

Jharkhand State Electricity Regulatory Commission



Order on
True-up for FY 2018-19,
Annual Performance Review for FY 2019-20,
Annual Revenue Requirement and Tariff for FY 2020-21
for
Tata Steel Utilities and Infrastructure Services Limited
(formerly, Jamshedpur Utilities & Services Company Limited)

Ranchi
September 29, 2020



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List of Abbreviations

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



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BEFORE

Jharkhand State Electricity Regulatory Commission, Ranchi

Case (Tariff) No.: 10 of 2019

In the matter of:

**Petition for
True-up for FY 2018-19,
Annual Performance Review for FY 2019-20,
and
Annual Revenue Requirement & Tariff for FY 2020-21**

In the matter:

Tata Steel Utilities and Infrastructure Services Limited
(formerly, Jamshedpur Utilities & Services Company Limited)
Sakchi Boulevard Road, Northern Town, Bistupur,
Jamshedpur- 831001

.....**Petitioner**

PRESENT

Mr. Rabindra Narayan Singh

Member (Engg.)

Mr. Pravas Kumar Singh

Member (Legal)

Order dated September 29, 2020

Tata Steel Utilities and Infrastructure Services Limited (formerly Jamshedpur Utilities & Services Company Limited or JUSCO and hereinafter referred to as 'TSUISL' or 'the Petitioner') has filed the Petition dated December 26, 2020 for approval of True up for FY 2018-19, Annual Performance Review for FY 2019-20 and Annual Revenue Requirement and Tariff for FY 2020-21.



A 1: INTRODUCTION

Jharkhand State Electricity Regulatory Commission

- 1.1 The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as the “JSERC” or “the Commission”) was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commission Act, 1998 on August 22, 2002. The Commission became operational with effect from April 24, 2003.
- 1.2 The Government of Jharkhand vide its notification dated August 22, 2002 had defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commission Act, 1998 to be the following, namely:
 - (a) to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case may be, in the manner provided in section 29;
 - (b) to determine the tariff payable for the use of the transmission facilities in the manner provided in section 29;
 - (c) to regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply in the State;
 - (d) to promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.
- 1.3 After the Electricity Act, 2003(hereinafter referred to as the “Act”) came into force, the earlier Electricity Regulatory Commissions Act, 1998 stands repealed and the functions of SERCs are now defined under Section 86 of the Act.
- 1.4 In accordance with Section 86 (1) of the Act, the JSERC discharges the following functions:
 - (a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:

Provided that where open access has been permitted to a category of consumers under section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;
 - (b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating



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- companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
- (c) facilitate intra-State transmission and wheeling of electricity;
 - (d) issue licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
 - (e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
 - (f) adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
 - (g) levy fee for the purposes of this Act;
 - (h) specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;
 - (i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
 - (j) fix the trading margin in the intra-state trading of electricity, if considered, necessary;
 - (k) discharge such other functions as may be assigned to it under this Act.
- 1.5 The Commission has to also advise the State Government as per sub section 2 of Section 86 of the Act, on all or any of the following matters, namely:
- (a) promotion of competition, efficiency and economy in activities of the electricity industry;
 - (b) promotion of investment in electricity industry;
 - (c) reorganisation and restructuring of electricity industry in the State;
 - (d) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.
- 1.6 The State Commission ensures transparency while exercising its powers and discharging its functions.
- 1.7 In discharge of its functions, the State Commission is also guided by the Tariff Policy notified by the Government of India under Section 3 of the Act. The objectives of the Tariff Policy are to:
- (a) ensure availability of electricity to consumers at reasonable and competitive rates;
 - (b) ensure financial viability of the sector and attract investments;
-



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

Tata Steel Utilities and Infrastructure Services Limited (TSUISL)

- 1.8 Tata Steel Utilities and Infrastructure Services Limited formerly Jamshedpur Utilities and Services Company Limited (TSUISL) is a company incorporated in August 2003, under the provisions of the Companies Act, 1956. TSUISL was incorporated primarily to cater to the infrastructure and power distribution services in the city of Jamshedpur. In addition to Power services, the company's services encompass of water and waste management, public health & horticulture services and planning, engineering & construction.
- 1.9 The Electricity Act, 2003 opened up power distribution to the private sector and permitted more than one power distributor in a revenue region, vide proviso 6 of Section 14 of the said Act which states:
- “Provided also that the Appropriate Commission may grant a licence to two or more persons for distribution of electricity through their own distribution system within the same area, subject to the conditions that the applicant for grant of licence within the same area shall, without prejudice to the other conditions or requirements under this Act, comply with the additional requirements [relating to the capital adequacy, credit-worthiness, or code of conduct] as may be prescribed by the Central Government, and no such applicant, who complies with all the requirements for grant of licence, shall be refused grant of licence on the ground that there already exists a licensee in the same area for the same purpose.”*
- 1.10 In line with the above provision and in reference to the Commission's communication to the Petitioner with regard to filing a Petition for distribution license for one or more revenue districts (letter no. JSERC/06/2004-05/64), the Petitioner applied for a Second Distribution License vide application no. PBD/176/69/06 dated May 5, 2006, for the revenue district of Saraikela-Kharsawan. The Saraikela-Kharsawan district is contiguous to the Petitioner's service area of Jamshedpur.
- 1.11 The Commission granted the Power Distribution License (No.: 03 of FY 2006-07) to the Petitioner on December 01, 2006, for the aforementioned revenue district.
- 1.12 Consequently, the Petitioner began its power distribution services in revenue district of Saraikela-Kharsawan in September 2007 as a second Distribution Licensee.



The Petitioner's Prayers

1.13 The Petitioner in Petition No.: 10 of 2019 for Truing up of ARR and revenue for FY 2018-19, Annual Performance Review for FY 2019-20 and Annual Revenue Requirement and Tariff for FY 2020-21 has prayed before the Commission as mentioned below:

- a) *Admit the Petition and examine the proposal submitted by the Petitioner in the enclosed Petition for a favourable dispensation;*
- b) *Pass suitable Orders with respect to its claim based on Regulations and audited accounts for the True-up of ARR of Rs. 385.23 Crore for FY 2018-19 which is incurred by the Petitioner for serving its consumers;*
- c) *Pass suitable Orders with respect to its claim based on Regulations and provisional actual for first six months and revised estimate for balance six months of FY 2019-20 for Annual Revenue Requirement of Rs. 347.43 Crore for FY 2019-20;*
- d) *Pass suitable Orders with respect to its claim based on Regulations and revised Annual Revenue Requirement for FY 2020-21 for Rs. 391.43 Crore;*
- e) *Pass suitable Orders with respect to the Tariff Proposal submitted by the Petitioner;*
- f) *Condone the delay, if any in filing this Petition;*
- g) *Condone any inadvertent omissions/errors/shortcomings and permit the Petitioner to add/change/modify/alter this filing and make further submissions as may be required at a future date;*
- h) *Pass such further, as the Commission may deem fit and appropriate keeping in view the facts and circumstances of the case.*

Scope of the Present Order

1.14 The Commission in this Order has approved the True-up for FY 2018-19, Annual Performance Review for FY 2019-20, Annual Revenue Requirement and Tariff for FY 2020-21.

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

- a) Material placed on record by the Petitioner including Annual Audited Accounts for FY 2018-19;
- b) Provisions of the Electricity Act, 2003;
- c) Principles laid down in the National Electricity Policy;
- d) Principles laid down in the Tariff Policy;



- e) Provisions of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015 (hereinafter referred to as the Tariff Regulations, 2015 or the Regulations);
- 1.16 Accordingly, the Commission has scrutinized the Petition in detail and hereby issues the Order on Truing-up for FY 2018-19, Annual Performance Review for FY 2019-20, Annual Revenue Requirement and Tariff for FY 2020-21 for Tata Steel Utilities and Infrastructure Services Limited.



A 2: PROCEDURAL HISTORY

Background

- 2.1 The Commission had issued Order on Truing-up for FY 2014-15, Annual Performance Review for FY 2015-16, Business Plan and Annual Revenue Requirement for the MYT Control Period for Tata Steel Utilities and Infrastructure Services Limited from FY 2016-17 to FY 2020-21 and Tariff for FY 2016-17 on February 28, 2017.
- 2.2 Later on, June 07, 2018, the Commission had issued Order for Tata Steel Utilities and Infrastructure Services Limited on Truing-up for FY 2015-16, Annual Performance Review for FY 2016-17 and determination of Annual Revenue Requirement and Tariff for FY 2017-18.
- 2.3 Further, the Petitioner had filed Review Petition against the Commission's Order dated June 07, 2018 which was disposed by the Commission on September 25, 2018.
- 2.4 The Commission had Trued-up ARR of revenue of Tata Steel Utilities and Infrastructure Services Limited for FY 2016-17 and FY 2017-18 vide its Order dated June 19, 2020.
- 2.5 The Petitioner in the current Petition filed on December 26, 2019 has sought Truing-up of ARR and revenue FY 2018-19, Annual Performance Review for FY 2019-20 and Annual Revenue Requirement and Tariff for FY 2020-21 for its Licensed Area.

Information Gaps in the Petition

- 2.6 As part of the Tariff determination exercise, several deficiencies/ information gaps were observed in the Petition submitted by the Petitioner that were communicated to the Petitioner vide letter nos. JSERC/Case(Tariff) no.: 10 of 2019/417 dated February 10, 2020 and JSERC/Case(Tariff) no.: 10 of 2019/32 dated June 18, 2020.
- 2.7 The Petitioner submitted its response to the aforesaid letters and furnished additional data/ information to the Commission vide letter no. PBD/126/09/59-J/2020 dated February 25, 2020 and letter no. PBD/465/09/59-J/2020 dated July 06, 2020.
- 2.8 The Commission has scrutinized the Petition along with additional data/ information and supporting documents as submitted by the Petitioner in response to the discrepancies identified and has considered the same while passing this Order.
- 2.9 In order to provide adequate opportunities to all stakeholders and general public, as mandated under Section 64 (3) of the Electricity Act 2003 and in relevant provisions of



Regulations framed by the Commission and in order to ensure transparency in the process of tariff determination, the Commission decided to hold virtual Public Hearing through video conferencing on July 30, 2020, due to the prevailing pandemic situation affecting the State.

Inviting Public Comments/Suggestions

- 2.10 After the initial scrutiny of the Petition filed by the Petitioner, the Commission directed the Petitioner to issue a Public Notice inviting comments/suggestions on the Petition from public and to make available copies of the Petition to the members of general public on request.
- 2.11 The Public Notice was subsequently issued by the Petitioner in various newspapers and a period of twenty-one (21) days was given to the members of the general public for submitting their comments/suggestions.

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

Newspaper	Date of Publication
Prabhat Khabar	08.03.2020
Dainik Bhaskar	08.03.2020
Times of India	08.03.2020 & 09.03.2020
The Telegraph	08.03.2020
Hindustan	09.03.2020
Dainik Jagran	09.03.2020
Khabar Mantra	09.03.2020

- 2.12 Further, taking a considerate view of the pandemic situation due to COVID-19, the Commission issued a Notice on its website www.jserc.org and various newspapers giving additional time of 10 days till July 28, 2020 to various Stakeholders to submit their comments/suggestions. Further, the Commission also organized a Public Hearing through video conference on July 30, 2020, where an additional opportunity was provided to all the Stakeholders to submit their comments/suggestions on the above said Petition. The details of the newspapers wherein the Notice was published by the Commission are as under:

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

Newspaper	Date of Publication
Hindustan Times	18.07.2020
The Times of India	18.07.2020
Prabhat Khabar	18.07.2020
Dainik Bhaskar	18.07.2020



Submission of Comments/Suggestions and Conduct of Public Hearing

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



A 3: BRIEF FACTS OF THE PETITION

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

- Truing-up of ARR and revenue for FY 2018-19 based on the Annual Audited Accounts;
- Annual Performance Review for FY 2019-20 based on provisional data;
- Aggregate Revenue Requirement (ARR) and Tariff for FY 2020-21.

True-up for FY 2018-19

Number of Consumers, Connected Load & Energy Sales

3.2 The following table summarises the number of Consumers, Connected Load and Energy Sales on actuals for FY 2018-19 as submitted by the Petitioner.

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

Consumer Category	FY 2018-19		
	Petition		
	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)
Domestic	3142	25508	20.73
LT-Rural	400	768	0.49
LT-Urban	2710	18267	11.64
DS HT	32	6473	8.60
Non-Domestic	756	6177	6.65
Rural-Commercial	18	136	0.09
Urban-Commercial	738	6041	6.56
Low Tension	229	13867	13.85
Installation Based	219	13259	12.74
Demand Based	10	608	1.11
HT Services	250	187016	668.06
High Tension Service	236	158051	556.40
HTS 11 KV	208	68515	194.00
HTS 33 KV	28	89536	362.40
HT Special Service	14	28965	111.66
HTSS 11 KV	5	5115	29.76
HTSS 33 KV	9	23850	81.90
Temporary	4	35	0.01
Total	4381	232603	709.30

Energy Balance

3.3 The Energy Balance as submitted by the Petitioner vis-a-vis that approved by the Commission in MYT Order dated February 28, 2017 is tabulated below:

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

Particulars	FY 2018-19	
	MYT Order	Petition
Energy Requirement		
Sales (MU)	540.74	709.30
Overall Distribution Losses %	2.00%	1.83%
Overall Distribution Losses (MU)	11.04	13.23
Energy Requirement	551.78	722.53
Energy Availability		
Tata Steel Ltd.	337.95	408.39
DVC at 33 kV	43.83	119.51
DVC at 132 kV	170.00	194.64
Energy Availability	551.78	722.53

Aggregate Revenue Requirement

- 3.4 The ARR for FY 2018-19 as submitted by the Petitioner vis-a-vis that approved by the Commission in MYT Order dated February 28, 2017 is tabulated below:

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

Particulars	FY 2018-19	
	MYT Order	Actual
Power Purchase Cost	247.76	341.55
O&M Expenses	14.02	19.61
Depreciation	7.00	7.27
Interest and Finance Charges	9.08	9.64
Return on Equity	5.62	7.36
Non-Tariff Income	0.12	0.66
Funding Cost of DPS (FY 2018-19)	-	0.08
Funding Cost of DPS (previous period)	-	0.37
ARR	283.07	385.23
Revenue	-	377.53
Gap/(Surplus)	-	7.70

Annual Performance Review for FY 2019-20

Number of Consumers, Connected Load & Energy Sales

- 3.5 The following table summarises the number of Consumers, Connected Load and Energy Sales estimated by the Petitioner for FY 2019-20.

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

Consumer Category	FY 2019-20		
	Petition		
	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)
Domestic	4616	36204	35.33

Consumer Category	FY 2019-20		
	Petition		
	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)
LT-Rural	712	1235.00	0.88
LT-Urban	3865	25325.76	20.76
DS HT	39	9643.24	13.69
Non-Domestic	1175	9204	10.13
Rural-Commercial	28	189	0.28
Urban-Commercial	1147	9015	9.85
Low Tension	290	13900	13.73
Installation Based	276	13141	12.64
Demand Based	14	759	1.09
HT Services	278	202945	578.58
High Tension Service	253	166850	485.86
HTS 11 KV	222	71754	173.73
HTS 33 KV	31	95096	312.13
HT Special Service	25	36095	92.72
HTSS 11 KV	11	8645	13.09
HTSS 33 KV	14	27450	79.63
Temporary	3	-	0.01
Total	6362	262253	637.78

Energy Balance

- 3.6 The Energy Balance as submitted by the Petitioner vis-a-vis that approved by the Commission in MYT Order dated February 28, 2017 is tabulated below:

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

Particulars	FY 2019-20	
	MYT Order	Estimated
Energy Requirement		
Sales (MU)	584.03	637.78
Overall Distribution Losses %	2.00%	2.56%
Overall Distribution Losses (MU)	11.92	16.35
Energy Requirement	595.95	654.13
Energy Availability		
Tata Steel Ltd.	337.95	354.36
DVC at 33 kV	31.40	119.13
DVC at 132 kV	226.60	180.65
Energy Availability	595.95	654.13

Aggregate Revenue Requirement

- 3.7 The ARR for FY 2019-20 as submitted by the Petitioner vis-a-vis that approved by the Commission in MYT Order dated February 28, 2017 is tabulated below:

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

Particulars	FY 2019-20	
	MYT Order	Estimated
Power Purchase Cost	270.97	294.50
O&M Expenses	14.92	23.25
Depreciation	7.68	9.82
Interest and Finance Charges	9.21	11.58
Return on Equity	6.15	9.15
Non-Tariff Income	0.12	0.85
ARR	308.81	347.43
Revenue	-	344.73
Gap/(Surplus)	-	2.70

Annual Revenue Requirement and Tariff for FY 2020-21**Number of Consumers, Connected Load & Energy Sales**

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

Table 9: Number of Consumers, Connected Load & Energy Sales as submitted by the Petitioner

Consumer Category	FY 2020-21		
	Petition		
	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)
Domestic	5467	41604	39.70
LT-Rural	862	1535.06	1.04
LT-Urban	4565	30225.76	24.01
DS HT	40	9843.24	14.65
Non-Domestic	1260	9879	11.12
Rural-Commercial	33	224	0.33
Urban-Commercial	1227	9655	10.79
Low Tension	310	14864	15.05
Installation Based	294	14005	13.82
Demand Based	16	859	1.23
HT Services	287	210195	623.50
High Tension Service	260	171350	521.75
HTS 11 KV	228	73254	185.97
HTS 33 KV	32	98096	335.78
HT Special Service	27	38845	101.76
HTSS 11 KV	12	9395	14.44
HTSS 33 KV	15	29450	87.31
Total	7324	276542	689.37

Energy Balance

3.9 The Energy Balance as submitted by the Petitioner vis-a-vis that approved by the Commission in MYT Order dated February 28, 2017 is tabulated below:

**Table 10: Energy Balance as submitted by the Petitioner (MU)**

Particulars	FY 2020-21	
	MYT Order	Projected
Energy Requirement		
Sales (MU)	599.98	689.37
Overall Distribution Losses %	2.00%	2.50%
Overall Distribution Losses (MU)	12.24	17.23
Energy Requirement	612.22	706.60
Energy Availability		
Tata Steel Ltd.	337.95	382.71
DVC at 33 kV	30.40	128.66
DVC at 132 kV	243.87	195.24
Energy Availability	612.22	706.60

Aggregate Revenue Requirement

3.10 The ARR for FY 2020-21, as submitted by the Petitioner vis-a-vis that approved by the Commission in MYT Order dated February 28, 2017 is tabulated below:

Table 11: ARR as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21	
	MYT Order	Projected
Power Purchase Cost	280.31	329.41
O&M Expenses	15.88	26.34
Depreciation	8.44	12.17
Interest and Finance Charges	9.37	13.18
Return on Equity	6.76	11.18
Non-Tariff Income	0.12	0.85
ARR	320.64	391.43
Revenue	-	377.50
Gap/(Surplus)	-	13.94

Cumulative Gap/(Surplus)

3.11 Based on the existing Tariff, the Petitioner has estimated the cumulative revenue Gap/(Surplus) till FY 2020-21 as shown below.

Table 12: Cumulative Gap/(Surplus) till FY 2020-21 as submitted by the Petitioner (Rs. Crore)

Particulars		FY16	FY17	FY18	FY19	FY20	FY21
Opening Gap/(Surplus)	A	21.87	20.76	12.64	(0.38)	7.79	11.64
Gap/(Surplus) during the Year	B	(4.33)	(10.78)	(14.61)	7.70	2.70	13.94
Incentives/Penalty on T&D loss	C	-	-	-	-	-	-
Total additions during the year	D=B+C	(4.33)	(10.78)	(14.61)	7.70	2.70	13.94
Rate of Interest	E	14.75%	12.80%	12.60%	12.20%	12.55%	12.55%
Carrying Cost on Opening Balance	F=A*E	3.23	2.66	1.59	-	0.98	1.46
Carrying Cost on Addition	G=E*D*0.5	-	-	-	0.47	0.17	0.87
Total Carrying Cost	H=E+G	3.23	2.66	1.59	0.47	1.15	2.34
Total Gap/ (Surplus) including Carrying Cost	I=A+D+H	20.76	12.64	(0.38)	7.79	11.64	27.91



Proposed Tariff Philosophy

Introduction of Cost reflective Tariff

- 3.12 The Petitioner has requested the Commission to adjust the Tariff of Domestic & HTSS Category consumers in such a way that it also moves closer to the Average Cost of Supply (ACoS).

Analysis of Fixed and Variable Cost of Licensee & Tariff Rationalization

- 3.13 The Petitioner has requested the Commission for rationalization of Tariff i.e. Fixed Charges linked to Fixed Expenses and Energy Charge linked to Variable component of Expenses.

Proposed Changes in Tariff Schedule

- 3.14 The Petitioner has suggested for having consumption slabs for Domestic Rural and Urban as under i.e., 0-200 units per month and above 200 units per month.
- 3.15 The Petitioner further proposed to merge the HTS & HTSS category by aligning the tariffs linked to cost of supply in a phased manner.
- 3.16 The Petitioner has submitted its preparedness for kVAh based billing for HT consumers & suggested an adjustment of Energy Charges ~3% downwards, compared to Rs/kWh-based billing.
- 3.17 For exceeding Contract Demand continuously for three months in a year for HT Category, the Petitioner has proposed the increase in the penalty to 200% in place of existing 150% of the respective Tariff of such consumer.

Tariff Proposed for FY 2020-21

Table 13: Tariff Proposed by the Petitioner for FY 2020-21

Consumer Category	Consumption Slab	Existing Tariff		Proposed Tariff (FY 2020-21)	
		Fixed Charges	Energy Charges	Fixed Charges	Energy Charges
Domestic (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
LT-Rural	All units	10	2.50	-	-
	0-200 units	-	-	15	2.85
	Above 200 units	-	-	15	2.90
LT-Urban	All units	65	3.00	-	-
	0-200 units	-	-	80	3.40
	Above 200 units	-	-	80	3.60
Domestic-HT (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
HT	All units	50	2.65	60	3.05



Consumer Category	Consumption Slab	Existing Tariff		Proposed Tariff (FY 2020-21)	
		Fixed Charges	Energy Charges	Fixed Charges	Energy Charges
Commercial Service (Fixed Charge: Rs./kW/Month, Energy Charge: Rs./kWh)					
CS-Rural	All units	-	2.50	-	2.65
CS-Urban	All units	125	3.75	150	3.75
Industrial Services (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
LTIS-Demand Based	All units	170	4.05	200	4.10
Industrial Services (Fixed Charge: Rs./HP/Month, Energy Charge: Rs./kWh)					
LTIS-Installation Based	All units	125	4.05	150	4.05
Industrial Services (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
HTS	All units	195	5.15	245	5.25
HTSS	All units	365	3.75	440	3.95
Industrial Services-Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
Proposed: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kVAh)					
HTS	All units	195	5.15	245	5.10
HTSS	All units	365	3.75	440	3.83
Irrigation & Agriculture Service (IAS) (Fixed Charge: Rs./HP/Month, Energy Charge: Rs./kWh)					
IAS	All units	20	3.70	22	3.92
Institutional Services- Streetlight: (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
RTS, MES, Licensee: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
Streetlight	All units	50	5.00	60	5.20
RTS, MES, Distr. Licensees	All units	160	4.00	245	5.25
Public Charging Infrastructure for Electric Vehicles (EV): (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
EV-Rural	All units	-	-	40	6.00
Ev-Urban	All units	-	-	150	6.25
Temporary Connections					
Temporary Connections	All units	1.5 times of applicable Charge			

Note: The Petitioner has proposed both kWh and kVAh based Tariff Structure for HT Category Consumers.

Revision in Miscellaneous Charges

3.18 The Petitioner has proposed a minor change in Disconnection/Reconnection Charge in the existing Schedule of Miscellaneous Charges as shown below:

Table 14: Revised schedule of miscellaneous charges proposed by Petitioner

Table 1.4 Revised Schedule of Miscellaneous Charges Proposed by Customer			
S No.	Purpose	Scale of charges	Manner in which payment will be realised
1	Application Fees		
	Domestic	Rs. 15 (Kutir Jyoti), Others Rs. 20	Application should be given in standard requisition form of the licensee which will be provided free of cost. Payable with energy bill
	Street Light	Rs. 20	
	Agriculture	Rs. 10	
	Commercial	Rs. 20	
	Other LT Categories	Rs. 50	
	HT Supply	Rs. 100	
	HTSS, EHTS, RTS	Rs. 100	
2	Revision of estimate when a consumer intimates changes in his requirement subsequent to the preparation of service connection estimate based on his original application.		



