

Jharkhand State Electricity Regulatory Commission



Order on
True-up for FY 2021-22,
Annual Performance Review of FY 2022-23,
and
ARR & Retail Supply Tariff for FY 2023-24
for
Steel Authority of India Limited, Bokaro
February 22, 2024



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List of Abbreviations

| Abbreviation | Description |
|--------------|---|
| A&G | Administrative and General |
| ARR | Aggregate Revenue Requirement |
| CEA | Central Electricity Authority |
| COD | Commercial Operation Date |
| CFBC | Circulating Fluidized Bed Combustion |
| CCL | Central Coalfield Limited |
| CIL | Coal India Limited |
| ECR | Energy Charge Rate |
| FY | Financial Year |
| GCV | Gross Calorific Value |
| GFA | Gross Fixed Assets |
| GHR | Gross Station Heat Rate |
| GoI | Government of India |
| GoJ | Government of Jharkhand |
| IoWC | Interest on Working Capital |
| IPL | Inland Power Limited |
| JBVNL | Jharkhand Bijli Vitran Nigam Limited |
| JSEB | Jharkhand State Electricity Board |
| JSERC | Jharkhand State Electricity Regulatory Commission |
| JUVNL | Jharkhand Urja Vikas Nigam Limited |
| kCal | Kilocalorie |
| kg | Kilogram |
| kWh | Kilowatt-hour |
| MAT | Minimum Alternative Tax |
| ML | Millilitre |
| MOU | Memorandum of Understanding |
| MT | Metric Tonnes |
| MU | Million Units |
| MW | Megawatt |
| MYT | Multi-Year Tariff |
| NAPAF | Normative Annual Plant Availability Factor |
| O&M | Operations and Maintenance |
| PAF | Plant Availability Factor |
| PLF | Plant Load Factor |
| PPA | Power Purchase Agreement |
| R&M | Repair and Maintenance |
| RoE | Return on Equity |
| Rs. | Rupees |
| SBI | State Bank of India |
| SERC | State Electricity Regulatory Commission |
| SLDC | State Load Dispatch Centre |
| SLM | Straight Line Method |



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Before
Jharkhand State Electricity Regulatory Commission, Ranchi

Case (Tariff) No.: 7 of 2023

In the matter of:

Petition for
True-up for FY 2021-22,
Annual Performance Review of FY 2022-23,
and
ARR & Retail Supply Tariff for FY 2023-24

In the matter:

Steel Authority of India Limited, Bokaro.....**Petitioner**

PRESENT

Hon'ble Justice Amitav Kumar Gupta

Shri Mahendra Prasad

Shri Atul Kumar

Chairperson

Member (Legal)

Member (Technical)

Order dated February 22, 2024

Steel Authority of India Limited, Bokaro (hereinafter referred to as 'SAIL-BSL' or the 'Petitioner') filed a Petition dated November 02, 2023. In this Petition, the Petitioner had prayed for Truing-up for FY 2021-22, Annual Performance Review for FY 2022-23 and ARR & Retail Supply Tariff for FY 2023-24 for the distribution of electricity in its licensed area of the State of Jharkhand.



Chapter 1: Introduction

Jharkhand State Electricity Regulatory Commission

- 1.1 The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as “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 maybe, 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 came into force, the earlier Electricity Regulatory Commission Act of 1998 stands repealed and the JSERC is discharging its functions as prescribed in Section 86 of the Act.
- 1.4 In accordance with provisions of the said Act, the JSERC discharges the following functions: -
- a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:
Provided that where open access has been permitted to a category of consumers under Section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;
 - b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the



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



Tariff Policy are to: -

- a) ensure availability of electricity to consumers at reasonable and competitive rates;
- b) ensure financial viability of the sector and attract investments;
- c) promote transparency, consistency, and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
- d) promote competition, efficiency in operations and improvement in quality of supply.

The Petitioner – Steel Authority of India Limited, Bokaro

1.8 Steel Authority of India, Bokaro is a company incorporated in the year 1964 under Section 617 of the Companies Act, 1956, and is a wholly owned subsidiary of Steel Authority of India Limited, New Delhi. The Bokaro Steel City in the district of Bokaro, Jharkhand is contiguous to the Bokaro Steel City service area of SAIL-BSL.

1.9 SAIL-BSL is the sanction holder of power supply in Bokaro Steel City under Section 28(1) of the erstwhile Indian Electricity Act, 1910, and has been managing the power distribution in Bokaro steel city since its inception.

