

Jharkhand State Electricity Regulatory Commission

**Multi Year Order
for
Determination of ARR from
FY 2013-14 to FY 2015-16
and
Retail Supply Tariff
for
DVC Command area of Jharkhand**

**Damodar Valley Corporation
(DVC)**

Ranchi

September 2014

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List of Abbreviations

Abbreviation	Description
A&G	Administrative and General
ARR	Annual Revenue Requirement
ATE	Appellate Tribunal of Electricity
CERC	Central Electricity Regulatory Commission
CWIP	Capital Work in Progress
DPS	Delayed Payment Surcharge
DS	Domestic Service
DS HT	Domestic Service High Tension
DVC	Damodar Valley Corporation
FAS	Financial Accounting System
FOR	Forum of Regulators
FY	Financial Year
GFA	Gross Fixed Assets
GoI	Government of India
HT	High Tension
JSEB	Jharkhand State Electricity Board
JSERC	Jharkhand State Electricity Regulatory Commission
JUSCO	Jamshedpur Utilities and Services Company Limited
LT	Low Tension
kV	Kilovolt
kVA	Kilovolt-ampere
kW	Kilowatt
kWh	Kilowatt-hour
MMC	Monthly Minimum Charges
MU	Million Units
NTI	Non Tariff Income
O&M	Operations and Maintenance
PLF	Plant Load Factor
PLR	Prime Lending Rate
POC	Point of Connection

Abbreviation	Description
PPA	Power Purchase Agreement
PSD	Power Service Division
R&M	Repair and Maintenance
RoE	Return on Equity
Rs	Rupees
SAP	System, Application and Production
SBI	State Bank of India
TPCL	Tata Power Company Limited
TPTCL	Tata Power Trading Company Limited
SLM	Straight Line Method
TSL	Tata Steel Limited

A1: INTRODUCTION

Jharkhand State Electricity Regulatory Commission (JSERC)

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

Damodar Valley Corporation (DVC)

- 1.8 Damodar Valley Corporation (hereinafter referred to as 'DVC' or the 'Petitioner'), is a statutory body incorporated under the Damodar Valley Corporation Act, 1948 and undertakes multifarious functions. In regards to the electricity, DVC undertakes generation of electricity and is therefore a generating company within the meaning of Section 2 (28) of the Electricity Act, 2003. DVC also undertakes transmission of electricity in the Damodar valley area which falls within the territorial limits of the two states namely, West Bengal and Jharkhand. It, therefore, undertakes inter-state transmission of electricity and operates inter-state transmission system within the meaning of Section 2 (36) of the Electricity Act, 2003. DVC also undertakes the sale of electricity to West Bengal State Electricity Distribution Company Limited (WBSEDCL) and Jharkhand State Electricity Board (JSEB) in its capacity generally as a generating company. This is bulk sale of electricity by a generating company to a distribution licensee within the meaning of Section 62 (1) (a) of the Electricity Act, 2003. In addition to the above, DVC undertakes the retail sale and supply of electricity to the consumers in the Damodar Valley area under the provisions of Section 62 (d) read with Section 86 (1) of the Electricity Act, 2003.
- 1.9 DVC being a statutory body constituted under The DVC Act, 1948, is a public sector undertaking (PSU) as envisaged under Section 79 (1) (a) of the Electricity Act, 2003, the tariff for generation of electricity is to be decided by the Central Electricity Regulatory Commission (CERC). Similarly, with regards to the inter-state transmission, DVC again is regulated by CERC and tariff for composite (inter-state) generation & transmission is to be determined by the CERC in terms of Section 79 (1) (c) and (d) of the Electricity Act, 2003.

- 1.10 With regards to the retail sale and supply of electricity, DVC covers the entire Damodar Valley area which falls in two contiguous States, namely, the State of West Bengal and the State of Jharkhand. Thus, tariff for retail sale and supply of electricity in the Damodar Valley area will be governed by the provisions of Section 62 (d) read with Section 86 (1) of the Electricity Act, 2003 by the respective Electricity Regulatory Commissions in the states of West Bengal and Jharkhand.

Scope of the Present Order

- 1.11 This Order relates to the ARR and Tariff Petition filed by the Petitioner on 25th April 2013 before the Commission for determination of ARR for the Multi Year Control Period from FY 2013-14 to FY 2015-16 and retail tariff for supply in Damodar valley area falling within the territorial jurisdiction of the State of Jharkhand. The Order is in accordance with Sections 61, 62 and 64 of the Electricity Act, 2003 and provisions of the JSERC (Terms and Conditions for Distribution Tariff) Regulations, 2004 (hereinafter referred to as ‘Distribution Tariff Regulations, 2004’) and JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2010 (hereinafter referred to as ‘Distribution Tariff Regulations, 2010’).
- 1.12 The Petitioner in the above-mentioned petitions filed before the Commission has prayed for approval for:
- (a) To determine the distribution / Retail tariff for the years FY 2013-14 to FY 2015-16 based on the submission made by DVC
 - (b) Pass such order(s) as the Hon’ble Commission may deem fit and proper keeping in view the facts and circumstances of the case.
- 1.13 Since the submission of the tariff petition, the following difficulties were faced, due to which the finalisation of the Tariff Order has taken considerable time.
- 1.14 The Commission was unable to conduct the hearing for the above Petition filed by the Petitioner as the Hon’ble Chairperson of the Commission had retired on 15th December, 2012. Further the Member (Finance) post was vacant since 2008 and the the Commission was functioning with only one Member i.e. Member (Technical).
- 1.15 As per JSERC (Conduct of Business) Regulations, 2011 the quorum should be two members among the three members for issue of any effective orders, such as issue of tariff orders, issue of judgments for the cases filled in the Commission and for any important policy matters. The extract of the Regulation is as follows:

“Quorum:

For all initial procedural issues, the quorum may be one Member.

Except for initial procedural issues like notices, filing of copies and documents, the quorum of the Commission shall be two among the three Members.”

- 1.16 As there was only one member in the Commission, even though the ARR pertaining to all the generation companies and licensees in the Jharkhand State were received, the tariff orders could not be finalized due to lack of quorum.
- 1.17 Subsequently, the Member (Finance) was appointed in January 2014. Also, as per the directions of the APTEL in this regard, the Commission has amended the JSERC (Conduct of Business Regulations), 2011 and has modified the quorum to one member which shall facilitate the working of the Commission in the future even in the presence of only a single member. Subsequently, Hon'ble Chairperson took oath in August 2014 and the Commission is now in the process of scrutinising the above-mentioned Petition and determining the ARR for the Multi Year Period from FY 2013-14 to FY 2015-16 and Retail Tariff for the licensed area in the territorial jurisdiction of the State of Jharkhand.
- 1.18 In this regards, it is pertinent to mention that due to delay in processing of the Petition, the data submitted for FY 2012-13 and FY 2013-14 has changed considerably as these years have been completed. Furthermore, the Central Electricity Regulatory Commission (CERC) which determines the input cost for the generation and transmission/distribution (wires) business of the DVC, issued final Tariff Orders for the period FY 2009-10 to FY 2013-14 for the following stations:

Table 1: Date of Issue of Final Tariff Order by CERC for DVC stations

Particulars	Date of Issue of Order
Mejia Thermal Power Plant Unit 4	09 th July 2013
Mejia Thermal Power Plant Unit 1 to 3	09 th July 2013
Bokaro Thermal Power Plant Unit 1 to 3	29 th July 2013
Chandrapura Thermal Power Plant Unit 1 to 3	07 th August 2013
Durgapur Thermal Power Plant Unit 3 & 4	07 th August 2013
Maithon Hydel Power Station	07 th August 2013
Panchet Hydel Power Station	07 th August 2013
Tilaya Hydel Power Station	07 th August 2013
Transmission and Distribution system activities of DVC	27 th September 2013

- 1.19 In accordance with above, the input cost has changed considerably. Subsequently, based on the aforementioned Tariff Orders passed by the CERC, the Petitioner submitted additional information/revised Petition for Final True up of ARR for the period FY 2006-07 to FY 2012-13 on 28th February 2014 and revised estimates for FY 2013-14 on 14th August 2014 as well as Petition. Thus, the Commission finds merit in reviewing the ARR petition filed for MYT period for FY 2013-14 to FY 2015-16 on provisional basis and approve revised tariff.

- 1.20 Thus, the scope of the Present Tariff Order has been summarised as follows:
- (a) Determination of ARR for MYT period from FY 2013-14 to FY 2015-16 on provisional basis; and
 - (b) Approval of provisional retail tariff for sale of power within the DVC command area falling in Jharkhand State.
- 1.2 While processing the above petition, the Commission has taken into consideration the following:
- (a) Provisions of the Electricity Act, 2003,
 - (b) Provisions of the National Electricity Policy and the Tariff Policy;
 - (c) Principles laid down in the JSERC (Multi Year Distribution Tariff) Regulation, 2010 (hereinafter referred to as 'Distribution Tariff Regulations, 2010').
- 1.21 Accordingly, the Commission has scrutinized the MYT petition in detail and hereby issues the Tariff order for MYT period from FY 2013-14 to FY 2015-16.

A2: PROCEDURAL HISTORY

Background

- 2.1 As per Regulation 5.6 & Regulation 12 of the JSERC (Distribution Tariff) Regulations, 2010, every licensee in the State has to file a Business Plan for the entire control period i.e. FY 2013-14 to FY 2015-16 before start of the control period for approval of the Commission. The Business plan should include detailed capital investment plan, sales/demand forecast, power procurement plan and targets for controllable items such as distribution losses, collection efficiency, quality of supply etc. Subsequently, the licensee should file the Multi-Year Tariff Petition for determination of ARR for entire control period and Tariff for FY 2013-14.
- 2.2 As mentioned in Para 1.9 of this Order, DVC is a public sector undertaking and undertaking inter-state sale of power and transmission. Accordingly, CERC determines the ARR and tariff for its generating stations as well as composite business of transmission and distribution (wires) including the capital costs incurred by DVC. This is considered as the input cost of DVC for determination of retail tariff by the State Commission in whose jurisdiction the licensed area of supply lies.
- 2.3 In view of above, the DVC has not submitted separate business plan petition as the capital expenditure plan is to be determined by CERC as part of its generation and composite inter-state transmission tariff. However, the projections for the other components forming the business plan i.e. sales, power purchase, distribution losses, etc have been submitted by DVC for the entire control period in its MYT Petition and same has been considered by this Commission.
- 2.4 DVC filed the present Petition for approval of ARR for MYT period from FY 2013-14 to FY 2015-16 and Retail Tariff for FY 2013-14 on 25th April 2013 for the distribution and retail supply of electricity to consumers serviced by DVC in the part of Damodar Valley falling within the territorial jurisdiction of the state of Jharkhand. The Petition included forecasts for sales, power purchase and targets for distribution losses for entire MYT control period along with ARR for MYT Period and Tariff estimates for FY 2013-14.
- 2.5 Earlier, DVC has filed petitions on October 31, 2009 and March 31, 2011 for finalization of ARR for the tariff period FY 2006-07 to FY 2010-11 and FY 2009-10 to FY 2011-12, respectively for the determination of tariff for distribution and retail supply of electricity to consumers serviced by DVC in the part of Damodar Valley falling within the territorial jurisdiction of the state of Jharkhand.

- 2.6 DVC had also filed a Petition on March 31, 2007 for finalization of revenue requirements and tariff for the period of FY 2006-07. The said Petition was not processed by the Commission as the tariff for generation and transmission of electricity applicable to DVC which is the input tariff to be determined by the Central Electricity Regulatory Commission (CERC) was not finalized and there were also orders passed by the Hon'ble Appellate Tribunal for Electricity (ATE) in the appeals arising out of orders passed by CERC directing that no final orders be passed by the State Commission's on the retail supply tariff till further Orders.
- 2.7 DVC filed the Tariff Petition for determination of ARR from FY 2006-07 to FY 2012-13 and retail tariff for FY 2012-13 for supply in Damodar valley area falling within the territorial jurisdiction of the State of Jharkhand on 2nd September 2011. The Commission issued the provisional tariff order 22nd November 2012.
- 2.8 As mentioned in Para 1.13 to 1.17, there was considerable delay in processing the present petition and hence the data submitted for FY 2013-14 has changed considerably since the time original Petition was submitted. Further, the CERC issued the final Tariff Orders for DVC stations for the period FY 2009-10 to FY 2013-14 thereby changing the input cost. In lieu of above DVC submitted additional information for Final True-up of ARR from FY 2006-07 to FY 2012-13 on 28th February 2014 and revised petition for determination of ARR of FY 2013-14 on 14th August 2014.

Information Gaps in the Petition

- 2.9 During the course of scrutiny of ARR and tariff petition, several deficiencies were observed in the tariff petition submitted by the Petitioner. These information gaps were communicated to the Petitioner through letter nos. JSERC/Legal/33 of 2012/209 dated 13th August 2013 and JSERC//33 of 2012/273 dated 28th July 2014. The Petitioner submitted its replies in response to the queries vide letter no. Coml./Tariff/JSERC/2479 dated 18th November 2013 and 14th August 2014.

Inviting Public Response

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

Table 2: List of Newspapers where public notice was published by DVC

Newspaper (Jharkhand Editions)	Date
The Hindustan Times (English)	12 th & 13 th June 2014
Times of India (English)	12 th & 13 th June 2014
Prabhat Khabar	12 th & 13 th June 2014
Dainik Jagran	12 th & 13 th June 2014

- 2.12 A period of 21 days was provided for submitting the comments/suggestions. The Commission subsequently issued advertisement on its website www.jserc.org and in various newspapers for conducting the public hearing on the Multi Year ARR and Tariff Petition for FY 2013-14 to FY 2014-15. The newspapers wherein the advertisement for public hearing was issued by the Commission are detailed hereunder:

Table 3: List of Newspapers where public notice was published by Commission for Public hearing

Newspaper (Jharkhand Editions)	Date
Hindustan (Hindi)	17 th July 2014
Dainik Jagran	17 th July 2014
Prabhat Khabar	17 th July 2014
Dainik Bhaskar	17 th July 2014
Pioneer	17 th July 2014
The Hindustan Times (English)	17 th July 2014

Submission of objections and conduct of public hearing

- 2.13 The public hearing was held on 23rd July 2014 at the Auditorium, Combined Building, Area No. 6, DVC, Maithon, Dhanbad. 45 stakeholders including consumers, representatives of the Petitioner and of the Commission attended the public hearing.
- 2.14 During the hearing, many respondents gave their comments and suggestions on the ARR filing by the Petitioner. The comments/suggestions of the public as well as the Petitioner's response to them are detailed in the section dealing with the public consultation process in this Order.

A3: SUMMARY OF ARR & TARIFF PETITION**Overview**

3.1 DVC filed the present Tariff Petition with respect to the retail supply of power in the Damodar Valley Area falling within the State of Jharkhand and includes the projection of ARR and determination of retail supply tariff for the Control Period from FY 2013-14 to FY 2015-16 on basis of past trends & latest available information on 25th April 2013. Subsequently, due to issue of Final Tariff Orders for its generating stations by CERC, the Petitioner submitted revised ARR and Tariff projections for FY 2013-14 on 14th August 2014 which also included impact of final true up for FY 2006-07 to FY 2012-13 based on the CERC final tariff orders.

Summary of ARR for Multi Year Period from FY 2013-14 to FY 2015-16

3.2 The following table provides a summary of the ARR as submitted by the Petitioner for FY 2013-14 to FY 2015-16:

Table 4: ARR Requirement for FY 2013-14 to FY 2015-16 as submitted by DVC (Rs Cr)

Sl. No.	Station/item	FY 2013-14				FY 2014-15		FY 2015-16	
		As per original Petition dated 25.04.2013		As per revised Petition dated 14.08.2014		As per original Petition dated 25.04.2013		As per original Petition dated 25.04.2013	
		Energy Charge	Fixed Charge	Energy Charge	Fixed Charge	Energy Charge	Fixed Charge	Energy Charge	Fixed Charge
1.	BTPS	688	2,176	220	356	853	2,316	1,044	2,569
2.	CTPS	468		407	305	597		717	
3.	DTPS	684		524	298	859		1,111	
4.	MTPS 1 To 3	888		675	481	1,105		1,747	
5.	MTPS 4	315		233	236	372		586	
6.	HYDEL	0		0	56	0		0	
7.	T&D	0		0	501	0		0	
8.	MTPS 5, 6	297	146	269	184	386	157	467	156
9.	MTPS Phase II	468	293	428	486	285	150	118	50
10.	DSTPS 1&2	427	251	716	782	264	116	377	133
11.	KTPS 1 & 2	599	436	307	367	932	509	888	384
12.	RTPS 1 & 2	101	66	0	0	1,104	556	1,841	812
13.	Power Purchase (Including Transmission, System Charge and RPO)	1,569	0	1,010	0	1,989	0	2,373	0
14.	Secondary Fuel Adjustment	0	0	0	75	0	0	0	0
15.	Tariff filing fees and publication expenses to CERC	0	4	0	4	0	4	0	4.6
16.	LT Expenditure	22	0	0	0	0.01	0	0	0

DVC Order for MYT Period from FY14 to FY16

Sl. No.	Station/item	FY 2013-14				FY 2014-15		FY 2015-16	
		As per original Petition dated 25.04.2013		As per revised Petition dated 14.08.2014		As per original Petition dated 25.04.2013		As per original Petition dated 25.04.2013	
		Energy Charge	Fixed Charge	Energy Charge	Fixed Charge	Energy Charge	Fixed Charge	Energy Charge	Fixed Charge
17.	Water Cess	0	2.8	0	1.64	0	3.36	0	4.03
18.	NTI	9.3	0	18	0	9.5	0	9.7	0
19.	Differential amount of P&G and sinking fund contribution	0	0	0	42	0	0	0	0
20.	Total DVC [1 to 19]	6,518	3,375	4,773	4,174	8,737	3,810	11,258	4,111
21.	Percentage Share of sale in Jharkhand Area	57.4%	53.8%	57.1%	53.1%	57.2%	53.2%	57.5%	53.2%
22.	ARR before Interest on Working Capital, Interest on Security Deposit and tariff filing fees in the licensed area of Jharkhand [20*21]	3,742	1,814	2,727	2,218	4,998	2,028	6,471	2,185
23.	Interest on Working Capital	0	130	0	155	0	164	0	202
24.	Interest on Security Deposit	0	2.35	0	0.69	0	2.53	0	2.7
25.	Tariff Filing and Publication Expenses for Jharkhand Area	0	0.38	0	0.38	0	0.42	0	0.48
26.	Net ARR for Jharkhand Area	3,742	1,947	2,727	2,374	4,998	2,195	6,471	2,390
27.	Adjustment of Revenue gap in equal monthly instalment	105	105	836 *	836 *	105	105	105	105
28.	Gross ARR [26 & 27]	3,847	2,052	3,562	3,209	5,104	2,300	6,576	2,495

* Based on Final True up for FY 2006-07 to FY 2012-13 submitted by DVC on 28th February 2014.

3.3 The Petitioner has submitted that the ARR cannot be segregated into that pertaining to Jharkhand and West Bengal area. Thus, DVC has apportioned the Fixed Charge in proportion to load in MVA and Energy Change in proportion to sales in MU.

True-Up of ARR for the period FY 2006-07 to FY 2012-13

3.4 As mentioned above, the Petitioner submitted petition for final True-up of the ARR for the period FY 2006-07 to FY 2012-13 on 28th February 2014 after considering the impact of final tariff orders issued by CERC as summarised in Table 1 of this Order.

3.5 The Petitioner has considered pass through of Revenue Gap for past period upto FY 2012-13 approved by the Commission in its provisional Tariff Order for FY 2012-13 dated 22nd November 2012. The following table provides a summary of the ARR / Revenue Gap projections by DVC upto FY 2012-13:

Table 5: Revenue Gap/ (Surplus) upto FY 2012-13 (Rs Cr)

Particulars	As allowed by the Commission	Submitted by the Petitioner	Date of submission
FY 2006-07	(22.37)	290.58	28 February 2014
FY 2007-08	(29.24)	295.96	28 February 2014
FY 2008-09	(372.77)	(9.23)	28 February 2014
FY 2009-10	173.11	378.21	28 February 2014
FY 2010-11	838.28	883.75	28 February 2014
FY 2011-12	(164.06)	1118.06	28 February 2014
FY 2012-13	64.10*	893.44	28 February 2014
Total	487.05	3850.77	

*The Commission had adjusted the revenue gap for FY 2012-13 i.e. Rs. 64.10 Cr through tariff hike of 1.7% on the prevalent Tariff during the year.

3.6 The Petitioner has proposed to amortised the above revenue gap of Rs. 3850.77 Cr in three annual instalments during the MYT period along with carrying cost at 14.45%.

