Policy 2016 and that the State Government shall be requested to provide subsidy in slab-wise manner to reduce the consumer burden.

b) Removal of Installation based Tariff for LTIS Consumer

JBVNL has proposed to completely migrate the LTIS consumers to Demand Based Tariff.

c) Migration from kWh based billing to kVAh based billing

JBVNL has proposed to migrate from kWh based billing to kVAh based billing and remove power factor penalty and incentive for LTIS consumers.

d) Abolishment of Unmetered category

The Petitioner has proposed the billing of unmetered consumers based on the assessment formula till completion of 100% metering.

e) Revision in Miscellaneous Charges

The Petitioner has proposed revision in miscellaneous charges in line with the change in inflation and charges of other States. Revised charges proposed by the Petitioner are as follows:

Table 3 Revised schedule of miscellaneous charges proposed by Petitioner

Types of Charges	Single phase	3 Phase (whole-current)	3 Phase (CT operated)	Meter at 11kV	Meter at 33kV	132/220 kV
New Connection application fees	50	100	100	500	1000	1500
Dis-connection charges (on consumer request)	Temporary	100	200	500	1000	1500
	Permanent	200	400	1000	2000	5000
Re-connection charges	100	200	500	1000	1500	1500
Consumer service for each incidence (including, re-sealing, fuse replacement, modification in connection layout/ meter shifting, meter fixing/ removal, service line replacement, name change, load modification, subsequent installation testing, Replacement of Defective or Burnt meters)	100	500	700	1,000	2,000	5,000
Meter Testing (including combined metering unit)	100	200	1,800	6,800	6,800	9,800
Meter Rent/ meter/ month	20	50	250	400	2500	15,000
Transformer Rent- if provided by JBVNL on request of consumer	NA	NA	Rs. 100/kVA/month of transformer capacity			

Comments/Suggestions from stakeholders

1. The Commission has directed JBVNL to invite comments/suggestions from the public on the above Petition through this Notice.
2. The Petition is available on the website of the Commission (at www.jserc.org/jbvnl.aspx) as well as JBVNL (at xxxx).
3. The copy of the petition can be obtained on written request from the offices of JBVNL on payment of Rs. 100/- (Rupees one hundred) only payable by Cash/ Demand Draft/ Pay in favour of payable at(To be filled by JBVNL)

Complete Address for obtaining Petition:

The Chief Engineer (C&R)

Jharkhand Bijli Vitran Nigam Limited (JBVNL)

Engineering Building, H.E.C., Dhurwa, Ranchi – 834 004.

Mobile No- 9431708984

Fax- 0651-2400799

Email- cecr2018@gmail.com

4. Suggestions/comments may be sent to the office of JBVNL at the address mentioned above by 24th January, 2019. A copy of the suggestions/ comments may also be sent to Secretary, Jharkhand State Electricity Regulatory Commission at the address given below:

Secretary
Jharkhand Electricity Regulatory Commission
2nd Floor, Rajendra Jawan Bhawan cum Sainik Bazar
Main Road, Ranchi – 834 001, Jharkhand
Telephone: 0651 2330838, Fax: 0651 2330924
Email id – info@jserc.org

5. The objections can be submitted in English or in Hindi. The sender should clearly specify his/ her full name, postal address, e-mail id and telephone number. It should also be indicated if the objection is being filed on behalf of any organization, consumer or consumer group. It is to be noted that if the sender wants to be heard in person, the opportunity would be given by the Commission at the Public Hearing, for which date and place shall be announced by the Commission separately.
6. JBVNL shall reply to each of the objections/comments/ suggestions received within seven days of the receipt of the same but not later than 31st January, 2019 for all the objections and comments/suggestions received till 24th January, 2019. Stakeholders can submit their rejoinders on replies provided by JBVNL during the public hearing if required.

Name & Signature of the
Authorized Representative