S No.	Purpose	Scale of charges	Manner in which payment will be realised
	Domestic	Rs. 30	Payable with energy bill
	Agriculture	Rs. 10	
	Commercial	Rs. 30	
	Other LT Categories	Rs. 50	
	HT Supply	Rs. 150	
3	Testing of Consumer Installation		
	First test and inspection free, subsequent test and inspection charges	Rs 100	Payable with energy bill
4	Meter test when accuracy disputed by consumer		
	Single phase	Rs. 40	If the meter is found defective within the meaning of the Indian Electricity Rules 1956, no charge shall be levied. If it is proved to be correct within the permissible limits laid down in the Rules, the amount will be charged in the next energy bill.
	Three phase	Rs. 100	
	Trivector/special type meter, HT, EHT metering equipment	Rs. 650	
5	Removing/ Re-fixing of meter		
	Single phase	Rs. 50	Payable with energy bill
	Three phase	Rs. 100	
	Trivector/special type meter, Three phase with CT/HT metering equipment	Rs. 300	
6	Changing of meter/meter equipment/fixing of sub meter on the request of consumer		
	Single phase	Rs. 50	Payable with energy bill
	Three phase	Rs. 100	
	Trivector/special type meter	Rs. 300	
7	Resealing of meter when seals are found broken		
	Single phase	Rs. 25	Payable with energy bill
	Three phase	Rs. 50	
	Trivector/special type meter	Rs. 100	
8	Fuse call-Replacement		
	Board fuse due to fault of consumers	Rs. 30	Payable with energy bill
	Consumers fuse	Rs. 30	
9	Disconnection/Reconnection		
	Single phase	500	Payable in advance along with the request by the consumer. If the same consumer is reconnected / disconnected within 12 months of last disconnection/reconnection, 50% will be added to the charges
	Three phase	700	
	LT Industrial supply	1000	
	HT Supply	1500	
10	Replacement of meter card, if lost or damaged by consumer	Rs. 10	Payable with energy bill
11	Security Deposit	As per JSERC (Electricity Supply Code) Regulations, 2015	
12	Meter rent/month		
	Domestic category Single phase/Three phase	Rs. 20/50	Payable with energy bill



S No.	Purpose	Scale of charges	Manner in which payment will be realised
	LT meter with CT	Rs. 250	
	11 kV at low voltage	Rs. 400	
	11 kV at 6.6/11 kV	Rs. 600	
	33 kV HT side	Rs. 2500	
	132 kV	Rs. 15000	
	RTS or 220 kV	Rs. 15000	
13	Replacement of Burnt meter	Cost of meter	Payable with energy bill
14	Transformer Rent*		
	Upto 200 kVA	Rs 5500/month	Payable with energy bill
	Above 200 kVA	Rs 7500/month	
*Applicable for a 6-month duration from the date of taking the transformer on rent, thereafter monthly escalation of 10% would be applicable			



A 4: PUBLIC CONSULTATION PROCESS

- 4.1 The Petition filed by the Petitioner has evoked responses from several Stakeholders. The virtual Public Hearing was held on July 30, 2020, to ensure the maximum public participation and transparency wherein Stakeholders put forth their comments/suggestions before the Commission in the presence of the Petitioner. The list of the attendees is attached as **Annexure-1** to this Order.
- 4.2 The written as well as oral comments and suggestions of the members of the Public expressed during the virtual Public Hearing along with the response thereon of the Petitioner and the views of the Commission are detailed hereunder:

Provisional Actual Data

Public Comments/Suggestions

- 4.3 The Stakeholder submitted that use of 'Provisional Actual Data' for FY 2019-20 is misleading and suggested that either it should be Provisional Data or actual data.

Petitioner's Response

- 4.4 The Petitioner submitted that the word provisional has been used as the reported data is not audited and is based on six months MIS level consumption data. This however doesn't have any impact on any element of ARR.

Views of the Commission

- 4.5 The Commission has noted the submissions made by the Stakeholder and Petitioner. As the Commission at this stage is carrying out the Annual Performance Review for FY 2019-20, the Commission has considered the data as submitted by the Petitioner. The truing up of ARR for FY 2019-20 shall be carried out after the actual audited data is available.

Mismatch in Purchase Cost

Public Comments/Suggestions

- 4.6 The Stakeholder submitted that the Power Purchase Cost from TSL claimed by the Petitioner is not matching with the Audited Accounts for FY 2018-19. The Stakeholder further added that the approval should be based on Audited figures and if there is



additional power cost pertaining to the financial year, then, it should be taken into account in the next financial year's Audited Accounts.

Petitioner's Response

- 4.7 The Petitioner submitted that the Power purchase Cost for the Petitioner is allowed by the Commission after truing up the expenses of TSL. Once it is trued up for TSL, the same is passed on as power purchase cost for the Petitioner in case of TSL (Power Source). The purpose of truing up is to finalise the actual costs. If the actual costs are not provided during the truing up and are again deferred for the next filing, this will amount to knowingly delaying the truing up process. The Petitioner further reiterated that the process followed by the Commission is appropriate and it ensures timely payment and settlement between Licensees. This in no way inflates any cost, as it is the trued-up and final cost.

Views of the Commission

- 4.8 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has scrutinised the Petition and after prudence check has approved the Power Purchase Expenses for FY 2018-19 in Section 5 of this Order

O&M Expenses

Public Comments/Suggestions

- 4.9 The Stakeholder submitted that the Petitioner claimed an incentive of Rs. 1.22 Crore with regards to saving in O&M Expenses. The Stakeholder further submitted that the principle adopted by the Petitioner is not correct and saving should be from the figures as approved by the Commission and not compared from the Audited Accounts.

Petitioner's Response

- 4.10 The Petitioner submitted that the claim for incentive has been made based on the provision in the Tariff Regulations. The Regulations provides for performance-based incentive/penalty framework and the said computation is based on the same. Such provisions have been made to incentivise the better performance. Not allowing the same for one reason or another would be detrimental to customer service in long run as there will not be any incentive for the Distribution Licensees to perform efficiently.



Views of the Commission

- 4.11 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has scrutinised the Petition and after prudence check in accordance to the Regulations approved the O&M Expenses including incentive/penalty, if any, for FY 2018-19 in Section 5 of this Order.

Income Tax

Public Comments/Suggestions

- 4.12 The Stakeholder submitted that the Income Tax challan copy submitted by the Petitioner is for entire JUSCO which includes other businesses apart from power distribution. The actual Income Tax payment depends on many variables, which account for the past losses, depreciation as per income tax act etc. The Petitioner should provide a certificate from the statutory Auditor of the Licensee, that the actual amount of Income Tax payable for FY 2018-19 pertains to Power division of JUSCO and then only Commission should allow any tax payment in True-up.

Petitioner's Response

- 4.13 The Petitioner submitted that it has applied for approval of Income Tax, as per the provisions of the Regulations. Accordingly, Income Tax is claimed on amount of Return on Equity with actual rate of income tax paid by the company. The Petitioner submitted that Income Tax is always paid by the Company, and accordingly the proof of the payment as Income Tax Return (ITR) has been submitted along with the Petition. There is no provision to pay the Income Tax for a set of services by a company separately and therefore the provision provided in the Regulations need to be followed to determine the Income Tax to be allowed for power business.

Views of the Commission

- 4.14 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has scrutinised the Petition along with the supporting documents submitted by the Petitioner while approving the Income Tax for FY 2018-19 in Section 5 of this Order.



Increase in Power Procurement cost during the Annual Performance Review Period

Public Comments/Suggestions

- 4.15 The Stakeholder submitted that the Petitioner's claim of 2% increase in power purchase cost considering the inflationary trend is not understood. The Stakeholder further added that any hike of this nature, if anticipated than it should be settled during the true up.

Petitioner's Response

- 4.16 The Petitioner submitted that the basic purpose of conducting APR is to correctly estimate and project the ARR of that financial year. For estimating all elements of ARR, estimation of power purchase cost becomes essential. So, for estimation of power purchase cost for the APR period, the Petitioner has considered 2% increase for H2 period of financial year. The Petitioner further added that 2% is almost half of expected inflation levels (~ 4%) and has been considered as it will impact only half part of the year. Generally, the yearly inflation is in the range of ~4% and hence, such considerations are reasonable and most appropriate in the given condition.

Views of the Commission

- 4.17 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has scrutinised the Petition, supporting documents/bills of Generators and after prudence check has approved the Power Purchase Expenses for FY 2019-20 in Section 6 of this Order.

O&M Expenses claimed during the APR Period

Public Comments/Suggestions

- 4.18 The Stakeholder submitted that the Petitioner is asking adjustment on account of inflationary nature in O&M Expenses, which is against the provision of the Regulations. The Stakeholder further added, in case there is any change in O&M Expenses on account of inflation or changes in Law, it can be taken care of at the time of truing up.

Petitioner's Response

- 4.19 The Petitioner submitted that O&M Expenses are subject to inflation and keeps on changing due to inflation. The Petitioner further added that the existing Regulations is silent on the subject and therefore, the Commission is requested to do prudence check based on logic, fact and data presented before arriving at the final Order. Not allowing



inflationary increase in R&M Expense will restrict the Petitioner to perform O&M activity leading to deterioration in equipment health and customer service. In the long run, it will impact negatively to all the Stakeholders.

- 4.20 With respect to the Stakeholder's comment on 'Change in Law', the Petitioner submitted that the essence of APR exercise will be lost, if these are to be deferred and discussed only at the time of true-up. The Stakeholder submitted that if cost components are known at the time of APR, then it need to be discussed and should form part of the overall decision-making process.

Views of the Commission

- 4.21 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has scrutinised the claimed made by the Petitioner and after prudence check, in accordance to the Regulations approves the O&M Expenses for FY 2019-20 in Section 6 of this Order.

Revised ARR for FY 2020-21

Public Comments/Suggestions

- 4.22 The Stakeholder submitted that the situation has changed drastically due to COVID-19 and lockdown period and any tariff determination based on the Petition filed in November, 2019 will not provide the true picture.

Petitioner's Response

- 4.23 The Petitioner submitted that the sales between April, 2020 & June, 2020, has drastically reduced and so the Petitioner has revised its estimated Sales, Revenue & corresponding Power Purchase Cost. During the Public Hearing, the Petitioner has also shown the revised value of sales quantity, sales revenue and power purchase cost. Further, lower sales, revenue, both have been impacted, but more impact is there on revenue side. Hence, the Petitioner has requested the Commission to consider the latest data provided.

Views of the Commission

- 4.24 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has dealt with the issue in detail in Section 6 of this Order.

Estimation of Power Purchase Quantum from DVC & TSL for ARR Period

Public Comments/Suggestions

- 4.25 The Stakeholder submitted that the Petitioner estimation of power purchase Quantum higher (~7-8%) for FY 2020-21 when compared with FY 2019-20 is not justified.

Petitioner's Response

- 4.26 The Petitioner submitted that the energy requirement for FY 2020-21 is expected to increase by ~7% to 8% and hence, the same is claimed in the Petition.

Views of the Commission

- 4.27 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has scrutinised the Petition and after prudence check has approved the Power Purchase Quantum from each source for FY 2020-21 in Section 7 of this Order.

Increase in Power Purchase Rate for ARR Period

Public Comments/Suggestions

- 4.28 The Stakeholder submitted that an assumed ad-hoc increase of 4.00% in power purchase rate is without any basis and should not be allowed by the Commission.

Petitioner's Response

- 4.29 The Petitioner submitted that it has provided the justification for power procurement rate in the Petition. The Petitioner further added that projection of 4.00% increase in power purchase rate as inflation factor is in line with the expected inflation during the financial year.

Views of the Commission

- 4.30 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has scrutinised the Petition, supporting documents/bills of Generators and after prudence check has approved the Power Purchase Rate for FY 2020-21 in Section 7 of this Order.



One Time R&M Charge for FY 2020-21

Public Comments/Suggestions

- 4.31 The Stakeholder submitted that the Petitioner has claimed one-time R&M Charges of Rs. 1.92 Crore for FY 2020-21 which is against the Regulations and there is no provision in the existing Regulations to support it.

Petitioner's Response

- 4.32 The Petitioner submitted that it has provided the detailed justification of the same along with the Petition. The Petitioner further added that it is worthwhile mentioning that work is undertaken based on assessment of technically qualified and experience Engineers and therefore questioning on the requirement doesn't have any basis. These expenses are required for efficient maintenance of the system and need to be incurred. The Petitioner requested the Commission to approve the same. The Petitioner further submitted that not approving the required maintenance expenditure will deprive the team from performing required maintenance and therefore overall health of equipment and network will deteriorate leading to deterioration in service levels.

Views of the Commission

- 4.33 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has dealt the issue in detail in the Section 7 of this Order.

Fixed & Variable Component of ARR

Public Comments/Suggestions

- 4.34 The Stakeholder with regard to Petitioner's claim that the recovery from Fixed Charges constitutes only 16% of ARR, whereas the Fixed Expenses constitute around 22% of ARR submitted that the Petitioner has not given detail break-up of Variable Expenses (Rs. 305.70 Crore) as claimed in the Petition by the Petitioner. The Stakeholder further stated that except Power Purchase Cost, the Petitioner has claimed all the expenses as Fixed in nature which is not in accordance with any Financial Principle/Standard. The Stakeholder added that any decision taken on the abovementioned claim will be against the basic norms of financial data and accepted principles of accountancy.

Petitioner's Response

- 4.35 The Petitioner submitted that the Fixed and Variable expenses of components of ARR are provided in the Petition. The Power Purchase Cost is also bifurcated into Fixed Component and Variable Component. The part of power purchase cost which does not vary with the variation in energy units purchased is considered as fixed and the part of power purchase bills, which vary based on power purchase units is considered as variable. Other cost components of ARR like Employee Expenses, A&G Expenses, R&M Expenses, Depreciation, Interest on normative loan, Interest on Security deposit does not vary much with variation in energy units purchased and therefore considered to be fixed for the period under discussion.

Views of the Commission

- 4.36 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has dealt the issue in detail in the Section 10 of this Order.

Tariff Philosophy

Public Comments/Suggestions

- 4.37 The Stakeholder submitted that the average hike of 6% on inflated figures is highly unjustified. The figure of ACoS has been arrived at after the estimation of data in November, 2019 and the whole data become unrealistic due to pandemic COVID-19. Hence, the Stakeholder requested the Commission to not consider any tariff hike for FY 2020-21.

Petitioner's Response

- 4.38 The Petitioner submitted that the purpose of filing of Tariff petition is to propose the changes in existing tariff so that, no revenue gap or surplus exists. The effect of pandemic COVID-19 has also been shared with the Commission and also been shown during Public Hearing. The decision of tariff increase is purely based on data/facts submitted before the Commission. The Petitioner requested the Commission to increase the tariff so that no revenue gap is carried to the next financial year. If no tariff hike is allowed, the revenue gap will be carried to next financial year with carrying cost, thereby putting additional burden on consumers leading to higher increase in tariff in future years.



Views of the Commission

- 4.39 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has taken into account the comments of Stakeholder, reply submitted by the Petitioner while approving the Tariff of Consumers.

kVAh Based Billing

Public Comments/Suggestions

- 4.40 The Stakeholder submitted that the figure of 3% for difference in kVAh Billing and kWh billing is not properly assessed and it should be around 15%. The Stakeholder requested the Commission that changeover should be allowed only after due diligence and after assessing the impact.

Petitioner's Response

- 4.41 The Petitioner submitted that the detailed analysis of kVAh billing has been submitted before the Commission. The detailed calculation suggested that keeping 3% variation in kWh and kVAH based billing. The figure 15% given by Stakeholder is highly misplaced and doesn't have any basis. This is placed with only objective to decide a lower tariff and such approach is not reasonable.

Views of the Commission

- 4.42 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has taken into account the comments of Stakeholder, reply submitted by the Petitioner and after prudence check has approved the Retail Supply Tariff for FY 2020-21.

Contract Demand Penalty

Public Comments/Suggestions

- 4.43 The Stakeholder submitted that any change in Terms & Conditions of supply should be done after a thorough impact analysis and discussion. The present system of 150% was fixed by the Commission in the past in the State Advisory Committee (SAC) meeting.

Petitioner's Response

- 4.44 The Petitioner submitted that change in penalty to 200% is highly desired to control the undisciplined behaviour of some of the defaulting consumers, who for the benefit of



theirs, put others power supply at risk by drawing more power than what is allowed as per the contract.

Views of the Commission

- 4.45 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has taken into account the comments of Stakeholder and reply of the Petitioner. However, the same shall be governed as per the JSERC (Electricity Supply Code) Regulations.

Increase in HTSS tariff

Public Comments/Suggestions

- 4.46 The Stakeholder submitted that increase of 10% in the tariff of HTSS will close down many units. The power for HTSS unit is just like raw material and an increase in 10% will not be compensated in similar increase in its sales price of products. The units of HTSS will become unviable leading to closure and rendering thousands jobless.

Petitioner's Response

- 4.47 The Petitioner submitted that all HT Consumers are supposed to pay their cost without getting cross subsidised by other HT Consumers. It is not appropriate that burden of one set of industrial consumers is put onto the others. This is also against the National Tariff Policy (NTP) and therefore in the greater interest of the industry should be taken forward.

Views of the Commission

- 4.48 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission has taken into account the comments of Stakeholder and reply of the Petitioner while deciding the Tariff Category and Tariff for each Category of Consumers.

Audited Accounts

Public Comments/Suggestions

- 4.49 The Stakeholder submitted that the Audited Accounts submitted by the Petitioner shows that the Petitioner has earned a Pre-Tax Profit of Rs. 35.59 Crore in FY 2018-19. The Stakeholder stated that any increase in tariff will only increase the profit of the Petitioner by taking the normative route.



Petitioner's Response

- 4.50 The Petitioner submitted that the Annual Audited Account is prepared based on accounting principles, as per Companies Act 1956. Any increase/decrease in tariff depend on ARR and expected Cumulative revenue Gap/(Surplus) determined as per Regulations.

Views of the Commission

- 4.51 The Commission has gone through the submissions of the Stakeholder and the Petitioner. The Commission would like to clarify that the Tariff Determination process is solely guided by the principles laid out in the Tariff Regulations that are issued from time to time and does not take into account the existing financial position of utility.



A 5: TRUE-UP FOR FY 2018-19

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

Consumers, Connected Load and Energy Sales

Petitioner's Submission

- 5.7 The Petitioner submitted the category-wise detail of number of consumers, connected load and energy sales for FY 2018-19 based on the actuals.

Commission's Analysis

- 5.8 The Commission, after scrutinizing the latest information submitted by the Petitioner and after carrying out prudence check, approves the actual Number of Consumers, Connected Load and Energy Sales as submitted by the Petitioner for FY 2018-19 summarised below:



Table 15: Number of Consumers, Connected Load and Sales as submitted by the Petitioner and approved by the Commission

Consumer Category	FY 2018-19					
	Petition			Approved		
	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)
Domestic	3142	25508	20.73	3142	25508	20.73
LT-Rural	400	768	0.49	400	768	0.49
LT-Urban	2710	18267	11.64	2710	18267	11.64
DS HT	32	6473	8.60	32	6473	8.60
Non-Domestic	756	6177	6.65	756	6177	6.65
Rural-Commercial	18	136	0.09	18	136	0.09
Urban-Commercial	738	6041	6.56	738	6041	6.56
Low Tension	229	13867	13.85	229	13867	13.85
Installation Based	219	13259	12.74	219	13259	12.74
Demand Based	10	608	1.11	10	608	1.11
HT Services	250	187016	668.06	250	187016	668.06
High Tension Service	236	158051	556.40	236	158051	556.40
HTS 11 KV	208	68515	194.00	208	68515	194.00
HTS 33 KV	28	89536	362.40	28	89536	362.40
HT Special Service	14	28965	111.66	14	28965	111.66
HTSS 11 KV	5	5115	29.76	5	5115	29.76
HTSS 33 KV	9	23850	81.90	9	23850	81.90
Temporary	4	35	0.01	4	35	0.01
Total	4381	232603	709.30	4381	232603	709.30

Energy Balance

Petitioner's Submission

5.9 The Petitioner submitted that in order to meet its energy requirement, it has procured power from two sources i.e., Damodar Valley Corporation (DVC) at 33 kV and 132 kV and Tata Steel Limited (TSL) at 6.6 kV and 132 kV. The Petitioner further submitted the actual Sales along with the actual distribution losses for True-up of FY 2018-19. The Petitioner also requested the Commission to approve the Energy Sales and Distribution Loss on actuals as submitted below.

Table 16: Energy Balance as submitted by the Petitioner (MU)

Particulars	FY 2018-19	
	MYT Order	Petition
Energy Requirement		
Sales (MU)	540.74	709.30
Overall Distribution Losses %	2.00%	1.83%
Overall Distribution Losses (MU)	11.04	13.23
Energy Requirement	551.78	722.53
Energy Availability		



Particulars	FY 2018-19	
	MYT Order	Petition
Tata Steel Ltd.	337.95	408.39
DVC at 33 kV	43.83	119.51
DVC at 132 kV	170.00	194.64
Energy Availability	551.78	722.53

Commission's Analysis

- 5.10 The Commission has approved the Sales for FY 2018-19 as per the Audited Accounts submitted by the Petitioner. The Commission has further approved the power purchase quantum from each source after scrutinising the energy bills raised by DVC and TSL.
- 5.11 The Commission has observed that the actual distribution loss of 1.83% for FY 2018-19 as claimed by the Petitioner is well within the approved level of 2.00% in MYT Order dated June 07, 2018, in spite of the same being higher than the actual Distribution Loss approved by the Commission for FY 2017-18, i.e. 0.97%, vide its previous Order dated June 19, 2020. The Petitioner should investigate the reason for such variation in distribution loss to maintain consistency. The Commission has however, approved the actual overall Distribution Loss for FY 2018-19 as per Clause 5.23 of the Tariff Regulations, 2015 as reproduced below:

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

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

- 5.12 The following table details the Energy Sales, distribution losses and power purchase quantum as submitted by the Petitioner and approved by the Commission.

Table 17: Energy Requirement as approved by the Commission (MU)

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Energy Requirement			
Sales (MU)	540.74	709.30	709.30
Distribution Losses %	2.00%	1.83%	1.83%
Distribution Losses (MU)	11.04	13.23	13.23
Energy Requirement	551.78	722.53	722.53
Energy Availability			
Tata Steel Ltd.	337.95	408.39	408.39



Particulars	FY 2018-19		
	MYT Order	Petition	Approved
DVC at 33 kV	43.83	119.51	119.51
DVC at 132 kV	170.00	194.64	194.64
Energy Availability	551.78	722.53	722.53

Power Purchase Cost

Petitioner's Submission

5.13 The Petitioner submitted that it has sourced its power requirement from TSL and DVC. The total power procurement cost works out to be Rs. 341.55 Crore out of which Rs. 212.00 Crore is towards power purchased from TSL and rest is towards power purchased from DVC.

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

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

5.15 The Petitioner thus requested the Commission to approve the power purchase cost for FY 2018-19 as shown below.

Table 18: Power Procurement Cost as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2018-19	
	MYT Order	Petition
Tata Steel Ltd.	143.63	212.00
DVC at 33 kV	21.84	50.14
DVC at 132 kV	81.99	79.42
Power Purchase Cost	247.46	341.56

Commission's Analysis

5.16 The Commission has scrutinized the Audited Accounts and monthly power procurement bills of TSL and DVC as submitted by the Petitioner.