Proposed Tariff for Control Period

3.7 The Petitioner has proposed to increase the tariff for retail consumer in Jharkhand Area for the Control Period in order to recover the entire gap for FY 2013-14 as well as the projected revenue gap from FY 2006-07 to FY 2012-13. The following table summarises the proposed tariff for the Control Period is provided in the table given below:

Table 6: Proposed Retail Tariff for the Control Period from FY 2013-14 to FY 2015-16

Consumer Category	Name of Tariff Scheme	Consumption Slab	FY 2013-14		FY 2014-15		FY 2015-16	
			Energy Charges	Demand Charges	Energy Charges	Demand Charges	Energy Charges	Demand Charges
			(Paise /kWh)	(Rs./kVA /Month)	(Paise /kWh)	(Rs./kVA/ Month)	(Paise /kWh)	(Rs./kVA/ Month)
Industries (33 kV)	TOD	Normal (06:00 to 17:00)	380	884	471	934	568	953
		Peak (17:00 to 23:00)	458		566		683	
		Off Peak (23:00 to 06:00)	323		400		483	
	Non TOD	All Units	389	884	481	934	581	953
Industries	TOD	Normal (06:00 to	377	884	466	934	562	953

DVC Order for MYT Period from FY14 to FY16

(132 kV)		17:00)						
		Peak (17:00 to 23:00)	452		559		675	
		Off Peak (23:00 to 06:00)	320		396		478	
	Non TOD	All Units	384	884	475	934	574	953
Traction (132 kV)	Non TOD	All Units	241	884	298	934	359	953
Industries (220 kV)	TOD	Normal (06:00 to 17:00)	369	884	457	934	551	953
		Peak (17:00 to 23:00)	444		549		662	
		Off Peak (23:00 to 06:00)	314		388		468	
LT	Non TOD	All Units	550	Nil	641	Nil	735	Nil

3.8 The Petitioner also submitted that it has designed the proposed tariff in such a manner that there is no aggregate revenue gap at the end of the Control Period i.e. at the end of FY 2015-16.

A4: PUBLIC CONSULTATION PROCESS

- 4.1 The tariff petition evoked response from several consumers and 45 stakeholders including the consumers, representatives of the Commission and DVC, participated in the public hearing held on 23rd July 2014 in Maithon, Dhanbad.
- 4.2 During the hearing, DVC presented a summary of the Petition, while several participating consumers presented their comments/objections on the tariff petition. The Commission also received several written objections. The comments/suggestions of the public, the Petitioner's response and the Commission's views on them, have been summarised below.

Transmission and Distribution (T&D) losses

Public Comments/Suggestions

- 4.3 The Objector submitted that the T&D loss levels as submitted by the Petitioner i.e. 4.59%, 4.56% and 4.56% for FY 2013-14, FY 2014-15 and FY 2015-16, respectively are very high and no basis has been provided for such increase. It was suggested that T&D loss targets should be restricted to 3% as prescribed by the Commission in the previous Tariff Order in line with the Tariff Regulations.

Petitioner's Response

- 4.4 The Petitioner submitted that despite its best efforts, the target for T&D loss level set by the Commission could not be achieved. The reasons and the remedial action plan, as submitted by the Petitioner is as follows:

Table 7: Action Plan as submitted by the Petitioner

Reasons	Remedial Action Plan
(i)Transmission and Distribution lines were commissioned around 40 to 50 years back and have high number of joints.	Re-conducting of age old lines with new AAA Conductors of higher capacity has been undertaken. Some work has been completed and the remaining is in progress in order to reduce the loss level.
(ii)High loss making segments remain undetected for longer period in absence of proper monitoring mechanism.	(a)Installed energy monitoring management system beginning from HT side of the power transformers up to the consumption point so as to detect and rectify higher loss making segment of its T&D network. (b)Most of the tariff meters shifted to Consumers' end. Global System for Mobile Communication (GSM) and System Energy Monitoring & Accounting (SEMA) project implemented for online energy monitoring

Reasons	Remedial Action Plan
(iii) Quantum of energy delivered /transmitted through existing 33KV including LT system increased during FY 2012-13 as compared to FY 2011-12. Due to this, T&D loss increased as the same is proportional to the square of load in MVA.	(a) DVC has already identified loss prone 33 KV lines and started short term and long term measures to arrest the additional loss. (b) Rebate for higher voltage is proposed to attract more consumers at voltage level above 33KV.

Views of the Commission

- 4.5 The Commission in the previous Tariff Order dated 22nd November 2012 noted that as DVC supplies mostly to bulk and HT consumers above 33 kV, its T&D losses should be very less. The Petitioner had submitted that actual losses during previous years stood at 3% and accordingly the Commission approved T&D loss target for FY 2012-13 as 3%.
- 4.6 With respect to approval of T&D loss targets for the MYT period i.e. FY 2013-14 to FY 2015-16, the Commission is of the view that though the Petitioner is making considerable efforts to reduce T&D losses, there is no basis for approving higher targets for T&D losses for an area where demand comprises majorly of HT consumers above 33 kV. Accordingly, for computation of energy requirement, the Commission has considered the T&D loss target for the MYT period from FY 2013-14 to FY 2015-16 at 3% per annum. The Commission also directs the Petitioner to expedite the remedial actions proposed by it and make all out efforts to achieve the T&D loss targets as set by the Commission.

Reduction in supply from old stations in the command area (licensed distribution area)

Public Comments/Suggestion

- 4.7 The Objector submitted that as per the preamble of the DVC Act 1948, the utmost objective of DVC is to operate in the larger interest of the consumers in the command area i.e. Damodar Valley area. Earlier, the DVC used to cater to the supply of electricity in the command area only and surplus energy, if any, was sold to other licensees. However, recently, DVC has set up more generating stations and has tied up for supply of power to other state licensees such as MPPTCL, PSEB, HPGCL, BSES Rajdhani, BSES Yamuna etc. The sale of power to other licensees outside command area has increased from 8.7% of the total energy input in FY 2006-07 to 44.3% of total energy input in FY 2013-14.

- 4.8 Further, the DVC Act, 1948 also states that low cost power from old stations should be allocated to consumers in command area and then surplus power from new stations should be sold to other licensees outside the command area. The Objector submitted that the share of electricity supply to command area from old stations has been arbitrarily reduced by DVC from FY 2011-12 onwards and has been replaced with costly power from newer sources.

Petitioner's Response

- 4.9 The Petitioner submitted that it does not supply any power from its old generating stations to the beneficiaries located outside the valley area and no PPA from old stations was made with the beneficiaries outside the valley area. 100 MW power from pooled station (old and existing stations upto Mejia Unit 4) is supplied in schedule mode to JSEB from DVC periphery in compliance with the directive of the Ranchi High Court.

Views of the Commission

- 4.10 The Commission has taken cognizance of the objections raised by the consumers as well as replies submitted by the Petitioner. The Commission views that DVC should supply power from old generating stations in the valley and to JSEB as per the provisions of the DVC Act 1948 and directives of the Ranchi High Court. Further power from new stations should also be utilised within the Command area to cater to increase in demand. The Commission further directs DVC that it should ensure uninterrupted supply to its own consumers falling within the DVC area and only the surplus power may be sold by the Petitioner outside the licensed area.

Admissibility of contributions to Pension and Gratuity and Sinking Fund based on availability

Public Comments/Suggestion

- 4.11 The Objector submitted that contributions to Pension and Gratuity and Sinking Fund are already included in the Annual Fixed Charges of the generating stations which are approved by the CERC. Moreover, P&G contributions are essentially part of O&M expenses and hence the claim of the Petitioner to exclude these expenses from Annual Fixed Charges and not to claim these expenses as per actual plant availability should be rejected.

Petitioner's Response

- 4.12 The Petitioner has submitted that as per CERC Regulations, the elements of fixed charges consist of return on equity, interest on loan capital, depreciation, interest on working capital, O&M expenses and special allowances for R&M expenses. Hence, Pension and Gratuity and Sinking Fund cost should not come under the ambit of plant availability factor and the Petitioner should be allowed to recover such charges as per the actuals.

Views of the Commission

- 4.13 The Commission views that the contribution to Pension and Gratuity and Sinking fund has already been considered by CERC in the Annual Fixed Charges of the DVC's generating stations. Further, as per Section 21 of the CERC Regulations, the fixed costs of the generating stations shall be computed on annual basis based on actual plant availability factor as well as the normative plant availability factor. Hence, the claim of the Petitioner finds no merit and accordingly the Commission has disallowed the cost claimed by the Petitioner under the head of differential P&G and Sinking fund contribution.

High quantum of costly short-term power purchase

Public Comments/Suggestions

- 4.14 The Objector submitted that despite the fact that DVC has commissioned many new generating stations in the recent years and its generation capacity has more than doubled in the last five (5) years, the short term power purchase quantum and net overdrawal from the grid has been consistently going up. This costly power purchase has imposed an unreasonable burden on the ARR to be claimed from the command area consumers.
- 4.15 The Objector further submitted that as per the MoP guidelines, the procurer shall procure short term power as per the plan approved by the appropriate Commission and if procurement of short term power exceeds the approved annual short term procurement plan, prior approval from the appropriate Commission should be sought. However, no such compliance has been reported in the ARR/ Tariff Petition filed by the DVC.

Petitioner's Response

- 4.16 The Petitioner submitted that it does not purchase any short term power in normal course. All the power purchase agreements entered by DVC are on long term basis. Due to unforeseen reason in the FY 2011-12, DVC had to procure around 23.32 MU from energy exchanges to bridge the gap between demand and supply.

Views of the Commission

- 4.17 The Commission has not considered any power purchase from short term sources for the MYT period and has been summarised in Para 6.22 to 6.27 of this Order.

Renewable Power Purchase (RPO) obligation

Public Comments/Suggestions

- 4.18 The Objector submitted that DVC has consistently failed to procure power to meet the RPO obligation, even though it has always sought an allowance in this head.

- 4.19 Hence, the Commission should conduct a prudence check and should verify the tie-up/agreement entered into by DVC with the renewable sources before allowing such costly purchase as it imposes a significant impact on the ARR.

Petitioner's Response

- 4.20 The Petitioner submitted that procurement of renewable power is a statutory obligation to be met by the distribution licensee as per the Electricity Act 2003 and the guidelines laid down by MNRE. The quantum of renewable power to be procured every year is guided by the RPO Regulations of the State Commission.

Views of the Commission

- 4.21 As per the JSERC (Renewable Purchase Obligation and its Compliance) Regulations, 2010, every obligated entity in the State shall purchase electricity (in kWh) from renewable energy sources, at a defined minimum percentage of the total consumption of its consumers including T&D losses during a year. This is in accordance with Section 86(1) (e) of the Electricity Act 2003. Furthermore, DVC has submitted that it is meeting its RPO obligation partially through own generation from small hydro stations and also from purchasing solar power under the NVVN scheme.
- 4.22 The Commission has applied prudence while approving cost of power purchase for meeting RPO and also directs the Petitioner to meet its obligation in full during the MYT period, failure to do so will invite appropriate penal action by the Commission.

Unscheduled-Interchanges (UI) charges

Public Comments/Suggestions

- 4.23 The Objector submitted that the cost of UI purchases should be completely disallowed in the tariff since UI is a mechanism to ensure grid discipline and thus it cannot be treated as a source of power purchase. Further, the Forum of Regulators (FOR) had mandated that the UI charges imposed on distribution utilities for excessive overdrawal from the grid would not be allowed to be recovered from consumer's w.e.f. 1st August 2009. Thus, the Commission should disallow the UI charges.

Petitioner's Response

- 4.24 The Petitioner submitted that it has always put its best effort to minimise the UI purchases which is evident from the decreasing cost of such purchases over the last few years.

Views of the Commission

- 4.25 The UI mechanism has been put in place to ensure Grid discipline and any charges associated with maintaining the same is allowed as per actual. While no projections have been allowed to be pass through for the MYT period.

Energy Charges as claimed by the Petitioner

Public Comments/Suggestions

- 4.26 The Objector submitted that the CERC in its Tariff Orders for the period FY 2009-14 had approved provisional energy charges for the DVC generating stations based on the weighted average price and calorific value of fuel for the month of January to March 2009 which were submitted by the Petitioner. However, DVC has claimed significant variation in the energy charges from the level approved by the CERC, with the increase in charges ranging from 104% to 183%.
- 4.27 Moreover, the energy charges of its own stations as projected by the Petitioner ranging from Rs 4.07/kWh in FY 2013-14 to Rs 6.36/kWh in FY 2015-16 are very high as compared to other generating stations.
- 4.28 The Objector further submitted that the Petitioner's proposal to increase the price of coal for projection of energy charges, by 20% is irrational and too high. The trend of domestic and international coal prices for the past 10 years shows an average hike of 8% to 15% per annum. The assumptions taken by the Petitioner in its financial model to arrive at the coal prices are erroneous as they include the abrupt increase in coal price during the period 2006-2008, which is not expected to recur in the future. Further, DVC should submit fuel data for prudence check by the Commission.

Petitioner's Response

- 4.29 The Petitioner submitted that the monthly energy charges based on actual fuel data are prepared as per the CERC regulations and all the relevant data (Form-15) are posted on the DVC website as per the directive of the CERC.
- 4.30 The Petitioner further submitted that the year wise increase in the price of domestic coal has been considered as per the financial model prepared by DVC to derive the energy charge rate of its thermal power plants.

Views of the Commission

- 4.31 The Commission has dealt with this issue in detail while determining the input cost of own generating stations of DVC in Section A6: ARR for MYT Period from FY 2013-14 to FY 2015-16 of this Tariff Order.

Disallowance of capacity charges

Public Comments/Suggestions

- 4.32 The Objector submitted that the Petitioner has claimed capacity charges in respect of MTPS units 7&8, DSTPS Units 1&2, KTPS Units 1&2 and RTPS Unit 1 to the tune of Rs 931.93 Cr for FY 2013-14.

- 4.33 Since the fixed costs for the aforementioned stations has still not been decided by the CERC, the Commission cannot allow any amounts towards such claims as it has no jurisdiction in the matter.

Petitioner's Response

- 4.34 The Petitioner submitted that it has already submitted the petitions for determination of tariff in respect of MTPS Units 7&8, DSTPS Units 1&2 and KTPS Units 1&2 before the CERC and the Central Commission is in the process of determining tariff for the period 2009-14 for the above generating stations.
- 4.35 In absence of any Tariff Order for the abovementioned stations, DVC prefers power supply bills of the power supplied to the respective beneficiaries in proportion to their share at mutually agreed rates in terms of provision of CERC regulation. This is subject to true up after the issuance of the Tariff Orders by CERC.

Views of the Commission

- 4.36 The Commission has dealt with this issue in detail while determining the input cost of own generating stations of DVC in Section A6: ARR for MYT Period from FY 2013-14 to FY 2015-16 of this Tariff Order.

Interest on Working Capital

Public Comments/Suggestions

- 4.37 The Objector submitted that as a consequence of proposed disallowance of power purchase expenses (short term, RPO and UI charges), the interest on working capital ought to be disallowed as the Petitioner has computed the interest on working capital on the basis of the power purchase cost. The Objector also submitted that the huge interest on working capital to the tune of Rs 100 Cr as claimed by the Petitioner is unjustified as CERC has already considered Rs 160 Cr under fixed charges of generating stations.

Petitioner's Response

- 4.38 The Petitioner submitted that it has computed the interest on working capital as per regulation 6.26 of the JSERC (Terms and Conditions of Determination of Distribution Tariff) Regulations, 2010.

Views of the Commission

- 4.39 The Commission has dealt with this issue in detail while determining the ARR for the MYT Period for DVC in Section A6: ARR for MYT Period from FY 2013-14 to FY 2015-16 of this Tariff Order.

Non- Tariff income

Public Comments/Suggestions

4.40 The Objector submitted that the non-tariff income earned by DVC as reflected in the audited accounts available upto FY 2011-12 are far in excess of what it had proposed for reduction in the yearly ARR. Thus, the Commission may consider a provisional non-tariff income of Rs 295.48 Cr for FY 2012-13 and FY 2013-14, which is the average non-tariff income of the last six years as per audited accounts.

Petitioner's Response

4.41 The Petitioner submitted that the Commission had already given its views on this issue and had approved the non-tariff income as per the actual data for the past years in the last Tariff Order dated 12th November 2012.

Views of the Commission

4.42 The Commission has dealt with this issue in detail while determining the ARR for the MYT Period for DVC in Section A6: ARR for MYT Period from FY 2013-14 to FY 2015-16 of this Tariff Order.

Adjustment of O&M costs

Public Comments/Suggestions

4.43 The Objector submitted that the O&M costs in the last Tariff Order were computed as per provisional CERC Order dated 23rd June 2011. Since the fixed charges for the generating stations have now been finalised by CERC for period 2009-14, the O&M costs as per the last Tariff Order were in excess by Rs 764 Cr. However, DVC has not adjusted this amount in ARR.

4.44 The Objector also submitted that the Petitioner has projected a yearly increase of approximately 17.35% in the O&M costs, which is very high. The Petitioner should provide the reasons for the same.

Petitioner's Response

4.45 The Petitioner submitted that any adjustment as per the final CERC Order with respect to the generating stations and T&D network will be taken care at the time of truing up of MYT petition according to the regulatory practice.

4.46 The Petitioner further submitted that Escalation factor for O&M costs was based on last 6 years data of CPI and WPI and it has adopted the methodology as per the 'Explanatory Memorandum Draft Terms and Conditions for Tariff during 2014-19' by CERC.

Views of the Commission

- 4.47 The Commission has considered the fixed charges in accordance with the final tariff order issued by CERC for FY 2013-14. Further, as there is no approval of fixed charges for the period for FY 2014-15 to FY 2015-16, the Commission has considered the approved fixed charges (including O&M costs) for FY 2013-14 subject to approval of fixed charges by CERC for the above-mentioned period. Further, with regards to true up of fixed costs for period FY 2008-09 to FY 2012-13, the Commission has dealt with this issue in detail in Section A5: Final True up of ARR from FY 2006-07 to FY 2012-13 of this Order.

Cost of Solar power

Public Comments/Suggestions

- 4.48 The Objector submitted that the Petitioner has considered the cost of solar power to be Rs 16 per unit which is much higher than the floor price.

Petitioner's Response

- 4.49 The Petitioner submitted that in the absence of any cap price in Jharkhand area, the rate of solar power has been considered as per the cap rate considered by the West Bengal Electricity Regulatory Commission in the "West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2010. However, the actual expenditure incurred would be taken care of at the time of true up.

Views of the Commission

- 4.50 The Commission has considered the solar power purchase cost for power procured through bundled power from NVVN to meet the RPO targets for FY 2013-14 as per submission made by the Petitioner. For FY 2014-15 and FY 2015-16, the rate of purchase of solar power is considered as Rs. 6.95/kWh as per CERC Tariff Order for determination of generic tariff for Renewable energy sources for FY 2014-15 dated 15th May 2014.

Basis for projection of energy availability from DVC's own generating stations to DVC's distribution activity

Public Comments/Suggestions

- 4.51 The Objector submitted that the Petitioner has not provided any basis for the projection of energy availability from DVC's own generating stations for DVC's distribution activity.

Petitioner's Response

4.52 The Petitioner submitted that Estimated energy available in DVC's own generating stations for MYT control period on projection basis was made mainly based on the following criteria:-

- (a) Planned shutdown (Long/Short) considering maintenance schedule of the plants,
- (b) Availability of fuel supply
- (c) Past trend of power supply position in terms of energy requirement vis-à-vis energy availability of systems.

Views of the Commission

4.53 The Commission has dealt with this issue in detail while approving energy availability from own generating stations for the MYT period in Section A6: ARR for MYT Period from FY 2013-14 to FY 2015-16 of this Tariff Order.

Issues related to introduction of Two-part tariff

Public Comments/Suggestions

4.54 The Objector submitted that if two-part tariff is introduced and demand charges as well as fixed charges are made applicable, no minimum charges can be applied since minimum charges are included in the demand charges.

4.55 The Objector also submitted that the demand charges should be levied only on the basis of maximum demand recorded during the month or 85% of the contract demand, whichever is higher in terms of regulation. No additional demand charges (proposed as 60% of demand charges in case of non TOD consumer if he consumes power in excess of his contracted demand) be levied.

Petitioner's Response

4.56 The Petitioner submitted that as per the JSERC (Electricity Supply Code) Regulations, 2005 dated 28th July 2005, the charges for electricity supplied may include fixed charges, energy charges, minimum charges and all other surcharges including fuel price adjustment surcharge, delayed payment surcharge etc. Thus, demand (fixed) charges and minimum charges have been proposed simultaneously.

4.57 Further, the Petitioner submitted that minimum charges are a guarantee of minimum revenue for the generators who are duty-bound to run their units to meet the contract demand as per the power supply agreements. At the same time, demand charges of two part tariff structure are to enforce grid discipline and in no way take care of the minimum charges.

4.58 The Petitioner submitted that since its supplying power to the command area spread over 2 states i.e Jharkhand and West Bengal, the two part tariff has been designed in such a way so as to maintain a unified tariff design in the two states and the levying of demand charges is as per the regulation laid down by WBERC Terms and Conditions of Tariff.

Views of the Commission

4.59 The Commission has dealt with this issue in detail in Sections A7 and A8 of this Tariff Order.

Tariff for Low Voltage consumers

Public Comments/Suggestions

4.60 The objector submitted that DVC has not disclosed the tariff for its consumers availing low voltage power. In addition, separate tariff has not been proposed for separate categories of consumers such as domestic, commercial, industrial, street lights, hospitals, water supply etc have not been provided.

4.61 Further details about metered vs. non metered consumers have also not being furnished which is otherwise required according to JSERC regulation.

Petitioner's Response

4.62 The Petitioner submitted that it has proposed a flat tariff rate for all LT consumers and the tariff applicable would be the average supply rate in the licensed area of Jharkhand with no provisions for demand charges.

4.63 Further, the Petitioner submitted that it does not envisage any unmetered LT consumer to start with.

Views of the Commission

4.64 The Commission has dealt with this issue in detail in Sections A7 and A8 of this Tariff Order.

Revenue realised from trading business

Public Comments/Suggestions

4.65 The Objector submitted that the Petitioner has not provided any data for the quantum of energy sold through power exchange and the revenue realised from the trading activities.

Petitioner's Response

- 4.66 The Petitioner submitted that it resorts to sale of electricity through exchange only if surplus energy is available after meeting the demand of command area and other commitments. Since at the time of submission of the MYT petition, it could not envisage any surplus generation, it has not provided any data for the quantum of energy to be sold through power exchange and the revenue to be realised from the trading activities.