1.10 After the enactment of the Electricity Act, 2003, as per the provisions of Section 14 of the Act, the status of Distribution Licensee has been granted by the Commission to SAIL- BSL (No.01 of 2005-06) w.e.f. July 28, 2004.

1.11 The area of supply of the Petitioner, including the Bokaro Steel Plant and the Bokaro township, is the whole of the area bounded as follows:

North: River Damodar

South: River Garga

East: River Garga

West: Bokaro Steel City Railway Station

1.12 The Town Administration department of SAIL-Bokaro is responsible for providing various municipal services to Bokaro Steel City, including horticulture, water supply, construction and maintenance of roads, etc. The Town Administration Electrical Department (TA-Electrical) manages the power distribution system of the licensed area.



The Petitioner's Prayers

1.13 The Petitioner in this Petition has made the following prayers before the Commission: -

- a) Admit the Petition for trueing up of FY 2021-22 in accordance with Regulation 13.3 of the JSERC (Terms & Conditions for determination of Distribution Tariff) Regulations 2020.
- b) Admit in Petition for Annual Performance Review of the year FY 2022-23 in accordance with Regulation 13.2 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.
- c) Allow SAIL BSL to file Annual Performance Review petition for FY 2022-23 based on unaudited account.
- d) Condone the delay in filing the present Petition on account of reasons beyond the control of the Petitioner.
- e) Approve the deviation from the norms for certain parameters prescribed in the JSERC (Terms & Conditions for determination of Distribution Tariff) Regulations 2020, and provisions thereof, as sought in this True up Petition for FY 2021-22.
- f) Approve the deviation from the norms for certain parameters prescribed in the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, and provisions thereof, as sought in this Annual Performance Review of FY 2022-23, ARR & Tariff of FY 2023-24 for the Licensee.
- g) Approve the True up Petition for FY 2021-22 in accordance with Regulation 13.3 of the JSERC (Terms & Conditions for determination of Distribution Tariff) Regulations 2020.
- h) Approve the Annual Performance Review of FY 2022-23, ARR & Tariff of FY 2023-24 for the Licensee in accordance with the JSERC (Terms & Conditions for determination of Distribution Tariff) Regulations 2020.
- i) To approve category wise tariff proposed for FY 2023-24.
- j) Treat Steel Plant of SAIL as consumer of SAIL-BSL from the next control period.
- k) Condone any error/omission and to give opportunity to rectify the same.
- l) Permit SAIL- BSL to make further submissions, addition and alteration to this Petition as may be necessary from time to time.
- m) Pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.



Chapter 2: Procedural History

Background

- 2.1 The Petitioner had filed its first ARR and tariff petition for FY 2007-08 in February 2007. After examining the petition, the Commission directed the Petitioner to submit its tariff petition for the licensed area as per the Tariff Regulations issued by the Commission from time to time, after separating the accounts of electricity distribution business from the consolidated audited accounts of the company. However, the Petitioner was unable to segregate the accounts of the electricity distribution business from the consolidated audited accounts of company. The Petitioner was also not able to provide the requisite data to the Commission for determining the ARR and Tariff for FY 2007-08.
- 2.2 Consequently, the Commission vide its order dated November 2, 2007, decided to allow a provisional tariff for FY 2007-08 for the licensed area of the Petitioner. The approved tariff was the same as was approved for Jharkhand State Electricity Board (JSEB) in FY 2006-07.
- 2.3 The Commission had further directed the Petitioner to submit the tariff petition for determination of the ARR for FY 2008-09 after segregating accounts of its electricity distribution business from the consolidated accounts of the company. However, the Petitioner requested the Commission, vide SAIL-BSL letter no. DGM I/c (TEElect)/ 2009-840 dated August 13, 2009, to give it three months' time to file the ARR for FY 2008-09. The Commission, vide its letter no. JSERC/51/209 dated August 19, 2009 accepted the Petitioner's plea.
- 2.4 The Petitioner was again unable to file the ARR and tariff petition by the said date. It was submitted by the Petitioner that as the cost of power purchased from DVC was under dispute at the Appellate Tribunal for Electricity (APTEL), New Delhi, it would not be possible for it to file a petition. It requested the Commission, vide SAIL-BSL letter no TA/DGM/ (Elect Maint)/860 dated November 19, 2009, for further eight weeks' time to submit the tariff petition which was accepted by the Commission vide letter no. JSERC/51/347 dated November 24, 2009.
- 2.5 Since the Judgement of the Hon'ble APTEL was still pending till the said date, the Petitioner requested further extension till May 15, 2010 for filing the ARR and tariff petition. Considering it to be a special case, the Commission accepted the Petitioner's plea vide letter no. JSERC/51/43 dated April 23,