- 5.17 The Commission has observed that the per unit power procurement cost from TSL has increased drastically. The Petitioner was directed to furnish the efforts put forward for securing cheaper power from other sources including Open Market.
- 5.18 The Petitioner in its compliance submitted that the matter related to Open Access is taken up with DVC. However, in the past DVC had not allowed for the same and that it is still pursuing the matter with DVC to allow for Open Access. Further, the Petitioner submitted that in the recent Tariff Order of DVC dated May 28, 2019, the Commission had approved the Energy Charge as Rs. 2.95/ kVAh, which is competitive and the Petitioner is also eligible for voltage discount of 5% over this Tariff, which leads to per unit cost of Rs. 2.86/kWh at 132 kV level.
- 5.19 The Petitioner further submitted that TSL is connected to DVC network at Jamshedpur Grid Substation of DVC. The current interconnection transmission capacity of TSL with DVC is just enough to cater to the own requirement of TSL only and therefore even if DVC allows the Petitioner for purchasing power from Open Market, it would be difficult for TSL to wheel the power with the already loaded existing infrastructure. The Petitioner further communicated that it needs more connectivity for power to be sourced as the current sources are already utilized to its full capacity. Once the new connectivity is established, the Petitioner may be able to wheel power from source other than DVC and TSL in its area of operations. The Petitioner also submitted that it has approached JUSNL for connectivity from Gamharia Grid SS for ~40MVA power. In addition to the above, a parallel study is being undertaken along with Power Research and Development Consultants (Petitioner's Consultant) for developing the plan for power sources in its area of operations along with prefeasibility study.
- 5.20 The Commission has gone through the submissions made by the Petitioner and approves the power procurement cost from TSL based on the average power procurement cost of TSL as approved for FY 2018-19 vide its Order on True-up for FY 2018-19, APR for FY 2019-20 and ARR & Tariff for FY 2020-21 of TSL dated September 29, 2020.
- 5.21 In case of power procured from DVC, the Commission approves the power procurement cost based on the Audited Accounts, monthly bills submitted and Tariff Orders of DVC dated September 04, 2014 and May 18, 2018.
- 5.22 **The Petitioner is however directed to rigorously pursue alternative connectivity to Grid for procuring cheaper power from other sources and submit quarterly status report to the Commission.**



- 5.23 The Commission has scrutinized the details submitted by the Petitioner and is of the view that since the Petitioner is procuring power from Distribution Licensees i.e., TSL and DVC in Consumer Mode, the RPO compliance for the units sold to the Petitioner has to be met by the Distribution Licensees selling power to the Petitioner.
- 5.24 The Power Procurement Cost from each source as submitted by the Petitioner and approved by the Commission for FY 2018-19 is tabulated below.

Table 19: Power Procurement Cost as approved by the Commission (Rs. Crore)

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Tata Steel Limited	143.63	212.00	212.04
DVC at 33 kV	21.84	50.14	50.14
DVC at 132 kV	81.99	79.42	79.42
Power Purchase Cost	247.46	341.56	341.60

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

Petitioner's Submission

- 5.25 The Petitioner submitted that it has considered the Opening and Closing Capital Work in Progress (CWIP) as per the Balance Sheet for FY 2018-19. The assets transferred to Gross Fixed Asset (GFA) are considered based on the Audited Accounts statement. As regard the capital expenditure, the Petitioner submitted that it has incurred Rs. 37.27 Crore including Consumer Contribution against the approved value of Rs. 21.48 Crore in MYT Order dated February 28, 2017. The scheme-wise detail for FY 2018-19 along with reason for variation as submitted by the Petitioner is tabulated below.

Table 20: Scheme-wise variation in Capital Expenditure along with Reasons (Rs. Crore)

Sr. no.	Capital Expenditure Plan	FY 2018-19		Reason
		MYT Order	Actual	
1	Augment & New Infrastructure Works	17.37	20.63	Some of the approved Schemes are advanced
2	Connection to Individual Consumers	4.11	17.03	Mainly through CC
Sub-Total		21.48	37.66	-
3	Material in Capital Store	-	(0.39)	For continuation of Capex Schemes & expedite few Capex Schemes
Total		21.48	37.27	

- 5.26 The CWIP and GFA for FY 2018-19 as submitted by the Petitioner is shown below.

Table 21: CWIP & GFA as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2018-19	
	MYT Order	Petition
Capital Work in Progress		
Opening CWIP	24.32	14.12
Capex Expenditure	21.48	37.27
Capitalization	16.31	22.87
Closing CWIP	29.49	28.53
Gross Fixed Asset		
Opening GFA	175.43	199.95
GFA Addition	16.31	22.87
Closing GFA	191.74	222.82

Commission's Analysis

5.27 The Commission has scrutinised the scheme-wise details submitted by the Petitioner along with audited information for approval of CWIP and GFA for FY 2018-19. The Commission observed that the increase in actual capital expenditure during FY 2018-19 as compared to that approved in MYT Order is mainly due to increase in expenditure for providing connection to consumers which is funded by consumer contribution. Accordingly, the Commission has approved the actual capital expenditure during FY 2018-19. The CWIP and GFA as approved by the Commission for FY 2018-19 is shown below.

Table 22: CWIP & GFA as approved by the Commission (Rs. Crore)

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Capital Work in Progress			
Opening CWIP	24.32	14.12	14.12
Capex Exp.	21.48	37.27	37.27
Capitalization	16.31	22.87	22.87
Closing CWIP	29.49	28.53	28.53
Gross Fixed Asset			
Opening GFA	175.43	199.95	199.95
GFA Addition	16.31	22.87	22.87
Closing GFA	191.74	222.82	222.82

Consumer Contribution**Petitioner's Submission**

5.28 The Petitioner, in its Petition submitted the Consumer Contribution as Rs. 13.42 Crore for FY 2018-19 based on the Audited Accounts as shown below.

**Table 23: Consumer Contribution as submitted by the Petitioner (Rs. Crore)**

Particulars	FY 2018-19
	Petition
Addition in Consumer Contribution during the Year	13.42

Commission's Analysis

- 5.29 The Commission observed that the Petitioner in its Petition submitted the Consumer Contribution added during the FY 2018-19 as Rs. 13.42 Crore, which was not matching either with the actual Consumer Contribution received or capitalized as submitted by the Petitioner vide letter dated July 06, 2020.
- 5.30 The Commission in its query dated June 18, 2020, directed the Petitioner to provide details of Consumer Contribution added during FY 2018-19 and justify the same as per the Audited Accounts. The Petitioner in its reply dated July 06, 2020, submitted that as per the Audited Accounts an amount of Rs. 20.90 Crore was received and Rs. 10.78 Crore was capitalized in the FY 2018-19. The Petitioner further added that the balance amount i.e., Rs. 18.83 Crore, the work is in progress for providing power connection, but not yet completed. Hence, the Petitioner requested to consider the capitalized value while truing up for FY 2018-19.
- 5.31 The Petitioner in its reply dated July 06, 2020, further re-iterated that Consumer Contribution received was Rs. 20.90 Crore and Consumer Contribution capitalized during FY 2018-19 was Rs. 10.78 Crore.
- 5.32 The Commission has considered the Consumer Contribution received during FY 2018-19 as Rs. 20.90 Crore, adopting the same methodology as followed in the previous Tariff Orders while calculating the normative equity and loan addition during the FY 2018-19.

Table 24: Consumer Contribution as approved by the Commission (Rs. Crore)

Particulars	FY 2018-19	
	Petition	Approved
Consumer Contribution received during the FY	20.90*	20.90

* Submitted in reply dated July 06, 2020

Depreciation**Petitioner's Submission**

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



- 5.34 The Petitioner further submitted that the Net Depreciation claimed in True-up Petition is in proportion to the asset addition after deducting the assets created out of Consumer Contribution as per the Audited Accounts. Accordingly, the Petitioner has claimed Rs. 7.27 Crore towards depreciation against the approved value of Rs. 7.00 Crore for FY 2018-19.

Table 25: Depreciation as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2018-19	
	MYT Order	Petition
Gross Depreciation	10.66	12.64
Depreciation on Account of CC	3.66	5.37
Net Depreciation	7.00	7.27

Commission's Analysis

- 5.35 In compliance to the Commission's query, the Petitioner vide its letter dated July 06, 2020, submitted the comprehensive detail of opening Consumer Contribution, closing Consumer Contribution and addition in Consumer Contribution during the FY 2018-19. Further, the Petitioner submitted the details of actual capitalization out of Consumer Contribution received and substantiated the same with the Audited Accounts.
- 5.36 The Commission has scrutinized the details submitted by the Petitioner and has observed that the Petitioner has calculated the depreciation on GFA based on the Rates as specified in the Regulations. However, the Petitioner has calculated the depreciation on Consumer Contribution at ~6% per annum derived as the average rate of depreciation during the Financial Year on Plant & Machinery.
- 5.37 The Commission has analysed the claim of the Petitioner of net depreciation after deducting the depreciation associated to Consumer Contribution from the Gross Depreciation. The Commission has approved the depreciation on Gross Fixed Asset based on the average value of opening and closing Gross Fixed Asset of the Financial Year. The rate of depreciation has been considered as claimed by the Petitioner. Further, the Commission has approved the depreciation on asset created out of Consumer Contribution based on the average value of opening and closing Consumer Contribution received of the respective Financial Year and in proportion to gross depreciation computed on Gross Fixed Asset..
- 5.38 The following table summarizes the Depreciation as claimed by the Petitioner and as approved by the Commission for FY 2018-19.

**Table 26: Depreciation as approved by the Commission (Rs. Crore)**

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Gross Depreciation	10.66	12.64	12.64
Depreciation on account of CC	3.66	5.37	6.09
Net Depreciation	7.00	7.27	6.55

Interest and Finance Charges (IFC)

Petitioner's Submission

5.39 The Petitioner submitted that the normative loan has been computed considering the normative Debt-Equity ratio of 70:30. The deemed normative loan addition is considered as 70% of additional capitalisation net of Consumer Contribution capitalised during FY 2018-19. The deemed repayment has been considered equivalent to net depreciation for the Financial Year.

5.40 The table below shows the normative loan and normative equity added during the FY 2018-19 as submitted by the Petitioner. The normative loan is estimated based on the actual Capitalization and Consumer Contribution received during the Financial Year as per the Audited Accounts.

Table 27: Normative Loan & Normative Equity added during the Year (Rs. Crore)

Particulars	FY 2018-19
	Petition
Assets added during the Financial Year	22.87
Less: CC received during the Financial Year	13.42
Normative Amount added during the FY	9.45
Equity Addition (30%)	2.83
Debt Addition (70%)	6.61

5.41 The Petitioner submitted that it has computed normative interest in accordance with the Regulations 6.24 and 6.25 of the Tariff Regulations, 2015 on the average balance of the normative loan during the Financial Year. The addition of loan amount has been considered on normative basis and repayment equal to depreciation is considered for FY 2018-19. The rate of interest is considered as SBI Base Rate plus 200 basis points as on April 01, 2018.

Table 28: Interest and Finance Charges as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2018-19	
	MYT Order	Petition
Opening Balance of Normative Loan	33.24	35.52
Add: Deemed Addition during the FY	7.23	6.61
Less: Deemed Repayment	7.00	7.27



Particulars	FY 2018-19	
	MYT Order	Petition
Closing Balance of Normative Loan	33.47	34.86
Average Balance of Normative Loan	33.35	35.19
SBI Base Rate plus 200 bp	11.30%	10.70%
Interest on Loan	3.77	3.77
Finance Charges	0.00	0.13
Interest and Finance Charges	3.77	3.90

Commission's Analysis

- 5.42 The Commission observed that the Petitioner, in its Petition has calculated the normative equity and loan addition during the FY 2018-19, considering the net GFA addition as Rs. 9.45 Crore which is GFA Addition of Rs. 22.87 Crore less GFA funded out of Consumer Contribution capitalised of Rs. 13.42 Crore. However, the Petitioner in its reply dated July 06, 2020, has submitted the Consumer Contribution received during the FY 2018-19 as Rs. 20.90 Crore and same is substantiated by the Audited Accounts.
- 5.43 The Commission, while approving the normative addition for FY 2018-19, has considered the GFA addition as Rs. 22.87 Crore and Consumer Contribution received during FY 2018-19 as Rs. 20.90 Crore. Further, in accordance with the Tariff Regulations, 2015 and the principles adopted in the previous Tariff Order, the Commission has computed the normative loan addition during the Financial Year equal to 70% of the approved capitalization during FY 2018-19 excluding those funded through Consumer Contribution. The deemed repayment is approved as equal to the approved net depreciation during the Financial Year.
- 5.44 Further, in accordance with the above-mentioned Regulations, interest on normative loan has been calculated on the average normative loan outstanding during the year at the interest rate of SBI Base Rate plus 200 BP as on April 01, 2018.
- 5.45 The Commission observed that the Petitioner has claimed Finance Charge of Rs. 0.13 Crore for FY 2018-19 for preparing Bank Guarantee submitted to DVC as security guarantee for power purchase. The Commission directed the Petitioner vide its letter dated February 10, 2020, to clarify whether the Petitioner submitted the security deposit in the form of BG as per Supply Code Regulations, as the Petitioner procures power from DVC under consumer mode. Further, the Petitioner was also directed to clarify how the expenses were claimed in FY 2015-16 (Base Year) i.e., either in the A&G expenses or separately.

- 5.46 In compliance to the Commission query dated February 10, 2020, the Petitioner submitted that they purchase power from DVC at the notified Tariff by the Commission for which DVC takes Bank Guarantee. The Petitioner has executed two PPA's with DVC to procure power at 33 kV and at 132 kV. In both the agreements, DVC has mentioned about submission of BG, in lieu of cash security deposit and submission of Letter of Credit (LC) for ensuring regular monthly payments of power bills. The Petitioner has submitted BG accordingly. The Petitioner further added that in the base year (FY 2015-16), these charges were part of A&G expenses. However, going forward, it thought appropriate to segregate and charge it separately as the same will keep on increasing depending upon the power purchase volume and therefore need to be dealt separately.
- 5.47 The Commission observed that the Bank Guarantee charge in FY 2015-16 (Base Year) was part of A&G Expenses which is escalated based on actual inflation factor to derive the A&G Expenses for next Financial Year. Hence, the Commission is of the view that there is no merit in allowing Finance Charges separately for providing the BG and the same needs to be considered as part of A&G expenses.
- 5.48 The following table details the Interest and Finance Charges as submitted by the Petitioner and that approved by the Commission for FY 2018-19 as shown below.

Table 29: Interest and Finance Charges as approved by the Commission (Rs. Crore)

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Opening Loan	33.24	35.52	35.59
Normative Addition	7.23	6.61	1.37
Normative Repayment	7.00	7.27	6.55
Closing Loan	33.47	34.86	30.41
Average Loan	33.35	35.19	33.00
Rate of Interest	11.30%	10.70%	10.70%
Interest on Loan	3.77	3.77	3.53
Finance Charge	-	0.13	-
Interest and Finance Charges	3.77	3.90	3.53

Interest on Security Deposits

Petitioner's Submission

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

**Table 30: Consumer Security Deposit as submitted by the Petitioner (Rs. Crore)**

Particulars	FY 2018-19	
	MYT Order	Petition
Opening Consumer Security Deposit	56.92	63.09
Consumer Security Deposit Addition	0.46	8.81
Closing Consumer Security Deposit	57.38	71.90
Interest on Consumer Security Deposit	5.31	5.74

Commission's Analysis

- 5.50 The Commission has scrutinized the details submitted by the Petitioner and approves the Interest on Security Deposit based on the Audited Accounts for FY 2018-19 as shown below.

Table 31: Consumer Security Deposit as approved by the Commission (Rs. Crore)

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Opening Consumer Security Deposit	56.92	63.09	63.09
Consumer Security Deposit Addition	0.46	8.81	8.81
Closing Consumer Security Deposit	57.38	71.90	71.90
Interest on Consumer Security Deposit	5.31	5.74	5.74

Return on Equity**Petitioner's Submission**

- 5.51 The Petitioner submitted that it has claimed Return on Equity in accordance with the Regulations. The Petitioner further added that the deemed addition to the normative equity has been taken at 30% of GFA added during the Financial Year net of Consumer Contribution. The normative Return on Equity is claimed at 15.50% in line with the Tariff Regulations, 2015.
- 5.52 The Petitioner has computed the normative tax as per the principles laid down in the Tariff Regulations, 2015 and methodology approved by the Commission in previous Tariff Orders. Considering the above methodology, the Petitioner has claimed the Income Tax at 21.34% and accordingly Return on Equity is grossed by Tax Rate for Truing up purpose along with the copy of the income tax challan copy.

Table 32: Return on Equity as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2018-19	
	MYT Order	Petition
Opening Equity	34.68	35.95
Deemed Addition	3.10	2.83
Closing Equity	37.78	38.78
Rate of Return on Equity	15.50%	15.50%



Particulars	FY 2018-19	
	MYT Order	Petition
Return on Equity	5.62	5.79
Tax Rate	-	21.34%
Tax on Return on Equity	-	1.57
Return on Equity including Tax	-	7.36

Commission's Analysis

- 5.53 The Commission observed that the Petitioner has calculated the normative equity and loan addition during the FY 2018-19, considering the Net GFA addition as Rs. 9.45 Crore which is GFA of Rs. 22.87 Crore less by the Consumer Contribution Capitalised of Rs. 13.42 Crore. However, the Petitioner in its reply dated July 06, 2020, has submitted the Consumer Contribution received during the FY 2018-19 as Rs. 20.90 Crore and same is substantiated by the Audited Accounts.
- 5.54 The Commission while approving the normative capitalisation for FY 2018-19, considered the GFA as Rs. 22.87 Crore and Consumer Contribution received during the FY 2018-19 as Rs. 20.90 Crore as per the methodology followed in the previous Orders. Further, in accordance with the Tariff Regulations, 2015, the Commission has considered the equity addition during the Financial Year equal to 30% of approved Capitalization (net of Consumer Contribution) during the Financial Year. The Commission has allowed a rate of return of 15.50% (post tax) on equity which is as per Clause 6.17 of the Tariff Regulations, 2015 and methodology adopted in MYT Order dated February, 28, 2017.
- 5.55 The Petitioner has submitted the receipts of advance tax deposited by the Petitioner along with the Petition. The Commission vide its letter dated February 10, 2020, directed the Petitioner to provide the details of actual tax for the power business. The Petitioner in its reply vide dated February 25, 2020, submitted that the total amount paid as Income Tax for FY 2018-19 is Rs. 21.72 Crore and submitted the copy of Income Tax Return (ITR) as the supporting document. Considering the submission made by the Petitioner, the Commission has approved Return on Equity by grossing it up with the Income Tax rate as 21.34%. The table below details the Return on Equity submitted by the Petitioner and that approved by the Commission for FY 2018-19.

Table 33: Return on Equity as approved by the Commission (Rs. Crore)

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Opening Equity	34.68	35.95	35.93
Deemed Addition	3.10	2.83	0.59



Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Closing Equity	37.78	38.78	36.52
Rate of Return on Equity	15.50%	15.50%	15.50%
Return on Equity	5.62	5.79	5.61
Tax Rate	-	21.34%	21.34%
Tax on ROE	-	1.57	1.52
Return on Equity including Tax	-	7.36	7.14

Interest on Working Capital

Petitioner's Submission

5.56 The Petitioner has not claimed any Interest on Working Capital (IoWC) for FY 2018-19.

Commission's Analysis

5.57 The Commission has also not considered the Interest on Working Capital (IoWC) during the Truing up FY 2018-19.

Funding Cost on Delay Payment Surcharge

Petitioner's Submission

5.58 The Petitioner submitted that the Commission considers Delayed Payment Surcharge (DPS) as part of power income (under NTI/Revenue from sale of power) to compute net Annual Revenue Requirement. Further, in light of Judgment of Appellate Tribunal for Electricity (APTEL) dated July 12, 2011, (Case no.: 142 and 147 of 2009), the Petitioner has claimed an additional working capital for funding DPS as shown below.

Table 34: Funding Cost of DPS as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2018-19	
	MYT Order	Petition
Funding Cost of DPS	-	0.37

Commission's Analysis

5.59 The Petitioner has claimed additional working capital as Rs. 0.37 Crore in lieu of funding of DPS. The Commission directed the Petitioner to substantiate their claim. The Petitioner in its reply dated February 25, 2020, submitted that in light of Judgment of Appellate Tribunal for Electricity (APTEL) dated July 12, 2011, (Case no.: 142 and 147 of 2009), the Commission is requested to accept the claim and approve Rs. 0.37 Crore as Funding Cost for DPS.

- 5.60 The Commission observed that the Petitioner has claimed the DPS from FY 2014-15 to FY 2018-19. The Petitioner in its letter dated July 06, 2020, submitted that in the absence of clear Provision in the Regulations, the Petitioner was searching for provisions/order on similar issue of other Commission/APTEL. Subsequently, the Petitioner found similar issue dealt in APTEL Order dated July 07, 2011. In the previous years, the funding cost of DPS was being borne by the Petitioner from its legitimate Return on Equity and was loss to the Petitioner.
- 5.61 The Commission observed that the above facts were not presented before the Commission for scrutiny during MYT Order and are not completely relevant to the current proceedings as Orders till FY 2017-18 have attained finality. Hence, the Commission has not approved any Funding Cost for DPS for the period till FY 2017-18.
- 5.62 The Commission has reassessed the requirement of Working Capital including the Funding Cost of DPS for FY 2018-19, which works out to be negative as shown in Table below:

Table 35: Assessment of Working Capital by the Commission (Rs. Crore)

Particulars	FY 2018-19
Funding Cost of DPS	-
Receivables (2 months)	63.54
O&M Expenses (1 month)	1.45
Maintenance Spares (1% of Opening GFA)	2.00
Less: Security Deposit	67.50
Less: Power Purchase Cost (1 month)	28.47
Total Working Capital	-28.98

- 5.63 Hence, the Commission has not considered any Interest on Working Capital including Funding cost of DPS for FY 2018-19.

Table 36: Funding Cost of Delay Payment Surcharge as approved by the Commission (Rs. Crore)

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Funding Cost of DPS	-	0.37	-



Operation and Maintenance Expenses (O&M)

Petitioner's Submission

- 5.64 The Petitioner submitted that it has segregated each component of O&M Expenses. The Petitioner has calculated the normative value of Employee Expenses based on normative value of Employee Expenses for FY 2017-18 in its Petition for Truing up for FY 2017-18 (Case (Tariff) no.: 06 of 2019), and escalated the same based on actual inflation factor of 4.92% and the load growth for FY 2018-19.
- 5.65 Similarly, the Petitioner has projected the normative A&G Expenses based on normative value of A&G Expenses for FY 2017-18 in its Petition for Truing up for FY 2017-18 (Case (Tariff) no.: 06 of 2019), the inflation factor of 4.92% for FY 2018-19 and has also factored in, the impact of load growth for FY 2018-19.
- 5.66 The Petitioner submitted that it has calculated the normative R&M expenses considering the 'k' factor as 2.54% as approved by the Commission in MYT Order dated February 28, 2017. The Petitioner further has factored in the inflation factor at 4.92% while calculating the normative R&M Expenses for FY 2018-19.
- 5.67 The Petitioner requested the Commission to revise the approved normative figures of O&M Expenses for FY 2018-19 based on the following parameters.
- Employee Expenses considering load growth & inflation;
 - A&G Expenses considering load growth & inflation;
 - R&M Expenses considering the 'k' factor and inflation;

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

Particulars	FY 2018-19	
	MYT Order	Petition
Employee Expenses	7.25	10.96
A&G Expenses	2.32	3.91
R&M Expenses	4.46	5.33
O&M Expenses	14.02	20.20

- 5.68 Further, for calculation of sharing of gains/(loss) on O&M Expenses, the Petitioner has calculated the actual O&M Expenses based on the Audited Accounts for FY 2018-19.
- 5.69 The Petitioner submitted the actual value of Employee Expenses, A&G Expenses and R&M Expenses as Rs. 7.59 Crore, Rs. 4.14 Crore and Rs. 6.43 Crore respectively for FY 2018-19 as per the Audited Accounts for FY 2018-19.

Table 38: Actual O&M Expenses as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2018-19
	Petition
Employee Expenses	7.59
A&G Expenses	4.14
R&M Expenses	6.43
O&M Expenses	18.16

5.70 The Petitioner has additionally claimed Rs. 0.23 Crore due to increase in Petition Fee and CGRF expenses (rent & remuneration) under the head of Change in Law and requested the Commission to allow the additional fees due to amendment in Conduct of Business Regulations, 2016 and additional CGRF expenses due to Commission's Order under Change in Law as separate element under O&M Expenses.

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

Table 39: O&M Expenses including sharing of Gain/Loss as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2018-19
	Petition
Normative O&M Expenses	20.20
Actual O&M Expenses	18.16
Gain/(Loss)	2.04
Sharing of Gain/(Loss)	1.22
Add: Change in Law	0.23
O&M Claimed	19.61

Commission's Analysis

5.72 The Commission has approved the actual O&M expenses for FY 2018-19 based on the values as per the Audited Accounts for FY 2018-19 as shown below.