Views of the Commission

- 4.67 The Commission has noted the objections of the consumers as well as views of the Petitioner and is of the opinion that in case of any surplus power, the Petitioner should disclose the same and benefit of revenue should be pass through to consumers in command area.

Non-renewable sources of low cost power not fully utilised

Public Comments/Suggestions

- 4.68 The Objector submitted that as per the Petitioner's submission, the capacity utilisation of non-renewable sources of power such as NHPC, PTC, Maithon etc is ranging from 16% to 68% and these sources of low power with an average per unit rate of Rs 1.60 to Rs 3.90 are not fully utilised. On the other hand, DVC's own generating cost ranges from Rs 5 to Rs 6 per unit. Since the Petitioner has already incurred the fixed cost towards these non-renewable sources of power, the capacity utilisation should be 100% so that overall power purchase cost could be decreased.

Petitioner's Response

- 4.69 The Petitioner submitted that it purchases power from NHPC, NTPC and Chukha, Tala and Kiruchhu the quantum of which is allocated by MOP, GOI and whose tariff is finalized by CERC & the MOP. Moreover, DVC pays monthly capacity charges in proportion to the declared capacity as per 'DC' of generators and scheduling of energy certified by ERLDC. DVC has to resort to striking a balance between own generation and purchase of allocated power in demand and supply management.

Views of the Commission

- 4.70 The Commission has dealt with this issue in detail while determining the ARR for the MYT Period for DVC in Section A6: ARR for MYT Period from FY 2013-14 to FY 2015-16 of this Tariff Order.

Low availability of existing Thermal Power Stations

Public Comments/Suggestions

- 4.71 The Objector submitted that the projected availability of DVC's own generating stations as indicated by the projected PAFY is low. The Petitioner should justify the same and should also provide details of steps taken to increase the projected availabilities of its old thermal as well as hydel power stations.

Petitioner's Response

- 4.72 The Petitioner submitted that the projected availability of its own stations in the MYT petition for the period FY 2013-16 is as per the demand envisaged during the period. Due to age old power stations and hydro projects (already expired useful life) and technical obsolescence of critical parts of the plant, the availability is low as compared to the new generating stations. Further, CERC has also addressed these issues pertaining to the old units and has allowed some relaxation on normative benchmark in its Tariff Regulations. However, constant efforts are being taken to achieve the target of normative availability for the old stations by implementing short term and long term plans for technical up gradation and refurbishment activities.

Views of the Commission

- 4.73 The Commission has dealt with this issue in detail while determining the ARR for the MYT Period for DVC in Section A6: ARR for MYT Period from FY 2013-14 to FY 2015-16 of this Tariff Order.

New PPAs done during January 2014 to March 2014

Public Comments/Suggestions

- 4.74 The Objector submitted that the Petitioner has not considered quantum of power procured through the new PPAs it had entered during the period January 2014 to March 2014. On the other hand the corresponding fixed costs have been considered in this Petition.

Petitioner's Response

- 4.75 The Petitioner submitted that this claim of the Objector is not true. DVC supplies power to the beneficiary/Licensee beyond the DVC periphery after meeting the demand in valley area. DVC accordingly entered into bilateral PPAs with discoms of Karnataka and KSEB for 700 MW in March, 2014 and April 2014 respectively. Further the Petitioner submitted that the fixed charges only in proportion with the generation capacity used for meeting the demand in the command area have been considered.

Views of the Commission

- 4.76 The Commission has dealt with this issue in detail while determining the ARR for the MYT Period for DVC in Section A6: ARR for MYT Period from FY 2013-14 to FY 2015-16 of this Tariff Order.

A5: FINAL TRUE UP OF ARR FROM FY 2006-07 TO FY 2012-13

- 5.1 The Commission in its previous Tariff Order for FY 2012-13 dated 22nd November 2012 had approved the provisional true-up for FY 2006-07 to FY 2010-11 and ARR and tariff for FY 2011-12 and FY 2012-13 based on the provisional tariff approved by CERC for the generating and composite inter-state transmission system of the Petitioner.
- 5.2 The CERC has now issued final Tariff Orders for the period FY 2009-10 to FY 2013-14 for the following stations:

Table 8: Date of Issue of Final Tariff Order

Particulars	Date of Issue of Order
Mejia Thermal Power Plant Unit 4	09 th July 2013
Mejia Thermal Power Plant Unit 1 to 3	09 th July 2013
Bokaro Thermal Power Plant Unit 1 to 3	29 th July 2013
Chandrapura Thermal Power Plant Unit 1 to 3	07 th August 2013
Durgapur Thermal Power Plant Unit 3 & 4	07 th August 2013
Maithon Hydel Power Station	07 th August 2013
Panchet Hydel Power Station	07 th August 2013
Tilaya Hydel Power Station	07 th August 2013
Transmission and Distribution system activities of DVC	27 th September 2013

- 5.3 Based on the aforementioned CERC Tariff Orders, the Petitioner had submitted the final True-up Petition for FY 2006-07 to FY 2012-13 on 28th February 2014. This section provides a summary of submission made by the Petitioner and Commission's views.

Petitioner's Submission

- 5.4 The Petitioner in its original MYT Petition dated 25th April 2013 submitted that in absence of final tariff orders by CERC, the Commission should pass through the approved revenue gap for FY 2006-07 to FY 2011-12 as per the Order dated 22nd November 2012 along with carrying costs such that no gap is left at end of control period.
- 5.5 The CERC has now issued the Final Tariff Orders for the period FY 2009-14 as summarised in table above. Based on the final orders, the Petitioner submitted revised estimates for True up of revenue gap for period FY 2006-07 to FY 2012-13 on 28th February 2014.

- 5.6 The following table provides a summary of the projected Revenue Gap based on Final CERC orders for FY 2006-07 to FY 2012-13:

Table 9: Projected Revenue Gap/ (Surplus) for FY 2006-07 to FY 2012-13 (Rs Cr)

Particulars	As allowed by the Commission in Order dated 22 nd November 2012	Submitted by the Petitioner based on CERC final Order on 28 th February 2014
FY 2006-07	(22.37)	290.58
FY 2007-08	(29.24)	295.96
FY 2008-09	(372.77)	(9.23)
FY 2009-10	173.11	378.21
FY 2010-11	838.28	883.75
FY 2011-12	(164.06)	1118.06
FY 2012-13	64.10*	893.44
Total	487.05	3850.77

*The Commission had adjusted the revenue gap for FY 2012-13 i.e Rs. 64.10 Cr through tariff hike of 1.7% on the prevalent tariff during the year

Commission's Analysis

- 5.7 In the Tariff Order dated 22nd November 2012, the Commission had approved a cumulative revenue surplus of Rs.424.38 Cr for the period FY 2006-07 to FY 2008-09. However, as the true up for the above-mentioned years was provisional subject to the final decision of the Hon'ble Supreme Court in its appeal C.A. No. 4881/2010, the Commission had not allowed any pass through of this surplus along with the revenue gap approved for FY 2010-11 and FY 2011-12 to be adjusted once the final decision is made in this regard.
- 5.8 In view of above, the Commission is of the opinion that as the True up for period FY 2006-07 to FY 2008-09 is still subject to final judgement of the Hon'ble Supreme Court with respect to the appeal No. C.A. No. 4881/2010 filed by DVC against the Order of ATE dated 10th May 2010; the Commission has not made any adjustment in revenue surplus approved for this period. This would be pass through once the final judgement is issued in this matter.
- 5.9 With respect to True up for FY 2009-10 to FY 2012-13 in accordance with the Final Tariff orders issued by CERC, the Commission is of the view that detailed analysis should be carried out to assess the impact of the orders. In this regard, several consumers have represented in front of the Commission for approval of compensation as per the CERC regulations due to them for refund of excess capacity charges recovered by DVC. M/s Bihar Foundry & Castings Ltd being a HT consumer within the command area of DVC has preferred an appeal before the Hon'ble Supreme Court vide appeal No. SLP (Civil) No 10945 of 2012 for refund of excess of capacity charges realised by DVC.

- 5.10 The matter was also submitted to JSERC in Case No. 03 of 2014, wherein the Commission directed the DVC to provide its views in the matter. DVC submitted that as the provisional True up for the disputed period has already been carried out by JSERC and the final true up shall be carried out in the MYT Order for FY 2014-16, the excess amount of capacity charges determined (as per the final Tariff Orders of CERC for the period 2009-14), would be Trued-up and passed through in its ARR for the Control Period FY 2014-16. Therefore the benefits accrued due to the excess amount of capacity charges recovered by DVC would be passed on to its consumers through the retail tariff of the MYT period FY 2014-16.
- 5.11 The Commission in the above mentioned case had to decide two matters. One whether the above matter falls under its jurisdiction and second in case the matter is under its jurisdiction, what is the methodology for its finalisation.
- 5.12 With respect to first issue, that whether the case falls under its jurisdiction, the Commission views that as the input cost for generation and inter-state composite transmission system is determined by the CERC, any adjustment accorded due to issue of final tariff order should be in accordance with the CERC Tariff Regulations. Regulation 5(3) of the CERC (Terms and Conditions of Tariff) Regulations, 2009 for period FY 2009-14 provides for compensation mechanism according to which consumers shall be compensated for difference in provisional and final tariff orders. Moreover, in case the Commission undertakes the impact of final CERC tariff orders and make it pass through in tariff, each consumer may not be compensated appropriately as per the procedures specified in the above CERC regulations which are the Regulations that should determine the compensation process. Thus, the Commission is of the view that in this regard, compensation should be accorded as per applicable CERC regulations and the adjustment in final tariff can be made after such compensation has been finalized and awarded by DVC. Thus this issue does not fall under the jurisdiction of the Commission and the consumer has been directed to approach the respective Consumer Grievance Redressal Forum (CGRF) for adjudication upon its grievance. The second issue referred in 5.11 above therefore does not require to be considered.
- 5.13 Accordingly, the Commission states that the appropriate course of action for the consumers shall be to take recourse of Regulation 2(e) and 2(h) of the JSERC (Guidelines for Establishment of Forum for Redressal of Grievances of the Consumers and Electricity Ombudsman) Regulations, 2011 and file a complaint at the CGRF established by the Licensee. The relevant Regulations are quoted below:

Regulation 2(e)

“Complaint” means any grievance, in writing made by a complainant that: -

- i) There exists defect or deficiency in electricity service provided by the Distribution licensee;*
- ii) An unfair or restrictive trade practice has been adopted by the Distribution licensee in providing electricity services;*

- iii) *The Distribution licensee has charged a rate in excess of that fixed by the Commission for supply of electricity and related services;*
- iv) *The Distribution licensee has recovered expenses, in excess of charges approved by the Commission, for providing any electric line or electric plant or electric meter;*
- v) *The electricity services provided by the Distribution licensee is unsafe or hazardous to public life and is in contravention to the provisions of any law in force;*
- vi) *The non-achievement of Standard of Performance by the Distribution Licensees as laid down by the Commission in JSERC (Distribution Licensees' Standard of Performance) Regulations and payment of compensation thereof to the consumers for default in each case.*

Regulation 2(h)

“Consumer dispute” means a dispute where the person/licensee against whom complaint has been made denies or disputes the allegation contained in the complaint”

Further Section 86(1)(f) of the Electricity Act 2003 states that:

“adjudicate upon the disputes between the licensees and generating companies and to refer any dispute for arbitration”

- 5.14 In view of above, the Commission is of the opinion that final true up for the period FY 2009-10 to FY 2012-13 shall be undertaken on finalisation of compensation as per the CGRF and final judgement of Supreme Court in appeal no. SLP (Civil) No 10945 of 2012 for refund of excess of capacity charges realised by DVC.
- 5.15 Accordingly, the Commission has not considered any true up for previous years revenue gap/surplus in this order.

A6: ARR FOR MYT PERIOD FROM FY 2013-14 TO FY 2015-16

6.1 This section contains a summary of the projections for various cost components of the ARR for the MYT period from FY 2013-14 to FY 2015-16 as submitted by the Petitioner in its original petition, revised estimates submitted for FY 2013-14 based on actual for the year and approval by the Commission.

Consumers, Connected Load & Energy Sales*Petitioner's Submission*

6.2 The Petitioner submitted that it is supplying power in bulk to the WBSEDCL and JSEB and majority of HT consumers falling in DVC area generally at 33 kV and above voltage level. The Petitioner submitted that depending on the past growth rate of sales, new power application status and the probable addition that is going to take place in coming years, it has made the projections for consumers, connected load and sales for its command area within the territorial boundary of State of Jharkhand. Moreover, as FY 2013-14 was completed while finalising this Order, the Petitioner has submitted revised estimates for FY 2013-14 based on actual data for the year on 14th August 2014.

6.3 Following table summarizes the projections made by the Petitioner for the area falling under the state of Jharkhand for the control period from FY 2013-14 to FY 2015-16:

Table 10: Projected No. of consumers for the Control Period

Particulars	FY 2013-14		FY 2014-15	FY 2015-16
	(As per original Petition dated 25.04.2013)	(As per revised Petition dated 14.08.2014)		
LT	4	4	4	4
33 kV	140	132	148	158
132 kV	7	8	7	7
132 kV (Traction)	10	10	10	10
220 kV	1	1	2	2
Total	162	155	171	181

Table 11: Projected connected load (MVA) for the Control Period

Particulars	FY 2013- 14		FY 2014- 15	FY 2015-16
	(As per original Petition dated 25.04.2013)	(As per revised Petition dated 14.08.2014)		
LT	0	0	0	0
33 kV	1243	1031	1293	1373

Particulars	FY 2013- 14		FY 2014- 15	FY 2015-16
	(As per original Petition dated 25.04.2013)	(As per revised Petition dated 14.08.2014)		
132 kV	412	427	418	438
132 kV (Traction)	174	184	174	174
220 kV	106	36	166	196
Total	1935	1677	2052	2182

Table 12: Projected energy sales (MU) for the Control Period

Particulars	FY 2013-14		FY 2014-15	FY 2015- 16
	As per original Petition dated 25.04.2013	As per revised Petition dated 14.08.2014		
LT	65	56	67	70
33 kV	7671	6739	8090	8592
132 kV	2204	2125	2260	2381
132 kV (Traction)	504	530	529	555
220 kV	290	160	603	738
Total	10734	9611	11549	12336

6.4 In addition to above, the total sales projected for the DVC command area including the sales in the licensee area of the state of West Bengal has been summarised below:

Table 13: Total sales of DVC as projected by the Petitioner for the Control Period

Particulars	FY 2013-14		FY 2014- 15	FY 2015-16
	As per original Petition dated 25.04.2013	As per revised Petition dated 14.08.2014		
Jharkhand	10734	9611	11549	12336
West Bengal	7966	7213	8639	9127
Total	18700	16823	20188	21463

Commission's Analysis

6.5 Since FY 2013-14 is already over, the Commission has considered and approved the actual number of consumers, connected load and energy sales as provided by the Petitioner in the revised submission dated 14th August 2014.

- 6.6 For the purpose of projections for FY 2014-15 and FY 2015-16, the Commission has estimated the number of consumers and connected load on basis of the 5-year Compounded Annual Growth Rate (CAGR) for consumers connected at 33 kV and 132 kV. In case of consumers connected at LT and 220 kV, the submission made by the Petitioner has been considered.
- 6.7 The energy sales for FY 2014-15 and FY 2015-16 has also been estimated based on 5-year CAGR for consumers connected to LT, 33 kV and 132 kV. In case of consumers connected at 220 kV, in absence of past data, the Commission considered the submission made by the Petitioner.
- 6.8 Based on above, the following tables summarise the approved number of consumers, connected load and energy sales for DVC command area falling within Jharkhand State for the MYT period from FY 2013-14 to FY 2015-16.

Table 14: Approved number of consumers in Jharkhand Area of Damodar Valley for MYT period

Particulars	FY 2013-14			FY 2014-15		FY 2015-16	
	Petitioner Submission (as per original Petition)	Petitioner Submission (as per revised Petition)	Commission Analysis	Petitioner Submission	Commission Analysis	Petitioner Submission	Commission Analysis
LT	4	4	4	4	4	4	4
HTS-1 - 33 kV	140	132	132	148	138	165	143
HTS-2 (incl. traction) - 132 KV	17	18	18	17	17	10	18
HTS-3 - 220 kV	1	1	1	2	2	2	2
TOTAL	162	155	155	171	162	181	168

Table 15: Approved Connected Load (MVA) in Jharkhand Area of Damodar Valley for MYT period

Particulars	FY 2013-14			FY 2014-15		FY 2015-16	
	Petitioner Submission (as per original Petition)	Petitioner Submission (as per revised Petition)	Commission Analysis	Petitioner Submission	Commission Analysis	Petitioner Submission	Commission Analysis
LT	0	0	0	0	0	0	0
HTS-1 - 33 kV	1243	1031	1031	1293	1070	1373	1110
HTS-2 (incl. traction) - 132 KV	586	610	610	592	633	612	657
HTS-3 - 220 kV	106	36	36	166	166	196	196
TOTAL	1935	1677	1677	2052	1869	2182	1963

Table 16: Approved Energy Sales (MU) in Damodar Valley for MYT period

Particulars	FY 2013-14			FY 2014-15		FY 2015-16	
	Petitioner Submission (as per original Petition)	Petitioner Submission (as per revised Petition)	Commission Analysis	Petitioner Submission	Commission Analysis	Petitioner Submission	Commission Analysis
Sales projected in Jharkhand area							
LT	65	56	56	67	58	70	61
HTS-1 - 33 kV	7,671	6,739	6,739	8,090	6,979	8,592	7,228
HTS-2 (incl. traction) - 132 KV	2,708	2,655	2,655	2,789	2,799	2,936	2,951
HTS-3 - 220 kV	290	160	160	603	603	738	738
Sub-total	10,734	9,611	9,611	11,549	10,439	12,336	10,977
Add: Sales projected in West Bengal area *	7,966	7,213	7,213	8,639	8,639	9,127	9,127
Total	18,700	16,823	16,823	20,188	19,078	21,463	20,104

Note: * The Commission has not made any approval for projections of sales falling within West Bengal area and has considered it same as submitted by the Petitioner. This is subject to approval by the West Bengal Electricity Regulatory Commission (WBERC).

Energy Requirement

Petitioner's Submission

- 6.9 The Petitioner submitted that it has arrived at the energy balance by considering energy available from different sources and utilization thereof by the firm consumers in respect of entire operational area of DVC. The Petitioner also submitted that the T&D losses as computed here are aggregate T&D loss of the entire DVC area.
- 6.10 The Petitioner submitted that as it is supplying power in bulk to the WBSEDCL & JSEB and majorly HT consumers falling in the Damodar valley area, it incurs very low T&D losses. The T&D losses projected by the Petitioner are 4.59% for FY 2013-14 and 4.56% for FY 2014-15 and FY 2015-16 based on past trend. The T&D losses for FY 2013-14 have been revised to 4.86% in the revised Petition dated 14th August 2014.
- 6.11 The Petitioner also submitted the projected energy sales in the West Bengal area and the projected energy wheeled from its inter-state transmission system for the purposes of computation of the energy requirement for the entire Damodar Valley area.
- 6.12 Based on the total projected energy sales in the Damodar Valley area, the T&D losses and the energy wheeled from the system, the Petitioner submitted the energy requirement for the MYT period, which has been summarised in the following table.

Table 17: Energy Requirement (MU) for Control Period as submitted by the Petitioner

Particulars	FY 2013-14		FY 2014-15	FY 2015-16
	As per original petition	As per revised petition		
Energy sale within the state of Jharkhand	10,734.00	9610.55	11,548.60	12,336.00
Energy sale within the state of West Bengal	7,966.00	7,212.76	8,639.00	9,127.00
Total energy sale within the DVC area	18,700.00	16,823.31	20,187.60	21,463.00
Energy wheeled	330.00	228.36	345.00	380.00
Overall Utilization	19,030.00	17,051.67	20,532.60	21,843.00
T&D Loss (%)	4.59%	4.86%	4.56%	4.56%
T&D Loss (MU)	915.00	871.04	980.40	1,043.00
Total Energy requirement in DVC	19,945.00	17,922.71	21,513.00	22,886.00

Commission's Analysis

- 6.13 The Commission in the previous Tariff Order dated 22nd November 2012 noted that as DVC supplies mostly to bulk and HT consumers above 33 kV, its T&D losses should be very less. The actual losses during past years were kept at 3% and accordingly, the Commission approved the T&D loss for FY 2012-13 as 3% which was subject to True up on basis of actual. Accordingly, for computation of energy requirement, the Commission has considered the T&D losses target to be 3.00% for the MYT period from FY 2013-14 to FY 2015-16 subject to true up based on actual. However, the Commission notes that during FY 2012-13, the Petitioner has not been able to achieve the targeted loss level. The reasons for same and deviation will be dealt in detail at time of true up for FY 2012-13 in next tariff order. However, the Commission directs the Petitioner to make all out efforts to restrict the T&D losses within the targeted level during the MYT period.
- 6.14 Further, to estimate the energy requirement for MYT period, the Commission has considered the energy sales to the West Bengal area and energy wheeled as per the submission made by the Petitioner, subject to true up based on audited annual accounts in the subsequent retail tariff Orders.
- 6.15 Based on the approved energy sales for Jharkhand area, approved T&D losses, the projected energy sales within West Bengal area and energy wheeled through DVC system, the energy requirement for the MYT period from FY 2013-14 to FY 2015-15 has been summarised in following table.