- 2010.
- 2.6 The Petitioner filed the petition for determination of ARR and tariff for FY 2010-11 on May 14, 2010. The Tariff Order for the same was issued by the Commission on October 9, 2010.
- 2.7 The petition for determination of ARR and tariff for FY 2011-12 was filed by the Petitioner on March 30, 2011. The Tariff Order for the same was issued by the Commission on September 28, 2011. Further, the petition for determination of ARR and tariff for FY 2012-13 was filed by the Petitioner on February 9, 2012. The Tariff Order for the same was issued by the Commission on August 3, 2012.
- 2.8 The Petitioner was required to file the Business Plan and petition for determination of ARR and tariff for MYT period FY 2013-14 to FY 2015-16 by November 1, 2012. The Petitioner, however, vide its letter dated September 4, 2012, requested for an extension of the deadline up to November 30, 2012. The Commission extended the deadline for submission of the MYT petition to November 30, 2012. However, the Petitioner did not submit the petition within such extended timeline. The Commission further sent a reminder letter to the Petitioner for the submission of Business Plan and petition for determination of ARR and tariff for MYT FY 2013-14 to FY 2015-16 vide letter dated December 17, 2012.
- 2.9 The Petitioner further requested an extension upto March 2013 vide letter dated January 7, 2013. Considering that the previous Tariff Order was issued only in August 2012, the Commission extended the timeline to January 7, 2013 which was again extended to May 31, 2013, on request of the Petitioner. The Petitioner filed the Business Plan for the MYT period FY 2013-14 to FY 2015-16 in May 2013 with a request to extend the timeline to file the MYT Petition to June 24, 2013. The Commission, on such request, extended the timeline for submission of MYT Petition to June 24, 2013. The Petitioner submitted the MYT petition on July 4, 2013.
- 2.10 The Petitioner filed the petition before the Commission for true up of FY 2011-12, Annual Performance Review for FY 2012-13 and ARR for the MYT period (FY 2013-14 to FY 2015-16) on July 4, 2013. The Commission had issued its last Tariff Order for SAIL-BSL on September 03, 2014 on the MYT Order for the approval of ARR for the FY 2013-14 to FY 2015-16 as the Commission was unable to conduct public hearing for the aforementioned Petition. The



Commission faced some difficulty as the Chairperson retired on December 15, 2012, leaving the Commission to function with only one Member, specifically the Member (Technical).

- 2.11 The Commission had not approved the True-up for the FY 2011-12 and Annual performance review for the FY 2012-13 in its Order dated September 03, 2014, as the accounts submitted by the Petitioner are merely extracted from the accounts of the steel plant on the basis of certain norms and assumptions. The accounts were also not certified by the statutory auditor of the company. Also, the Petitioner was not able to provide sufficient justification to the queries raised by the Commission even after repeated reminders by the Commission.
- 2.12 The Petitioner filed the petition with the Commission for true up of FY 2013-14 to FY2015-16 and MYT for the period (FY 2016-17 to FY2020-21). The Commission issued the Tariff Order for SAIL-BSL on June 07, 2018, on the MYT Order for the period FY 2016-17 to FY 2020-21 and True Up for FY 2013-14 to FY 2015-16.
- 2.13 The Petitioner filed the Petition before the Commission for True-up of FY 2016-17 to FY 2018-19 and ARR for FY 2019-20 on July 31, 2019. The Commission issued its last Tariff Order for SAIL-BSL on January 08, 2021, on the Truing-up for FY 2016-17 and FY 2018-19 and Suo-moto Order on ARR for FY 2020-21.
- 2.14 The Petitioner filed the Petition before the Commission for truing up of FY 2019-20 and FY 2020-21, Multi Year Tariff and Business Plan for Control Period FY 2021-22 to FY 2025-26, Annual Performance Review of FY 2021-22, & ARR for FY 2021-22 & FY 2022-23 on March 30, 2022, for which the Commission has issued the tariff order on June 22, 2023.
- 2.15 The Petitioner has filed the current Petition before the Commission for truing up of FY 2021-22, Annual Performance Review for FY 2022-23, and ARR & Retail Supply Tariff for FY 2023-24 on November 02, 2023, for which the Commission is issuing the present order.

Disclaimer: Relevant information provided herein regarding the Commission, the Petitioner, and the Procedural History have been extracted/ reproduced from the previous Orders of the Commission. This is for information purposes only and does not in any matter reflect opinion or analysis thereon.