Table 40: Actual O&M Expenses considered by the Commission (Rs. Crore)

Particulars	FY 2018-19
	Approved
Employee Expenses	7.59
A&G Expenses	4.14
R&M Expenses	6.43
O&M Expenses	18.16

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

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

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) * (1 - X_n) + \text{Terminal Liabilities}$$

Where,

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

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

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

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

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

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

Where,

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

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

$$b) EMP_n (\text{excluding terminal liabilities}) + A\&G_n = (EMP_{n-1} + A\&G_{n-1}) * (INDX_n / INDX_{n-1}) + G_n$$

Where,

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

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

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

Note 1: For the purpose of estimation, the same $INDX_n / INDX_{n-1}$ value shall be used for all years of the control period. However, the Commission will consider the actual values in the



INDXn /INDXn-1 at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period;

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

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

- 5.74 The Regulations has the provision for consideration of impact of load growth only in the Employee Expenses. Hence, the Commission has considered the impact of load growth only in approving the Employee Expenses.
- 5.75 The Commission in this Order has calculated the normative Employee Expenses for FY 2018-19 based on the normative Employee Expenses (Salaries and Wages and Staff Welfare Expenses) for FY 2017-18 approved by the Commission in its Order dated June 19, 2020. Further, in line with the approved methodology in earlier Order dated June 19, 2020, the Commission has approved the normative Employee Expenses based on the inflation factor (4.92%) as per the Regulations and approved load growth for FY 2018-19.
- 5.76 The terminal benefits (Contribution to Provident & other funds) are approved on actuals as per the Audited Accounts for FY 2018-19.
- 5.77 The Commission, for conversion of connection load from kW to kVA, has considered the power factor as 0.85.

Table 41: Normative Employee Expenses as approved by the Commission (Rs. Crore)

Particulars	UoM	FY 2018-19
		Approved
Employee Cost of Previous Year	Rs. Cr.	7.38
Connected Load of Previous Year	kVA	210539
Employee Cost/kVA	Rs./kVA	350.70
Inflation Factor	%	4.92%
Employee Cost/kVA including Inflation	Rs./kVA	367.97
Connected Load (kVA) for Current Year	kVA	236504
Normative Employee Cost	Rs. Cr.	8.70

- 5.78 The Commission has calculated the normative A&G Expenses for FY 2018-19, based on the normative A&G Expenses (A&G Expenses excluding petition filing fee and CGRF Expenses) approved during true up for FY 2017-18 vide Order dated June 19, 2020 and the inflation factor as 4.92% for FY 2018-19.

- 5.79 The Commission has considered Petition filing fees and CGRF Expenses on actual basis as the same are non-escalable expenses.
- 5.80 For the purpose of evaluating the normative R&M Expenses, the Commission has considered the approved opening value of GFA for FY 2018-19 and multiplied it with the 'k' factor of 2.54% as approved in the MYT Order dated February 28, 2017.
- 5.81 The Normative O&M Expenses calculated based on the Methodology discussed above is summarised in the table below:

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

Particulars	FY 2018-19
	Approved
Employee Expenses (excluding Terminal Liabilities)	8.70
A&G Expenses (excluding filing & CGRF Expenses)	2.65
R&M Expenses	5.08
Normative O&M Expenses	16.43
Terminal Liabilities	0.47
Petition Filing Fee	0.21
CGRF Expenses (Rent & Remuneration)	0.24
Normative O&M Expenses including Terminal Liabilities, Filing Fee and CGRF Expenses	17.35

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

Table 43: Sharing of Gain/Loss on account of O&M Expenses as approved by the Commission (Rs. Crore)

Particulars	FY 2018-19	
	Petition	Approved
Normative O&M Expenses	20.20	16.43
Actual O&M Expenses	18.16	17.24
Gain/(Loss)	2.04	(0.81)
Sharing of Gain/Loss	1.22	-
Terminal Benefits, Petition Filing Fees and CGRF Expenses	0.23	0.92
O&M Approved	19.61	17.35



Non-Tariff Income

Petitioner's Submission

- 5.83 The Petitioner has claimed Rs. 0.66 Crore towards Non-Tariff Income for FY 2018-19. The Petitioner further submitted that Non-Tariff Income includes Income from Interest, Miscellaneous Charges, Delay Payment Surcharge, Meter Rent, etc., and reconciled the Non-Tariff Income with the Audited Accounts submitted along with the Petition.

Table 44: Non-Tariff Income as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2018-19	
	MYT Order	Petition
Non-Tariff Income	0.12	0.66

Commission's Analysis

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

Table 45: Non-Tariff Income as approved by the Commission (Rs. Crore)

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Non-Tariff Income	0.12	0.66	0.66

Revenue

Petitioner's Submission

- 5.85 The Petitioner submitted the revenue from Sale of Power as per the Audited Accounts, comprising of Demand Charges, Energy Charges, Revenue from FPPPA Charge, Power Factor Surcharge, Rebates, etc., as Rs. 377.54 Crore for FY 2018-19.

Commission's Analysis

- 5.86 The Commission has scrutinized the Audited Accounts submitted by the Petitioner along with the Petition. The Commission has approved the Revenue from Sale of Power as Rs. 377.54 Crore (Note-10) of the Audited Accounts.

Table 46: Revenue as approved by the Commission for (Rs. Crore)

Particulars	FY 2018-19	
	Petition	Approved
Revenue	377.54	377.54



Summary of Annual Revenue Requirement and Gap/(Surplus)

Petitioner's Submission

5.87 The Petitioner has projected a Gap/(Surplus) of Rs. 7.70 Crore for FY 2018-19 and requested the Commission to approve the same..

Commission's Analysis

5.88 The following table summarises the Annual Revenue Requirement and Surplus for FY 2018-19 as submitted by the Petitioner vis-à-vis the values approved by the Commission.

Table 47: Summary of ARR as approved by the Commission for (Rs. Crore)

Particulars	FY 2018-19		
	MYT Order	Petition	Approved
Power Purchase Cost	247.46	341.56	341.60
O&M Expenses	14.02	19.61	17.35
Depreciation	7.00	7.27	6.55
Interest on Long Term Loan	3.77	3.90	3.53
Interest on Consumer Security Deposit	5.31	5.74	5.74
Interest on Working Capital	-	-	-
Return on Equity	5.62	7.36	7.14
Total Expenses	283.18	385.43	381.91
Less: Non-Tariff Income	0.12	0.66	0.66
Funding of Delay Payment Surcharge	-	0.45	-
Annual Revenue Requirement	283.07	385.23	381.26
Revenue from Sales	-	377.53	377.54
Gap/(Surplus)	-	7.70	3.72

5.89 The Commission has approved the treatment of above Gap/(Surplus) in Section A8 of this Order.



A 6: ANNUAL PERFORMANCE REVIEW FOR FY 2019-20

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

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

6.2 The Petitioner has submitted the Annual Performance Review (APR) for FY 2019-20 based on actual performance for the first six months (H1) and estimated for balance six months (H2) of FY 2019-20.

6.3 The Commission has approved the Annual Performance Review for FY 2019-20 taking into consideration:

- JSERC Distribution Tariff Regulations, 2015;
- Material evidences placed before the Commission;
- Methodology adopted by the Commission in its previous Orders.

6.4 The component-wise description of the Petitioner's Submission and the Commission's analysis thereof is provided hereunder.

Number of Consumers, Connected Load and Energy Sales

Petitioner's Submission

6.5 The Petitioner submitted the category-wise detail of number of consumers, Connected Load and Energy Sales for FY 2019-20 based on the actual for the first six months and projected basis for the next six months.

6.6 The Petitioner submitted the number of consumers, Connected Load and Sales higher than the approved value by the Commission in the MYT Order dated February 28, 2017 due to following broad reasons:

- Ease of Doing Business;
- Increase in demand from prospective customers;



Commission's Analysis

6.7 The Commission has scrutinized the information submitted by the Petitioner and after prudence check approves the number of consumers, Connected Load and Energy Sales as submitted by the Petitioner for FY 2019-20 as summarised below:

Table 48: Consumers, Connected Load and Sales as submitted by the Petitioner and approved by the Commission

Consumer Category	FY 2019-20					
	Petition			Approved		
	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)
Domestic	4616	36204	35.33	4616	36204	35.33
LT-Rural	712	1235.00	0.88	712	1235.00	0.88
LT-Urban	3865	25325.76	20.76	3865	25325.76	20.76
DS HT	39	9643.24	13.69	39	9643.24	13.69
Non-Domestic	1175	9204	10.13	1175	9204	10.13
Rural-Commercial	28	189	0.28	28	189	0.28
Urban-Commercial	1147	9015	9.85	1147	9015	9.85
Low Tension	290	13900	13.73	290	13900	13.73
Installation Based	276	13141	12.64	276	13141	12.64
Demand Based	14	759	1.09	14	759	1.09
HT Services	278	202945	578.58	278	202945	578.58
High Tension Service	253	166850	485.86	253	166850	485.86
HTS 11 KV	222	71754	173.73	222	71754	173.73
HTS 33 KV	31	95096	312.13	31	95096	312.13
HT Special Service	25	36095	92.72	25	36095	92.72
HTSS 11 KV	11	8645	13.09	11	8645	13.09
HTSS 33 KV	14	27450	79.63	14	27450	79.63
Temporary	3	-	0.01	3	-	0.01
Total	6362	262253	637.78	6362	262253	637.78

Energy Balance

Petitioner's Submission

6.8 The Petitioner submitted that it has considered the actual performance for first half (H1) and estimated for second half (H2) of FY 2019-20 based on H1 performance and other factors. The Petitioner further submitted that there have been increase in demand from LT segment due to extension of network in Seraikela Town and nearby village area.

6.9 The Petitioner has claimed the Distribution loss for H1 as 1.98% and estimated loss as 3.14% for second half with an overall loss of 2.56% for FY 2019-20.

**Table 49: Energy Balance as submitted by the Petitioner (MU)**

Particulars	FY 2019-20	
	MYT Order	Petition
Energy Requirement		
Sales (MU)	584.03	637.78
Overall Distribution Losses %	2.00%	2.56%
Overall Distribution Losses (MU)	11.92	16.35
Energy Requirement	595.95	654.13
Energy Availability		
Tata Steel Ltd.	337.95	354.36
DVC at 33 kV	31.40	119.13
DVC at 132 kV	226.60	180.65
Energy Availability	595.95	654.13

Commission's Analysis

- 6.10 As per submission of the Petitioner, at present there are four source points i.e. DVC 132 kV source at Chandil (40 MVA), DVC 33 kV source at Golmuri (22 MVA), Tata Steel 132 kV source from Jojobera (70 MVA) and Tata Steel 6.6 kV source (01 MVA).
- 6.11 The Commission observed that the Petitioner has made typo error in calculation of Distribution Loss (%) which should be 2.50% instead of 2.56% as submitted in the Petition. The Commission further observed that the distribution loss as projected by the Petitioner is on higher side as compared to previous financial year (FY 2018-19) may be due to increasing demand from LT segment and extension of network in Seraikela Town and nearby village area.
- 6.12 The Commission has approved the Distribution loss at the level approved for FY 2018-19 based on actuals in this Order as the actual distribution loss level for H1 of FY 2019-20 is only 1.98%, subject to prudence check at the time of truing up as per Clause 5.23 of the Tariff Regulations, 2015, as reproduced below:

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

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



- 6.13 Further, the Commission has proportionally reduced the quantum to be purchased from the costliest source i.e. TSL, while determining the energy requirement due to reduced approved loss level for FY 2019-20.
- 6.14 The Commission has approved the power purchase quantum from each source and distribution loss as shown below and shall be subject to truing up based on actuals.

Table 50: Energy Requirement as approved by the Commission for FY 2019-20 (MU)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Energy Requirement			
Sales (MU)	584.03	637.78	637.78
Overall Distribution Losses %	2.00%	2.50%	1.83%
Overall Distribution Losses (MU)	11.92	16.35	11.90
Energy Requirement	595.95	654.13	649.68
Energy Availability			
Tata Steel Ltd.	337.95	354.36	349.91
DVC at 33 kV	31.40	119.13	119.13
DVC at 132 kV	226.60	180.65	180.65
Energy Availability	595.95	654.13	649.68

Power Purchase Cost

Petitioner's Submission

- 6.15 The Petitioner submitted the power purchase cost on the basis of actuals for H1 and that estimated for H2 of FY 2019-20. The rate of power purchase from TSL source for H2 of FY 2019-20 is considered same as actuals in H1 of FY 2019-20. However, the power purchase cost from DVC source for H2 has been considered at 2% higher than the actual rate of power purchase cost of H1 FY 2019-20, to accommodate inflationary increase.
- 6.16 As regards the Renewable Power Obligation (RPO), the Petitioner quoted the extract of Commission MYT Order dated February 28, 2017 as reproduced below, to justify that the Petitioner is not liable to fulfil RPO:

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



- 6.17 The Petitioner has requested the Commission to approve the power purchase cost as Rs. 294.50 Crore for FY 2019-20 subject to truing up.

Table 51: Power Procurement Cost as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	MYT Order	Petition
Power Purchase Cost		
Tata Steel Ltd.	145.32	167.61
DVC at 33 kV	15.73	50.77
DVC at 132 kV	109.93	76.11
Net-Power Purchase Cost	270.98	294.50

- 6.18 The Petitioner further submitted that it has applied for one new source of power of 200 kVA from JBVNL at Seraikela town. The purpose submitted by the Petitioner for this new connection is that in case of breakdowns/ shutdowns/ stoppage of power due to any external reasons, at least some emergency and critical power supply is fed to consumers.
- 6.19 The Petitioner further added that the Petitioner's main substation is at Gamharia, which is approximately 30 km away from Seraikela town. Hence, this new source shall act as a backup for connections to Seraikela town's consumers and this facility shall improve the reliability of the power supply to consumers of this area.

Commission's Analysis

- 6.20 The Commission observed that the Petitioner has proposed power of 200 kVA from JBVNL at Seraikela town with a purpose to cater the load in case of breakdowns/ shutdowns of the existing source and directed the Petitioner to substantiate such requirement by providing the detail of instances of breakdowns/ shutdowns of the existing source in FY 2018-19.
- 6.21 In reply to the Commission's query, the Petitioner submitted that during the FY 2018-19, there were 20 instances of breakdown/fault in this line, totalling around 61 hours of outage. In case of breakdown, there is complete uncertainty on restoration time and such arrangement is needed to feed the power in case of breakdown and emergency.
- 6.22 The Commission observed that the arrangement for emergency power with JBVNL did not materialise in FY 2019-20 and discussion is going on for supply of power from FY 2020-21 onwards. Hence, the Commission doesn't approve any expense towards such emergency power in the ARR for FY 2019-20.

- 6.23 The cost of power purchased from TSL is approved based on the average power procurement cost as approved in the APR Order for FY 2019-20 dated September 29, 2020 for TSL, Distribution licensee and shall be subject to truing up.
- 6.24 In case of power procured from DVC 132kV & DVC 400kV, the Commission approves the average power procurement cost based on the monthly bills submitted by the Petitioner, and shall be subject to prudence check at the time of truing up.
- 6.25 The Commission is of the view that since the Petitioner is procuring power from Distribution Licensees i.e., TSL and DVC in consumer mode and therefore not liable to meet the RPO compliance for the units purchased from TSL and DVC 132kV & DVC 400kV.
- 6.26 The Power Procurement Cost from each source as proposed by the Petitioner and approved by the Commission for FY 2019-20 is tabulated below.

Table 52: Power Procurement Cost as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Power Purchase Cost			
Tata Steel Ltd.	145.32	167.61	169.35
DVC at 33 kV	15.73	50.77	50.26
DVC at 132 kV	109.93	76.11	75.35
Net-Power Purchase Cost	270.98	294.49	294.96

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

Petitioner's Submission

- 6.27 The Petitioner submitted the CWIP and GFA based on the actual for first six months and estimated for next six months for FY 2019-20. The Petitioner further submitted that Capital Expenditure and Capitalization is carried out in accordance with the MYT Order dated February 28, 2017 along with new schemes approved by the Commission vide its Order dated September 25, 2018. The Petitioner has submitted the scheme wise details of Capital Expenditure & Capitalization projected for FY 2019-20 along with the Petition.

Table 53: CWIP & GFA as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	MYT Order	Petition
Capital Work in Progress		
Opening CWIP	29.49	28.53
Capex Expenditure	19.52	44.57
Capitalization	19.27	47.43



Particulars	FY 2019-20	
	MYT Order	Petition
Closing CWIP	29.74	25.67
Gross Fixed Asset		
Opening GFA	191.74	222.82
GFA Addition	19.27	47.43
Closing GFA	211.01	270.25

Commission's Analysis

6.28 The Commission has approved the Capital Expenditure and Capitalization for FY 2016-17 to FY 2020-21, in its MYT Order on February 27, 2018. Further, the Petitioner had filed a separate Petition (Case no. 20 of 2018) before the Commission under clause A44 read with A45 of the JSERC (Conduct of Business) Regulations, 2016 for expansion of power network in the areas where new or prospective consumers have applied/will apply for power connection and clarification of approved capitalization schedule. The Commission vide its Order dated September 25, 2018 disposed the Petition. The relevant extract of the Order is reproduced below:

"1. A Petition has been filed on behalf of Jamshedpur Utilities & Services Co. Limited (JUSCO) under clause A44 read with A45 of the Jharkhand State Electricity Regulatory Commission (Conduct of Business) Regulations, 2016 for expansion of power network in the areas where new or prospective consumers have applied/will apply for power connection and clarification of approved capitalization schedule.

Issue-I: *Approval of three new Capital Schemes of Rs.37.91 Crs. over the next 3 years in addition to whatever has been approved in the MYT order.*

Issue-II: *Clarification on the capitalization schedule for the capital Schemes already approved in the MYT Order.*

2. The Petitioner submitted the details of additional capital of the project with break up for cost, capital expenditure and capitalization schedule.

ORDER

3. Considering the submission of the Petitioner, we allow the additional capital Scheme subject to expenditure incurred with all rate reasonability, details of which will be submitted at the time of APR/Truing-up by JSERC.

4. With the above observations, the petition is disposed off accordingly."



- 6.29 The Commission has carried out the prudence check and observed the Capital Expenditure and Capitalization projected by the Petitioner is in line to the MYT Order scheme along with new scheme as approved by the Commission in its Order dated September 25, 2018.
- 6.30 The Commission has provisionally approved the CWIP and GFA for FY 2019-20 as shown below which shall be subject to true-up based on actuals. The Commission will carry out detail study along with rate reasonability at the time of truing up.

Table 54: CWIP & GFA as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Capital Work in Progress			
Opening CWIP	29.49	28.53	28.52
Capex Expenditure	19.52	44.57	44.57
Capitalization	19.27	47.43	47.43
Closing CWIP	29.74	25.67	25.66
Gross Fixed Asset			
Opening GFA	191.74	222.82	222.82
GFA Addition	19.27	47.43	47.43
Closing GFA	211.01	270.25	270.25

Consumer Contribution

Petitioner's Submission

- 6.31 The Petitioner submitted the Consumer contribution for FY 2019-20 based on the Consumer Contribution received in H1 and expected to be received in H2.

Table 55: Consumer Contribution as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20
	Petition
CC projected during the Year	11.50

Commission's Analysis

- 6.32 The Petitioner vide its reply dated July 06, 2020 revised the Consumer Contribution received during the financial year as Rs. 17.75 Crore and Consumer Contribution capitalized during the financial year as Rs. 19.97 Crore based on the latest available data.
- 6.33 The Commission after scrutinizing the revised submission made by the Petitioner approves the addition in Consumer Contribution as Rs. 17.75 Crore as per the methodology adopted in the previous Orders subject to prudence check at the time of truing up.

**Table 56: Consumer Contribution as approved by the Commission (Rs. Crore)**

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

* Revised in reply dated July 06, 2020

Depreciation***Petitioner's Submission***

- 6.34 The Petitioner submitted that the gross depreciation based on weighted average rate of 5.98%, which is the average depreciation rate for FY 2018-19 (True-up Year) subject to truing up based on actuals) and assessed the depreciation of assets created out of Consumer Contribution. Accordingly, the Petitioner claimed the net depreciation as Rs. 9.82 Crore against the approved value of Rs.7.68 Crore in MYT Order dated February 28, 2017.

Table 57: Depreciation as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	MYT Order	Petition
Gross Depreciation	11.70	14.74
Depreciation on Account of CC	4.01	4.92
Net Depreciation	7.68	9.82

Commission's Analysis

- 6.35 The Commission directed the Petitioner to provide the detailed calculation of depreciation on GFA and assets created out of Consumer Contribution for FY 2019-20. In compliance to the Commission's query, the Petitioner in its reply July 06, 2020, submitted that the depreciation on asset created out of Consumer Contribution is calculated at ~6.00% per annum derived as the average rate of depreciation during the financial year on Plant & Machinery.
- 6.36 The Commission has carried out prudence check of the reply submitted by the Petitioner and approves the Gross Depreciation based on weighted average rate of previous year, i.e., FY 2018-19 as approved in this Order.
- 6.37 The Commission has analysed the claim of the Petitioner of net depreciation after deducting the depreciation associated to Consumer Contribution from the Gross Depreciation. The Commission has approved the depreciation on Gross Fixed Asset based on the average value of opening and closing Gross Fixed Asset of the respective Financial Year. The rate of depreciation has been considered as approved by the Commission in this Order for truing up of FY 2018-19. Further, the Commission has



approved the depreciation on asset created out of Consumer Contribution based on the average value of opening and closing Consumer Contribution received of the respective Financial Year and in proportion to gross depreciation computed on Gross Fixed Asset.

6.38 The following table summarizes the depreciation submitted by the Petitioner and as approved by the Commission for FY 2019-20.

Table 58: Depreciation as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Gross Depreciation	11.70	14.74	14.74
Depreciation on Account of CC	4.01	4.92	7.24
Net Depreciation	7.68	9.82	7.50

Interest and Finance Charges (IFC)

Petitioner's Submission

6.39 The Petitioner submitted that the normative loan has been computed considering the normative Debt-Equity ratio of 70:30. The deemed repayment has been considered equivalent to net depreciation for FY 2019-20.

6.40 The table below shows the normative loan and normative equity added during the FY 2019-20 as submitted by the Petitioner. The normative loan is estimated by the Petitioner based on actual Capitalization and Consumer Contribution received during the year for FY 2019-20.

Table 59: Normative Loan & Normative Equity added during the FY 2019-20 (Rs. Crore)

Particulars	FY 2019-20
	Petition
Assets added during the Year	47.43
Less: Consumer Contribution during the Year	11.50
Normative Amount Added during the Year	35.93
Equity Addition for FY 2016-17 @ 30%	10.78
Debt Addition for FY 2016-17 @ 70%	25.15

6.41 The Petitioner submitted that it has computed normative interest in accordance with the Regulation 6.24 and Regulation 6.25 of the Tariff Regulations, 2015, on the average normative loan outstanding during the FY 2019-20. The rate of interest for FY 2019-20 has been considered as applicable SBI Base Rate plus 200 basis points as on April 01, 2019 i.e. 11.05%.

Table 60: Interest and Finance Charges as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	MYT Order	Petition
Opening Balance of Normative Loan	33.47	34.86
Add: Deemed Addition during the FY	8.88	25.15
Less: Deemed Repayment	7.68	9.82
Closing Balance of Normative Loan	34.67	50.20
Average Balance of Normative Loan	34.07	42.53
SBI Base Rate plus 200 bp	11.30%	11.05%
Interest on Loan	3.85	4.70
Finance Charges	-	0.15
Interest and Finance Charges	3.85	4.85

Commission's Analysis

- 6.42 In accordance with the Tariff Regulations, 2015 and the principles adopted in the previous Tariff Orders, the Commission has computed the normative loan addition during the financial year equal to 70% of the approved capitalization excluding those funded through Consumer Contribution. The normative repayment is deemed to be equal to the approved net depreciation during the FY 2019-20.
- 6.43 Further, in accordance with the Tariff Regulations, 2015, interest on normative loan has been calculated on the average normative loan outstanding during the FY 2019-20 at the interest rate of SBI Base Rate plus 200 basis points as on April 01, 2019.
- 6.44 The Commission observes that the Bank Guarantee charge in FY 2015-16 (Base year) is part of A&G expenses which is escalated based on actual inflation factor to derive the A&G Expenses for next Financial year. Hence, the Commission is of the view that there is no merit in approving Finance Charge separately and the same needs to be met from A&G expenses.
- 6.45 The following table details the Interest and Finance Charges as submitted by the Petitioner and that approved by the Commission for FY 2019-20.