Table 18: Approved Energy Requirement (MU) for MYT Period

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Energy sale within the state of Jharkhand	9610.55	10,439.49	10,976.81
Energy sale within the state of West Bengal	7,212.76	8,639.00	9,127.00
Total energy sale within the DVC area	16,823.31	19,078.49	20,103.81
Energy wheeled	228.36	345.00	380.00
Overall Utilization	17,051.67	19,423.49	20,483.81
T&D Loss (%)	3.00%	3.00%	3.00%
T&D Loss (MU)	527.37	600.73	633.52
Total Energy requirement in DVC	17,579.04	20,024.21	21,117.33

Generation of power from own stations

Petitioner's Submission

6.16 The Petitioner generates power from its own stations to meet the power requirements of its consumers in the Jharkhand and West Bengal area. The generating stations include both thermal and hydel stations. The power generation from own stations during the MYT period has been summarised in the following tables:

Table 19: Generation of power (MU) from own stations during FY 2013-14

Station Name	Ex Bus Generation		Less: Energy sold to other licensee		Energy available to DVC's distribution facility		% Generation for DVC's firm consumers	
	As per original petition	As per revised petition	As per original petition	As per revised petition	As per original petition	As per revised petition	As per original petition	As per revised petition
BTPS	3,389.60	1,520.29	234.77	245.37	3,154.83	1,274.92	92.66%	83.86%
CTPS	1,984.40	1,779.97	145.33	151.9	1,839.07	1,628.08		91.47%
DTPS	1,964.60	1,678.85	130.43	136.32	1,834.17	1,542.54		91.88%
MTPS Unit 1 to 3	3,240.16	3,063.90	234.77	245.37	3,005.39	2,818.52		91.99%
MTPS Unit 4	1,144.88	1,055.73	78.26	81.79	1,066.62	973.94		92.25%
Hydel	250.00	228.63	54.89	57.33	195.11	171.30		74.92%
MTPS Unit 5 & 6	3,174.09	3,109.71	2,224.00	1,997.94	950.09	1,111.77	29.93%	35.75%
MTPS Phase II Unit 7 & 8	6,580.30	4,724.03	4,949.00	2,686.48	1,631.30	2,037.55	24.79%	43.13%
CTPS Unit 7 & 8	3,359.78	2,568.09	3,359.78	2,568.09	-	-	0.00%	0.00%
DSTPS 1	3,280.89	4157.23	2,605.70	1,709.61	675.19	2447.63	20.58%	58.88%
DSTPS 2	1,687.73		1,313.50		374.23		22.17%	

DVC Order for MYT Period from FY14 to FY16

Station Name	Ex Bus Generation		Less: Energy sold to other licensee		Energy available to DVC's distribution facility		% Generation for DVC's firm consumers	
	As per original petition	As per revised petition	As per original petition	As per revised petition	As per original petition	As per revised petition	As per original petition	As per revised petition
KTPS 1	2,409.94	1,391.50	1,194.90	166.39	1,215.04	1225.11	50.42%	88.04%
KTPS 2	839.92	-	583.05	-	256.87	-	30.58%	-
RTPS 1	463.56	-	215.79	-	247.77	-	53.45%	-
RTPS 2	-	-	-	-	-	-	-	-
KTPS 2 (infirm)	-	185.77	-	185.77	-	-	-	0.00%
KTPS 1 (infirm)	-	198.74	-	198.74	-	-	-	0.00%
Total	33,769.85	25,662.47	17,324.17	10,046.59	16,445.68	15,231.36	48.70%	60.26%

Table 20: Projected Generation of power (MU) from own stations during FY 2014-15

Station Name	Ex Bus Generation	Less: Energy sold to other licensee	Energy available to DVC's distribution facility	% Generation for DVC's firm consumers
BTPS	3,490.50	234.77	3,255.73	92.74%
CTPS	2,102.32	145.33	1,956.99	
DTPS	1,974.50	130.43	1,844.07	
MTPS Unit 1 to 3	3,224.06	234.77	2,989.29	
MTPS Unit 4	1,085.90	78.25	1,007.65	
Hydel	224.42	54.85	169.57	
MTPS Unit 5 & 6	3,285.15	2,299.30	985.85	30.01%
MTPS Phase II Unit 7 & 8	6,579.98	5,784.80	795.18	12.08%
CTPS Unit 7 & 8	3,361.28	3,361.28	-	0.00%
DSTPS 1	3,281.66	3,064.59	217.07	6.61%
DSTPS 2	3,280.87	2,978.73	302.14	9.21%
KTPS 1	3,281.65	1,978.40	1,303.25	39.71%
KTPS 2	3,079.18	2,551.18	528.00	17.15%
RTPS 1	2,935.31	765.53	2,169.78	73.92%
RTPS 2	-	-	-	-
Total	41,186.78	23,662.21	17,524.57	42.55%

Table 21: Projected Generation of power (MU) from own stations during FY 2015-16

Station Name	Ex Bus Generation	Less: Energy sold to other licensee	Energy available to DVC's distribution facility	% Generation for DVC's firm consumers
BTPS	3,555.84	234.77	3,321.07	93.41%
CTPS	2,102.32	145.33	1,956.99	
DTPS	2,037.33	130.43	1,906.90	
MTPS Unit 1 to 3	4,017.21	234.77	3,782.44	
MTPS Unit 4	1,348.05	78.26	1,269.79	
Hydel	262.79	54.85	207.94	
MTPS Unit 5 & 6	3,213.21	2,258.76	954.45	29.70%
MTPS Phase II Unit 7 & 8	6,749.42	6,486.58	262.84	3.89%
CTPS Unit 7 & 8	3,268.37	3,268.37	-	0.00%
DSTPS 1	3,387.29	2,823.80	563.49	16.64%
DSTPS 2	3,344.18	3,314.83	29.35	0.88%
KTPS 1	3,348.49	2,278.33	1,070.16	31.96%
KTPS 2	3,383.16	3,057.31	325.85	9.63%
RTPS 1	3,952.80	1,821.50	2,131.30	53.92%
RTPS 2	2,049.38	1,287.91	761.48	37.16%
Total	46,019.84	27,475.80	18,544.05	40.30%

Commission's Analysis

- 6.17 The generation from own sources for FY 2013-14 has been provisionally approved by the Commission based on the revised submission dated 14th August 2014 made by the Petitioner. However, the same shall be subject to True up based on the subsequent Orders of the CERC and audited accounts.
- 6.18 For the purpose of projections for FY 2014-15 and FY 2015-16, the Commission, in order to calculate the energy available to DVC's distribution facility, has apportioned the ex-bus generation in the actual ratio for FY 2013-14 as submitted by the Petitioner in the revised submission dated 14th August 2014 for all the generating stations (except hydel units, MTPS Units 5& 6 and Units 7&8 and DSTPS Units 1 & 2).
- 6.19 The approved generation of power from own stations for the MYT period from FY 2013-14 to FY 2015-16 has been summarised in following tables.

Table 22: Approved Generation of Power (MU) from own stations for FY 2013-14

Station Name	Ex Bus Generation	Less: Energy sold to other licensee	Energy available to DVC's distribution facility	% Generation for firm consumers
BTPS	1,520.29	245.37	1,274.92	83.86%
CTPS	1,779.97	151.9	1,628.08	91.47%
DTPS	1,678.85	136.32	1,542.54	91.88%
MTPS Unit 1 to 3	3,063.90	245.37	2,818.52	91.99%
MTPS Unit 4	1,055.73	81.79	973.94	92.25%
Hydel	228.63	57.33	171.30	74.92%
MTPS Unit 5 & 6	3,109.71	1,997.94	1,111.77	35.75%
MTPS Phase II Unit 7 & 8	4,724.03	2,686.48	2,037.55	43.13%
CTPS Unit 7 & 8	2,568.09	2,568.09	-	0.00%
DSTPS 1	4157.23	1,709.61	2447.63	58.88%
DSTPS 2				
KTPS 1	1,391.50	166.39	1225.11	88.04%
KTPS 2	-	-	-	-
RTPS 1	-	-	-	-
RTPS 2	-	-	-	-
KTPS 2 (infirm)	185.77	185.77	-	0.00%
KTPS 1 (infirm)	198.74	198.74	-	0.00%
Total	25,662.47	10,431.11	15,231.36	60.26%

Table 23: Approved Generation of Power (MU) from own stations for FY 2014-15

Station Name	Ex Bus Generation	Less: Energy sold to other licensee	Energy available to DVC's distribution facility	% Generation for firm consumers
BTPS	3,490.50	563.36	2,927.14	83.86%
CTPS	2,102.32	179.40	1,922.92	91.47%
DTPS	1,974.50	160.32	1,814.18	91.88%
MTPS Unit 1 to 3	3,224.06	258.20	2,965.86	91.99%
MTPS Unit 4	1,085.90	84.13	1,001.77	92.25%
Hydel	224.42	54.85	169.57	75.56%
MTPS Unit 5 & 6	3,285.15	2,299.30	985.85	30.01%
MTPS Phase II Unit 7 & 8	6,579.98	3,756.23	2,823.75	42.91%
CTPS Unit 7 & 8	3,361.28	3,361.28	-	0.00%

DVC Order for MYT Period from FY14 to FY16

Station Name	Ex Bus Generation	Less: Energy sold to other licensee	Energy available to DVC's distribution facility	% Generation for firm consumers
DSTPS 1	3,281.66	2,297.16	984.50	30.00%
DSTPS 2	3,280.87	2,296.61	984.26	30.00%
KTPS 1	3,281.65	2,336.88	944.77	28.79%
KTPS 2	3,079.18	3,079.18	-	0.00%
RTPS 1	2,935.31	2,935.31	-	0.00%
RTPS 2	-	-	-	-
Total	41,186.78	23,662.21	17,524.57	42.55%

Table 24: Approved Generation of Power (MU) from own stations for FY 2015-16

Station Name	Ex Bus Generation	Less: Energy sold to other licensee	Energy available to DVC's distribution facility	% Generation for firm consumers
BTPS	3,555.84	573.91	2,981.93	83.86%
CTPS	2,102.32	179.40	1,922.92	91.47%
DTPS	2,037.33	165.42	1,871.91	91.88%
MTPS Unit 1 to 3	4,017.21	321.72	3,695.49	91.99%
MTPS Unit 4	1,348.05	104.44	1,243.61	92.25%
Hydel	262.79	54.85	207.94	79.13%
MTPS Unit 5 & 6	3,213.21	2,248.95	964.26	30.01%
MTPS Phase II Unit 7 & 8	6,749.42	4,076.89	2,672.53	39.60%
CTPS Unit 7 & 8	3,268.37	3,268.37	-	0.00%
DSTPS 1	3,387.29	2,371.10	1,016.19	30.00%
DSTPS 2	3,344.18	2,340.93	1,003.25	30.00%
KTPS 1	3,348.49	2,384.48	964.01	28.79%
KTPS 2	3,383.16	3,383.16	-	0.00%
RTPS 1	3,952.80	3,952.80	-	0.00%
RTPS 2	2,049.38	2,049.38	-	0.00%
Total	46,019.84	27,475.79	18,544.05	40.30%

Power Purchase from CSGS and other sources (Other than own generation sources)

Petitioner's Submission

- 6.20 The Petitioner has submitted that it has projected to purchase power from CSGS (NTPC, NHPC), PTC, MPL and other hydro generating stations as per the power purchase agreements with the generating stations. The power available on ex bus of respective plants is subjected to transmission POC loss before entering the DVC system.
- 6.21 In order to fulfil the RPO obligation, the Petitioner has submitted that it has procured bundled solar power from NTPC and has also purchased non-solar Renewable Energy Certificates (REC) from IEX and PXIL.

Commission's Analysis

- 6.22 After meeting the energy requirement from own generation, the Commission has projected the balance energy requirement to be met through purchase of power from CSGS and other sources during the MYT period from FY 2013-14 to FY 2015-16.
- 6.23 The Commission has adopted the merit order principle in approving the power purchase quantum and consequently the power purchase cost. Based on the total energy requirement and quantum of energy to be purchased from CSGS and other sources (other than own sources), the Commission has disallowed the purchase of energy from generating stations having the highest cost per unit among all the CSGS and other sources from where DVC procures power.

RPO Obligation

- 6.24 In addition to above, all distribution licensees supplying power in State of Jharkhand have to meet Renewable Purchase Obligation (RPO) i.e. they are obligated to purchase minimum specified percentage of energy requirement from renewable energy sources or purchase Renewable Energy Certificates (RECs) in lieu thereof to promote sustainability. The RPO target for the MYT period has been considered at 4% of the total energy requirement. Out of this, 1% has to be met through solar power and remainder 3% from other renewable energy sources.
- 6.25 The approved energy requirement for FY 2013-14 based on review of energy sales and loss for the period has been approved by the Commission at 17579 MU. Accordingly, the RPO target for FY 2013-14 based on obligation of 4% of energy requirement works out to 703 MU which includes solar RPO target of 176 MU and non-solar RPO target of 527 MU. Out of the above estimated target, the DVC submitted it has procured bundled power (coal based power and solar power) from NVVN. As per Jawaharlal Nehru National Solar Mission (JNNSM) launched by the Ministry of New and Renewable Energy (MNRE), when NVVN supplies bundled power to distribution utilities, those utilities will be entitled to use part (solar component) of the bundled power to meet their RPO, as determined by the regulatory authorities. Thus, the Commission has considered

the solar part of the bundled power for the DVC's RPO obligation for FY 2013-14. Accordingly, DVC has met 17.68 MU of solar RPO target through purchase of bundled power from NVVN and 102 MU of non-solar RPO target through purchase of hydro power from Maithon and Tilaiya micro/mini hydel stations(<25MW) and non-solar RECs equivalent to 3 MU. Thus, during FY 2013-14, solar RPO target of 158 MU and non-solar RPO target of 422 MU has remained unmet. Further, as the FY 2013-14 is already over, the Commission notes with concern that the Petitioner will be unable to achieve the above mentioned RPO targets for the year.

- 6.26 As RPO regulations have been issued to provide for long term energy security and sustainability of the power sector, such nonperformance on part of the Petitioner in not meeting the targets is unacceptable. Other licensees in the State have managed to meet the targets for non-solar RPO through purchase of RECs from exchange. Thus, the Commission is of the view that the Petitioner should make all out efforts to meet RPO targets. To compensate the procurement of RE power, the Commission has decided to carry forward the shortfall in RPO during FY 2013-14 to next year FY 2014-15. The Commission further clarifies that in future years the Petitioner should make all out efforts to meet RPO targets through purchase of solar/ non-solar power or RECs and any non-compliance may invite penal action.
- 6.27 For FY 2014-15, the Commission has carried forward the unmet RPO targets for FY 2013-14. The solar RPO target for FY 2014-15 is considered as 358 MU (200 MU for current year + 158 MU carried forward for FY 2013-14). The non-solar RPO target for FY 2014-15 is revised to 921 MU i.e. current year non-solar RPO target of 601 MU add carry forward of unmet target of previous year of 422 MU less non-solar RPO met through generation from own small hydel stations i.e. 102 MU. The RPO target for FY 2015-16 has been considered after deducting the power available from own small hydel stations. Accordingly, solar RPO is 211 MU and non-solar RPO is 531 MU (633 MU less 102 MU considered as own generation from small hydel stations).
- 6.28 Based on the above, the source-wise power purchase quantum as submitted by the Petitioner and that approved by the Commission for the MYT period has been summarised in following tables.

Table 25: Station-wise Power Purchase (MU) for FY 2013-14

Name of Station	DVC's Submission				Commission's Analysis	
	Gross Purchase (as per original Petition)	Gross Purchase (as per revised Petition)	Net Purchase (as per original Petition)	Net Purchase (as per revised Petition)	Gross Purchase	Net Purchase
<i>NHPC</i>						
Rangit	33.60	34.62	32.69	33.89	34.62	33.89
Teesta	198.45	196.39	193.09	192.21	196.39	192.91
<i>NTPC</i>						

DVC Order for MYT Period from FY14 to FY16

Name of Station	DVC's Submission				Commission's Analysis	
	Gross Purchase (as per original Petition)	Gross Purchase (as per revised Petition)	Net Purchase (as per original Petition)	Net Purchase (as per revised Petition)	Gross Purchase	Net Purchase
Talcher	18.35	21.85	17.85	21.40	-	-
Farakka	228.62	216.55	222.45	212.11	-	-
Kanti	17.18	-	16.72	-	-	-
NVVNL-Bundled power(coal part)	-	72.78	-	72.15	-	-
<i>PTC</i>						
Chukha	160.00	188.02	155.68	183.90	188.02	183.90
Kurichu	160.00	74.07	155.68	72.45	74.07	72.45
Tala	80.00	200.51	77.84	196.11	200.51	196.11
<i>MPL</i>	1,671.20	1204.83	1,626.08	1,1788.88	1172.94	1141.27
Total Non - Renewable sources #	2,567.40	2,209.62	2,498.08	2,163.09	1,866.55	1,819.82
Solar (including NVVN-solar part)	163.48	17.68	159.07	17.68	17.68	17.68
Non-Solar	490.43	-	477.19	-	-	-
Total Renewable Sources	653.91	17.68	636.25	17.68	17.68	17.68
UI	-	112.60	-	112.60	112.60	112.60
Grand Total	3,221.31	2,339.90	3,134.33	2,293.37	1,996.84	1,950.10

Table 26: Station-wise Power Purchase (MU) for the FY 2014-15

Name of Station	DVC's Submission		Commission's Analysis	
	Gross Purchase	Net Purchase	Gross Purchase	Net Purchase
<i>NHPC</i>				
Rangit	33.28	32.38	33.28	32.38
Teesta	196.56	191.25	196.56	191.25
<i>NTPC</i>				
Talcher	18.99	18.48	-	-
Farakka	236.68	230.29	-	-
Kanti	48.10	46.80	-	-
<i>PTC</i>				

DVC Order for MYT Period from FY14 to FY16

Name of Station	DVC's Submission		Commission's Analysis	
	Gross Purchase	Net Purchase	Gross Purchase	Net Purchase
Chukha	160.00	155.68	160.00	155.68
Kurichu	160.00	155.68	160.00	155.68
Tala	80.00	77.84	80.00	77.84
<i>MPL</i>	1,880.10	1,829.34	234.28	227.95
Total Non - Renewable sources	2,813.71	2,737.74	864.12	840.78
Solar	223.71	217.67	358.35	358.35
Non-Solar	671.14	653.02	920.50	920.50
Total Renewable Sources	894.85	870.69	1,278.86	1,278.86
Grand Total	3,708.56	3,608.43	2,142.97	2,119.64

Table 27: Station-wise Power Purchase (MU) for the FY 2015-16

Name of Station	DVC's Submission		Commission's Analysis	
	Gross Purchase	Net Purchase	Gross Purchase	Net Purchase
<i>NHPC</i>				
Rangit	33.60	32.69	33.60	32.69
Teesta	198.45	193.09	198.45	193.09
<i>NTPC</i>				
Talcher	19.42	18.90	-	-
Farakka	242.06	235.52	-	-
Kanti	54.97	53.49	-	-
<i>PTC</i>				
Chukha	160.00	155.68	160.00	155.68
Kurichu	160.00	155.68	160.00	155.68
Tala	80.00	77.84	80.00	77.84
<i>MPL</i>	1,984.55	1,930.97	838.37	815.73
Total Non - Renewable sources	2,933.05	2,853.86	1,470.42	1,430.72
Solar	279.57	272.02	211.17	211.17
Non-Solar	838.72	816.07	531.39	531.39
Total Renewable Sources	1,118.29	1,088.10	742.56	742.56
Grand Total	4,051.34	3,941.95	2,212.98	2,173.28

Energy Balance

Petitioner's Submission

6.29 Based on the projected energy requirement and energy availability from own generation, T&D losses and power purchase from central generating stations, the energy balance for the Control period FY 2013-14 to FY 2015-16 as submitted by the Petitioner has been summarised in the following table.

Table 28: Energy Balance (MU) for Control Period as submitted by the Petitioner

Particulars	FY 2013-14		FY 2014-15	FY 2015-16
	As per original Petition	As per revised Petition		
A. Energy Requirement				
Energy sale within the state of Jharkhand	10,734.00	9610.55	11,548.60	12,336.00
Energy sale within the state of West Bengal	7,966.00	7,212.76	8,639.00	9,127.00
Total energy sale within the DVC area	18,700.00	16,823.31	20,187.60	21,463.00
Energy wheeled	330.00	228.36	345.00	380.00
Overall Utilization	19,030.00	17,051.67	20,532.60	21,843.00
T&D Loss (%)	4.59%	4.86%	4.56%	4.56%
T&D Loss (MU)	915.00	871.04	980.40	1,043.00
Total Energy requirement in DVC	19,945.00	17,922.71	21,513.00	22,886.00
B. Energy Availability				
Own generation - Firm Sources				
<i>Thermal</i>	33,519.85	25,049.32	40,962.36	45,757.05
<i>Hydel</i>	250.00	228.63	224.42	262.79
<i>Sub-Total</i>	33,769.85	25,227.95	41,186.78	46,019.84
Own generation - Infirm Sources	-	384.52	-	-
Net Power Purchase	3,134.32	2,293.37	3,608.43	3,941.95
Energy received for wheeling	365.00	226.47	380.00	400.00
Less: Energy sold to other licensee	17,324.17	10,260.00	23,662.21	27,475.80
Total Energy available to DVC	19,945.00	17,922.31	21,513.00	22,886.00

Commission's Analysis

6.30 Based on the approved energy requirement and energy availability from own generation, T&D losses and power purchase from central generating stations, the energy balance for the Control period FY 2013-14 to FY 2015-16 as approved by the Commission has been summarised in the following table.