Public Consultation Process

- 2.16 The Commission had directed the Petitioner to make available copies of the Petition to the general public on request, and also issued a public notice inviting comments/ suggestions on the above said Petition.
- 2.17 The aforesaid public notice was 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

| Sl. No. | Newspaper | Version | Date of Publication |
|---------|--------------------|---------|---------------------|
| 1. | Dainik Bhaskar | Hindi | 10.12.2023 |
| 2. | Prabhat Khabar | Hindi | 10.12.2023 |
| 3. | Hindustan | Hindi | 11.12.2023 |
| 4. | Dainik Jagran | Hindi | 11.12.2023 |
| 5. | The Times of India | English | 10.12.2023 |
| 6. | The Pioneer | English | 11.12.2023 |

- 2.18 Subsequently, the Commission also issued a notice on its website www.jserc.org and in various newspapers for conducting the public hearing on the Petition filed by the Petitioner. The newspapers wherein the notice for public hearing was issued by the Commission are detailed hereunder:

TABLE 2: LIST OF NEWSPAPERS AND DATES OF PUBLICATION OF PUBLIC HEARING NOTICE BY THE COMMISSION

| Sl. No. | Newspaper | Version | Date of Publication |
|---------|---------------------|---------|-------------------------|
| 1. | Prabhat Khabar | Hindi | 21.01.2024 & 29.01.2024 |
| 2. | Hindustan Dainik | Hindi | 21.01.2024 |
| 3. | Dainik Jagran | Hindi | 29.01.2024 |
| 4. | The Times of India | English | 21.01.2024 & 29.01.2024 |
| 5. | The Hindustan Times | English | 21.01.2024 & 29.01.2024 |

- 2.19 In order to provide adequate opportunity to all stakeholders and the general public as mandated under Section 64 (3) of the Electricity Act 2003 and in order to ensure transparency in the process of tariff determination, the Commission decided to conduct the public hearing on February 02, 2024, at the Main Auditorium, Human Resource Development Centre, Bokaro Steel Plant in Bokaro Steel City for inviting comments/suggestion/objection.
- 2.20 Written objections/ comments/ suggestions on the Petitions were received from various stakeholders. In addition to the written suggestions, various stakeholders also gave their comments/suggestions on the Petition(s) filed during the Public Hearing. The objections/ comments/ suggestions of the Public, Petitioner's responses and Commission's views thereon are detailed in **Chapter 4** of this Order.



Chapter 3: Brief Facts of the Petition

a) Energy Sales

3.1 Energy sales as approved by the Commission in its MYT order dated June 22, 2023 vis-à-vis energy sales as submitted by the Petitioner is provided in table below:

TABLE 3: CATEGORY-WISE ENERGY SALES (MUS)

| Category | True-up for FY 21-22 | | APR for FY 22-23 | | ARR for FY 23-24 | |
|-----------------------|----------------------|-----------------|------------------|-----------------|------------------|-----------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| DS-LT | 98.51 | 103.00 | 101.84 | 101.88 | 105.27 | 105.96 |
| DS-HT | 6.07 | 4.63 | 6.13 | 6.52 | 6.20 | 6.72 |
| CS | 15.07 | 15.14 | 16.31 | 16.67 | 17.66 | 17.51 |
| LTIS | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 |
| HTS | 10.76 | 7.78 | 11.30 | 6.10 | 11.86 | 6.10 |
| HT/LT | 61.49 | 61.49 | 63.33 | 63.33 | 65.23 | 65.23 |
| Township Total | 192.34 | 192.49 | 199.36 | 194.96 | 206.68 | 201.97 |
| Steel Plant | 1,134.85 | 1,151.92 | 1,248.34 | 1,111.27 | 1,373.17 | 1,373.17 |
| Grand Total | 1,327.20 | 1,344.41 | 1,447.70 | 1,306.23 | 1,579.85 | 1,575.14 |

b) Energy Balance

3.2 The energy balance as approved by the Commission in its MYT order dated June 22, 2023 vis-à-vis energy balance as submitted by the Petitioner is provided in the table below:

TABLE 4: ENERGY BALANCE (MUS)

| Category | True-up for FY 21-22 | | APR for FY 22-23 | | ARR for FY 23-24 | |
|--|----------------------|-----------------|------------------|-----------------|------------------|-----------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Energy Sales –Township | 192.34 | 192.49 | 199.36 | 194.96 | 206.68 | 201.97 |
| Distribution Losses | 10.00% | 35.07% | 10.00% | 37.30% | 10.00% | 10.00% |
| Energy required at township periphery | 213.72 | 296.49 | 221.52 | 310.95 | 229.65 | 224.41 |
| Steel Plant consumption | 1,134.85 | 1,151.92 | 1,248.34 | 1,111.27 | 1,373.17 | 1,373.17 |
| Total Energy Required at SAIL-BSL Periphery | 1,348.57 | 1,448.41 | 1,469.85 | 1,422.23 | 1,602.82 | 1,597.58 |

c) Aggregate Revenue Requirement (ARR)