Table 61: Interest and Finance Charges as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Opening Loan	33.47	34.86	30.41
Normative Addition	8.88	25.15	20.78
Normative Repayment	7.68	9.82	7.50
Closing Loan	34.67	50.20	43.68
Average Loan	34.07	42.53	37.05
Rate of Interest	11.30%	11.05%	11.05%
Interest on Loan	3.85	4.70	4.09



Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Finance Charge	-	0.15	-
Interest and Finance Charges	3.85	4.85	4.09

Interest on Security Deposits

Petitioner's Submission

6.46 The Petitioner submitted that it has estimated the Security Deposit for the FY 2019-20 based on the growth expected in the FY 2019-20. The Petitioner has further submitted that it has already received cash Security Deposit amount of Rs. 2.42 Crore during the first six months (H1) of FY 2019-20 and estimates around Rs. 4.84 Crore for the complete FY 2019-20. The table below provides the details of Interest on Security Deposit for FY 2019-20.

Table 62: Consumer Security Deposit as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	MYT Order	Petition
Opening Consumer Security Deposit	57.38	71.90
Consumer Security Deposit addition	0.46	4.84
Closing Consumer Security Deposit	57.84	76.74
Interest on Consumer Security Deposit	5.36	6.73

Commission's Analysis

6.47 The Commission has carried out prudence check of the detail submitted by the Petitioner and approves the Interest on Security Deposit as shown below subject to truing up based on actuals.

Table 63: Consumer Security Deposit as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Opening Consumer Security Deposit	57.38	71.90	71.90
Consumer Security Deposit addition	0.46	4.84	4.84
Closing Consumer Security Deposit	57.84	76.74	76.74
Interest on Consumer Security Deposit	5.36	6.73	6.73

Return on Equity

Petitioner's Submission

6.48 The Petitioner submitted that it has claimed the Opening Balance of Equity for FY 2019-20 as closing balance of FY 2018-19. The Petitioner further submitted that the deemed addition to the normative equity has been taken as 30% of GFA added during the FY

2019-20 net of Consumer Contribution. The normative Return on Equity is claimed at 15.50% in line with the Tariff Regulations, 2015.

- 6.49 The Petitioner also submitted that it has computed the normative tax as per the principles laid down in the Tariff Regulations, 2015 and methodology approved by the Commission in previous Tariff Orders. Considering the above methodology, the Petitioner has considered the Income Tax as 25.17% for grossing up Return on Equity for FY 2019-20.

Table 64: Return on Equity as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	MYT Order	Petition
Opening Equity	37.78	38.78
Deemed Addition	3.81	10.78
Closing Equity	41.59	49.56
Rate of Return on Equity	15.50%	15.50%
Return on Equity	6.15	6.85
Tax Rate	-	25.17%
Tax on Return on Equity	-	2.30
Return on Equity including Tax	6.15	9.15

Commission's Analysis

- 6.50 The Commission has considered the normative addition of equity for FY 2019-20 as 30% of approved GFA added during the Financial Year net of Consumer Contribution received. The Commission has allowed rate of Return of Return as 15.50% (Post-Tax) on Equity for FY 2019-20, which is as per Regulation 6.17 of the Tariff Regulations, 2015 and methodology adopted in MYT Order dated February 28, 2017.
- 6.51 The Commission has considered the submission of the Petitioner and approves the Income Tax on Return on Equity @ 25.17% (under section. 115BAA of the Income Tax Act) for FY 2019-20, subject prudence check at the time of truing up.
- 6.52 The table below details the Return on Equity (RoE) as submitted by the Petitioner and as approved by the Commission for FY 2019-20.

Table 65: Return on Equity as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Opening Equity	37.78	38.78	36.52
Deemed Addition	3.81	10.78	8.90
Closing Equity	41.59	49.56	45.42
Rate of Return on Equity	15.50%	15.50%	15.50%
Return on Equity	6.15	6.85	6.35
Tax Rate	-	25.17%	25.17%



Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Tax on Return on Equity	-	2.30	2.14
Return on Equity including Tax	6.15	9.15	8.49

Interest on Working Capital

Petitioner's Submission

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

Commission's Analysis

6.54 The Commission has also not considered the Interest on Working Capital (IoWC) for FY 2019-20.

Operation and Maintenance Expenses (O&M)

Petitioner's Submission

6.55 The Petitioner calculated the normative O&M expenses considering the following factors:

- (a) Employee Cost considering Load Growth & Inflation;
- (b) A&G Expenses considering Load Growth & Inflation;
- (c) R&M expenses considering the “k” factor & Inflation.

6.56 The projection of O&M expenses for FY 2019-20 as submitted by the Petitioner and that approved by the Commission in MYT Order dated February 28, 2017 is tabulated below.

Table 66: Normative O&M Expenses as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	MYT Order	Petition
Employee Expenses	7.63	12.76
A&G Expenses	2.42	4.55
R&M Expenses	4.87	5.94
O&M Expenses	14.92	23.24

Commission's Analysis

6.57 The Commission observed that the Petitioner has deviated from the methodology as per JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015 and adopted by the Commission in its earlier Orders while projecting the O&M Expenses.

- 6.58 The Commission has re-calculated the Employee Expenses for FY 2019-20 taking in account the inflation factor (4.90% for FY 2019-20) and approved load growth as summarised in the Table below. The terminal Liabilities is approved based on the actual for FY 2018-19 (True-up Year) subject to truing up based on actuals.

Table 67: Normative Employee Expenses as approved by the Commission (Rs. Crore)

Particulars	UoM	FY 2019-20
		Approved
Employee Cost of Previous Year	Rs. Cr.	8.70
Connected Load of Previous Year	kVA	236504
Employee Cost/kVA	Rs./kVA	367.97
Inflation Factor	%	4.90%
Employee Cost/kVA including Inflation	Rs./kVA	385.99
Connected Load (kVA) for Current Year	kVA	268566
Normative Employee Cost	Rs. Cr.	10.37

- 6.59 Further, the Commission has calculated the A&G Expenses (excluding petition filing fee and CGRF expenses) on the basis of approved A&G Expenses for FY 2018-19 and inflation factor as 4.90% for FY 2019-20. The petition filing and CGRF expenses is approved based on the actual for FY 2018-19 subject to truing up based on actuals.
- 6.60 For purpose of evaluating the R&M Expenses, the Commission has considered the approved opening value of Gross Fixed Asset for FY 2019-20 and 'k' factor as 2.54% as approved in the MYT Order dated February 28, 2017.
- 6.61 The table below summarizes the O&M Expenses as approved by the Commission for FY 2019-20.

Table 68: Normative O&M Expenses as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20
	Approved
Employee Expenses (excluding Terminal Liabilities)	10.37
A&G Expenses (excluding filing & CGRF Expenses)	2.78
R&M Expenses	5.66
Normative O&M Expenses	18.80
Terminal Liabilities	0.47
Petition Filing Fee	0.21
CGRF Expenses (Rent & Remuneration)	0.24
Normative O&M Expenses including Terminal Liabilities, Filing Fee and CGRF Expenses	19.72



Non-Tariff Income

Petitioner's Submission

- 6.62 The Petitioner submitted that it has estimated the Non-Tariff Income as Rs. 0.85 Crore for FY 2019-20 against the approved value of Rs. 0.12 Crore. The Petitioner further submitted that Non-Tariff Income includes Income from Interest, Miscellaneous Charges, Delay Payment Surcharge, Meter Rent etc. and requested the Commission to approve the submission as shown below.

Table 69: Non-Tariff Income as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2019-20	
	MYT Order	Petition
Non-Tariff Income	0.12	0.85

Commission's Analysis

- 6.63 The Commission has approved the Non-Tariff Income as submitted by the Petitioner considering the increase in demand and new consumer addition leading to increased meter rent subject to truing up based on actuals.

Table 70: Non-Tariff Income as approved by the Commission (Rs. Crore)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Non-Tariff Income	0.12	0.85	0.85

Revenue

Petitioner's Submission

- 6.64 The Petitioner has claimed the revenue from sales of power for H1 on actuals and projected for H2 based on load growth additions during H2 and as per prevailing tariff. The revenue from Sale of power comprises of Demand Charges, Energy Charges, revenue from FPPPA charge, Power Factor Surcharge, Rebates etc. as Rs. 344.73 Crore for FY 2019-20.

Commission's Analysis

- 6.65 The Commission has scrutinized the revised submission made by the Petitioner and approves the revenue provisionally as submitted below subject to true up based on actuals.



Table 71: Revenue as approved by the Commission for (Rs. Crore)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Revenue	-	344.73	344.73

Summary of ARR and Gap/(Surplus)

Petitioner's Submission

6.66 The Petitioner has projected Gap/(Surplus) of Rs. 2.70 Crore for FY 2019-20 based on the actual performance for first six months and estimated for next six months for FY 2019-20.

Commission's Analysis

6.67 The Commission has approved the Gap/(Surplus) based on the approved value of Annual Revenue Requirement and Revenue at existing tariff for FY 2019-20. The following table summarises the Annual Performance Review (APR) for FY 2019-20 as submitted by the Petitioner vis-à-vis that approved by the Commission.

Table 72: Summary of ARR as approved by the Commission for (Rs. Crore)

Particulars	FY 2019-20		
	MYT Order	Petition	Approved
Power Purchase Cost	270.97	294.50	294.96
O&M Expenses	14.92	23.25	19.72
Depreciation	7.68	9.82	7.50
Interest on Long Term Loan	3.85	4.85	4.09
Interest on Consumer Security Deposit	5.36	6.73	6.73
Interest on Working Capital Loan	-	-	-
Return on Equity	6.15	9.15	8.49
Total Expenses	308.93	348.28	341.49
Less: Non-Tariff Income	0.12	0.85	0.85
Annual Revenue Requirement	308.82	347.43	340.64
Revenue from Sales	-	344.73	344.73
Gap/(Surplus)	-	2.70	(4.09)

6.68 The Commission has approved the treatment of the Gap/(Surplus) in the Section A8 of this Order.



A 7: ARR & TARIFF FOR FY 2020-21

- 7.1 The Petitioner has submitted the revised estimates of ARR for FY 2020-21 based on the projected figures of APR for FY 2019-20.
- 7.2 The Commission has approved the Annual Revenue Requirement (ARR) and Tariff for FY 2020-21 taking into consideration:
- Material evidences placed before the Commission;
 - Tariff Regulations, 2015;
 - Methodology adopted by the Commission in its earlier Orders.

Consumers, Connected Load and Energy Sales

Petitioner's Submission

- 7.3 The Petitioner has projected the load growth and Sales growth for FY 2020-21 as 5.40% and 8.00% over the respective figures of FY 2019-20. The Petitioner has further submitted that the Sales growth projection is due to increase in number of applications from new consumers and increase in consumption of existing consumers.

Commission's Analysis

- 7.4 The Commission observed that the Petitioner, during the Public Hearing has proposed to revise the sales to 468 MU from 689.37 MU projected in the Petition after factoring in the impact of COVID-19. However, the Petitioner has not provided the detailed submission and its impact regarding the same in the ARR. Hence, the Commission at this stage has considered the Sales as projected in the Petition as the revised details were not available for comments from the Stakeholders. The Petitioner may approach the Commission with the revised Sales while APR/Truing up Petition for FY 2020-21.
- 7.5 The Commission has scrutinized the submission made by the Petitioner and after prudence check, approves the number of Consumers, Connected Load and Energy Sales as shown below subject to truing up based on actuals.



Table 73: Consumers, Connected Load and Sales as submitted by the Petitioner and approved by the Commission

Consumer Category	FY 2020-21					
	Petition			Approved		
	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)	No. of Consumers	Connected Load (kVA/kW/HP)	Consumption (MU)
Domestic	5467	41604	39.70	5467	41604	39.70
LT-Rural	862	1535.06	1.04	862	1535.06	1.04
LT-Urban	4565	30225.76	24.01	4565	30225.76	24.01
DS HT	40	9843.24	14.65	40	9843.24	14.65
Non-Domestic	1260	9879	11.12	1260	9879	11.12
Rural-Commercial	33	224	0.33	33	224	0.33
Urban-Commercial	1227	9655	10.79	1227	9655	10.79
Low Tension	310	14864	15.05	310	14864	15.05
Installation Based	294	14005	13.82	294	14005	13.82
Demand Based	16	859	1.23	16	859	1.23
HT Services	287	210195	623.50	287	210195	623.50
High Tension Service	260	171350	521.75	260	171350	521.75
HTS 11 KV	228	73254	185.97	228	73254	185.97
HTS 33 KV	32	98096	335.78	32	98096	335.78
HT Special Service	27	38845	101.76	27	38845	101.76
HTSS 11 KV	12	9395	14.44	12	9395	14.44
HTSS 33 KV	15	29450	87.31	15	29450	87.31
Temporary		0			0	
Total	7324	276542	689.37	7324	276542	689.37

Energy Balance

Petitioner's Submission

- 7.6 The Petitioner submitted that it has projected the energy requirement for FY 2020-21 as 706.60 MU and distribution loss as 2.50% against the sales of 612.22 MU and distribution loss of 2.00% as approved in the MYT Order dated February 28, 2017 for calculation of Energy Balance for FY 2020-21.
- 7.7 The Petitioner further submitted that Merit Order approach as approved by the Commission in MYT Order may not be implementable in the Petitioner's Licensed Area, as these sources are load feeders and Petitioner don't have any imbedded generation in its network. Loads drawn from these sources depend purely upon the load demand of consumers. Further, the consumers can't be shifted from one source to another source under normal conditions due to physical distance and connectivity. Each individual feeder feeds power supply to different geographical areas. Interconnections (not synchronised) between these geographical areas are primarily for emergency supply and not for full demand of customer. Further as all these feeders originate from different



sources, they can't be paralleled at distribution level, for technical reasons as their phase angle and other electrical parameters are different.

Table 74: Energy Balance as submitted by the Petitioner (MU)

Particulars	FY 2020-21	
	MYT Order	Petition
Energy Requirement		
Sales (MU)	599.98	689.37
Overall Distribution Losses %	2.00%	2.50%
Overall Distribution Losses (MU)	12.24	17.23
Energy Requirement	612.22	706.60
Energy Availability		
Tata Steel Ltd.	337.95	382.71
DVC at 33 kV	30.40	128.66
DVC at 132 kV	243.87	195.24
Energy Availability	612.22	706.60

Commission's Analysis

- 7.8 The Commission has scrutinised the submissions made by the Petitioner. The Commission observed that the Petitioner has projected higher distribution loss of 2.50% as compared to approved value of 2.00% in MYT Order dated February 28, 2017.
- 7.9 However, the Petitioner in its Petition submitted that the Power Purchase from TSL & DVC 33 kV Source is estimated to be 7-8% higher considering the energy requirement for FY 2020-21 and physical interconnections of loads in the source end feeders. The Losses are assumed at 2.50% considering substantial growth in network and also LT Consumer segment.
- 7.10 The Commission has approved the Distribution loss at level approved for FY 2018-19 (True-up Year) based on actuals, subject to prudence check at the time of truing up as per Clause 5.23 of the Tariff Regulations, 2015, as reproduced below:

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

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

- 7.11 The Commission has proportionally reduced the costliest power, to match with the revised energy requirement on account of approved Distribution loss..



7.12 The following table details the Energy Sales, Distribution Loss and Power Purchase Quantum as submitted by the Petitioner and approved by the Commission.

Table 75: Energy Requirement as approved by the Commission (MU)

Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Energy Requirement			
Sales (MU)	599.98	689.37	689.37
Overall Distribution Losses %	2.00%	2.50%	1.83%
Overall Distribution Losses (MU)	12.24	17.23	12.86
Energy Requirement	612.22	706.60	702.23
Energy Availability			
Tata Steel Ltd.	337.95	382.71	378.33
DVC at 33 kV	30.40	128.66	128.66
DVC at 132 kV	243.87	195.24	195.24
Energy Availability	612.22	706.60	702.23

Power Purchase Cost

Petitioner's Submission

7.13 The Petitioner submitted that it has projected the power procurement from TSL and DVC source with 4.00% increase over average power purchase rate of FY 2019-20 to cover the inflation. As regards the Renewable Power Obligation, the Petitioner has submitted that the obligation to meet the RPO for energy procured by the Petitioner remains with the Distribution Licensee supplying power i.e. TSL and DVC.

7.14 The Petitioner thus requested the Commission to approve the revised power purchase cost for FY 2020-21 as shown below.

Table 76: Power Procurement Cost as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21	
	MYT Order	Petition
Tata Steel Ltd.	145.99	188.26
DVC at 33 kV	15.30	56.46
DVC at 132 kV	119.01	84.69
Net-Power Purchase Cost	280.30	329.41

Commission's Analysis

7.15 The Commission has considered the Power Procurement rate for FY 2020-21 from DVC 132kV & DVC 400kV at the same level as approved for FY 2019-20 in this Order, subject to prudence check at the time of trueing up.



- 7.16 For power procured from TSL, the Commission has considered the average power procurement cost of TSL approved for FY 2020-21 vide Tariff Order dated September 29, 2020.
- 7.17 The Commission is of the view that since the Petitioner is procuring power from Distribution Licensees i.e. TSL and DVC and hence, the responsibility to meet the RPO doesn't lie with the Petitioner.
- 7.18 The Power Procurement Cost for each source as submitted by the Petitioner and that approved by the Commission for FY 2020-21 is tabulated below.

Table 77: Power Procurement Cost as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Tata Steel Ltd.	145.99	188.26	175.62
DVC at 33 kV	15.30	56.46	54.29
DVC at 132 kV	119.01	84.69	81.43
Net-Power Purchase Cost	280.30	329.41	311.34

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

Petitioner's Submission

- 7.19 The Petitioner submitted that it has undertaken Capital Expenditure and resultant Capitalization as per MYT approved plan, along with new schemes approved by the Commission vide its Order dated September 25, 2018. The details regarding CWIP and GFA as submitted by the Petitioner is shown below.

Table 78: CWIP & GFA as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21	
	MYT Order	Petition
Capital Work in Progress		
Opening CWIP	29.74	25.67
Capex Expenditure	18.14	27.51
Capitalization	20.71	40.83
Closing CWIP	27.17	12.35
Gross Fixed Asset		
Opening GFA	211.01	270.25
GFA Addition	20.71	40.83
Closing GFA	231.72	311.08

Commission's Analysis

- 7.20 The Commission has carried out prudence check of the details submitted by the Petitioner regarding CWIP and GFA for FY 2020-21. The Commission observed that all the

Schemes projected by the Petitioner are approved by the Commission in its MYT Order dated February 28, 2017 along with new schemes approved by the Commission vide its Order dated September 25, 2018.

- 7.21 The Commission in this Order has provisionally approved the Capital Expenditure and Capitalization as shown below subject to prudence check the rate reasonability and requirement at the time of truing up. The table below summarises the CWIP and GFA as submitted by the Petitioner and as approved by the Commission for FY 2020-21.

Table 79: CWIP & GFA as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Capital Work in Progress			
Opening CWIP	29.74	25.67	25.66
Capex Expenditure	18.14	27.51	27.51
Capitalization	20.71	40.83	40.83
Closing CWIP	27.17	12.35	12.34
Gross Fixed Asset			
Opening GFA	211.01	270.25	270.25
GFA Addition	20.71	40.83	40.83
Closing GFA	231.72	311.08	311.08

Consumer Contribution

Petitioner's Submission

- 7.22 The Petitioner has projected the Consumer Contribution (CC) for FY 2020-21 for creation of asset as Rs. 11.50 Crore as shown below.

Table 80: Consumer Contribution as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21
	Petition
Addition in CC during the Year	11.50

Commission's Analysis

- 7.23 The Commission has considered consumer contribution as proposed by the Petitioner. The Commission at this stage provisionally approves the Consumer Contribution for FY 2020-21 as projected by the Petitioner subject to prudence check at the time of truing up.

Table 81: Consumer Contribution as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21	
	Petition	Approved
Addition in CC during the Year	11.50	11.50



Depreciation

Petitioner's Submission

- 7.24 The Petitioner submitted that it has projected the Gross Depreciation based on weighted average rate of 5.98% (Actual for FY 2018-19) and assessed the depreciation of assets created out of Consumer Contribution. Accordingly, the net depreciation to be charged for FY 2020-21 works out to be Rs. 12.17 Crore as against the value of Rs. 8.44 Crore approved by the Commission in MYT Order dated February 28, 2017. The Petitioner therefore requested the Commission to approve the net depreciation as shown below.

Table 82: Depreciation as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21	
	MYT Order	Petition
Gross Depreciation	12.86	17.38
Depreciation on Account of CC	4.42	5.21
Net Depreciation	8.44	12.17

Commission's Analysis

- 7.25 The Commission directed the Petitioner to provide the detailed calculation of depreciation on GFA and assets created out of Consumer Contribution for FY 2020-21. In compliance to the Commission's query, the Petitioner in its reply July 06, 2020, submitted that the depreciation on assets created out of Consumer Contribution is calculated at ~6.00% per annum derived as the average rate of depreciation during the financial year on Plant & Machinery.
- 7.26 The Commission has carried out prudence check of the reply submitted by the Petitioner and approves the Gross Depreciation based on weighted average rate for FY 2018-19 as approved in this Order.
- 7.27 The Commission has recalculated the value of depreciation on assets created out of Consumer Contribution in proportion of Gross Depreciation and in the ratio of average Consumer Contribution out of average GFA for FY 2020-21.
- 7.28 The following table summarizes the depreciation submitted by the Petitioner and as approved by the Commission for FY 2020-21.

Table 83: Depreciation as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Gross Depreciation	12.86	17.38	17.38
Depreciation on Account of CC	4.42	5.21	8.12



Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Net Depreciation	8.44	12.17	9.26

Interest and Finance Charge (IFC)

Petitioner's Submission

- 7.29 The Petitioner submitted that it has estimated the normative loan considering the normative Debt-Equity ratio of 70:30. The deemed repayment has been considered equivalent to net depreciation for FY 2020-21.
- 7.30 The table below shows the projected normative loan and equity added during the FY 2020-21 as submitted by the Petitioner.

Table 84: Normative Loan & Normative Equity added during the FY 2020-21 (Rs. Crore)

Particulars	FY 2020-21
	Petition
Assets added during the Year	40.83
Less: CC received during the Year	11.50
Normative Amount Added during the Year	29.33
Equity Addition for FY 2020-21 @ 30%	8.80
Debt Addition for FY 2020-21 @ 70%	20.53

- 7.31 The Petitioner also submitted that it has considered the rate of interest as applicable SBI Base Rate plus 200 basis points as on April 1, 2019 i.e. 11.05%.
- 7.32 The Petitioner has also proposed Finance Charge of Rs. 0.15 Crore for FY 2020-21 in lieu to provide Bank Guarantee to DVC against payment to be made for power purchase.

Table 85: Interest and Finance Charges as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21	
	MYT Order	Petition
Opening Balance of Normative Loan	34.67	50.20
Add: Deemed Addition during the FY	9.43	20.53
Less: Deemed Repayment	8.44	12.17
Closing Balance of Normative Loan	35.66	58.56
Average Balance of Normative Loan	35.17	54.38
SBI Base Rate plus 200 bp	11.30%	11.05%
Interest on Loan	3.97	6.01
Finance Charges	-	0.15
Interest and Finance Charges	3.97	6.16

Commission's Analysis

- 7.33 In accordance with the Tariff Regulations, 2015 and the principles adopted in the previous Tariff Orders, the Commission has computed the normative loan addition during



the FY 2020-21 as 70% of approved Capitalization excluding the Consumer Contribution projected to be received.

- 7.34 Further, in accordance with the Tariff Regulations, 2015, interest on normative loan has been calculated on the average normative loan outstanding during the FY 2020-21 at the interest rate of SBI Base Rate plus 200 BP on April 01, 2020.
- 7.35 The Finance Charge as claimed by the Petitioner is not accepted because of the reason already stated by the Commission in the previous Section of this Order while approving the Interest and Finance Charges for FY 2019-20.
- 7.36 The following table details the Interest and Finance Charges as submitted by the Petitioner and that approved by the Commission for FY 2020-21.

Table 86: Interest and Finance Charges as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Opening Loan	34.67	50.20	43.68
Normative Addition	9.43	20.53	20.53
Normative Repayment	8.44	12.17	9.26
Closing Loan	35.66	58.56	54.95
Average Loan	35.17	54.38	49.32
Rate of Interest	11.30%	11.05%	10.15%
Interest on Loan	3.97	6.01	5.01
Finance Charge	-	0.15	-
Interest and Finance Charges	3.97	6.16	5.01

Interest on Security Deposits

Petitioner's Submission

- 7.37 The Petitioner submitted that it has estimated the Security Deposit of Rs. 5.00 Crore and Interest on Security Deposits as Rs. 7.17 Crore for FY 2020-21 as shown below.