Table 29: Energy Balance (MU) for Control Period as approved by the Commission

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
<i>A. Energy Requirement</i>			
Energy sale within the state of Jharkhand	9610.55	10,439.49	10,976.81
Energy sale within the state of West Bengal	7,212.76	8,639.00	9,127.00
Total energy sale within the DVC area	16,823.31	19,078.49	20,103.81
Energy wheeled	228.36	345.00	380.00
Overall Utilization	17,051.67	19,423.49	20,483.81
T&D Loss (%)	3.00%	3.00%	3.00%
T&D Loss (MU)	527.37	600.73	633.52
Total Energy requirement in DVC	17,579.04	20,024.21	21,117.33
<i>B. Energy Availability</i>			
Own generation - Firm Sources			
<i>Thermal</i>	25,049.32	40,962.36	45,757.05
<i>Hydel</i>	228.63	224.42	262.79
<i>Sub-Total</i>	25,277.95	41,186.78	46,019.84
Own generation - Infirm Sources	384.52	-	-
Net Power Purchase	1,950.10	2,119.64	2,173.28
Energy received for wheeling	226.47	380.00	400.00
Less: Energy sold to other licensee	10,260.00	23,662.21	27,475.80
Total Energy available to DVC	17,579.04	20,024.21	21,117.33

Cost of own generation (input cost as per CERC Order) for DVC*Petitioner's Submission*

6.31 DVC being a statutory body controlled by the Central Government as envisaged under Section 79 (1) (a) of the Electricity Act, 2003, the tariff for generation of electricity from DVC's own stations is determined by the CERC. Accordingly cost of generation for DVC as a whole from own stations has been determined in accordance with the relevant CERC Orders.

- 6.32 The Petitioner had submitted, in the original Petition that CERC vide order dated 23rd June 2011 had provisionally allowed fixed cost for DVC's old generating stations, namely, BTPS 1 to 3, CTPS 1 to 3, DTSPS 3 & 4, MTPS 1 to 4, Transmission & Distribution system (integrated and composite in nature) for the period FY 2009-10 to FY 2013-14. However, CERC issued the final Tariff Orders for DVC's stations for FY 2009-10 to FY 2013-14 during July 2013 to September 2013. Consequently, the Petitioner revised the fixed costs as per the final Tariff Orders and submitted the same along with the revised Petition.
- 6.33 The Petitioner also submitted that the provisional tariff of Chandrapura Thermal Power Station (2x250 MW) for the period from 2nd November 2011 to 31st March 2014 for unit-7 and from 15th July 2011 to 31st March 2014 for unit-8 has been allowed by CERC vide order dated 10th October 2012.
- 6.34 In respect of MPTS phase II unit 7 & unit 8 , DSTPS unit 1 & unit 2 and KTPS unit 1& unit 2, the Petitioner submitted that the tariff petition has already been submitted by DVC before the CERC and is not yet finalized. Thus, the Petitioner is charging tariff for the power supply form these two stations as per mutually agreed tariff rates subjected to final settlement as per the tariff order by CERC.
- 6.35 The Petitioner also submitted that since the methodology of computation of tariff beyond FY 2013-14 was unknown during the time when the petition was filed, 5% escalation in fixed charge in FY 2014-15 and 2% escalation of fixed charge in FY 2015-16 has been considered.
- 6.36 The Petitioner also submitted that in case of new upcoming units, fixed charges have been considered on pro-rata basis. Projected running days for the new stations have been provided in the following table:

Table 30: Projected Running days for the new stations

Particulars	FY 2013-14		FY 2014-15	FY 2015-16
	As per original Petition	As per revised Petition		
KTPS Unit-1	Full Year	257 days	Full Year	Full Year
KTPS Unit-2	121 days	-	Full Year	Full Year
RTPS Unit-1	121 days	-	Full Year	Full Year
RTPS Unit-2	-	-	-	305 days

- 6.37 The, Petitioner also submitted that the availability of its own generating station has been projected by the respective stations after duly taking care of fuel availability and plant operational history. PAFY as projected by the Petitioner for different generating stations is as given below:

Table 31: Projected PAFY by the Petitioner

Name of the Plant	FY 2013-14		FY 2014-15	FY 2015-16
	As per original Petition	As per revised Petition		
BTPS	72.45%	69.62%	73.38%	79.24%
CTPS		69.75%		
DTPS		87.41%		
MTPS Unit 1 to 3		79.33%		
MTPS Unit 4		90.59%		
Hydel		80.00%		
MTPS Unit 5 & 6	84.30%	92.69%	86.88%	84.40%
MTPS Phase II Unit 7 & 8	84.90%	76.85%	84.91%	86.98%
DSTPS Unit 1 & 2	65.50%	77.17%	84.91%	86.98%
KTPS Unit 1 & 2	65.01%	53.20%**	82.45%	86.98%
RTPS Unit 1 & 2	33.70%	-	64.39%	71.45%
T&D System	-	94.92%	-	-

** For KTPS Unit 1 only

- 6.38 The Petitioner further submitted that the percentage share of firm consumers as discussed in para 6.16 has been computed by the Petitioner based on projected generation of the respective station vis-a-vis allocation to the firm consumer. Based on the above, the fixed charges computed by the Petitioner for the DVC's firm consumers for the Control Period is as given below:

Table 32: Projected Annual Fixed Charges by the Petitioner (Rs Cr)

Name of the Plant	FY 2013-14		FY 2014-15	FY 2015-16
	As per original Petition	As per revised Petition		
BTPS	2,175.65	355.59	2,315.54	2,568.88
CTPS		304.66		
DTPS		297.79		
MTPS Unit 1 to 3		481.43		
MTPS Unit 4		235.77		
Hydel		55.67		
MTPS Unit 5 & 6	146.44	183.58	156.50	155.73

Name of the Plant	FY 2013-14		FY 2014-15	FY 2015-16
	As per original Petition	As per revised Petition		
MTPS Phase II Unit 7 & 8	293.28	486.07	150.12	49.94
DSTPS Unit 1 & 2	250.74	781.51	115.53	132.78
KTPS Unit 1 & 2	436.25	367.01	508.75	383.91
RTPS Unit 1 & 2	66.44	-	556.14	811.63
Transmission	-	501.40	-	-
Total	3,368.80	4050.49	3,802.59	4,102.71

6.39 The Petitioner has considered the energy charge rate for the DVCs own generating stations based on the applicable CERC formula and past trends of ECR. The Petitioner also submits that it is also importing coal from abroad in order to mitigate fuel shortage.

6.40 For FY 2013-14, FY 2014-15 and FY 2015-16, the Petitioner has considered the escalation rate of 25% year-on-year for imported coal and 20% for indigenous coal.

6.41 Detailed computation of overall energy charges as submitted by the Petitioner is as given below:

Table 33: Projected Energy Charges for self-generation by the Petitioner for FY 2013-14

Name of the Plant	FY 2013-14					
	Energy (MU)		Rate (Rs/Kwh)		Cost (Rs Cr)	
	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition
BTPS	3,154.83	1,274.92	2.18	1.72	688.48	219.98
CTPS	1,839.07	1,628.08	2.54	2.50	467.73	407.26
DTPS	1,834.17	1,542.54	3.73	3.4	683.8	523.73
MTPS Unit 1 to 3	3,005.39	2,818.52	2.96	2.40	888.36	675.46
MTPS Unit 4	1,066.62	973.94	3.13	2.40	315.28	233.41
MTPS Unit 5 & 6	950.09	1111.77	3.13	2.42	297.22	269.28
MTPS Phase II Unit 7 & 8	1,631.30	2,037.55	2.87	2.10	467.67	428.42
DSTPS Unit 1	675.19	2447.63	4.07	2.93	274.95	716.10
DSTPS Unit 2	374.23		4.07		152.39	
KTPS Unit 1	1,215.04	1225.11	4.07	2.51	494.78	307.48
KTPS Unit 2	256.87	-	4.07	-	104.60	-

Name of the Plant	FY 2013-14					
	Energy (MU)		Rate (Rs/Kwh)		Cost (Rs Cr)	
	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition
RTPS Unit 1	247.77	-	4.07	-	100.90	-
RTPS Unit 2	-	-	-	-	-	-
Total	16,250.57	15,060.06	3.03	2.51	3,273.80	3,781.12

Table 34: Projected Energy Charges for self-generation by the Petitioner for FY 2014-15

Name of the Plant	FY 2014-15		
	Energy	Rate	Cost
	(MU)	(Rs./kwh)	(Rs. Cr.)
BTPS	3,255.73	2.62	852.61
CTPS	1,956.99	3.05	597.26
DTPS	1,844.07	4.66	859.37
MTPS Unit 1 to 3	2,989.29	3.69	1,104.5
MTPS Unit 4	1,007.65	3.69	372.31
MTPS Unit 5 & 6	985.85	3.91	385.51
MTPS Phase II Unit 7 & 8	795.18	3.58	284.96
DSTPS Unit 1	217.07	5.09	110.49
DSTPS Unit 2	302.14	5.09	153.79
KTPS Unit 1	1,303.25	5.09	663.37
KTPS Unit 2	528	5.09	268.76
RTPS Unit 1	2,169.78	5.09	1,104.45
RTPS Unit 2	-	-	-
Total	17,355.00	3.89	6,757.38

Table 35: Projected Energy Charges for self-generation by the Petitioner for FY 2015-16

Name of the Plant	FY 2015-16		
	Energy	Rate	Cost
	(MU)	(Rs./kwh)	(Rs. Cr.)
BTPS	3,321.07	3.14	1043.66
CTPS	1,956.99	3.66	716.71
DTPS	1,906.90	5.83	1,110.81
MTPS Unit 1 to 3	3,782.44	4.62	1,746.94
MTPS Unit 4	1,269.79	4.62	586.46

Name of the Plant	FY 2015-16		
	Energy (MU)	Rate (Rs./kwh)	Cost (Rs. Cr.)
MTPS Unit 5 & 6	954.45	4.89	466.54
MTPS Phase II Unit 7 & 8	262.84	4.48	117.74
DSTPS Unit 1	563.49	6.36	358.53
DSTPS Unit 2	29.35	6.36	18.67
KTPS Unit 1	1,070.16	6.36	680.91
KTPS Unit 2	325.85	6.36	207.33
RTPS Unit 1	2,131.30	6.36	1,356.08
RTPS Unit 2	761.48	6.36	484.5
Total	18,336.11	4.85	8,894.89

Commission's Analysis

6.42 The Commission observes that the CERC has issued final Tariff Orders for the following stations:

Table 36: Data of Issue of Final Tariff Order

Particulars	Date of Issue of Order
Mejia Thermal Power Plant Unit 4	09 th July 2013
Mejia Thermal Power Plant Unit 1 to 3	09 th July 2013
Bokaro Thermal Power Plant Unit 1 to 3	29 th July 2013
Chandrapura Thermal Power Plant Unit 1 to 3	07 th August 2013
Durgapur Thermal Power Plant Unit 3 & 4	07 th August 2013
Maithon Hydel Power Station	07 th August 2013
Panchet Hydel Power Station	07 th August 2013
Tilaya Hydel Power Station	07 th August 2013
Transmission and Distribution system activities of DVC	27 th September 2013

6.43 Thus, the Commission has considered the aforementioned CERC Orders for the purpose of computation of Annual Fixed Charges (AFC) for generating stations of DVC for FY 2013-14.

6.44 Also, for the plants MTPS unit 7 & 8, DSTPS Unit 1 & 2 and KTPS Unit 1 & 2, the Commission has considered the annual fixed cost as per the Petitioner's submission as the Tariff Orders for these stations is yet to be passed by CERC in accordance with the CERC Tariff regulations. As per Regulation 5(4) of the CERC (Terms and Conditions of Tariff) (First Amendment) Regulations, 2011:

“(4) Where application for determination of tariff of an existing or a new project has been filed before the Commission in accordance with clauses (1) and (2) of this regulation, the Commission may consider in its discretion to grant provisional tariff upto 95% of the annual fixed cost of the project claimed in the application subject to adjustment as per proviso to clause (3) of this regulation after the final tariff order has been issued:

Provided that recovery of capacity charge and energy charge or transmission charge, as the case may be, in respect of the existing or new project for which provisional tariff has been granted shall be made in accordance with the relevant provisions of these regulations.”

- 6.45 As the Petitioner has submitted that the fixed charges of these stations have been considered as per the mutually agreed tariff rate and all these bi-laterally agreed rates are less than 95% of the annual fixed cost claimed by the Petitioner in the Petition submitted before the CERC, the Commission has considered the submission made by the Petitioner, subject to True-up based on the Tariff Orders of the CERC.
- 6.46 Further, the Commission has considered the projected running days as well as the PAFY same as that submitted by the Petitioner.
- 6.47 For the projection of fixed charges for FY 2014-15 and FY 2015-16, since CERC has not finalised the tariff for the DVC’s generating stations for the period 2014-19, the Commission provisionally approves the fixed costs for FY 2014-15 and FY 2015-16 same as that for FY 2013-14 subject to True-up based on the subsequent Orders of CERC. For new stations, the fixed costs as per the Petitioner’s submission have been considered subject to final approval by CERC.
- 6.48 The following table summarises the station-wise computation of Annual Fixed Cost recoverable from the DVC consumers during the Control Period:

Table 37: Station-wise Annual Fixed Charges approved by the Commission for FY 2013-14

Stations	NAPAF	PAFY	AFC	Total recoverable fixed charge	Share of firm consumer	Fixed charge recoverable from DVC
BTPS	75.00%	69.62%	456.81	424.02	83.86%	355.59
CTPS	60.00%	69.75%	286.52	333.09	91.47%	304.66
DTPS	74.00%	87.41%	274.39	324.11	91.88%	297.79
MTPS Unit 1 to 3	82.00%	79.33%	540.98	523.34	91.99%	481.43
MTPS Unit 4	82.00%	90.59%	242.85	255.57	92.25%	235.77
Hydel	80.00%	80.00%	74.30	74.30	74.92%	55.67
MTPS Unit 5 & 6	85.00%	92.69%	491.25	513.48	35.75%	183.58

DVC Order for MYT Period from FY14 to FY16

Stations	NAPAF	PAFY	AFC	Total recoverable fixed charge	Share of firm consumer	Fixed charge recoverable from DVC
MTPS Phase II Unit 7 & 8	85.00%	76.85%	1,183.72	1,126.95	43.13%	486.07
DSTPS 1	85.00%	77.17%	1,391.50	1,328.38	58.88%	781.51
DSTPS 2						
KTPS 1	85.00%	53.20%	601.52	416.86	88%	367.01
KTPS 2	-	-	-	-	-	-
RTPS 1	-	-	-	-	-	-
Transmission	98%	94.92%	517.68	501.40	100%	501.40
Total			6,061.50	5820.50		4050.49

Table 38: Station-wise Annual Fixed Charges approved by the Commission for FY 2014-15

Stations	NAPAF	PAFY	AFC	Total recoverable fixed charge	Share of firm consumer	Fixed charge recoverable from DVC
BTPS	75.00%	74.67%	456.81	454.80	83.86%	381.39
CTPS	75.00%	72.00%	286.52	275.06	91.47%	251.58
DTPS	74.00%	75.75%	274.39	280.88	91.88%	258.07
MTPS Unit 1 to 3	85.00%	70.01%	540.98	445.57	91.99%	409.89
MTPS Unit 4	85.00%	74.72%	242.85	228.16	92.25%	210.49
Hydel	80.00%	100.00%	74.30	92.88	75.56%	70.18
MTPS Unit 5 & 6	85.00%	86.88%	491.25	496.68	30.01%	149.05
MTPS Phase II Unit 7 & 8	85.00%	84.91%	1,242.90	1,242.24	42.91%	533.10
DSTPS 1	85.00%	84.91%	1,461.07	1,460.30	30.00%	438.09
DSTPS 2						
KTPS 1	85.00%	82.45%	1,794.03	1,926.66	28.79%	554.68
KTPS 2	-	-	-	-	-	-
RTPS 1	-	-	-	-	-	-
Transmission	75.25%	73.38%	517.68	504.81	92.74%	468.17
Total			7,382.77	7,408.05		3,724.69

Table 39: Station-wise Annual Fixed Charges approved by the Commission for FY 2015-16

Stations	NAPAF	PAFY	AFC	Total recoverable fixed charge	Share of firm consumer	Fixed charge recoverable from DVC
BTPS	75.00%	75.79%	456.81	461.62	83.86%	387.12

DVC Order for MYT Period from FY14 to FY16

Stations	NAPAF	PAFY	AFC	Total recoverable fixed charge	Share of firm consumer	Fixed charge recoverable from DVC
CTPS	75.00%	71.81%	286.52	274.33	91.47%	250.92
DTPS	74.00%	77.84%	274.39	288.63	91.88%	265.19
MTPS Unit 1 to 3	85.00%	84.88%	540.98	540.21	91.99%	496.95
MTPS Unit 4	85.00%	85.43%	242.85	243.66	92.25%	224.60
Hydel	80.00%	100.00%	74.30	92.88	79.13%	73.49
MTPS Unit 5 & 6	85.00%	84.40%	491.25	489.51	30.01%	146.90
MTPS Phase II Unit 7 & 8	85.00%	86.98%	1,267.76	1,282.52	39.60%	507.83
DSTPS 1	85.00%	87.50%	1,490.29	1,512.21	30.00%	453.66
DSTPS 2						
KTPS 1	85.00%	86.56%	1,829.91	2,063.16	28.79%	593.97
KTPS 2	-	-	-	-	-	-
RTPS 1 & 2	-	-	-	-	-	-
Transmission	75.25%	79.24%	517.68	545.13	93.41%	509.19
Total			7,472.73	7,793.66		3,909.83

6.49 The Commission has considered the energy charge rate for FY 2013-14 as per the submission made by the Petitioner for FY 2013-14 subject to True-up based on the audited data. Further, for FY 2014-15, the Commission has considered the escalation factor of 6.62% as per the CERC Order for escalation in coal cost for competitive bidding applicable as on 1st April 2014. As the rates for FY 2015-16 are not available and the Petitioner can claim any increase in input costs through the fuel cost pass through mechanism, the Commission has not considered any escalation for FY 2015-16.

6.50 Thus, based on the above, the commission had approved the energy charges for the Control Period as shown in the table below.

Table 40: Station-wise Energy Charges (Thermal generating stations) approved by the Commission for FY 2013-14

Stations	Energy (MU)	Energy Charge Rate (Rs./kWh)	Cost (Rs. Cr.)
BTPS	1,274.92	1.73	219.98
CTPS	1,628.08	2.50	407.26
DTPS	1,542.54	3.40	523.73
MTPS Unit 1 to 3	2,818.52	2.40	675.46
MTPS Unit 4	973.94	2.40	233.41

DVC Order for MYT Period from FY14 to FY16

Stations	Energy (MU)	Energy Charge Rate (Rs./kWh)	Cost (Rs. Cr.)
MTPS Unit 5 & 6	1111.77	2.42	269.28
MTPS Phase II Unit 7 & 8	2,037.55	2.10	428.42
DSTPS 1	2447.63	2.93	716.10
DSTPS 2	-	-	-
KTPS 1	1225.11	2.51	307.48
KTPS 2	-	-	-
RTPS 1	-	-	-
RTPS 2	-	-	-
Total	15,060.06	2.51	3,781.12

Table 41: Station-wise Energy Charges (Thermal generating stations) approved by the Commission for FY 2014-15

Stations	Energy (MU)	Energy Charge Rate (Rs./kWh)	Cost (Rs. Cr.)
BTPS	2,927.14	1.84	538.50
CTPS	1,922.92	2.67	512.86
DTPS	1,814.18	3.62	656.73
MTPS Unit 1 to 3	2,965.86	2.56	757.82
MTPS Unit 4	1,001.77	2.56	255.97
MTPS Unit 5 & 6	985.85	2.58	254.59
MTPS Phase II Unit 7 & 8	2,823.75	2.24	633.03
DSTPS 1	984.5	3.12	307.10
DSTPS 2	984.26	-	-
KTPS 1	944.77	2.68	252.82
KTPS 2	-	-	-
RTPS 1	-	-	-
RTPS 2	-	-	-
Total	17,355.00	2.40	4,169.42

Table 42: Station-wise Energy Charges (Thermal generating stations) approved by the Commission for FY 2015-16

Stations	Energy (MU)	Energy Charge Rate (Rs./kWh)	Cost (Rs. Cr.)
BTPS	2,981.93	1.84	548.58
CTPS	1,922.22	2.67	512.86

Stations	Energy (MU)	Energy Charge Rate (Rs./kWh)	Cost (Rs. Cr.)
DTPS	1,871.91	3.62	677.63
MTPS Unit 1 to 3	3,695.49	2.56	944.25
MTPS Unit 4	1,243.61	2.56	317.76
MTPS Unit 5 & 6	964.26	2.58	249.01
MTPS Phase II Unit 7 & 8	2,672.53	2.24	599.13
DSTPS 1	1,016.19	3.12	316.99
DSTPS 2	1,003.25	-	-
KTPS 1	964.01	2.68	257.96
KTPS 2	-	-	-
RTPS 1	-	-	-
RTPS 2	-	-	-
Total	18,336.11	2.41	4,424.18

6.51 The approved fixed and energy charges for DVC's own generation for the Control Period is summarised in the following table:

Table 43: Approved fixed and energy charges for self-generation for the Control Period (Rs. Cr.)

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Fixed Charges	4,050.09	3,724.69	3,909.83
Energy Charges	3,781.12	4,169.42	4,424.18
Total Generating Cost	7,831.61	7,894.11	8,334.01

Secondary Fuel Adjustment

Petitioner's Submission

6.52 The Petitioner has submitted in the revised Petitioner that it has incurred a cost of Rs 75.07 Cr as secondary fuel adjustment.

Commission's Analysis

6.53 The secondary fuel cost is considered as part of the capacity charges and as such the Commission has approved capacity charges as per the Final Tariff Orders issued by the CERC. Thus, there is no merit in approving additional cost for adjustment of secondary fuel cost. This shall be considered as per the order passed by CERC on true up of previous years.