Table 87: Consumer Security Deposit as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21	
	MYT Order	Petition
Opening Consumer Security Deposit	57.84	76.74
Consumer Security Deposit addition	0.46	5.00
Closing Consumer Security Deposit	58.30	81.74
Interest on Consumer Security Deposit	5.40	7.17

Commission's Analysis

- 7.38 The Commission has approved the addition in the Consumer Security Deposit as claimed by the Petitioner. However as per Clause of 8.2.16 of JSERC (Electricity Supply Code)



Regulations, 2015, the Distribution Licensee is required to pay Interest to the consumer at the State Bank of India base rate prevailing on the April 01, for the financial year, payable annually on the consumer's security deposit with effect from date of such deposit in case of new connections energized after the date of this notification.

- 7.39 Considering that the Consumer Security is received evenly throughout the FY 2020-21, the Commission has approved the Interest rate on Consumer Security at 8.15% subject to final True up for FY 2020-21. The Interest on Security Deposits as approved by the Commission for FY 2020-21 is shown below.

Table 88: Consumer Security Deposit as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Opening CSD	57.84	76.74	76.74
CSD Addition	0.46	5.00	5.00
Closing CSD	58.30	81.74	81.74
Interest on CSD	5.40	7.17	6.46

Return on Equity

Petitioner's Submission

- 7.40 The Petitioner has submitted that it has proposed the deemed addition to the normative equity as 30% of Gross Fixed Asset added during the Financial Year net of Consumer Contribution. The normative return on equity is claimed @ 15.50% as prescribed in the Tariff Regulation 2015. The Petitioner has claimed the Income Tax @ 25.17% as applicable for FY 2020-21 as shown below.

Table 89: Return on Equity as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21	
	MYT Order	Petition
Opening Equity	41.59	49.56
Deemed Addition	4.04	8.80
Closing Equity	45.63	58.36
Rate of Return on Equity	15.50%	15.50%
Return on Equity	6.76	8.36
Tax Rate	-	25.17%
Tax on Return on Equity	-	2.82
Return on Equity including Tax	6.76	11.18

Commission's Analysis

- 7.41 In accordance with the JSERC Distribution Tariff Regulations, 2015, and the methodology adopted by the Commission in the previous Orders, the Commission has

considered the equity addition during the Financial Year equal to 30% of approved Capitalization (net of Consumer Contribution projected to be received) during the Financial Year.

- 7.42 The Commission has allowed a rate of return of 15.50% (Post-Tax) on Equity for FY 2020-21, which is as per Regulation 6.17 of the above-mentioned Regulations and methodology adopted in MYT Order dated February 28, 2017. The Commission considered the submission of the Petitioner and approves the Income Tax on Equity at 25.17% (under section 115BAA of the Income Tax Act) for FY 2020-21, subject to prudence check at the time of truing up.
- 7.43 The table below details the Return on Equity as submitted by the Petitioner and approved by the Commission for FY 2020-21.

Table 90: Return on Equity as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Opening Equity	41.59	49.56	45.42
Deemed Addition	4.04	8.80	8.80
Closing Equity	45.63	58.36	54.22
Rate of Return on Equity	15.50%	15.50%	15.50%
Return on Equity	6.76	8.36	7.72
Tax Rate	-	25.17%	25.17%
Tax on Return on Equity	-	2.82	2.60
Return on Equity including Tax	6.76	11.18	10.32

Interest on Working Capital

Petitioner's Submission

- 7.44 The Petitioner has not claimed any Interest on Working Capital (IoWC) for FY 2020-21.

Commission's Analysis

- 7.45 The Commission has also not considered the Interest on Working Capital (IoWC) for FY 2020-21.

Operation and Maintenance Expenses (O&M)

Petitioner's Submission

- 7.46 The Petitioner has considered the inflation factor as 4.90% (as considered for FY 2019-20) for FY 2020-21 subjected to truing-up based on actual inflation indices.



- 7.47 The Petitioner has calculated the normative O&M expenses considering the following factors:
- (d) Employee Cost considering Load Growth & Inflation;
 - (e) A&G Expenses considering Load Growth & Inflation;
 - (f) R&M expenses considering the “k” factor & Inflation.
- 7.48 The Petitioner further added that R&M Expenses do not provide provision to cater inflation factor and statutory increases like wages & labour charges, service tax levy, GST levy, other taxes & duties etc., which has direct impact on the expenses of the company and are uncontrollable.
- 7.49 Further, the Petitioner added that several State Commissions have recognised this need and have considered the inflationary adjustment in R&M Expenses. For example, MERC allows the Inflation on total O&M expenses (WPI-30% & CPI-70% on 5 years average increase). GERC has also allows 5.72% inflationary adjustment. OERC allows 5.4% on Gross Fixed Asset plus special allowances to undertake critical activities like loss reduction, energy audit etc.
- 7.50 The Petitioner added that the ‘k’ factor (2.54%) approved by the Commission in MYT Order dated February 28, 2017 is low as it considers the base cost of FY 2014-15 as this the 7th year of operation of the Licensee and several maintenance activities which became due after 7-8 years were not part of such costs. The Petitioner has been trying hard to restrict the R&M costs, within the approved values, but it is unable to carry out the desired R&M actions which are required now, for the general upkeep and maintenance of the system. This is due to limitations of budget. Some of the key activities include:
1. Civil repair of old substation buildings including external and internal painting,
 2. Updating the electricity distribution network in Geographical Information System,
 3. Load flow/ short circuit study and review of protection grading of the distribution network.
 4. Various Work to secure the distribution network access & Right of Way.
 5. Safety Audit of Customer Installations etc.
- 7.51 Hence, the Petitioner requested the Commission to consider the above submission and allow inflationary adjustment while approving the normative R&M Expense.
- 7.52 In addition to above, the Petitioner also proposed One-time Repair and Maintenance work for FY 2020-21. The Petitioner has projected an additional R&M Expenses on some



of the key work, the cost of which is not included in the historical baseline costs, but is needed for efficient operations and requested the Commission to allow these expenditures as onetime R&M cost for execution. The detail of work as submitted by the Petitioner is mentioned in the table below.

Table 91: Onetime R&M Expenses as submitted by the Petitioner (Rs. Crore)

Particulars	Estimated Cost	Reason/Remark
Repairing of approach road to 132/33 KV Main Grid Substation	0.43	Only approach road and last repaired in 2007.
Securing of the Right of Way & approach to various installations	0.22	Required to make approach to several ABS & DOF installed by the side of drain/road etc. In absence of proper approach there had been lot of vegetation growth & in some cases encroachment.
Replacement of Old partly defective ABS & DOF	0.30	Defective ABS and DOF will be replaced with panel type disconnection switch & Fuse Unit.
Civil Repairing & External Painting of Substation building	0.58	Since, its construction between FY 2007-2010, this substation building external repair has not been taken up and due for repair for proper upkeep and maintenance.
Replacement of Battery Bank at TGS Substation	0.38	1 st time replacement of battery bank & such costs are not included in the historical cost base. The average age of the battery system is in excess of 10 years.
One time R&M Expenses	1.92	

7.53 The O&M Expenses along with one-time R&M Expenses as projected by the Petitioner is shown below.

Table 92: Normative O&M Expenses as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21	
	MYT Order	Petition
Employee Expenses	8.00	14.11
A&G Expenses	2.52	5.03
R&M Expenses	5.36	7.20
One time R&M Expenses	-	1.92
O&M Expenses	15.88	28.27

Commission's Analysis

7.54 The Commission has calculated the normative Employee Expenses taking in account the approved value of inflation factor for FY 2019-20 subject to truing up based on actuals and approved load growth for FY 2020-21. The terminal Liabilities is approved based on the actual for FY 2018-19 (Trued up Year) subject to truing up based on actuals.

**Table 93: Normative Employee Expenses as approved by the Commission (Rs. Crore)**

Particulars	UoM	FY 2020-21
		Approved
Employee Cost of Previous Year	Rs. Cr.	10.37
Connected Load of Previous Year	kVA	268566
Employee Cost/kVA	Rs./kVA	385.99
Inflation Factor	%	4.90%
Employee Cost/kVA including Inflation	Rs./kVA	404.88
Connected Load (kVA) for Current Year	kVA	283809
Normative Employee Cost	Rs. Cr.	11.49

- 7.55 Further, the Commission has considered the inflation factor for FY 2019-20 (4.90%) for calculation of A&G Expenses (excluding petition filing fee and CGRF expenses) subject to truing up based on actual. The petition filing and CGRF expenses is approved based on the actual value approved for FY 2018-19 subject to truing up based on actuals.
- 7.56 For purpose of evaluating the R&M Expenses, the Commission has considered the approved opening value of Gross Fixed Asset for FY 2020-21 and 'k' factor as 2.54% as approved in the MYT Order dated February 28, 2017.
- 7.57 The Commission observed that the Petitioner has projected one-time R&M Expenses of Rs. 1.92 Crore to ensure proper upkeep and health of distribution system. The Commission has scrutinized the detail report regarding the purpose, present condition and cost estimate for carrying out the activities. The Commission is of the view that the while approving the 'k' factor in the MYT Order, the Commission had considered R&M expenses of multiple years and hence does not find any merit to allow such expenses separately at this juncture. Further, in case, if it is of utmost necessity to carry out the works, the Petitioner may carry out the works after getting due approval from appropriate authority of its Company. The Petitioner in its next tariff filing is at liberty of seek such expenses with necessary justification and detail along with approval of competent authority of the Petitioner Company for consideration of the Commission.
- 7.58 The following table summarizes the normative O&M Expenses as approved by the Commission for FY 2020-21.

Table 94: Normative O&M Expenses as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21		
	APR Order	Petition	Approved
Employee Expenses	8.00	14.11	11.49



Particulars	FY 2020-21		
	APR Order	Petition	Approved
Terminal Liabilities			0.47
A&G Expenses (excluding filing & CGRF Expenses)	2.52	5.03	2.91
Petition Filing Fee			0.21
CGRF Expenses (Rent & Remuneration)			0.24
R&M Expenses	5.36	7.20	6.86
One time R&M Expenses	-	1.92	-
Normative O&M Expenses	15.88	28.27	22.19

Non-Tariff Income

Petitioner's Submission

7.59 The Petitioner has estimated the Non-Tariff Income as Rs. 0.85 Crore for FY 2020-21 as shown below.

Table 95: Non-Tariff Income as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2020-21	
	MYT Order	Petition
Non-Tariff Income	0.12	0.85

Commission's Analysis

7.60 The Commission has approved the Non-Tariff Income as projected by the Petitioner for FY 2020-21 subject to truing up based on actual as shown below.

Table 96: Non-Tariff Income as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Non-Tariff Income	0.12	0.85	0.85

Revenue at Existing Tariff

Commission's Analysis

7.61 The Commission has reassessed the Revenue from Sale of Energy at the prevailing applicable Tariff and approves the revenue for Sale of Energy at prevailing Tariff for FY 2020-21 as shown below. Further, the Commission has not considered the impact of rebate/penalty while calculating the revenue as it is difficult to precisely measure the same at this juncture. The Commission shall consider the same while carrying out the APR/True-up for FY 2020-21.

**Table 97: Revenue at existing Tariff as approved by the Commission (Rs. Crore)**

Particulars	FY 2020-21
	Approved
Domestic	7.83
Domestic - DSHT	4.58
Commercial	5.58
LTIS	8.35
High Tension	363.97
Revenue at Existing Tariff	390.30

Summary of ARR and Gap/(Surplus) at Existing Tariff***Petitioner's Submission***

7.62 Based on the projections, the Petitioner has estimated the Annual Revenue Requirement as Rs. 391.43 Crore for FY 2020-21.

Commission's Analysis

7.63 The Commission has approved the ARR for FY 2020-21 based on the approved parameters in this Order. The following table summarises the ARR for FY 2020-21 as submitted by the Petitioner vis-à-vis that approved by the Commission.

Table 98: Summary of ARR as approved by the Commission for FY 2020-21 (Rs. Crore)

Particulars	FY 2020-21		
	MYT Order	Petition	Approved
Power Purchase Cost	280.31	329.41	311.34
O&M Expenses	15.88	26.34	22.19
Depreciation	8.44	12.17	9.26
Interest on Long Term Loan	3.97	6.01	5.01
Interest on Consumer Security Deposit	5.40	7.17	6.46
Interest on Working Capital Loan	-	-	-
Return on Equity	6.76	11.18	10.32
Total Expenses	320.76	392.28	364.57
Less: Non-Tariff Income	0.12	0.85	0.85
Annual Revenue Requirement	320.64	391.43	363.72
Revenue at Existing Tariff	-	377.50	390.30
Gap/(Surplus) at Existing Tariff	-	13.94	(26.58)

7.64 The Commission has approved the treatment of the Gap/(Surplus) in the Chapter A8 of this Order.

A 8: REVENUE GAP AND ITS TREATMENT

Revenue Gap/(Surplus)

Petitioner's Submission

- 8.1 The Petitioner has considered the Revenue Gap/(Surplus) till FY 2015-16 as approved by the Commission in Tariff Order dated June 07, 2018 as base for the subsequent years. The carrying cost is computed based on methodology adopted and approved by the Commission in previous Tariff Orders i.e. Interest equivalent to prevailing SBI Base rate as on April 01, of the respective financial year plus 350 basis points.
- 8.2 Later, the Commission in its Review Order dated September 25, 2018 revised the O&M Expenses to Rs. 10.64 Crore from Rs. 9.72 Crore for FY 2015-16 and the Petitioner has considered the same while deriving the Opening Gap/(Surplus) for FY 2016-17.
- 8.3 Based on the above facts and Tariff Petition filed before the Commission, the cumulative Revenue Gap/(Surplus) projected by the Petitioner till FY 2020-21 is shown below.

Table 99: Cumulative Gap/(Surplus) as submitted by the Petitioner (Rs. Crore)

Particulars		FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Opening Revenue Gap/(Surplus) as on 1 st April of FY	A	20.76	12.64	(0.38)	7.79	11.64
Revenue Gap/ (Surplus) created during the year incl. Incentives/ Penalty on O&M Expenses	B	(10.78)	(14.61)	7.70	2.70	13.94
Add/ Less: Incentives/ Penalty on T&D loss	C	-	-	-	-	-
Total additions during the year	D=B+C	(10.78)	(14.61)	7.70	2.70	13.94
Rate of Interest (as per prevailing SBI Base Rate + 350 Bps)	E	12.80%	12.60%	12.20%	12.55%	12.55%
Carrying Cost on Opening Balance	F=A*E	2.66	1.59	-	0.98	1.46
Carrying Cost on Additional Gap / (surplus)	G=E*D	-	-	0.47	0.17	0.87
Total Carrying Cost	H=E+G	2.66	1.59	0.47	1.15	2.34
Total Gap/ (Surplus) incl. Carrying Cost	I=A+D+H	12.64	(0.38)	7.79	11.64	27.91

Commission's Analysis

- 8.4 The Commission has considered the opening Surplus for FY 2018-19 as Rs. (8.70) Crore as approved in Tariff Order dated June 19, 2020.
- 8.5 Based on the approved value on True-up petition for FY 2018-19, APR for FY 2019-20 and ARR for FY 2020-21, the cumulative Revenue Gap/(Surplus) approved by the Commission till FY 2019-20 is shown below:

**Table 100: Cumulative Gap/(Surplus) as approved by the Commission (Rs. Crore)**

Particulars	FY 2018-19	FY 2019-20
Opening Revenue Gap/(Surplus) as on 1 st April of FY	(8.70)	(5.81)
Revenue Gap/ (Surplus) created during the year	3.72	(4.09)
Rate of Interest	12.20%	12.55%
Carrying Cost on Opening Gap/(Surplus)	(1.06)	(0.73)
Carrying cost on Gap/(Surplus) created during the FY	0.23	(0.26)
Total Gap/(Surplus) including carrying cost	(5.81)	(10.88)

Treatment of Revenue Gap/(Surplus)

Commission's Analysis

8.6 Based on the approved ARR and revenue from existing tariff, the Commission has approved the Revenue Gap/(Surplus) for FY 2020-21 as shown below:

Table 101: Gap/(Surplus) approved by the Commission (Rs. Crore)

Particulars	FY 2020-21
	Approved
ARR for FY 2020-21	363.72
Revenue from Sales at Existing Tariff	390.30
Gap/(Surplus) for FY 2020-21	(26.58)

8.7 Further, taking into account the Trued up value for FY 2018-19, APR for FY 2019-20 and ARR for FY 2020-21, the Commission hereby approves the closing Gap/(Surplus) at the end of FY 2020-21 as below:

Table 102: ARR after incorporating the Gap/(Surplus) as approved by the Commission (Rs. Crore)

Particulars	FY 2020-21
ARR for FY 2020-21	363.72
Revenue from Sales at Approved Tariff	391.06
Gap/(Surplus) during the FY 2020-21	(27.34)
Opening Gap/(Surplus) for FY 2020-21	(10.88)
Interest on Opening Gap/(Surplus)	(2.06)
Interest on Gap/(Surplus) during the FY 2020-21	(1.59)
Net-Gap/(Surplus) till FY 2020-21	(41.88)

8.8 The Commission is of the view that the existing tariff is adequate to recover the ARR for FY 2020-21 and therefore approves no overall tariff hike for FY 2020-21. With regard to the accumulated surplus as shown above, the Commission is not adjusting the same to reduce the tariff as the impact of COVID-19 pandemic on the Petitioner's Revenue is uncertain. The Commission has therefore left the above surplus at abeyance which shall be subject to adjustment while carrying out APR/True up for FY 2020-21.



- 8.9 The Commission has however carried out the Tariff simplification and Rationalization. The Tariff Schedule approved by the Commission for FY 2020-21 is detailed in **Section A13** of this Order.



A 9: OPEN ACCESS CHARGES

- 9.1 As per Clause 3.1 of the Tariff Regulations, 2015, the Commission shall determine Wheeling Tariff, Cross-Subsidy Surcharge, Additional Surcharge and other Open Access (OA) related charges. The relevant extract of the Regulations has been reproduced below:

“3.1

..... Provided further that where the Commission has permitted open access to any category of consumers under Section 42 of the Act, the Commission shall determine the wheeling tariff, cross-subsidy surcharge, additional surcharge and other open access related charges in accordance with these Regulations and JSERC (Open Access in Intra-State Transmission and Distribution) Regulations, 2005 and as amended from time to time;”

- 9.2 As per the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access) Regulations, 2016, the OA charges includes Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge and Additional Surcharge apportioned voltage wise at HT/EHT and LT levels.
- 9.3 The Petitioner has submitted its proposal for the determination of Wheeling Charge, Cross Subsidy Surcharge and Additional Surcharge for FY 2020-21. The following sections summarize the Petitioner’s Submission and Commission’s analysis thereof:

Wheeling Charges

Petitioner’s Submission

- 9.4 The Petitioner hereby submits that it has considered the allocation ratio for Wheeling and Retail Supply business in line with Clause 5.5 of the Tariff Regulations 2015, which has been approved by its Board of Directors. However, the Commission approved allocation ratios in accordance with JSERC (Power Regulatory Accounting) Regulations, 2015.
- 9.5 Based on the allocation policy approved by the Commission in MYT Order dated February 28, 2017, the Petitioner has segregated each component of ARR into Wire and Supply Business for FY 2020-21. The Petitioner has proposed Wheeling Charge for FY 2020-21 as Rs. 0.64/kWh considering ARR for wheeling business as Rs. 43.80 Crore and expected sales of 689.37MU.

**Table 103: Segregation of ARR and Wheeling Charges as submitted by the Petitioner (Rs. Crore)**

Particulars	Share of Wire Business (%)	Share of Supply Business (%)	ARR (Rs. Cr)	Wire Business ARR (Rs. Cr)	Supply Business ARR (Rs. Cr)
Power Purchase Cost	0	100	329.41	-	329.41
Employee Expenses	60	40	14.11	8.47	5.65
A&G Expenses	50	50	5.03	2.52	2.52
R&M Expenses	90	10	7.20	6.48	0.72
Depreciation	90	10	12.17	10.95	1.22
Interest and Finance Charges	90	10	6.01	5.41	0.60
Interest on Security Deposit	0	100	7.17	-	7.17
Return on Equity	90	10	11.18	10.06	1.12
Non-Tariff Income	10	90	0.85	0.09	0.77
ARR	-	-	391.43	43.80	347.63
Projected Sales (MU)	-	-	-	689.37	-
Wheeling Tariff (Rs./kWh)	-	-	-	0.64	-

Commission's Analysis

9.6 In according to Clause 5.4 and Clause 5.5 of the Tariff Regulations, 2015, the Petitioner is required to segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business. In absence of segregated accounts, the Petitioner is required to submit an allocation statement duly approved by the Board of Directors accompanied with an explanation of the basis and methodology used for segregation. The relevant extract of the Regulations has been reproduced hereunder:

“5.4 The Licensee shall segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business. The ARR for Wheeling Business shall be used to determine Wheeling Tariff and the ARR for Retail Supply Business to determine Retail Supply Tariff;

5.5 For such period until accounts are segregated, the Licensees shall prepare an Allocation Statement to apportion costs and revenues to respective business. The Allocation Statement, approved by the Board of Directors of the Licensee, shall be accompanied with an explanation of the basis and methodology used for segregation which should be consistent over the Control Period.”

9.7 The Commission vide its letter dated February 10, 2020, directed the Petitioner to submit the voltage wise losses, GFA and sales details for calculation of voltage-wise Wheeling Charges and Cross Subsidy Surcharge.

9.8 The Petitioner in its reply dated February 25, 2020 submitted the voltage-wise Assets, sales and losses estimated for FY 2020-21. The Commission has considered the above

detail submitted by the Petitioner while approving the voltage-wise Wheeling Charge and Cross Subsidy Surcharge.

- 9.9 The segregation of ARR into Wires and Supply Business as approved by the Commission for FY 2020-21 is shown below:

Table 104: Segregation of ARR for FY 2020-21 as approved by the Commission (Rs. Crore)

Particulars	Share of Wire Business (%)	Share of Supply Business (%)	ARR (Rs. Cr)	Wire Business ARR (Rs. Cr)	Supply Business ARR (Rs. Cr)
Power Purchase Cost	-	100%	311.34	-	311.34
Employee Expenses	60%	40%	11.97	7.18	4.79
R&M Expenses	90%	10%	6.86	6.18	0.69
A&G Expenses	50%	50%	3.36	1.68	1.68
Depreciation	90%	10%	9.26	8.34	0.93
Interest and Finance Charges	90%	10%	5.01	4.51	0.50
Interest on Security Deposit	-	100%	6.46	-	6.46
Interest on Working Capital	10%	90%	-	-	-
Return on Equity	90%	10%	10.32	9.29	1.03
Non-Tariff Income	10%	90%	0.85	0.09	0.77
Annual Revenue Requirement	-	-	363.72	37.08	326.64
Approved Sales (MU)	-	-	-	689.37	-

- 9.10 In the absence of asset register, to estimate the ratio of fixed assets at various voltage levels, the Commission has considered the network details of the Petitioner as submitted on February 25, 2020. The 400kV asset and common assets are distributed among the other voltage level assets based on the estimated sales for FY 2020-21.

Table 105: Asset ratio and Sales ratio as approved by the Commission (Rs. Crore)

Voltage Level	Asset Segregation	Asset Segregation (%)	Segregation of ARR	Sales (%)
LT	47.87	15.39%	5.71	9.56%
HT (upto 11kV)	106.88	34.36%	12.74	29.07%
HT (33kV & above)	156.33	50.25%	18.63	61.37%
Total	311.08	-	37.08	-

- 9.11 Based on the above, the Voltage wise Wheeling Charges for FY 2020-21 as approved by the Commission has been tabulated below:

Table 106: Cost Stacking for FY 2020-21 as approved by the Commission (Rs. Crore)

Voltage level	Voltage-wise ARR Allocation	Cost Staking on the basis of energy sales		
		LT	HT (up to 11kV)	HT (33kV & above)
LT	5.71	5.71	-	-
HT (upto 11kV)	12.74	3.15	9.59	-
HT (33kV & above)	18.63	1.78	5.42	11.44
Total	37.08	10.64	15.01	11.44

Table 107: Wheeling Tariff for FY 2020-21 as approved by the Commission (Rs. Crore)

Voltage Category	ARR (Rs. Crore)	Sales (MU)	Wheeling Tariff (Rs./kWh)
LT	10.64	65.87	1.62
HT (up to 11kV)	15.01	200.41	0.75
HT (33kV & above)	11.44	423.09	0.27

Cross Subsidy Surcharge***Petitioner's Submission***

- 9.12 The Petitioner calculated the Cross-Subsidy Surcharge as per the methodology outlined in Tariff Policy 2016. The methodology keeps the interest of Distribution Companies as well as consumers in mind while determining a mathematical formula, thus ensuring that competition in electricity through OA is not constrained.

Surcharge formula:

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

Where,

S is the surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level

R is the per unit cost of carrying regulatory assets.

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking Open Access (OA).

- 9.13 In line with the above formula and methodology adopted by the Commission in previous Tariff Orders, the Petitioner has computed the Cross-Subsidy Surcharge as per table below based on proposed tariff:

Table 108: Cross Subsidy Surcharge as submitted by the Petitioner (Rs./kWh)

Consumer Category	Voltage Level	T-Tariff Payable ABR (Rs./kWh)	C-PPC (Rs./kWh)	L-System losses (%)	D-Wheeling Charge (Rs./kWh)	Cross Subsidy Surcharge (Rs./kWh)
Domestic	LT	31.3	4.66	14.00%	0.64	-



Consumer Category	Voltage Level	T-Tariff Payable ABR (Rs/kWh)	C-PPC (Rs/kWh)	L-System losses (%)	D-Wheeling Charge (Rs/kWh)	Cross Subsidy Surcharge (Rs/kWh)
Commercial	LT	5.02	4.66	14.00%	0.64	-
Industrial-LTIS	LT	5.79	4.66	14.00%	0.64	0.49
Industrial-HTS 11kV	HT	5.53	4.66	1.31%	0.64	0.23
Industrial-HTS 33kV	HT	5.82	4.66	1.31%	0.64	0.52
Industrial-HTSS 11kV	HT	5.03	4.66	1.31%	0.64	-
Industrial-HTSS 33kV	HT	5.20	4.66	1.31%	0.64	-

Commission's Analysis

- 9.14 As per Clause 21.5 of the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access) Regulations, 2016:

“The Cross-subsidy surcharge shall be determined by the Commission in accordance with the principles and formula stipulated in the National Tariff Policy and shall be leviable at the rate as determined by the Commission from time to time.”

- 9.15 The Commission has considered the JSERC (Terms and Conditions for Intra-State Open Access) Regulations, 2016 and Tariff Policy, 2016 while approving the Cross-Subsidy Surcharge (CSS). The Commission has also taken into account that the CSS shall not exceed 20% of the tariff applicable to the category of the consumers seeking OA.
- 9.16 The Commission has considered the Voltage-wise losses as submitted by the Petitioner. However, **the Commission also directs the Petitioner to carry out a detailed study and submit the actual voltage-wise loss in the next Tariff Petition.**
- 9.17 Weighted average purchase cost for CSS computation works out to Rs 4.43 per unit by considering the Power Purchase Cost of Rs. 311.34 and Power Purchase Quantum of 702.23 MU as approved by the Commission for FY 2020-21.
- 9.18 The Tariff Policy suggests that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking OA. Accordingly, the CSS approved by the Commission for FY 2020-21 is as follows:

Table 109: Cross Subsidy Surcharge approved by the Commission (Rs./kWh)

Category	ABR (T)	APPC (C)	Losses (L) %	Charges (D)	Reg. Assets (R)	CSS
HT (upto 11kV)	6.17	4.43	3.86%	0.75	0.00	0.81
HT (33kV & above)	5.67	4.43	1.30%	0.27	0.00	0.91



Additional Surcharge

Petitioner's Submission

- 9.19 The Petitioner submitted that Section 8.5 of the Tariff Policy 2016 deals with applicability of Additional Surcharge to be paid by OA consumers, as reproduced below:

“8.5.4 The additional surcharge for obligation to supply as per section 42(4) of the Act should become applicable only if it is conclusively demonstrated that the obligation of a licensee, in terms of existing power purchase commitments, has been and continues to be stranded, or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. The fixed costs related to network assets would be recovered through wheeling charges.”

- 9.20 The Petitioner requested for determination of Additional Surcharge on case to case basis and requested permission to approach the Commission for the same at appropriate time within the given provisions of applicable Regulations.

Commission's Analysis

- 9.21 Considering the plea of the Petitioner, the Commission has not approved any Additional Surcharge and directs the Petitioner to approach this Commission separately in this matter, if required.



A 10: OTHER TARIFF REALTED ISSUES

Tariff Rationalisation

Petitioner's Submission

- 10.1 The Petitioner submitted that the existing tariff is not aligned to the cost structure. The recovery of tariff from Fixed/Demand Charges is very minimal and needs to be aligned with the Petitioner's Fixed and Variable Cost. The Petitioner has requested the Commission for Tariff Rationalisation, i.e., Fixed/Demand Charge linked to Fixed Charge Costs and Energy Charge linked to variable components of the ARR.
- 10.2 The Petitioner suggested to review the existing tariff of Domestic and HTSS category consumers in line with the National Tariff Policy, 2016 for achieving the cost reflective tariff and proposed to bring it within +/-20% of the ACoS.
- 10.3 The Petitioner also suggested for slab wise tariff for domestic consumer of rural and urban as under:
- 0-200 units
 - above 200 units
- 10.4 In the future years, the Petitioner suggested to merge HTS and HTSS Category Consumers by aligning the tariff linked to Cost of Supply in phased manner.
- 10.5 Based on the study carried out on impact of conversion of kWh based billing to kVAh billing for HT Consumer, the Petitioner submitted that downward adjustment of approximately 3%-3.5% needs to be carried out for kVAh based billing when compared to kWh based billing.
- 10.6 The Petitioner has also proposed to increase the penalty for deviation from Maximum Sanctioned Demand to 200% for deviation in more than three months in a Financial Year in place of the existing penalty of 150%.

Commission's Analysis

- 10.7 The Commission has simplified the tariff and wherever necessary has rationalized the tariff structure in line with the Tariff Policy, 2016 with an intent to gradually move towards cost reflective tariff.
- 10.8 The Commission has rationalised the Fixed Charges of different Consumer Categories in such a way that it is more or less uniform with the Fixed Charges of the Other Licensees



- in the State. The Commission has also kept in mind that there is no/marginal increase/decrease in Average Billing Rate (ABR) for each category of consumers, while re-allocating recovery from Fixed and Energy Charges.
- 10.9 The Commission, in order to simplify the tariff, in the past Orders has been gradually reducing slabs in all consumer categories. The Commission in order to further simplify the Tariff, is of the view that all consumers (irrespective of the usage type except Streetlight and Agricultural Consumers) with Contracted Demand (CD) up to 5 kW shall be considered as Domestic Consumers. The Commission has considered this re-categorisation to enable financially challenged consumers to earn from their homes/workplaces without being levied commercial/LT tariffs. This would also do away with the necessity of having two separate connections for small economic activities to be done from home itself.
- 10.10 It is observed that the Petitioner in its Petition has proposed creation of new slab of 0-200 units under Domestic Rural and Urban Category. The Commission with regards to creation of new slab is of the view that creating new slabs will only complicate the tariff structure and since the slab does not exist currently hence there is no merit in creating the same and this will be against the principles of tariff rationalisation. Further, creation of such slab with reduced tariff will only load other consumers with the corresponding cross subsidy burden which is not appropriate at this juncture. The Commission has therefore not approved the proposed slab.
- 10.11 As regards Fixed Charge billing of Non-Domestic Category, the Commission is of the view that levying Fixed Charges on per connection basis is not appropriate especially considering that the marginal consumers having load upto 5 kW will now be charged at Domestic Tariff. The Commission is therefore of the view that consumers with load above 5 kW should be billed based on the Contracted Load/Demand rather than on per connection basis. Further, in order to protect the Consumers from any hassles on Connected Load determination and minimise any dispute arising out of billing load, the Commission approves billing based on the Recorded Demand as done in LTIS category. Further, as Fixed Charges on per kW basis will lead to increase in recovery through Fixed Charges, in order to nullify the impact of such increase in Fixed Charges, the Commission has reduced the Energy Charges in a manner that there is no/marginal increase/reduction in the ABR for such consumers.
- 10.12 As regards the existing mechanism of charging Fixed Charges to Domestic HT consumers and Commercial Consumers some of the stakeholders during Public Hearing



of Distribution Licensees requested that the Fixed Charge should not be billed for entire Contracted Capacity, instead the same should also take into consideration the maximum Demand of such consumers similar to that of LTIS and HTS consumers. The Commission has gone through the submissions of the Stakeholders and is of the view that for billing purposes, for all HT-Domestic Consumers and LT Commercial Consumers (CD > 5kW) the Maximum Demand for such categories should also be considered along with Contracted Demand. The Commission has therefore made necessary amendment to Fixed Charge billing mechanism as discussed in detail in **Section A 14:** of this Order.

- 10.13 The Commission observed that for LTIS (CD>5kW), HTS Consumers and HT Institutional Consumers though the Demand is already measured in kVA and Fixed Charge billing is done on per kVA basis the Energy Charge is billed on kWh basis. The Commission is of the view that in order to have better grid discipline, kVAh billing is more appropriate and also considering that the Tariff Structure should be consistent throughout the State, the Commission approves kVAh based billing for the above categories of consumers. Hence, the Commission has removed the Installation based billing for LTIS.
- 10.14 The Commission observed that the Petitioner has proposed separate category for EV Charging Stations. The Commission is of the view that the ABR of the Commercial Category consumers is nearly close to ACoS. Hence, at this juncture, the EV Charging Station is considered under the Commercial Category and no separate category is created for the same.
- 10.15 The Commission has decided to do away with PF Rebate/Surcharge as the same is no longer relevant as metering is done in kWh only for LT Domestic, LT Commercial, LT IAS and LT Streetlight consumers. In addition, the LT Commercial consumers are to install capacitors to maintain Power Factor as per the Supply Code Regulations, hence PF rebate is no more relevant and is thus, withdrawn.
- 10.16 Historically, the Commission has been allowing Load Factor Rebate which was allowed only on the incremental consumption above a specified load factor. However, taking into cognisance of the detrimental impact of pandemic situation and since energy cost being one of the major cost components of industries of the State, the Commission is of the view that in order to speed up the economic recovery process which is vital for general socio-economic development of the State there is need to modify the Load Factor Rebate mechanism. The Commission has therefore enhanced the Load Factor rebates as stated **Section A 14:** of this Order.



- 10.17 In the wake of the COVID-19 pandemic and the sluggish market situation, the Commission has reduced the Delayed Payment Surcharges to be paid by the consumers from 1.50% per month or part thereof to 1.00% per month or part thereof.
- 10.18 The Commission has eliminated Meter Rent currently paid by consumers since the Meters bought by the Licensees are already included in the GFA and its servicing cost forms part of ARR which in turn is recovered through tariff. Further, any Meter Rent collected as per current provisions are reduced from the ARR as part of Non-Tariff Income. The Commission is therefore, of the view that there is little rationale in collecting these rents from consumers which is finally refunded to the consumers. The Commission has therefore in order to simplify the process, eliminated the need to collect Meter Rent.
- 10.19 The Commission in order to implement transparent recovery of Fixed/Demand Charges based on the actual availability of power to the Consumer has introduced recovery of Fixed/Demand Charges based on the actual Hours of Supply as recorded in the Consumer's meter. The Commission is of the view that the Distribution Licensees should be held accountable for round the clock availability of power to the Consumers. The Licensees should compensate the Consumers for unavailability of power at least in terms of reduced Fixed/Demand Charges as per the mechanism approved in **Section A 14:** of this Order.
- 10.20 As regards ToD Tariff mechanism, the Commission is of the view that it is an important tool for Utilities to shift demand from peak hours to off-peak hours. In order to assess the necessity of such mechanism for the Petitioner, **the Commission directs the Petitioner to submit the load curves for days with maximum peak demand and minimum peak demand for each month of FY 2019-20 and April 2020 to September 2020 along with its technical preparedness for implementation of ToD Tariffs while submitting the Business Plan and MYT Petition for FY 2021-22 to FY 2025-26.** In the meanwhile, the Commission has introduced ToD uniformly to all Discoms as an Option for HTS and HT Institutional Consumers.
- 10.21 The Commission has introduced Rebate to Consumers on the Delayed billing by the Licensees to promote timely billing practices in the License Area.
- 10.22 The Commission has also introduced Prepaid Metering primarily to promote billing and collection efficiency of the Licensee. The target Consumers who shall be installed with Prepaid Meters on priority basis shall be the Consumers from whom the



Collection/Billing Efficiency is the lowest, eg., Government Utilities/offices/officials, Pockets where LT Domestic collection is very low, etc.

- 10.23 The Commission has modified the Rebate on Prompt Online Payment to promote transparent and immediate payment of Bills by the Consumers.
- 10.24 The Commission has approved Terms and Conditions of Supply consistent with JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time.



A 11: APPROVED RETAIL TARIFF FOR FY 2020-21

Petitioner's Submission

11.1 The summary of Tariff proposed by the Petitioner is provided below:

Table 110: Summary of Tariff Proposed by the Petitioner for FY 2020-21

Consumer Category	Consumption Slab	Existing Tariff		Proposed Tariff	
		Fixed Charges	Energy Charges	Fixed Charges	Energy Charges
Domestic Existing: (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
Domestic Proposed: (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
LT-Rural	All units	10	2.50	-	-
	0-200 units	-	-	15	2.85
	Above 200 units	-	-	15	2.90
LT-Urban	All units	65	3.00	-	-
	0-200 units	-	-	80	3.40
	Above 200 units	-	-	80	3.60
Domestic-HT Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
Domestic-HT Proposed: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
DS-HT	All units	50	2.65	60	3.05
Commercial Service Existing: (Fixed Charge: Rs./kW/Month, Energy Charge: Rs./kWh)					
Commercial Service Proposed: (Fixed Charge: Rs./kW/Month, Energy Charge: Rs./kWh)					
CS-Rural	All units	-	2.50	-	2.65
CS-Urban	All units	125	3.75	150	3.75
Irrigation & Agriculture Service Existing: (Fixed Charge: Rs./HP/Month, Energy Charge: Rs./kWh)					
Irrigation & Agriculture Service Proposed: (Fixed Charge: Rs./HP/Month, Energy Charge: Rs./kWh)					
IAS	All units	20	3.70	22	3.92
Industrial Services Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
Industrial Services Proposed: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
LTIS-Demand Based	All units	170	4.05	200	4.10
Industrial Services Existing: (Fixed Charge: Rs./HP/Month, Energy Charge: Rs./kWh)					
Industrial Services Proposed: (Fixed Charge: Rs./HP/Month, Energy Charge: Rs./kWh)					
LTIS-Installation Based	All units	125	4.05	150	4.05
*Industrial Services Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
*Industrial Services Proposed: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
HTS	All units	195	5.15	245	5.25
HTSS	All units	365	3.75	440	3.95
*Industrial Services Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
*Industrial Services Proposed: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kVAh)					
HTS	All units	195	5.15	245	5.10
HTSS	All units	365	3.75	440	3.83
Streetlight Services Existing: (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
Streetlight Services Proposed: (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
Street Light	All Units	50	5.00	60	5.20
Institutional Services Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
Institutional Services Proposed: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					



Consumer Category	Consumption Slab	Existing Tariff		Proposed Tariff	
		Fixed Charges	Energy Charges	Fixed Charges	Energy Charges
RTS, MES & Other Distribution Licensees	All Units	160	4.00	245	5.25
Public Electric Vehicle Charging Stations Proposed: (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
EV-Rural	All Units	-	-	40	6.00
EV-Urban	All Units	-	-	150	6.25

**Note: The Petitioner has proposed both kWh and kVAh based Tariff Structure for HT Category Consumers.*

Commission's Analysis

11.2 Based on the above discussions, the summary of Tariff approved by the Commission for FY 2020-21 is as below:

Table 111: Summary of Tariff Approved by the Commission for FY 2020-21

Consumer Category	Consumption Slab	Existing Tariff		Approved Tariff	
		Fixed Charges	Energy Charges	Fixed Charges	Energy Charges
Domestic Existing: (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
Domestic Approved: (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
LT-Rural	All units	10	2.50	15	2.50
LT-Urban	All units	65	3.00	75	3.00
Domestic-HT Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
Domestic-HT Approved: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kVAh)					
DS-HT	All units	50	2.65	75	2.75
Commercial Service Existing: (Fixed Charge: Rs./kW/Month, Energy Charge: Rs./kWh)					
Commercial Service Approved: (Fixed Charge: Rs./kW/Month, Energy Charge: Rs./kWh)					
CS-Rural	All units	-	2.50	25	2.50
CS-Urban	All units	125	3.75	150	3.85
Irrigation & Agriculture Service Existing: (Fixed Charge: Rs./HP/Month, Energy Charge: Rs./kWh)					
Irrigation & Agriculture Service Approved: (Fixed Charge: Rs./HP/Month, Energy Charge: Rs./kWh)					
IAS	All units	20	3.70	20	3.70
Industrial Services Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
Industrial Services Approved: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kVAh)					
LTIS	All units	170	4.05	150	4.05
Industrial Services Existing: (Fixed Charge: Rs./HP/Month, Energy Charge: Rs./kWh)					
Industrial Services Approved: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kVAh)					
LTIS	All units	125	4.05	150	4.05
Industrial Services Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
Industrial Services Approved:(Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kVAh)					
HTS	All units	195	5.15	300	4.45
HTSS	All units	365	3.75	300	4.45
Streetlight Services Existing: (Fixed Charge: Rs./Conn./Month, Energy Charge: Rs./kWh)					
Streetlight Services Approved: (Fixed Charge: Rs./kW/Month, Energy Charge: Rs./kWh)					
Street Light	All Units	50	5.00	50	5.00
Institutional Services Existing: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kWh)					
Institutional Services Approved: (Fixed Charge: Rs./kVA/Month, Energy Charge: Rs./kVAh)					
RTS, MES & Other Distribution Licensees	All Units	160	4.00	160	4.00



A 12: SCHEDULE OF CHARGES

Petitioner's Submission

12.1 The Petitioner has proposed minor changes in Disconnection/Reconnection charge. The reason cited for revision is frequent activities of disconnection/reconnection which affect other consumers. The Schedule for Miscellaneous Charges as proposed by the Petitioner is tabulated below:

Table 112: Miscellaneous Charges as proposed by the Petitioner for FY 2020-21

S No.	Purpose	Scale of charges	Manner in which payment will be realised
1	Application Fees		
	Domestic	Rs. 15 (Kutir Jyoti), Others Rs. 20	Application should be given in standard requisition form of the licensee which will be provided free of cost. Payable with energy bill
	Street Light	Rs. 20	
	Agriculture	Rs. 10	
	Commercial	Rs. 20	
	Other LT Categories	Rs. 50	
	HT Supply	Rs. 100	
	HTSS, EHTS, RTS	Rs. 100	
2	Revision of estimate when a consumer intimates changes in his requirement subsequent to the preparation of service connection estimate based on his original application.		
	Domestic	Rs. 30	Payable with energy bill
	Agriculture	Rs. 10	
	Commercial	Rs. 30	
	Other LT Categories	Rs. 50	
	HT Supply	Rs. 150	
3	Testing of Consumer Installation		
	First test & inspection free, subsequent test & inspection charges	Rs 100	Payable with energy bill
4	Meter test when accuracy disputed by consumer		
	Single phase	Rs. 40	If the meter is found defective within the meaning of the IE Rules 1956, no charge shall be levied. If it is proved to be correct within the permissible limits laid down in the Rules, the amount will be charged in the next energy bill.
	Three phase	Rs. 100	
	Trivector/special type meter, HT, EHT metering equipment	Rs. 650	
5	Removing/ Re-fixing of meter		
	Single phase	Rs. 50	Payable with energy bill
	Three phase	Rs. 100	
	Trivector/special type meter, Three phase with CT/HT metering equipment	Rs. 300	
6	Changing of meter/meter equipment/fixing of sub meter on the request of consumer		
	Single phase	Rs. 50	Payable with energy bill



S No.	Purpose	Scale of charges	Manner in which payment will be realised
	Three phase	Rs. 100	
	Trivector/special type meter	Rs. 300	
7	Resealing of meter when seals are found broken		
	Single phase	Rs. 25	Payable with energy bill
	Three phase	Rs. 50	
	Trivector/special type meter	Rs. 100	
8	Fuse call-Replacement		
	Board fuse due to fault of consumers	Rs. 30	Payable with energy bill
	Consumers fuse	Rs. 30	
9	Disconnection/ Reconnection		
	Single phase	Rs. 500	Payable in advance along with the request by the consumer. If the same consumer is reconnected/disconnected within 12 months of last disconnection/ reconnection, 50% will be added to the charges
	Three phase	Rs. 700	
	LT Industrial supply	Rs. 1000	
	HT Supply	Rs. 1500	
10	Replacement of meter card, if lost/damaged by consumer	Rs. 10	Payable with energy bill
11	Security Deposit	As per JSERC (Electricity Supply Code) Regulations, 2015	
12	Meter rent/month		
	Domestic category Single phase/Three phase	Rs. 20/50	Payable with energy bill
	LT meter with CT	Rs. 250	
	11 kV at low voltage	Rs. 400	
	11 kV at 6.6/11 kv	Rs. 600	
	33 kV HT side	Rs. 2500	
	132 kV	Rs. 15000	
	RTS or 220 kV	Rs. 15000	
13	Replacement of Burnt meter	Cost of meter	Payable with energy bill
14	Transformer Rent*		
	Upto 200 kVA	Rs 5500/month	Payable with energy bill
	Above 200 kVA	Rs 7500/month	

*Applicable for first 6-month from the date of taking the transformer on rent, thereafter monthly escalation of 10%.

Commission's Analysis

12.2 The Commission has analysed the various aspects of these charges, the Schedule of Miscellaneous Charges applicable to other Distribution Licensee in the State of Jharkhand. The Commission observes that the Schedule of Miscellaneous Charges are already specified in the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time. However, since the Commission has approved the Miscellaneous Charges in the previous Order, the Commission continues with the charges approved in



its previous Order, as reiterated in the **Section A13** of this Order until amendment of the JSERC (Electricity Supply Code) Regulations, 2015.

A 13: TARIFF SCHEDULE

APPLICABLE FROM 01.10.2020

Consumer Tariff

Ceiling Tariff

The Tariffs approved below are Ceiling Tariffs and the Licensee is at liberty to Supply at lower and more competitive rates based on the requirement of the Consumers. However, this reduced recovery shall be attributable to the Licensee and shall not be recoverable in the ARR.

Domestic Service- Rural and Urban

Applicability:

This schedule shall apply to private residential premises for domestic use for household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc. and including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

This rate is also applicable for supply to religious institutions such as Temples, Gurudwaras, Mosques, Church and Burial/ Crematorium grounds, Rural Drinking Water Schemes and other recognised charitable institutions, where no rental/fees are charged for the energy needs and for its products and services.

This rate is also applicable for all consumers with contracted demand of upto 5 kW mixed, commercial, industrial, educational institutions, drinking water schemes or for any other purpose, except streetlight connections and agriculture/allied connections.

Category of Services:

Domestic Service-Rural: areas not covered by Nagar Nigam, Nagar Parishad and Nagar Panchayat.

Domestic Service -Urban: areas covered by Nagar Nigam, Nagar Parishad and Nagar Panchayat.

Service Character:

- (i) For Rural: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.
- (ii) For Urban: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.



Tariff:

Category	Fixed Charges		Energy Charges
	Unit	Rate	(Rs./kWh)
LT-Rural	Rs./Conn./month	15	2.50
LT-Urban	Rs./Conn./month	75	3.00

Delayed Payment Surcharge: In accordance with **Clause III: Delay Payment Surcharge** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

Rebate for Online Payment and Due Date Payment: In accordance with **Clause VIII: Rebate for Online Payment and Due Date Payment** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.



Domestic Service - HT

Applicability:

This schedule shall apply to private residential premises for domestic use for household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc. and including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

Category of Services:

Domestic Service - HT: This Schedule shall apply for domestic connection in Housing Colonies/ Housing Complex/Houses of multi storied buildings purely for residential use for single point metered supply, with power supply at 33kV or 11kV voltage level. DS-HT consumers, who supply power to individual households, the average per unit charges billed to an individual consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

Service Character:

(i) For HT: AC, 50 Cycles, at 11kV or 33kV

Tariff:

Category	Fixed Charges		Energy Charges
	Unit	Rate	(Rs./kVAh)
DS-HT	Rs./kVA/month	75	2.75

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand whichever is higher. The penalty on exceeding Billing Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delay Payment Surcharge** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.

Rebate for Online Payment and Due Date Payment: In accordance with **Clause VIII: Rebate for Online Payment and Due Date Payment** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.