Power purchase cost of DVC (Other than own generation cost)*Petitioner's Submission*

- 6.54 The Petitioner submitted that the tariff for NTPC, NHPC and MPL has been determined in accordance with the CERC tariff regulations 2009-14. For computation of fixed charges for FY 2014-15 and FY 2015-16, the Petitioner has considered the escalation factor of 5% and 2% respectively. For energy charges, the Petitioner has considered the escalation factor of 20% on year-on-year basis.
- 6.55 In order to fulfil the RPO obligation, the Petitioner has also submitted in the revised Petition that it has procured bundled power from NTPC and has also purchased Renewable Energy Certificates (REC) from IEX and PXIL.
- 6.56 Following table summarises the overall power purchase cost as submitted by the Petitioner for the Control Period:

Table 44: Projected power purchase cost for FY 2013-14

Name of Station	FY 2013-14					
	Gross Power Purchase (MU)		Rate (Rs/Kwh)		Total Cost (Rs Cr)	
	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition
<i>NHPC</i>						
Rangit	33.6	34.62	2.76	3.98	9.28	89.94
Teesta	198.45	196.39	2.08		41.36	
<i>NTPC</i>						
Talcher	18.35	21.85	2.65	5.20	4.86	121.34
Farakka	228.62	216.55	3.78		86.43	
Kanti	17.18	-	3.14	-	5.39	-
NVVN-Bundled Power(Coal)	-	72.78		5.13	-	37.11
<i>PTC</i>						
Chukha	160	188.02	1.59	1.99	25.44	90.21
Kurichu	160	74.07	2.13		34.08	
Tala	80	200.51	2.02		16.16	
<i>MPL</i>	1,671.20	1,204.83	3.85	4.67	643.3	550.14
Total Non - Renewable sources	2,567.40	2,209.62	3.37	4.12	866.3	888.74
Solar(including NVVN-solar)	163.48	17.68	16.13	5.10	263.69	9.01

Name of Station	FY 2013-14					
	Gross Power Purchase (MU)		Rate (Rs/Kwh)		Total Cost (Rs Cr)	
	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition
Non-Solar*	490.43	-	5	-	245.22	0.50
Total Renewable Sources	653.91	17.68	7.78	5.38	508.91	9.51
UI	-	112.60	-	0.18	-	1.99
POSCO	-	-	-	-	-	0.35
WBSEB	-	-	-	-	-	0.12
Grand Total	3,221.31	2,339.90			1,375.20	900.71

*Non-solar purchase through mini-hydel stations considered in the generation from own stations.

Table 45: Projected power purchase cost for FY 2014-15

Name of Station	FY 2014-15		
	Gross Power Purchase (MU)	Rate (Rs/Kwh)	Total Cost (Rs Cr)
<i>NHPC</i>			
Rangit	33.28	2.9	9.65
Teesta	196.56	2.19	43.01
<i>NTPC</i>			
Talcher	18.99	3.05	5.79
Farakka	236.68	4.29	101.62
Kanti	48.1	3.44	16.54
<i>PTC</i>			
Chukha	160	1.59	25.44
Kurichu	160	2.13	34.08
Tala	80	2.02	16.16
<i>MPL</i>	1,880.10	4.41	830.05
Total Non - Renewable sources	2,813.71	3.85	1,082.35
Solar	223.71	16.13	360.84
Non-Solar	671.14	5	335.57
Total Renewable Sources	894.85	7.78	696.41
Grand Total	3,708.56	4.8	1,778.76

Table 46: Projected power purchase cost for FY 2015-16

Name of Station	FY 2015-16		
	Gross Power Purchase (MU)	Rate (Rs/Kwh)	Total Cost (Rs Cr)
<i>NHPC</i>			
Rangit	33.6	2.96	9.94
Teesta	198.45	2.23	44.29
<i>NTPC</i>			
Talcher	19.42	3.5	6.8
Farakka	242.06	4.85	117.3
Kanti	54.97	3.71	20.41
<i>PTC</i>			
Chukha	160	1.59	25.44
Kurichu	160	2.13	34.08
Tala	80	2.02	16.16
<i>MPL</i>	1,984.55	5.04	1,000.32
Total Non - Renewable sources	2,933.05	4.35	1,274.74
Solar	279.57	16.13	450.95
Non-Solar	838.72	5	419.36
Total Renewable Sources	1,118.29	7.78	870.31
Grand Total	4,051.34	5.29	2,145.05

Commission's Analysis

6.57 For FY 2013-14, the Commission has considered the power purchase rates as submitted by the Petitioner. Further as stated earlier in this Order, the Commission has adopted the merit order principle in approving the power purchase quantum and consequently the power purchase cost. Based on the total energy requirement and quantum of energy to be purchased from CSGS and other sources (other than own sources), the Commission has disallowed the purchase of energy from generating stations having the highest cost per unit among all the CSGS and other sources from where DVC procures power.

- 6.58 Since CERC has not finalised the Tariff Orders for the period FY 2014-15 to FY 2018-19, the Commission has considered the power purchase rates for FY 2014-15 and FY 2015-16 as approved for FY 2013-14 in this Order. The same shall be subject to True-up based on the actual power purchase cost.
- 6.59 For RPO, the Commission has considered the solar power purchase cost as submitted by the Petitioner for FY 2013-14. For FY 2014-15 and FY 2015-16, the rate of purchase of solar power is considered as Rs. 6.95/kWh as per CERC Tariff Order for determination of generic tariff for RES for FY 2014-15 dated 15th May 2014. The rate of non-solar power is considered at Rs. 3.30 per unit for FY 2014-15 and FY 2015-16.
- 6.60 Based on the above, the Commission computed the total projected power purchase cost (other than own generation cost) as shown in the table below subject to true up based on actual.

Table 47: Approved power purchase cost for the Control Period

Name of Station	FY 2013-14			FY 2014-15			FY 2015-16		
	MU (Gross)	Rate (Rs/kWh)	Cost (Rs. Cr.)	MU (Gross)	Rate (Rs/kWh)	Cost (Rs. Cr.)	MU (Gross)	Rate (Rs/kWh)	Cost (Rs. Cr.)
<i>NHPC</i>									
Rangit	34.62	3.89	89.94	33.28	3.89	12.96	33.60	3.89	13.08
Teesta	196.39			196.56	3.89	76.53	198.45	3.89	77.26
<i>NTPC</i>									
Talcher	-	-	-	-	-	-	-	-	-
Farakka	-	-	-	-	-	-	-	-	-
Kanti	-	-	-	-	-	-	-	-	-
NVVN Bundled Power(Coal)	-	-	-	-	-	-	-	-	-
<i>PTC</i>									
Chukha	188.02	1.95	90.21	160	1.95	31.20	160	1.95	31.20
Kurichu	74.07			160	1.95	31.20	160	1.95	31.20
Tala	200.51			80	1.95	15.60	80	1.95	15.60
<i>MPL</i>	1,172.94	4.57	535.58	234.28	4.57	106.97	838.37	4.57	382.81
Total Non - Renewable sources	1,866.55	3.83	715.74	864.12	3.17	274.47	1,470.42	3.75	551.16
Solar(NVVN-Solar)	17.68	5.10	9.01	358.35	6.95	249.06	211.17	6.95	146.77
Non-Solar*	-	-	0.50	920.50	3.30	303.77	531.39	3.30	175.36

Name of Station	FY 2013-14			FY 2014-15			FY 2015-16		
	MU (Gross)	Rate (Rs/kWh)	Cost (Rs. Cr.)	MU (Gross)	Rate (Rs/kWh)	Cost (Rs. Cr.)	MU (Gross)	Rate (Rs/kWh)	Cost (Rs. Cr.)
Total Renewable Sources	17.68	5.38	9.51	1278.86	4.32	552.82	742.56	4.34	322.12
UI	112.60	0.18	1.99	-	-	-	-	-	-
POSCO	-	-	0.35	-	-	-	-	-	-
WBSEB	-	-	0.12	-	-	-	-	-	-
Grand Total	1,996.84	3.64	725.25	2,142.97	3.86	826.77	2,212.98	3.95	873.29

*Non-solar purchase through mini-hydel stations for FY 2013-14 considered in the generation from own stations.

Other Fixed cost components

T&D cost for Power Purchase

Petitioner's Submission

6.61 The Petitioner submitted that it has to incur transmission charges for purchasing power from respective stations such as POC charges, non POC charges, ULDC charges, POSCO charges etc. apart from power purchase cost.

Commission's Analysis

6.62 The Commission provisionally allows the T&D cost for power purchase for FY 2013-14 as considered by the Petitioner subject to True-up based on audited accounts. For FY 2014-15 and FY 2015-16, the Commission has approved the same cost as approved for FY 2013-14 subject to true up based on actual cost incurred. Following table summarises the details of T&D cost as considered by the Petitioner and that approved by the Commission:

Table 48: Projected and approved T&D costs for the Control Period

Particulars	FY 2013-14			FY 2014-15		FY 2015-16	
	Petitioner		Commission's Analysis	Petitioner	Commission's Analysis	Petitioner	Commission's Analysis
	As per original Petition	As per revised Petition					
POC transmission charges	121.83	83.80	83.80	134.01	83.80	147.41	83.80

Particulars	FY 2013-14			FY 2014-15		FY 2015-16	
	Petitioner		Commission's Analysis	Petitioner	Commission's Analysis	Petitioner	Commission's Analysis
	As per original Petition	As per revised Petition					
Non POC transmission charges	57.16	20.49	20.49	61.16	20.49	65.44	20.49
ULDC charges	11.14	-	-	11.70	-	11.10	-
POSCO charges payable by DVC	4.03	3.85	3.85	3.32	3.85	3.77	3.85
PTC Transmission charges	-	0.45	0.45	-	0.45	-	0.45
Miscellaneous adjustments	-	0.20	0.20	-	-	-	-
Total	194.16	108.79	108.79	210.19	108.58	227.72	108.58

Tariff filing fees and publication expenses to CERC

Petitioner's Submission

6.63 The Petitioner has projected the tariff filing fees and publication expenses of Rs. 3.77 Cr., Rs. 4.14 Cr. and Rs. 4.56 Cr. for FY 2013-14, FY 2014-15 and FY 2015-16, respectively. As per the revised submission, the tariff filing fees and publication expense for FY 2013-14 is Rs 4.17 Cr.

Commission's analysis

6.64 The Commission has approved the tariff filing fees and publication expenses to CERC as in proportion to the energy sales in the state of Jharkhand subject to true-up in the subsequent orders. Details are as provided in the table given below:

Table 49: Projected and approved tariff filing fees and publication expenses to CERC

Particulars	FY 2013-14			FY 2014-15		FY 2015-16	
	Petitioner		Commission's Analysis	Petitioner	Commission's Analysis	Petitioner	Commission's Analysis
	As per original Petition	As per revised Petition					
Tariff filing fees	3.67	4.08	4.08	4.04	3.66	4.44	3.95
Publication	0.10	0.10	0.10	0.10	0.10	0.12	0.12

Particulars	FY 2013-14			FY 2014-15		FY 2015-16	
	Petitioner		Commission's Analysis	Petitioner	Commission's Analysis	Petitioner	Commission's Analysis
	As per original Petition	As per revised Petition					
expenses related to central commission							
Total	3.77	4.18	4.18	4.14	3.76	4.56	4.07

LT Expenditure

Petitioner's Submission

6.65 The Petitioner had claimed Rs. 22 Cr. as LT expenditure for FY 2013-14 in the original Petition dated 25th April 2013. However, no claim has been made in the revised Petition for the Control Period as per the actual data for FY 2013-14.

Commission's analysis

6.66 Since no claim has been made by the Petitioner in the revised Petition, the Commission has not approved any amount related to LT expenditure.

Water Cess

Petitioner's Submission

6.67 The Petitioner has claimed water cess of Rs. 2.80 Cr., Rs. 3.36 cr. and Rs. 4.03 Cr. for FY 2013-14, FY 2014-15 and FY 2015-16, respectively. In the revised Petition for FY 2013-14, the Petitioner has claimed Rs 1.65 Cr as water cess for FY 2013-14.

Commission's Analysis

6.68 The Commission provisionally allows the water cess as claimed by the Petitioner subject to True-up in the subsequent tariff orders based on the actual information.

Non-Tariff Income

Petitioner's Submission

6.69 The Petitioner had projected the non-tariff income for the Control Period to be Rs. 9.3 Cr., Rs. 9.5 Cr. and Rs. 9.7 Cr. for FY 2013-14, FY 2014-15 and FY 2015-16 respectively in the original Petition. In the revised Petition, the Petitioner has submitted non-tariff income for FY 2013-14 as Rs 17.70 Cr.

Commission's Analysis

6.70 For FY 2013-14, the Commission has approved the non-tariff income as submitted by the Petitioner. For FY 2014-15 and FY 2015-16, the Commission has approved the non-tariff income after considering a 5% escalation factor over the approved income for FY 2013-14 subject to true up based on actual. Details of the same are provided in the following table.

Table 50: Projected and approved non-tariff income for the Control Period

Particulars	FY 2013-14		Commission's Analysis	FY 2014-15		FY 2015-16	
	Petitioner			Petitioner	Commission's Analysis	Petitioner	Commission's Analysis
	As per original Petition	As per revised Petition					
Tariff filing fees	9.30	17.7	17.7	9.50	18.58	9.70	19.51

Differential amount of P&G and Sinking Fund Contribution*Petitioner's Submission*

6.71 The Petitioner has claimed a cost of Rs 42.34 Cr as differential amount of P&G and sinking fund contribution in the revised Petition.

Commission's Analysis

6.72 The Commission is of the view that the contribution to Pension and Gratuity and Sinking fund has already been considered by CERC in the Annual Fixed Charges of the DVC's generating stations and as per Section 21 of the CERC Regulations, the fixed costs of the generating stations shall be computed on annual basis based on actual plant availability factor as well as the normative plant availability factor. Hence, the claim of the Petitioner finds no merit and accordingly the Commission has disallowed the cost claimed by the Petitioner under this head.

Allocation of Costs for DVC as a whole to Jharkhand Area*Petitioner's Submission*

6.73 The Petitioner has submitted that the input costs including own generation cost, power purchase cost, other input cost, Non-Tariff Income etc cannot be segregated into the cost pertaining to Jharkhand and West Bengal area as DVC operates as a single entity.

- 6.74 Thus, for the purpose of allocating the input cost pertaining to the area falling under the state of Jharkhand, the Petitioner has categorised the cost components into two distinctive heads of fixed charge and energy charge. The Petitioner submits that the costs under these two heads are further allocated to the area of Jharkhand and West Bengal on the basis of MU & MVA ratio.
- 6.75 The Petitioner also submitted that some of the costs / expenditures are separately estimated for the operational area of Jharkhand such as Interest on Working Capital, Interest on security Deposit, tariff filing and publication expenses including installments to bridge revenue gap for the licensed area of Jharkhand.

Commission's Analysis

- 6.76 During the scrutiny of tariff petition for FY 2012-13, the Commission had directed the petitioner to submit the details of segregated cost of supply for Jharkhand and West Bengal area. However, the Petitioner clarified that the transmission and distribution system for the whole Damodar Valley area is an integrated one and cannot be segregated for Jharkhand and West Bengal. Thus, in view of the above, the Commission had segregated the input cost of DVC in the ratio of the energy sales in Jharkhand area to the total sales in the Damodar Valley area.
- 6.77 Thus, the Commission here also adopts the same methodology as described in the Tariff Order dated 22nd November 2012 and segregates the input cost of DVC in the ratio of the energy sales (MU) in Jharkhand area to the total sales (MU) in the Damodar Valley area.
- 6.78 The following table summarises the input cost allocated to the Jharkhand area for the Control Period from FY 2013-14 to FY 2015-16 as submitted by the Petitioner and as approved by the Commission.

Table 51: Input cost allocated to the Jharkhand area (Rs. Cr.) for FY 2013-14 as submitted by Petitioner and as approved by the Commission

Particulars	DVC's Submission				Commission's Analysis	
	Energy Charge		Fixed Charge		Energy Charge	Fixed Charge
	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition		
Own Generation cost	4,936.16	3,781.12	3,368.80	4,050.49	3,781.12	4,050.49
Secondary Fuel adjustment	-	-	-	75.07	-	-
Power Purchase cost	1,375.20	900.71	-	-	727.71	-
T&D Cost for power purchase	194.16	108.79	-	-	108.79	-
Tariff Filing fees and publication expenses to CSERC	-	-	3.77	4.18	-	4.18
LT Expenditure	22.00	-	-	-	-	-

Particulars	DVC's Submission				Commission's Analysis	
	Energy Charge		Fixed Charge		Energy Charge	Fixed Charge
	As per original Petition	As per revised Petition	As per original Petition	As per revised Petition		
Water Cess	-	-	2.80	1.65	-	1.65
Less: Non-Tariff Income	(9.30)	(17.70)	-	-	(17.70)	-
Differential amount of P&G and Sinking Fund contribution	-	-	-	42.34	-	-
Sub-Total	6,518.23	4,772.92	3,375.37	4,173.72	4,599.91	4,056.31
Ratio of sales in Jharkhand Area (%)	57.40%	57.13%	53.75%	53.13%	57.13%	
Allocated input cost to Jharkhand Area	3,741.53	2,726.60	1,814.10	2,217.66	2,627.76	2,317.23

Table 52: Input cost allocated to the Jharkhand area (Rs. Cr.) for FY 2014-15 as submitted by Petitioner and as approved by the Commission

Particulars	DVC's Submission		Commission's Analysis	
	Energy Charge	Fixed Charge	Energy Charge	Fixed Charge
Own Generation cost	6,757.39	3,802.60	4,169.42	3,724.69
Power Purchase cost	1,778.76	-	827.29	-
T&D Cost for power purchase	210.19	-	108.58	-
Tariff Filing fees and publication expenses to CSERC	-	4.14	-	3.76
Water Cess	-	3.36	-	3.36
Less: Non Tariff Income	(9.50)	-	(18.58)	-
Sub-Total	8,736.84	3,810.10	5,086.71	3,731.81
Ratio of sales in Jharkhand Area (%)	57.21%	53.22%	54.72%	
Allocated input cost to Jharkhand Area	4,998.10	2,027.74	2,783.38	2,041.99

Table 53: Input cost allocated to the Jharkhand area (Rs. Cr.) for FY 2015-16 as submitted by Petitioner and as approved by the Commission

Particulars	DVC's Submission		Commission's Analysis	
	Energy Charge	Fixed Charge	Energy Charge	Fixed Charge
Own Generation cost	8,894.89	4,102.71	4,424.18	3,909.83
Power Purchase cost	2,145.05	-	873.29	-
T&D Cost for power purchase	227.72	-	108.58	-
Tariff Filing fees and publication expenses to CSERC	-	4.56	-	4.07
Water Cess	-	4.03	-	4.03
Less: Non -Tariff Income	(9.70)	-	(19.51)	-

Particulars	DVC's Submission		Commission's Analysis	
	Energy Charge	Fixed Charge	Energy Charge	Fixed Charge
Sub-Total	11,257.95	4,111.30	5,386.54	3,917.93
Ratio of sales in Jharkhand Area (%)	57.48%	53.14%	54.60%	
Allocated input cost to Jharkhand Area	6,470.58	2,184.88	2,941.09	2,139.21

Revenue from Sale of Power in the Jharkhand Area

Petitioner's Submission

6.79 The Petitioner has submitted the projected revenue from sale of power within the Jharkhand area to be Rs. 3189.07 Cr, Rs. 4463.22 Cr and 4813.97 Cr for FY 2013-14, FY 2014-15 and FY 2015-16, respectively based on the projected energy sales and existing retail tariff.

Commission's Analysis

6.80 The Commission estimated the revenue from sale of power in Jharkhand area for MYT period by applying the existing tariff as per Order dated 22nd November 2012 on the approved energy sales for FY 2013-14, FY 2014-15 and FY 2015-16. Accordingly, approved revenue from sale of power for Jharkhand area at current Tariff works out to be Rs. 3904.86 Cr, Rs. 4241.93 Cr and Rs. 4460.30 Cr for FY 2013-14, FY 2014-15 and FY 2015-16, respectively subject to true up based on the actual data for FY 2012-13 submitted in the subsequent tariff orders

Interest on Working Capital

Petitioner's Submission

6.81 The Petitioner has submitted that the Interest on Working Capital has been determined in accordance with the applicable provisions of JSERC Distribution Tariff Regulations, 2010, according to which, the Interest on Working Capital shall be as given below:

“Interest on Working capital is equal to,

(a) One-twelfth of the amount of Operation & Maintenance expenses for such financial year; plus

(b) Maintenance spares @ 1% of Opening GFA; plus

(c) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariff; minus

(d) Amount held as security deposits under clause (a) and clause (b) of subsection (1) of Section 47 of the Act from consumers and distribution system users; minus

(e) One month equivalent of cost of power purchased, based on the annual power procurement plan.”

- 6.82 The Petitioner further submitted that the IDC may be considered by the Commission by taking the first two steps (Sl. No. a & b) as nil since the issue of GFA and O&M both for generation and T&D (composite) activities of DVC has been decided by the Central Commission. Detailed computation of IDC has been given below:

Table 54: Interest on Working Capital (Rs. Cr.) submitted by the Petitioner for the Control Period

Particulars	FY 2013-14		FY 2014-15	FY 2015-16
	As per original Petition	As per revised Petition		
Revenue from sales in Jharkhand	5,898.80	6771.29	7,403.16	9,071.08
Cost of power purchase allocated for Jharkhand in the ratio of sales	900.83	576.69	1,137.81	1,363.76
Two months receivable	983.13	1128.55	1,233.86	1,511.85
One month power purchase cost	75.07	48.06	94.82	113.65
Security deposit held	26.15	9.39	28.14	30.05
Working Capital Requirement	881.91	1071.10	1,110.90	1,368.15
Interest Rate (%)	14.75%	14.45%	14.75%	14.75%
Interest on Working Capital	130.08	154.77	163.86	201.80

Commission's Analysis

- 6.83 As per the 'Distribution Tariff Regulations, 2010', Interest on Working capital during the transition period shall be calculated on the basis of the following:
- One-twelfth of the amount of Operation and Maintenance expenses for such financial year; plus
 - Maintenance spares at 1% of Opening GFA; plus
 - Two months equivalent of the expected revenue from sale of electricity at the prevailing tariff; minus
 - Amount held as security deposits under clause (a) and clause (b) of subsection (1) of Section 47 of the Act from consumers and Distribution System Users; minus
 - One month equivalent of cost of power purchased, based on the annual power procurement plan.

6.84 However, since the O&M cost and other expenses of the Petitioner are included in the cost of generation of power from its own stations, applying the aforementioned methodology as per the ‘Distribution Tariff Regulations, 2010’ is not possible.

6.85 Hence, the Commission has adopted the same methodology as described in the previous Tariff Order for FY 2012-13 dated 22nd November 2012. The relevant extracts of the same are discussed below:

“7.40 However, the Commission noticed that the GFA and O&M cost of the Petitioner cannot be segregated into that of pertaining to generation and transmission business and that for distribution and retail business at present. Hence, applying the aforementioned methodology for computation of IWC is not possible. Therefore, the Commission decided to continue with the methodology as applied by the Commission for trueing up the ARR for FY 2006-07 to FY 2011-12 in this Order.

7.41 Accordingly, the Commission has estimated the working capital requirement for Jharkhand area to be 1% of the projected revenue from sale of power in the Jharkhand area. The interest on working capital has been estimated at the prevailing State Bank of India (SBI) Prime Lending Rate (PLR) as on April 1st of the respective year.....”

6.86 The Commission has considered Interest Rate equal to SBI PLR as on 01st April of the corresponding year. For FY 2015-16, SBI PLR is considered same as that considered for FY 2014-15.

6.87 Thus, adopting the aforementioned methodology, the Commission arrived at the Interest on Working Capital as shown in the following table:

Table 55: Interest on Working Capital (Rs Cr) for Jharkhand area as approved by the Commission for the Control Period

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Revenue from sale of power in Jharkhand Area at existing tariff	3,904.86	4,241.93	4,460.30
Working Capital Requirement in Jharkhand Area (@ 1% of Revenue from sale of power)	39.05	42.42	44.60
Interest Rate (%)	14.45%	14.75%	14.75%
Interest on Working Capital for Jharkhand Area	5.64	6.26	6.58

Interest on Security Deposit

Petitioner’s Submission

6.88 The Petitioner submits that the increase in interest on consumer security deposit is commensurate with load growth in the Jharkhand area.

6.89 For the Control Period, the Petitioner had considered the Interest on security deposit to be Rs. 2.35 Cr., Rs. 2.53 Cr. and Rs. 2.70 Cr. respectively, for FY 2013-14, FY 2014-15 and FY 2015-16 in the original Petition. The Petitioner has now submitted the interest on security deposit for FY 2013-14 to be Rs 0.69 Cr in the revised Petition.

Commission's Analysis

6.90 The Commission provisionally allows the interest on security deposit as claimed by the Petitioner for the Control Period subject to true-up in the subsequent tariff orders based on the actual information.

Tariff Filing and Publication Expenses for Jharkhand Area

Petitioner's Submission

6.91 The Petitioner has projected that Tariff Filing and Publication Expenses for the part of DVC area under the jurisdiction of Jharkhand to be Rs. 0.38 Cr, Rs. 0.42 Cr and Rs. 0.46 Cr., respectively for FY 2013-14, FY 2014-15 and FY 2015-16, respectively.

Commission's Analysis

6.92 The Commission accepts the tariff filing and publication expenses after conducting prudence check and thus allows the tariff filing and publication expenses for Jharkhand area of Damodar Valley as submitted by the Petitioner subject to True up based on actual data for the year.

Table 56: Projected Tariff Filing and Publication Expenses (Rs. Cr.) for Jharkhand Area for the Control Period as submitted by Petitioner and as approved by the Commission

Particulars	FY 2013-14		FY 2014-15		FY 2015-16		
	Petitioner		Commission's Analysis	Petitioner	Commission's Analysis	Petitioner	Commission's Analysis
	As per original Petition	As per revised Petition					
Tariff filing fees to JSERC	0.378	0.375	0.375	0.415	0.415	0.457	0.457
Publication expenses related to JSERC	0.005	0.005	0.005	0.006	0.006	0.006	0.006
Total	0.383	0.381	0.381	0.421	0.421	0.463	0.463

Treatment of revenue gap/ surplus for previous years*Petitioner's Submission*

- 6.93 The Petitioner has estimated cumulative revenue gap for FY 2006-07 to FY 2012-13 of Rs.3850.77 Cr on the basis of issue of final tariff orders by CERC for period 2009-14. The following table summarises the revised revenue gap submitted by DVC.

Table 57: Projected Revenue Gap/ (Surplus) for FY 2006-07 to FY 2012-13 (Rs Cr)

Particulars	Submitted by the Petitioner based on CERC final Order on 28 th February 2014
FY 2006-07	290.58
FY 2007-08	295.96
FY 2008-09	(9.23)
FY 2009-10	378.21
FY 2010-11	883.75
FY 2011-12	1118.06
FY 2012-13	893.44
Total	3850.77

- 6.94 The Petitioner has submitted that the entire gap along with carrying cost for previous years should be amortised within the MYT control period. The following table summarises the cumulative revenue gap/(surplus) for previous years submitted by the Petitioner.

Table 58: Summary of Revenue Gap/(surplus) for previous years submitted by DVC

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Revenue gap opening *	3850.77	2736.02	1460.19
Carrying cost @ 14.45%	556.44	395.4	211.00
Yearly recovery proposed through instalment	1671.19	1671.19	1671.19
Revenue gap closing	2736.02	1460.19	0.000

- 6.95 Accordingly, the Petitioner has projected recovery of Rs. 1671.19 Cr in lieu of previous year's revenue gap during FY 2013-14.

Commission's Analysis

6.96 As summarised in Section 5 of this Order, the Commission has not considered the pass through of previous year's gaps as they are subject to final judgments to be passed by Supreme Court as well as compensation finalisation in lieu of final orders notified by CERC for period 2009-14.

Summary of ARR for Jharkhand Area for the Control Period

6.97 The following table summarizes the ARR for Jharkhand area as per the submission by the Petitioner and that approved by Commission for the Control Period from FY 2013-14 to FY 2015-16:-

Table 59: Summary of ARR (Rs Cr) for Jharkhand Area for the Control Period as submitted by Petitioner and as approved by Commission

Particulars	FY 2013-14			FY 2014-15		FY 2015-16	
	Petitioner		Commission analysis	Petitioner submission	Commission analysis	Petitioner submission	Commission analysis
	As per original Petition	As per revised Petition					
Allocated input cost to Jharkhand Area	5,555.64	4,944.25	4,944.99	7,025.85	4,825.37	8,655.46	5,080.30
Add: IWC for Jharkhand Area	130.08	154.77	5.64	163.86	6.26	201.80	6.58
Add: Interest on Security Deposit	2.35	0.69	0.69	2.53	2.53	2.70	2.70
Add: Tariff filing and publication expenses for Jharkhand Area	0.38	0.38	0.38	0.42	0.42	0.46	0.46
Total ARR for Jharkhand area	5,688.45	5100.10	4,951.70	7,192.66	4,834.58	8,860.43	5,090.04
Adjustment of revenue gap in equal monthly installments	210.35	1,671.19	-	1,671.19	-	1671.19	-
Revenue at existing tariff	4,196.23	3,189.07	3904.86	4,463.22	4,241.93	4813.97	4,460.30
Revenue Gap/(Surplus) at existing tariff	1,702.57	3,582.22	1046.84	4,400.64	592.65	5,717.66	629.74
Sales (MU)	10,734.00	9,610.55	9,610.55	11,549.00	10,439.49	12,336.00	10,976.81
Average Cost of Supply (Rs./kWh)	5.50	7.05	5.15	6.23	4.63	7.18	4.64

A7: TREATMENT OF REVENUE GAP / SURPLUS AND REVISION IN RETAIL TARIFF

Petitioner's Submission

- 7.1 The Petitioner has projected cumulative revenue gap for FY 2006-07 to FY 2012-13 as Rs. 3850.77 Cr. Further, considering carrying cost on this gap @ 14.45%, the Petitioner has projected to amortise the entire gap within the MYT control period in annual instalments. During FY 2013-14, the Petitioner has projected amortisation of Rs. 1671.19 Cr in lieu of previous years revenue gap.
- 7.2 In addition, considering the ARR projections for FY 2013-14 of Rs. 5100.10 Cr and revenue from existing tariff during FY 2013-14 of Rs. 3189.07 Cr, the Petitioner has estimated revenue gap for FY 2013-14 as Rs. 1911.02 Cr. Accordingly, the cumulative revenue gap for FY 2013-14 projected by Petitioner works out to Rs. 3582.22 Cr.
- 7.3 To meet the cumulative revenue gap till FY 2013-14, the Petitioner has proposed an overall hike of 81%. This would result in additional revenue of Rs. 2588.73 Cr leaving an unmet gap of Rs. 993.48 Cr.
- 7.4 In addition to above, the Petitioner has projected two part tariff for HT consumers inclusive of demand and energy charges. The following table summarises the proposed retail tariff by DVC for the MYT Control Period from FY 2013-14 to FY 2015-16:

Table 60: Proposed Retail Tariff for the Control Period from FY 2013-14 to FY 2015-16

Consumer Category	Name of Tariff Scheme	Consumption Slab	FY 2013-14		FY 2014-15		FY 2015-16	
			Energy Charges	Demand Charges	Energy Charges	Demand Charges	Energy Charges	Demand Charges
			(Paise /kWh)	(Rs./kVA/ Month)	(Paise /kWh)	(Rs./kVA/ Month)	(Paise /kWh)	(Rs./kVA/ Month)
Industries (33 kV)	TOD	Normal (06:00 to 17:00)	380	884	471	934	568	953
		Peak (17:00 to 23:00)	458		566		683	
		Off Peak (23:00 to 06:00)	323		400		483	
	Non TOD	All Units	389	884	481	934	581	953
Industries (132 kV)	TOD	Normal (06:00 to 17:00)	377	884	466	934	562	953
		Peak (17:00 to 23:00)	452		559		675	
		Off Peak (23:00 to 06:00)	320		396		478	

DVC Order for MYT Period from FY14 to FY16

	Non TOD	All Units	384	884	475	934	574	953
Traction (132 kV)	Non TOD	All Units	241	884	298	934	359	953
Industries (220 kV)	TOD	Normal (06:00 to 17:00)	369	884	457	934	551	953
		Peak (17:00 to 23:00)	444		549		662	
		Off Peak (23:00 to 06:00)	314		388		468	
LT	Non TOD	All Units	550	Nil	641	Nil	735	Nil

Commission's Analysis

- 7.5 During FY 2013-14, the Commission has approved the total ARR as Rs.4951.70 Cr for the Jharkhand area. The revenue from existing tariff during FY 2013-14 is projected at Rs. 3904.86 Cr. Accordingly, the revenue gap estimated for FY 2013-14 by Commission is Rs. 1046.84 Cr. Further, the Commission has not considered pass through of previous year's gaps which are subject to final judgment by Supreme Court and compensation awarded to consumers in lieu of final orders issued by CERC for period 2009-14.
- 7.6 Thus, to meet the revenue gap for FY 2013-14, the Commission has considered an overall hike of 16%. This would result in additional revenue of Rs. 624 Cr. The unmet revenue gap for FY 2013-14 i.e. Rs. 422.84 Cr shall be carried forward to next Financial year subject to true up based on audited accounts.
- 7.7 In addition to above, the Commission has decided to adopt two part tariff for HT consumers in the command area of DVC in line with similar tariff existing for other consumers in the State (falling in erstwhile JSEB area). The approved two part tariff consists of demand charges and energy charges. The Commission also directs to submit report on application of two-part tariff for HT consumers giving details of impact on revenue and consumers.
- 7.8 In case of LT consumers, the Petitioner has proposed a single part energy rate for all types of LT consumers. The Petitioner has not submitted details related to LT connections i.e. type of LT connection, energy sale, load applicable for such consumers, etc. In absence of such data, the Commission is of the view that approving a single energy rate for all types of LT connections is not feasible.
- 7.9 Thus, in case of LT consumers, the Commission directs that the applicable consumer category and slab wise tariff shall be as per the tariff schedule approved in the Tariff Order for erstwhile JSEB (now JBVNL) as amended from time to time. Further, the Petitioner is directed to submit data regarding the category wise number of consumers, connected load, sales, revenue assessed and realized for LT consumers along with its next tariff filing.

7.10 The following table summarises the existing tariff and approved tariff rates for each consumer category:

Table 61: Approved Retail Tariff as allowed by the Commission

Consumer category/ (Voltage Level)	Existing rates		Approved Rates (Rs/kWh)	
	Energy Charges (Rs/kWh)	Fixed Charges (Rs/kWh)	Energy Charges (Rs/kWh)	Demand Charges (Rs/kVA/month)
Industries (33 kV)	2.28	1.81	4.05	410
Industries (132 kV)	2.27	1.81	3.60	410
Industries (220 kV)	2.26	1.81	3.55	410
Traction (132 kV)	2.27	1.81	2.40	410

7.11 The following table summarises the consumer category-wise average cost of supply, average revenue realised at existing Tariff and at approved Tariff by Commission

Table 62: Average CoS (Rs/kWh) vs. Average Revenue (Rs/kWh)

Consumer Category	Average Cost of Supply	Average Revenue @ Existing Tariff	Average Revenue @ Approved Tariff	Avg. Revenue/ Avg. COS (%)	% increase in Avg. Revenue
Industries (33 kV)	5.15	4.09	4.81	93%	18%
Industries (132 kV)	5.15	4.07	4.59	89%	12%
Industries (220 kV)	5.15	4.07	4.66	90%	14%
Traction (132 kV)	5.15	4.07	4.10	80%	1%
Total	5.15	4.08	4.71	91%	16%

7.12 As can be seen from table above, the average revenue from each category is within +/- 20% of average cost of supply in accordance with the provisions of National Tariff Policy.

A8: OTHER TARIFF RELATED ISSUES

Petitioner's Submission

8.1 Besides the proposal for revision of retail Tariff, the Petitioner has also submitted following proposal for other tariff related issues:

- (a) **Demand Charges** - The Petitioner proposes to levy Demand Charge on the basis of maximum demand, recorded during the month or 85% of the contract demands whichever is higher.
- (b) **Penalty for exceeding Billing / Contract Demand** - The Petitioner proposes to levy extra charges if a consumer consumes power in excess of his contract demand in accordance with following stipulations

- If the highest demand of any non-TOD consumer recorded in a month exceeds his contract demand, he shall be liable to pay demand charge at the applicable rate for that non-TOD consumer in question on highest demand for that month. In addition, he will be also liable to pay an additional demand charge @ 60% of the demand charge for the additional demand being the difference between the recorded highest demand and his contract demand.
- In case the highest demand of any consumer under TOD tariff exceeds the contract demand in any month, the demand charge as mentioned in the tariff schedule of the tariff order for any year shall apply on highest demand for that month. In addition, the demand of power in excess of sanctioned contract demand in any period of time shall attract the additional demand charge for the said excess demand for such consumer, and the same shall be calculated according to the following formulae:

- I. In case the highest demand during normal period exceeds the contract demand

$$ADC_{ED} = 0.2 \times (D_{act} - D_{cont}) \times DC$$

- II. In case the highest demand during peak period exceeds the contract demand

$$ADC_{ED} = 0.5 \times (D_{act} - D_{cont}) \times DC$$

- III. In case the highest demand during off-peak period exceeds the contract demand

When $D_{act} > D_{cont}$ and $D_{act} \leq 1.3 \times D_{cont}$

$$ADC_{ED} = 0.01 \times (D_{act} - D_{cont}) \times DC$$

When $D_{act} > 1.3 \times D_{cont}$ and $D_{act} \leq 1.5 \times D_{cont}$

$$ADC_{ED} = [0.01 \times 0.3 \times D_{cont} + 0.1 \times (D_{act} - 1.3 \times D_{cont})] \times DC$$

When $D_{act} > 1.5 \times D_{cont}$

$$ADC_{ED} = [0.01 \times 0.3 \times D_{cont} + 0.1 \times 0.2 \times D_{cont} + 0.2 \times (D_{act} - 1.5 \times D_{cont})] \times DC$$

In the formulae A, B & C mentioned above, the abbreviations have the meaning as given below:

ADC_{ED} = Additional Demand Charge for demand of power in excess of sanctioned contract demand during the billing period.

D_{act} = Actual highest demand of power in respective time period.

D_{cont} = Sanctioned Contract Demand of the consumer.

DC = Rate of Demand Charge as per the tariff order for the relevant category of consumer.

- (c) **Minimum Charges** - In order to ensure recovery of the entire fixed charges of DVC's distribution facility, the Petitioner proposes a provision for Minimum charges in the tariff design. Minimum Charges excluding taxes, levies, etc and arrears shall be as follows for all categories of HV consumers:

Table 63: Minimum Charges proposed by the Petitioner

Financial Year	Minimum Charges proposed (Rs./kVA/month)
FY 2013-14	884
FY 2014-15	934
FY 2015-16	953

The Petitioner also proposed that the minimum charge rate shall be applicable on the contract demand when the sum of the energy charge and demand charge including rebate and surcharge, if any, is less than the minimum charge.

- (d) **Load Factor surcharge** - The Petitioner also proposed to apply Load Factor surcharge on the Industrial Consumers if the load factor falls below 30%.

The surcharge amount proposed for the load factor less than 30% but equal to or above 25% shall be 5 paise/kWh for the amount of energy by which consumption falls short of energy corresponding to load factor of 30%.

The surcharge amount proposed for the load factor below 25% shall be 30 paise/kWh and shall be applicable only for the amount of energy by which the consumption falls short of energy corresponding to a load factor of 25% but not less than the amount of surcharge that would have been payable for load factor at 25% computed @ 5 paise/kWh.

- (e) **Prompt Payment Rebate** - The Petitioner also proposed to apply Prompt Payment Rebate to be varying with the date of payment starting from 2% for payment within 2 days from the date of presentation of the bill and reducing thereafter in stages and discontinuation of such rebate for payment beyond 28 days from the date of presentation of the bill. Prompt Payment Rebate as proposed by the petitioner is:

Table 64: Prompt Payment Rebate proposed by the Petitioner

No. of days from the date of presentation of the bill	% rebate
Within 2 days	2.00
3 days to 6 days	1.20
7 days to 10 days	0.67
11 days to 14 days	0.13
15 days onwards	0.00

- (f) **Proposal for recovery of monthly variable cost adjustment (MVCA)** – The Petitioner submits that the energy charge rates are based on the CERC’s stipulated formula and projected increase of 20-25% per annum in energy charge. The Petitioner also submits that there may be upward or downward deviations of ECRs on actual basis. The Petitioner has requested the Commission to allow the following formula for computation of MVCA to implement on monthly basis:

$$MVCA = \{[(ECM \times A + PPM \times B)/(A+B)] - ECAP\}$$

Where,

ECM – Weighted Average Monthly Energy Charge (Paise/kWh) as per Central Commission formula for DVC’s own Thermal Generating Stations for Firm Consumers

PPM – Weighted Average Monthly Power Purchase Cost (Paise/kWh) worked out by summing up all power purchase costs (including transmission charges of PGCIL) and dividing the total by the not energy received through power purchase.

A – total Ex-Bus Monthly Generation for own Thermal Generating Stations of DVC

B – Total Monthly Power Purchase (Met MU) for the month required to meet the demand for Firm Consumers.

ECAP – Energy Charge (Paise/kWh) as per approved ARR (year-wise)

The Petitioner also submitted that the Commission is requested to implement it provisionally whenever applicable.

The Petitioner further submitted that the detailed computation along with the necessary documents of the provisional MVCA shall be submitted to the Commission and any order on that will be adjusted with next month’s provisional MVCA.

- (g) **Other charges proposed by the Petitioner** – The Petitioner has requested the Commission to allow charges like meter testing charges, disconnection charges & reconnection charges as per the supply code of JSERC. The charges as proposed by the petitioner are provided in the table given below:

Table 65: Other charges proposed by the Petitioner

Particulars	Meter testing charge	Disconnection charge	Reconnection charge
Units	Rs./meter	Rs. for each case of disconnection	Rs. for each case of reconnection
HT Consumers (33, 132, 220 kV)	1,200	1,400	1,600
LT Consumers (<33 kV)	110	40	60

The Petitioner further submitted that the projections of rates are similar to the rates charged by other licensees operating in the DVC command area. The incomes under these heads will be included in the Non-Tariff Income and will be adjusted in the ARR

- (h) **Dishonoured Cheques** – The Petitioner has requested the Commission that in the event of dishonored cheque for payment against a particular bill, the Licensee shall be allowed to charge a minimum of Rs. 1000 or 0.5% of the billed amount, whichever is higher.

The petitioner also submitted that the DPS shall be allowed to be levied extra as per the applicable terms and conditions of DPS for the respective category.