Irrigation & Agriculture Service (IAS)

Applicability:

This schedule shall apply to all consumers for use of electrical energy for Agriculture purposes including tube wells and processing of the agricultural produce, confined to Chaff-Cutter, Thresher, Cane crusher and Rice-Hauler, when operated by the agriculturist in the field or farm and does not include Rice mills, Flour mills, Oil mills, Dal mills.

Service Character:

AC 50 Cycles, Single Phase at 230 volts /Three Phase at 400 volts

Tariff:

Category	Fixed Charges		Energy Charges
	Unit	Rate	(Rs./kWh)
IAS	Rs./HP/month	20	3.70

Delayed Payment Surcharge: In accordance with **Clause III: Delay Payment Surcharge** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

Rebate for Online Payment and Due Date Payment: In accordance with **Clause VIII: Rebate for Online Payment and Due Date Payment** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

Commercial Services

Applicability:

This schedule shall apply to all consumers, using electrical energy for light, fan and power loads for non-domestic purposes like shops, hospitals (govt. or private), nursing homes, clinics, dispensaries, restaurants, hotels, clubs, guest houses, marriage houses, public halls, show rooms, workshops, central air-conditioning units, offices (govt. or private), commercial establishments, cinemas, X-ray plants, schools and colleges (govt. or private), boarding/ lodging houses, libraries (govt. or private), research institutes (govt. or private), railway stations, fuel - oil stations, service stations (including vehicle service stations), All India Radio / T.V. installations, printing presses, commercial trusts / societies, Museums, poultry farms, banks, theatres, common facilities in multi-storied commercial office/buildings, Dharmshalas, public Electric Vehicles Charging stations and such other installations not covered under any other tariff schedule whose Contracted Demand is greater than 5 kW and less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

This schedule shall also be applicable to electricity supply availed through separate (independent) connections for the purpose of advertisements, hoardings and other conspicuous consumption such as external flood light, displays, neon signs at public places (roads, railway stations, airports etc.), departmental stores, commercial establishments, malls, multiplexes, theatres, clubs, hotels and other such entertainment/ leisure establishments whose Connected Load/Contracted Demand is greater than 5kW and less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

Service Category:

Commercial Service-Rural: Areas not covered by area indicated for Commercial Service Urban.

Commercial Service-Urban: Areas covered by Nagar Nigam, Nagar Parishad, Nagar Panchayat.

Service Character:

Rural: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.

Urban: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.

**Tariff:**

Category	Fixed Charges		Energy Charges
	Unit	Rate	(Rs./kWh)
CS-Rural	Rs./kW/month	25	2.50
CS-Urban	Rs./kW/month	150	3.85

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/Contract Demand** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order. In case Recorded Demand is more than 100 kVA/85 kW for any month for more than three instances within a Financial Year, the average of the Maximum Demand recorded during such instances shall be treated as the new Contract Demand for the purpose of billing of future months and the consumer will have to get into a new Agreement under the HTS category.

Delayed Payment Surcharge: In accordance with **Clause III: Delay Payment Surcharge** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

Installation of Shunt Capacitors: In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

Rebate for Online Payment and Due Date Payment: In accordance with **Clause VIII: Rebate for Online Payment and Due Date Payment** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.



Low Tension Industrial Services

Applicability:

Low Tension Industrial Service (LTIS): This schedule shall apply to all industrial units having a Contracted Load more than 5 kW and less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

Service Character:

Low Tension Industrial Service (LTIS): AC, 50 Cycles, Single Phase supply at 230 Volts or Three Phase Supply at 400 Volts.

Tariff:

Category	Fixed Charges		Energy Charges
	Unit	Rate	(Rs./kVAh)
LTIS	Rs./kVA/month	150	4.05

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/Contract Demand** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order. In case Recorded Demand is more than 100 kVA/85 kW for any month for more than three instances within a Financial Year, the average of the Maximum Demand recorded during such instances shall be treated as the new Contract Demand for the purpose of billing of future months and the consumer will have to get into a new Agreement under the HTS category.

Delayed Payment Surcharge: In accordance with **Clause III: Delay Payment Surcharge** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

Installation of Shunt Capacitors: In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

Rebate for Online Payment and Due Date Payment: In accordance with **Clause VIII: Rebate for Online Payment and Due Date Payment** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.



HT Services

Applicability:

High Tension Service (HTS): All the consumers drawing power at voltage level at 6.6 kV and above except Domestic-HT consumers and HT- Institutional Consumers.

Service Character:

High Tension Service (HTS): 50 Cycles, Three Phase at 6.6 kV/11 kV/33 kV/132 kV/220 kV/400 kV

Tariff:

Category	Fixed Charges		Energy Charges
	Unit	Rate	(Rs.kVAh)
HTS	Rs./kVA/month	300	4.45

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/Contract Demand** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.

Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.

Rebate for Online Payment and Due Date Payment: In accordance with **Clause VIII: Rebate for Online Payment and Due Date Payment** of Terms & Conditions of Supply as provided in **Section A14** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** as provided in section on Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.



Street Light

This tariff schedule shall apply for use of Street Lighting system.

Applicability:

Street Light Service (SS): This tariff schedule shall apply for use of Street Lighting system, including single system in corporation, municipality, Notified Area Committee, panchayats etc., and also in areas not covered by municipalities and Notified Area Committee provided the number of lamps served from a point of supply is not less than 5.

Service Character:

Street Light Service (SS): AC, 50 cycles, Single phase at 230 Volts or Three phase at 400 Volts

Tariff:

Category	Fixed Charges		Energy Charges
	Unit	Rate	(Rs./kWh)
Streetlight	Rs./kW/month	50	5.00

Delayed Payment Surcharge: In accordance with **Clause III: Delay Payment Surcharge** of Terms & Conditions of Supply as provided in Section A14 of this Tariff Order.

Rebate for Online Payment and Due Date Payment: In accordance with **Clause VIII: Rebate for Online Payment and Due Date Payment** of Terms & Conditions of Supply as provided in Section A14 of this Tariff Order.



HT Institutional Services

This tariff schedule shall apply for use of Railway Traction, Military Engineering Services and Other Distribution Licensees.

Applicability:

Railway Traction (RTS) and Military Engineering Services (MES): This tariff schedule shall apply for use of railway traction and Military Engineering Services (MES) for a mixed load in defence cantonment and related area.

Other Distribution Licensees: This tariff schedule shall apply to other distribution licensees procuring power from the Licensee for the sole purpose of supplying it to its consumers. It is clarified that such tariff shall not be applicable for the quantum of power utilised in industrial units owned by it or its parent or affiliate company.

Service Character:

Railway Traction Service (RTS): AC, 50 cycles, Single phase at 25kV/132 kV.

Military Engineering Services (MES): AC, 50 cycles, three phase at 6.6 kV and above

Other Distribution Licensees: AC, 50 cycles, three phase at 6.6 kV and above.

Tariff:

Category	Fixed Charges		Energy Charges
	Unit	Rate	(Rs./kVAh)
HT- Institutional Services	Rs./kVA/month	160	4.00

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/Contract Demand** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.

Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.



Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.

Rebate for Online Payment and Due Date Payment: In accordance with **Clause VIII: Rebate for Online Payment and Due Date Payment** of Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** as provided in section on Terms & Conditions of Supply as provided in **Section A 14:** of this Tariff Order.

RPO Compliance: RPO Compliance for Sale to Other Licensees, RTS and MES shall be made by the first Licensee which sells the power viz., in case TSUISL (JUSCO) buys power from TSL which in turn has procured such quantum of power from DVC then the onus to comply with RPO will be with DVC only.



Temporary Connections

Applicability:

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

- (a) Temporary tariff shall be equivalent to 1.5 times of the applicable fixed and energy charges for temporary connections falling in each prescribed tariff category with all other terms and conditions of tariff remaining the same.
- (b) Temporary connections may be given with normal meters with security deposit as per JSERC (Electricity Supply Code) Regulations, 2015.
- (c) Temporary connections may also be given with prepaid meters with minimum prepaid balance equivalent to 45 days of sale of power, which shall be based on the assessment formula as per JSERC (Electricity Supply Code) Regulations, 2015 and amendment thereof.

Tariff:

Category	Fixed Charges	Energy Charges
	Rate	(Rs.)
All Units	1.5 times of the applicable Fixed Charges	1.5 times of the applicable Energy Charges



Tariff to be paid by the Licensee for Gross/Net Metering of rooftop Solar PV projects

The Commission had notified the JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) Regulations, 2015, on November 10, 2015, and further notified its 1st amendment as JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) (1st Amendment) Regulations, 2019. The Tariff for sale of surplus power by Gross/Net metering of Rooftop Solar PV for FY 2020-21 for such eligible consumers of the Petitioner shall be as under:

Gross Metering: Rs. 4.16/kWh

Net Metering: Rs. 3.80/kWh

The tariff approved as above for FY 2020-21 shall remain effective till the issue of subsequent Tariff Order/Individual Order as the case may be.



Schedule of Miscellaneous Charges

S. No.	Purpose	Scale of Charges	Manner in which payment will be realized
1	Application fee		
	Agriculture	10	Payable with Energy Bill
	Street light	20	
	Domestic	15 (Kutir Jyoti) 20 (Others)	
	Commercial	20	
	Other LT categories	50	
	HTS	100	
	HTSS, EHTS, RTS	100	
2	Revision of estimate when a consumer intimates changes in his requirement subsequent to the preparation of service connection estimate based on his original application		
	Agriculture	10	Payable with Energy Bill
	Domestic	30	
	Commercial	30	
	Other LT categories	50	
	HT Supply	150	
3	Testing of consumers Installation⁽¹⁾		
	Testing of Consumer Installation	100	Payable with Energy Bill
4	Meter test when accuracy disputed by consumer⁽²⁾		
	Single phase	40	Payable with Energy Bill
	Three phase	100	
	Trivector/ special type meter	650	
5	Removing/ Refixing of meter		
	Single phase	50	Payable with Energy Bill
	Three phase	100	
	Trivector/ special type meter	300	
6	Changing of meter /meter equipment/fixing of sub meter on the request of the consumer/fixing of sub meter		
	Single phase	50	Payable with Energy Bill
	Three phase	100	
	Trivector/special type meter	300	
7	Resealing of meter when seals are found broken		
	Single phase	25	Payable with energy bill
	Three phase	50	
	Trivector/ special type meter	100	
8	Replacement of meter card, if lost or damaged by consumer	10	Payable with energy bill
9	Fuse call - Replacement		
	Board fuse due to fault of consumer	30	Payable with energy bill
	Consumer fuse	30	



S. No.	Purpose	Scale of Charges	Manner in which payment will be realized
10	Disconnection/Reconnection		
	Single phase	100	Payable in cash in advance along with the request by the consumer. If the same consumer is reconnected/ disconnected within 12 months of the last disconnection/reconnection, 50% will be added to the charges
	Three phase	200	
	LT Industrial Supply	600	
	HT Supply	1000	
11	Security Deposit	As per the JSERC (Electricity Supply Code) Regulations, 2015	
12	Transformer Rent ⁽³⁾		
	Upto 200 kVA	5500/Month	Payable with energy bill
	Above 200 kVA	7500/Month	

¹First test & Inspection free of charge, but should any further test and inspection be necessitated by faults in the installation or by not compliance with the conditions of supply for each extra test or inspection.

²If the meter is found defective within the meaning of the Indian Electricity Rules 1956, no charge shall be levied. If it is proved to be correct within the permissible limits laid down in the Rules, the amount will be charged in the next energy bill.

³Applicable for 6 month duration from the date of taking the transformer on rent, thereafter monthly escalation of 10% would be applicable.

*** Note: Meter Rent Deleted as the same is done away with in this Order.**



A 14: TERMS AND CONDITIONS OF SUPPLY

Clause I: Penalty for exceeding Billing/ Contract Demand

In case the Recorded/Actual Demand exceeds 110% of the Contract Demand, the consumer shall pay penal charges. The penal charges would be charged as follows: If the Recorded Demand exceeds 110% of Contract Demand, then the Demand Charge up to Contract Demand will be charged as per the normal Tariff rate. The remaining Recorded Demand over and above the Contract Demand will be charged at 1.5 times the normal Tariff rate.

In case Recorded Demand is higher than the Contract Demand by the quantum and for the duration as specified in the JSERC (Electricity Supply Code) Regulations, 2015, as amendment from time to time, the Contract Demand shall be revised as per the procedure specified therein.

Clause II: Jharkhand Electricity Duty

The charges in this tariff schedule do not include charges on account of State Electricity Duty/Surcharge to the consumers under the State Electricity Duty Act and the rules framed there under as amended from time to time and any other Statutory levy which may take effect from time to time.

Clause III: Delayed Payment Surcharge

The Delayed Payment Surcharge will be at the rate of 1.00% per month chargeable proportionately. The due date for making payment of energy bills or other charges shall be 21 days after issue date 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, Delayed Payment Surcharge will not be charged for the period of default by Licensee. The consumer should not be deprived of any subsidy/benefit which could have been otherwise accrued to the consumers i.e. energy units/amount (in case of unmetered) billed has to be apportioned on average monthly basis for the whole billing duration.

Illustration:

In case the payment is made 10 days after the due date, the DPS shall be at:

$$10/30 * 1\% = 0.33\%$$

Clause IV: Voltage Rebate

Voltage rebate* will be applicable on Demand and Energy Charges as per the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time at the rate given below:

Consumer Category	Voltage Rebate
HTS/HT Institutional -33 kV	3.00%
HTS/ HT Institutional -132 kV	5.00%
HTS/ HT Institutional – 220 kV	5.50%
HTS/ HT Institutional – 400 kV	6.00%

* **Note:** The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.

Clause V: Load Factor Rebate

As also discussed in the Tariff Rationalisation section, the Commission is of the view that in order to speed up the economic recovery process which is vital for general socio-economic development of the State there is need to modify the Load Factor Rebate mechanism.

The Commission observed that the average actual Load Factor of HT Consumers of TSUISL for FY 2018-19 is in the range of 43%-45% and therefore in order to encourage consumption at higher Load Factor, incentive should be applicable for consumption over and above the average current Load Factor.

The Commission therefore taking in cognisance the existing Load Factor and necessity to revive the Industries approves the following rebate.

The Load factor rebate shall be allowed to all the consumers whose load factor exceeds 45%. For any 'X' % increase in the load factor over and above 45%, the rebate shall be allowed at the rate of 'X' % on the total energy charges corresponding to energy consumption of the consumer subject to a maximum ceiling rebate of 15%.

Illustration: If a consumer's load factor for a given billing month is 58.50% then the percentage rebate allowed to such consumer shall be (58.50%-45.00%) i.e., 13.50%. The percentage rebate thus calculated (13.50%) shall be multiplied with the total energy charges corresponding to the entire energy consumption of the consumers and the rebate amount shall be allowed.

The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.

Clause VI: Installation of Shunt Capacitors

Connections with inductive load/motors as specified in Clauses 8.2.34 and 8.2.35 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time, shall be installed with Shunt Capacitors to meet the Power Factor requirements.



For existing consumer, the Petitioner should first serve one month's notice to all such consumers who do not have or have defective shunt capacitors. In case the consumers do not get the capacitor installed/replaced within the notice period, the consumer shall be levied a surcharge at 5% on the total billed amount charge (metered or flat), till they have installed the required capacitors.

Clause VII: ToD Tariff

TOD tariff shall be applicable as an option to HTS and HT Institutional Consumers as follows:-

- **Off Peak Hours: 10:00 PM to 06:00 AM:** 85% of normal rate of energy charge
- **Normal Hours: 10:00 AM to 06:00 PM:** 100% of normal rate of energy charge
- **Peak Hours: 06:00 AM to 10:00 AM and 06:00 PM to 10:00 PM:** 120% of normal rate of energy charge

Clause VIII: Rebate for Online Payment and Due Date Payment

The due date for making payment of energy bills or other charges shall be 21 days after issue date of the bill.

A rebate of 1.00% shall be allowed on the billed amount for payment within the due date of the entire billed amount made either through online or any digital mode or through cash.

Further, additional 1.00% rebate shall be allowed if the bills are paid in full within the due date through online web portal or any digital methods.

It is clarified that in accordance with the above, if a person pays the entire billed amount through online web portal or any digital mode, the consumer shall be entitled to 2.00% rebate on the total billed amount. Further no rebate shall be allowed after due date irrespective of the mode of payment.

Clause IX: Rebate for Prepaid Metering

The Commission has introduced rebate to prepaid meters at 3% of the Energy Charges for the respective Consumer Category. For such consumers, the Petitioner shall refund the entire Security Deposit within one month from the date of installation of such prepaid meters.

Clause X: Rebate for Delayed Billing

The Commission has introduced rebate in case of delayed billing to consumers to promote prompt billing by the Licensees. In case the bill is not received for two continuous billing cycles,

a rebate at the rate of 1.00% on the bill amount per month for delay beyond two months or part thereof shall be applicable subject to a ceiling of 3%. The Utility shall not be eligible to claim such Rebate as a part of ARR. The same shall be treated as a Compensation for the consumers out of the RoE of the Licensee. This clause shall be applicable for all consumers.

Clause XI: Other Terms and Conditions

Reduction in Fixed Charges

Recovery of Complete Fixed/Demand Charges from consumers shall be based on the availability of hours of supply recorded by meters installed in the consumer's premises. TSUISL to include the same in the consumer's bill and recover the Fixed Charges only in proportion to the hours of supply as per the meter. The cut off hours for complete recovery from Fixed/Demand Charges shall be 21 hours per day for LT consumers and 23 hours per day for HT Consumers.

Provided that the planned outages/Rostering in the network that are uploaded on its website seven days in advance with a copy to the Commission and intimation to the respective consumers shall be excluded while computing scheduled supply hours.

Provided that any reduction in recovery of Fixed/Demand Charges on account of lower than stipulated hours of supply shall not be claimed as a part of the ARR. Any reduction in the Fixed/Demand Charges shall be considered as a compensation to be paid to the Consumer by the Licensee.

The Commission directs the Petitioner to submit a report on implementation of the above, within 30 days of issue of this Order and implement the same from the subsequent billing cycle following the issuance of this Order.

Point of Supply

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

Dishonoured Cheques

In terms of Regulation 10.10.5 of the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time, in the event of dishonoured cheque for payment against a particular bill, the Licensee shall charge a minimum of Rs. 300 or 0.5% of the billed amount, whichever is



higher. In addition to the same, the Delay Payment Surcharge shall be levied extra as per the applicable terms and conditions of Delay Payment Surcharge.

Stopped/Defective Meters

In case of existing consumers with previous consumption pattern, the provisional average bill shall be issued as per Clause 10.3.1 of the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time.

In case of meter being out of order from the period before which no pattern of consumption is available, the provisional average bill shall be issued on the basis of Sanctioned/Contract Load on following Load Factor applicable to respective categories:

Consumer Category	Load Factor
Domestic	0.15
Non-Domestic	0.20
LTIS	0.20
DS-HT	0.15
HT Consumers-Below 132 kV	0.30
HT Consumers- 132 kV & Above	0.50

Sale of Energy

No consumer shall be allowed to sell the electricity purchased from the Licensee to any other person/entity. In case of DS-HT consumers, who supply power to individual households, the average per unit charges billed to an individual consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

Release of New Connections

No new connections shall be provided without appropriate meter.

Conversion Factors

The following shall be the conversion factors, as and where applicable: (PF=0.85):

1 kiloWatt (kW) = 1.176 kiloVolt Ampere (kVA)

1 kiloWatt (kW) = 1/0.746 Horse Power (HP)

1 Horse Power (1 HP) = 0.878 kiloVolt Ampere (kVA)

Fuel & Power Purchase Cost Adjustment (FPPCA)

Applicable as per JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015 and as amended by the Commission from time to time.



A 15: DIRECTIVES

- 15.1 In addition to the compliance of existing directives as mentioned in the status of earlier directives, the Commission directs the Petitioner to comply with the following new directives.

Expansion of network and service area

- 15.2 The Commission directs the Petitioner to make all out efforts to expand its network and service area for reaching rural consumers.

Redundancy in the Distribution Infrastructure

- 15.3 The Commission directs the Petitioner to carry out a detailed study to expand its existing infrastructure and steps to interconnect its upstream transmission network to improve its power availability and submit its DPR within 3 months from the date of this Order.

Submission of ToD Data

- 15.4 The Commission directs the Petitioner to submit the load curves for days with maximum peak demand and minimum peak demand for each month of FY 2019-20 and April 2020 to September 2020 along with its technical preparedness for implementation of ToD Tariffs while submitting the Business Plan and MYT Petition for FY 2021-22 to FY 2025-26.

Publicising Tariff Approved by the Commission

- 15.5 The Commission directs the Petitioner to submit a draft Notice to the Commission on the Tariff Approved by the Commission along with the Terms and Conditions of Supply for approval and publishing in the newspapers within a week of issue of this Order for enhancing the consumer awareness of the applicable Rate Schedule and salient features of the Order impacting general consumers in the Licensee area.

Reduction in Fixed Charges

- 15.6 The Commission directs the Petitioner to submit a report on implementation of the above, within 30 days of issue of this Order and implement the same from the subsequent billing cycle following the issuance of this Order.



In addition to above, the Petitioner is further directed to comply with the directives issued by the Commission in earlier Orders.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on September 29, 2020.

It is made clear that the Order regarding revision of tariff shall come into effect from October 01, 2020 and shall remain in force till the next order of the Commission in this regard.

Date: 29.09.2020

Place: Ranchi

Sd/-
(Pravas Kumar Singh)
MEMBER (Legal)

Sd/-
(Rabindra Narayan Singh)
MEMBER (Engg.)



ANNEXURES

Annexure-1: List of members of public who participated in the Public Hearing through video conferencing

Sr. No.	Name	Address/Organization
Date & Time: July 30, 2020, 2:30 PM		
1	Tushar Raj	Kadma, Jamshedpur
2	L. Neena	Sonari/JUSCO
3	Manmohan Singh	TSUISL
4	S Roy Choudhary	TSUISL
5	S. N. Banerjee	TSUISL
6	Sunil Kumar	TSUISL
7	Krishna Mohan Pandey	TSUISL
8	Subhashish Roy	TSUISL
9	Surajit Dey	TSUISL
10	Ranabir Mallick	TSUISL
11	Pramod Rathore	TSUISL
12	Sunil Kumar Singh	TSUISL
13	Y Prasad	TSUISL
14	Suman Mandal	TSUISL
15	Sharad Kumar	Public/Stakeholder
16	Jay Kishor Ahir	Adityapur
17	Abhishek Kumar Singh	Sharda Garden City, Adityapur
18	Siddhartha Saha	Kalpanapuri, Adityapur
19	Rajesh Ray M	Seraikela-Kharsawan
20	Sandip Mahto	Adityapur, Seraikela-Kharsawan
21	Alkeh Gope	Lohabhasha, P.S - Birsanagar Purbi Singhbhum
22	Sanjay Pandey	Sonari
23	Rohit Solanki	Sonari
24	Nemlal Mahto	Adityapur
25	Kalishankar Mahto	Vill-Gorangdih, Barakakara, P.S-Seraikella
26	Sajan Barik	Seraikela-Kharsawan
27	Sujit Kumar Mahto	Sitarampur, Po-Gamharia, Dist-Seraikela-Kharsawan
28	Santosh Kumar Mohil	Adityapur Industrial Area, Anand Vihar Colony
29	Deepak Kumar	Vill-Udaipur, PO-Gamharia, Dist-seraikela-Kharsawan
30	Gopal Prasad Jaiswal	Public/Stakeholder
31	Naresh Kumar Mahto	Bhatia Basti, Adityapur
32	C D Roy Burman	Bhatia Basti, Adityapur
33	Amiya Ranjan Mandal	Adityapur, Jamshedpur
34	Anil Kumar Soren	Adityapur, Jamshedpur
35	Samir Das	Public/Stakeholder
36	Ashok Biyani	Ashiana Garden Owners Association, Sonari, Jamshedpur



Sr. No.	Name	Address/Organization
37	Niran Tiwari	Public/Stakeholder
38	Inder Agarwal	Adityapur Small Industries Association
39	Santosh Khetan	Adityapur Small Industries Association
40	Rajiv Ranjan	Adityapur Small Industries Association
41	Sanjay Kumar Singh	Adityapur Small Industries Association
42	Ashok Kumar Biyani	Adityapur Small Industries Association
43	Deepak Dokania	Adityapur Small Industries Association
44	Rahul Bagaria	Adityapur Small Industries Association
45	Santosh Singh	Adityapur Small Industries Association
46	Praveen Gutgutia	Adityapur Small Industries Association
47	Hari Krishna Budhia	Association of DVC HT Consumers
48	Nirmal Prasad	Dainik Jagran