- (i) **Cross Subsidy surcharge on wheeling charge** – The Petitioner has requested the Commission to allow the Petitioner to levy surcharge on the consumers opting for open access on the network Licensee as per the following formula:

$$S = T - [C/(1-(L/100)) + D]$$

Where,

S – Surcharge

T – Tariff payable by the relevant category of consumers

C – Weighted average cost of power purchase of top 5% at margin excluding liquid fuel source and renewable energy sources

L – System loss of the Licensee for the applicable voltage level, as a percentage

D – Wheeling charge

- (j) **Additional surcharge on Wheeling Charges** – The Petitioner has requested the Commission to allow the Petitioner to levy additional surcharge on ‘case to case’ basis and shall be payable on any stranded costs by DVC.

Commission’s Analysis

8.2 The point-wise response to proposal made by the Petitioner has been summarised as under:

- (a) **Demand Charges** – the billing demand and penalty for exceeding billing/ contract demand shall be as per Clause I of the Terms and Conditions of Supply as provided in Section A10 of this Order.
- (b) **Penalty for exceeding Billing / Contract Demand** – Same as approved in Sr. No. (a) above.
- (c) **Minimum Charges** – As applicable for other licensees in the State, the Commission discontinues levy of minimum charges with effect from present tariff order. The minimum charges are considered to safeguard the licensee from entire loss of revenue in absence of any energy sales. In case fixed/ demand charges are levied, minimum revenue from fixed/ capacity charges shall be ensured and hence the requirement of minimum charges does not hold any merit. Accordingly, the Commission disallows recovery of minimum charges from all consumers in command area of DVC.

(d) **Load Factor surcharge –**

The Commission does not agree to the proposal for levy of load factor surcharge because of the difficulty in arriving at the cause of low load factor which could be either due to poor and unreliable quality of DVC power supply or due to the fault of the consumer. In the current scenario of inadequate generation of power by DVC due to short supply of coal, the DVC is not able to meet the demand of its consumers. This also leads to low load factor. Thus the Commission is of the view that low load factor surcharge is not a feasible option.

(e) **Prompt Payment Rebate –** The Prompt Payment Rebate shall be as per Clause IV of the Terms and Conditions of Supply as provided in Section A10 of this Order

(f) **Proposal for recovery of monthly variable cost adjustment (MVCA) –** the Fuel Price and Power Purchase Adjustment (FPPPA) shall be as per Clause VI of the Terms and Conditions of Supply as provided in Section A10 of this Order.

(g) **Other charges proposed by the Petitioner –** Meter testing charges, disconnection charges and reconnection charges shall be levied in accordance with the JSERC Supply Code Regulations 2005.

(h) **Dishonoured Cheques –** The provision related to dishonored cheques shall be as per Clause VI of the Terms and Conditions of Supply as provided in Section A10 of this Order.

(i) **Cross Subsidy surcharge on wheeling charge & Additional surcharge on Wheeling Charges –** Cross subsidy surcharge payable by consumers opting for open access on the network of the Licensee will be determined by the Commission as per the formula specified as per Regulation 6.56 of the JSERC (Distribution Tariff) Regulations, 2010. Additional surcharge shall be determined as per Regulation 6.57 of the JSERC (Distribution Tariff) Regulations, 2010.

A9: TARIFF SCHEDULE**APPLICABLE FROM 1ST SEPTEMBER 2014****High tension (HT) Industries at 33 kV****Applicability:**

The schedule shall apply for consumers connected at 33 kV.

Service Character:

50 Cycles, 3 Phase at 33 kV

Tariff:

Consumer Category	Energy Charges (Rs./kWh)	Demand Charges (Rs./KVA/month)
HT Industries at 33 Kv	4.05	410

Note: The billing demand shall be as per Clause I, as provided in section on A10:of the present Tariff Order.

Interest on delayed payment: In accordance with Clause II as provided in section on A10:of the present Tariff Order.

Prompt Payment Rebate: In accordance with Clause IV as provided in section on A10:of the present Tariff Order.

High tension (HT) Industries at 132 kV**Applicability:**

The schedule shall apply for consumers connected at 132 kV.

Service Character:

50 Cycles, 3 Phase at 132 kV

Tariff:

Consumer Category	Energy Charges (Rs./kWh)	Demand Charges (Rs./KVA/month)
HT Industries at 132 kV	3.60	410

Note: The billing demand shall be as per Clause I, as provided in section on A10:of the present Tariff Order.

Interest on delayed payment: In accordance with Clause II as provided in section on A10:of the present Tariff Order.

Prompt Payment Rebate: In accordance with Clause IV as provided in section on A10:of the present Tariff Order.

High tension (HT) Industries at 220 kV & above

Applicability:

The schedule shall apply for consumers connected at 220 kV and above

Service Character:

50 Cycles, 3 Phase at 220 kV & above

Tariff:

Consumer Category	Energy Charges (Rs./kWh)	Demand Charges (Rs./KVA/month)
HT Industries at 120 kV and above	3.55	410

Note: The billing demand shall be as per Clause I, as provided in section on A10:of the present Tariff Order.

Interest on delayed payment: In accordance with Clause II as provided in section on A10:of the present Tariff Order.

Prompt Payment Rebate: In accordance with Clause IV as provided in section on A10:of the present Tariff Order.

Traction

Applicability:

The schedule shall apply for use of railway traction only.

Service Character:

50 Cycles, Single Phase at 132 kV only

Tariff:

Consumer Category	Energy Charges (Rs./kWh)	Demand Charges (Rs./KVA/month)
Traction at 132 kV	2.40	410

Note: The billing demand shall be the maximum demand recorded during the month or 75% of contract demand whichever is higher. The penalty on exceeding billing demand will be applicable in accordance with Clause I of Terms & Conditions of Supply as provided in Section 14 of this Tariff Order.

Interest on delayed payment: In accordance with Clause II as provided in section on A10:of the present Tariff Order.

Prompt Payment Rebate: In accordance with Clause IV as provided in section on A10:of the present Tariff Order.

A10: TERMS AND CONDITIONS OF SUPPLY

10.1 Besides the Terms and Conditions provided in the JSERC (Electricity Supply Code), Regulations, 2005 and as amended from time to time, the Commission approves the following additional terms & conditions of supply.

Clause I: Billing Demand

- 10.2 The billing demand shall be the maximum demand recorded during the month or 75% of contract demand whichever is higher. In case of the actual demand exceeding 110% of the contract demand, the consumer shall pay penal charges for the exceeded demand. The penal charges would be charged as follows:
- 10.3 If the recorded demand exceeds 110% of Contract Demand, then the demand charge upto 110% of contract demand will be charged as per the normal tariff rate. The remaining recorded demand over and above 110% will be charged @ 1.5 times the normal tariff rate.
- 10.4 In case actual demand is higher than the contract demand for three continuous months, the same shall be treated as the new contract demand for the purpose of billing of future months and the consumer will have to get into a new agreement for the revised contract demand with the licensee.
- 10.5 Once the actual demand is recorded to be higher than contract demand for two continuous months, the licensee would serve notice to the consumer after the end of the second month for enhancement of the contract demand. The consumer would be liable to respond within 15 days of receipt of such notice and submit application for enhancement of contract demand to the licensee. The licensee would, within 15 days of receipt of response from the consumer, finalise the new agreement after making necessary changes at consumer's installations.
- 10.6 In case the consumer fails to respond within 15 days, the licensee would have the right to initiate enhancement of load as per the last recorded contract demand. While, in case the consumer provides an undertaking that the actual demand shall not exceed the contract demand again for a period of atleast six months from the last billing, the licensee shall continue to bill the consumer as per the existing contract demand and billing demand.
- 10.7 Provided that if the consumer fails to adhere to the undertaking and the actual demand exceeds the contract demand within the subsequent six months of the undertaking, the consumer shall have to pay a penal charge of 2 times the normal tariff for a period of three consecutive months and the licensee shall, after serving 7 days notice to the consumer, enhance the contract demand of the consumer as per the last recorded actual demand.

Clause II: Interest on Delayed payment

10.8 The Delayed Payment Surcharge will be levied for all consumers at the rate of 1.5% per month and part thereof for all consumer categories. The due date for making payment of energy bills or other charges shall be fifteen days from the date of serving of bill. The bill should be generated and delivered on monthly basis. In case, the licensee defaults in generating and delivering bills on monthly basis, DPS will not be charged for the period of default by licensee.

Clause III: Jharkhand Electricity Duty

10.9 The charges in this tariff schedule do not include charges on account of Electricity Duty/ Surcharge to the consumers under the Jharkhand Electricity Duty Act, 1948 and the rules framed there under as amended from time to time and any other Statutory levy which may take effect from time to time after making corrections for the loss in the distribution system.

Clause IV: Prompt Payment Rebate

10.10 The applicable prompt payment rebate has been summarized in table below:

Table 66: Prompt payment rebate

No. of days from the date of presentation of the bill	% rebate
Within 2 days	2.00
3 days to 5 days	1.67
6 days to 12 days	1.20
13 days to 30 days	0.00

Clause V: Electricity Supply Code

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

Clause VI: Other Terms & Conditions

Point of Supply

10.12 The Power supply shall normally be provided at a single point for the entire premises. In certain categories like coal mines power may be supplied at more than one point on request of consumer subject to technical feasibility. But in such cases metering and billing shall be done separately for each point.

Dishonoured Cheques

- 10.13 In the event of dishonored cheque for payment against a particular bill, the Licensee shall charge a minimum of Rs 300 or 0.5% of the billed amount, whichever is higher. The DPS shall be levied extra as per the applicable terms and conditions of DPS for the respective category.

Stopped / Defective Meters

- 10.14 In case of existing consumers with previous consumption pattern, the provisional average bill shall be issued on the basis of average of previous twelve months consumption.
- 10.15 In case of meter being out of order from the period before which no pattern of consumption is available, the provisional average bill shall be issued on the basis of sanctioned/ contract load on following load factor applicable to respective categories, as shown below:

Table 67: Load factor applicable for different categories

Consumer Category	Load Factor
HT Industries	
33 kV	0.30
132 kV	0.50
220 kV and above	0.50
RTS	0.25

Sale of Energy

- 10.16 No consumer shall be allowed to sell the electricity purchased from the Licensee for any other person/ entity.

Release of new connections

- 10.17 No new connections shall be provided without appropriate meter. The tariff for un-metered connections shall be applicable only to the existing un-metered connections, until they are metered.

Temporary Supply

- 10.18 The Temporary tariff shall be applicable as per the following conditions:

- a) Temporary tariff is to be equivalent to 1.5 times of the applicable demand and energy charges for temporary connections falling in each prescribed tariff category with all other terms and conditions of tariff remaining the same.

- b) Temporary connections shall be made to pay consumption security deposit equivalent to 30 days of sale of power which shall be based on the assessment formula (LDHF) prescribed by the Commission.
- c) Temporary connections shall initially be provided for a period of up to 30 days which can be extended on month to month basis upto six months.

Conversion factors

10.19 The following shall be the conversion factors, as and where applicable

(PF=0.85):

1 Kilowatt (KW) = 1.176 Kilovolt ampere (kVA)

1 Kilowatt (KW) = 1 / 0.746 Horse Power (HP)

1 Horse Power (1 HP) = 0.878 Kilovolt ampere (KVA)

Fuel Price & Power Purchase Adjustment (FPPPA)

10.20 Applicable as per the Clause 6.59 to 6.65 of the Distribution Tariff Regulations, 2010 and as amended by the Commission from time to time.

Minimum Charges

10.21 The Commission does not allow for levy and recovery of minimum charges by any other distribution licensee in the state. Thus for keeping uniformity in terms & conditions of supply across licensees, the Commission rejects the proposal submitted by the Petitioner regarding levy of minimum charges.

A11: STATUS OF EARLIER DIRECTIVES

Directives as per Tariff Order	Status submitted by the Petitioner	Views of the Commission
<i>Directives as per Tariff Order for FY 2012-13</i>		
<p>Tariff for low voltage consumers</p> <p>The Commission directed the petitioner to file separate details for consumers below 33 kV along with tariff proposal for such consumers with the next ARR & retail tariff petitions.</p>	<p>The Petitioner submitted that even though it is exploring the possibilities of LT supply, it did not receive sufficient response against advertisements made for LT service connection in the districts of Dhanbad & Hazaribagh. Thus, it will not be viable to create LT infrastructure in absence of sufficient demand.</p> <p>Thus, LT supply rate is proposed at the average supply rate in the licensed area of Jharkhand state with no provision of demand charge.</p>	<p>The Petitioner has provided details of number of consumers, connected load and sales for LT consumers and submitted a Tariff Proposal for LT category. However the Commission observes that the information submitted is inadequate to approve tariffs for low voltage consumers.</p> <p>The Petitioner is directed to submit data regarding the category wise number of consumers, connected load, sales, revenue assessed and realized for LT consumers along with its next tariff petition.</p>
<p>Fault Redressal Mechanism</p> <p>The Commission directed the Petitioner to carry out an assessment of its present fault redressal mechanism system and benchmark it against the fault redressal systems of other distribution utilities in the State and to submit the report within 6 months of issue of the order.</p> <p>The Commission also directed the Petitioner to submit quarterly progress report on the implementation of standard of performance as per the JSERC (Distribution Standard of Performance) Regulations, 2005 as amended from time to time.</p>	<p>The Petitioner submitted that it provides standard protection systems having the reliability, selectivity, speed and sensitivity to isolate the faulty equipment and protect all components from any type of faults, within the specified fault clearance time and provide protection coordination as specified by the CEA regulations. For transmission lines (220 KV and above), main 1 and main 2 protection scheme is adopted to maintain redundancy of the protective gears. Further, DVC stated that it has procured Emergency Restoration System to minimise outage time of transmission lines</p>	<p>The Petitioner is directed to submit Report on compliance to directive along with quarterly progress reports up to the quarter ending July 2014 within one month from date of issue of this Order</p> <p>Failure to comply with this directive, may invite appropriate penal action towards the Petitioner</p>

DVC Order for MYT Period from FY14 to FY16

Directives as per Tariff Order	Status submitted by the Petitioner	Views of the Commission
<p>Energy Accounting</p> <p>The Commission directed the Petitioner to implement the energy accounting measures in the DVC area at all voltage levels and to submit the quarterly reports of the same to the Commission</p>	<p>DVC submitted that energy consumed by almost all consumers of DVC the licensed area of Jharkhand & West Bengal State is obtained through RMR (Remote Meter Reading) via GSM (Global System for Mobile Communication) technology. Energy related data of all sub-stations [33 KV, 132 KV, 220 KV] of DVC are also obtained through RMR. Remote Meter Reading, Load Flow study, Maximum Demand & Energy drawal pattern of consumers are monitored through SEMA [System Energy Monitoring & Accounting].</p> <p>DVC submitted that since SEMA project is still in progress, regular report regarding energy accounting will be sent to the Commission post completion of the project.</p>	<p>Even though the Petitioner has implemented some energy accounting measures, it has failed to submit even a single quarterly report explaining the same in detail.</p> <p>The Petitioner is directed to submit a detailed report on the energy accounting measures implemented along with quarterly progress reports up to the quarter ending July 2014 within one month from date of issue of this Order.</p> <p>Failure to comply with this directive, may invite appropriate penal action towards the Petitioner</p>
<p>Notice for Load Shedding</p> <p>The Commission directed the Petitioner to submit the quarterly reports of the actual load shedding done and reasons for the same to the Commission.</p>	<p>The Petitioner submitted that load shedding/load restriction of consumers of DVC in the licensed area of Jharkhand & West Bengal is carried out by SLD/ CLD of DVC with prior intimation to consumers.</p>	<p>The Petitioner has failed to submit even a single quarterly report on the actual load shedding done and reasons for the same.</p> <p>The Petitioner is directed to submit Report on compliance to directive along with quarterly reports up to the quarter ending July 2014 within one month from date of issue of this Order.</p> <p>Failure to comply with this directive, may invite appropriate penal action towards the Petitioner</p>
<p>Power Supply below 33 kV</p> <p>The Commission clarified that the Petitioner is obligated to give supply of electricity within one month of application by owner or occupier of premises located within the license area of the Petitioner.</p>	<p>The Petitioner submitted that as per MOP's letter dated 27.11.2007, DVC it is not under any obligation to provide power supply below 33 kV. However, it is still exploring the possibility of power supply below 33kV in its operational area.</p>	<p>The Commission had already clarified in the last Tariff Order that DVC is obligated to give supply of electricity below 33kV within one month of application by owner or occupier of premises located within the license area of the Petitioner.</p> <p>The Petitioner is directed to provide details of applications for release of connections for LT consumers and their current status along with its next</p>

DVC Order for MYT Period from FY14 to FY16

Directives as per Tariff Order	Status submitted by the Petitioner	Views of the Commission
		<p>Tariff Petition.</p> <p>The Petitioner is also directed to submit details of action taken to facilitate applications for connections to be made by LT consumers along with its next Tariff Petition.</p>
<p>Data adequacy in the next Tariff Petition</p> <p>The Commission directed the Petitioner to maintain the data adequacy and consistency in the subsequent tariff petitions.</p>	<p>The Petitioner submitted that it has maintained data adequacy and consistency in the MYT Petition and has tried to avoid any data gap or discrepancies.</p>	<p>Considerable gaps were observed in the Tariff Petition notably the segregation of assets and accounts relating to Jharkhand from those relating to West Bengal.</p> <p>The Commission directs the Petitioner to ensure that this segregation is completed before the next tariff petition is filed.</p>

A12: DIRECTIVES

Compliance to RPO

- 12.1 The Commission directs the Petitioner to submit a report on the status of compliance to its RPO obligations for FY 2014-15 by the 30th of April 2015. The Report should detail the source, quantum and cost of power procured from Renewable Energy sources in compliance to its RPO Obligations.

Revenue from Trading business

- 12.2 The Commission directs the Petitioner to submit the details of energy transacted through power exchanges along with its next tariff petition. The details should include the date, quantum and revenue from sale through power exchanges for the previous financial year FY 2013-14 as well as current financial year FY 2014-15 up to the date of filing of Tariff Petition.

Reduction in T&D Losses

- 12.3 The Commission directs the Petitioner to submit an 'Action Taken Report' detailing the measures taken to bring about a reduction in T&D Losses in its Distribution system along with the next Tariff Petition. The Report should also include the reduction in losses envisaged due to the measures undertaken.

Submission of impact analysis and requisite data along with proposal for introduction of ToD Tariff

- 12.4 The Commission directs the Petitioner that proposal for introduction of Time of the Day (TOD) based tariff must include a detailed analysis on the impact of ToD tariff on the consumer categories that it is proposed to be levied on.
- 12.5 The Proposal should also include the time slot wise consumption and load profiles and details of requisite metering infrastructure for the categories of consumers that ToD tariff is proposed to be levied on.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on this the 04th day of September, 2014.

Date: 04th September, 2014
Place: Ranchi

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

Sd/-
(SUNIL VERMA)
MEMBER (F)

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

Sl. No.	Name	Address / Organisation if any
1	A. Nayak	E.O (Comml.), DVC, Kolkata
2	S. Ghosh,	DCE (Coml.), DVC, Kolkata
3	A.K. Sil	Se (E), DVC, Kolkata
4	P. K. Chakarborty	DVC, Kolkata
5	D. K. Aich	CE (Coml.), DVC, Kolkata
6	J. Dutta	DVC, Kolkata
7	B. Mukherjee	DVC, Kolkata
8	M. C. Dey	DVC, Hazaribag
9	B. Pan	CE (CLD), DVC, Maithon, Dhanbad
10	P. N. Sinha	DVC, Maithon, Dhanbad
11	S. K. Kundu	CLD, DVC, Maithon, Dhanbad
12	Subhkaran Chouraria	Executive Engineer and Secretary, CGRF
13	S. K. Panda	CLD, DVC, Maithon, Dhanbad
14	S. K. Pal	CLD, DVC
15	Amit Bhattacharjee	CLD, DVC
16	Supriya Aich	CLD, DVC, Maithon
17	Sukanya Mandal	CLD, DVC, Maithon
18	G. P. Singh	DVC
19	S. Kunar	SECH Gomd II
20	V. Rasterji	SE (F), Gomd - IV
21	Om Prakash Sharma	Press Rep.
22	Abadh Kishor	Prabhat Khabar
23	B. N. Prasad	CE (Hyder) DVC
24	Pramod Agrawal	Director Shivam Iron & Steel Ltd.

Sl. No.	Name	Address / Organisation if any
25	M. Rano	GE (Trans.), DVC
26	G.C. Mukharjee	P.A. Circle-II, office, DVC, Maithon
27	M. Bhattacharjee	SE, Gomd-III, DVC, Jamshedpur
28	A. Nand	Barakar
29	Sushil Singh	Kumardhubi
30	Birender Roy	Kumardhubi
31	Prof. Dinesh Pd. Singh	Kumardhubi
32	Dharamjeet Kumar	Maihar Alloys
33	Anil Kr. Agarwal	V. Alloys (P) Ltd., Gola, Ramgharh
34	Sharad Choudhary	Balashri Metals, Ramgharh
35	K. G. Ajay Kumar	Elect. fuel
36	Amarjeet Singh Saluja	Saluja Steel & power
37	Bijay Kr. Hallka	Dayal Steel Ltd., Ramgharh
38	Gunwant Singh Saluja	Mongia Steel
39	Anand Lal Singh	EEE/Nirsa
40	D. Jha	GM-cum-C.E./Dhanbad
41	S.C. Mishra	CE (C&R), Ranchi
42	C. K. Singhania (Adv.)	Ranchi
43	Dharmendra Sharma	Kumardhubi
44	Deebakar Kumar	Kumardhubi
45	Sanjeeb Kumar Sharma	Ramgarh.