3.3 The ARR as approved by the Commission in its MYT Order dated June 22, 2023 vis-à-vis as submitted by the Petitioner now has been tabulated below:

TABLE 5: SUMMARY OF ARR COMPONENTS (RS. CR.)

| Category | True-up for FY 21-22 | | APR for FY 22-23 | | ARR for FY 23-24 | |
|---|----------------------|----------|------------------|----------|------------------|----------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Power Purchase Cost (including Steel Plant) | 597.99 | 642.26 | 664.81 | 705.67 | 753.95 | 824.38 |
| Power Purchase Cost (excluding Steel Plant) | - | 131.47 | - | 154.29 | - | 115.80 |
| Employee Cost | 8.31 | 5.11 | 8.81 | 5.93 | 9.35 | 6.74 |
| R&M Expenses | 3.38 | 2.91 | 3.67 | 3.79 | 4.55 | 4.74 |
| A&G Expenses | 2.48 | 4.37 | 2.63 | 5.07 | 2.79 | 5.76 |



| Category | True-up for FY 21-22 | | APR for FY 22-23 | | ARR for FY 23-24 | |
|---|----------------------|---------------|------------------|---------------|------------------|---------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Depreciation | 1.96 | 1.90 | 2.28 | 2.19 | 2.76 | 2.64 |
| Interest on Loan | 1.62 | 1.54 | 1.91 | 1.79 | 2.41 | 2.62 |
| Return on Equity | 2.02 | 1.96 | 2.35 | 2.25 | 2.85 | 2.72 |
| Interest on Working Capital | 6.72 | 0.07 | 7.20 | 0.42 | 7.59 | 1.33 |
| Sharing of Gains (O&M Expenses) | - | 0.89 | - | - | - | - |
| Total Annual Revenue Requirement (including Steel Plant) | 624.48 | 661.00 | 693.66 | 727.12 | 786.24 | 850.95 |
| Total Annual Revenue Requirement (excluding Steel Plant) | - | 150.21 | - | 175.74 | - | 142.36 |

d) Revenue (Surplus)/Gap

3.4 The Revenue (Surplus)/Gap as submitted by the Petitioner has been tabulated below:

TABLE 6: REVENUE (SURPLUS)/GAP (RS. CR.)

| Category | True-up for FY 21-22 | | APR for FY 22-23 | | ARR for FY 23-24 | |
|---|----------------------|--------------|------------------|--------------|------------------|--------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Annual Revenue Requirement | 624.48 | 150.21 | 693.66 | 175.74 | 786.24 | 142.36 |
| Revenue from Distribution of Electricity | 680.57 | 66.92 | 740.83 | 98.52 | 806.91 | 101.87 |
| Revenue (Surplus)/Gap for the year | (56.09) | 83.29 | (47.17) | 77.21 | (20.67) | 40.49 |

Retail Supply Tariff for FY 2023-24

e) Existing and Proposed Tariff for FY 2023-24

3.5 Summary of Existing and Proposed Tariff for FY 2023-24 as submitted by the Petitioner have been summarized below:

TABLE 7: SUMMARY OF EXISTING AND PROPOSED TARIFF

| Category | Fixed Charges | | Energy Charges | |
|---|--------------------|--------------------|----------------|---------------|
| | Existing | Proposed | Existing | Proposed |
| Domestic-LT | Rs. 80.00/Con./Mon | Rs. 90.00/Con./Mon | Rs. 3.25/kWh | Rs. 4.23/kWh |
| Domestic-HT | Rs. 75.00/kVA/Mon | Rs. 100.00/kVA/Mon | Rs. 2.80/kVAh | Rs. 3.64/kVAh |
| Commercial | Rs. 125.00/kW/Mon | Rs. 140.00/kW/Mon | Rs. 5.70/kWh | Rs. 7.41/kWh |
| Irrigation & Agriculture Service | Rs. 40.00/HP/Mon | - | Rs. 4.50/kWh | - |
| LTIS (Demand & Installation Based) | Rs. 150.00/kVA/Mon | Rs. 175.00/kVA/Mon | Rs. 4.60/kVAh | Rs. 5.98/kVAh |
| HTS | Rs. 300.00/kVA/Mon | Rs. 345.00/kVA/Mon | Rs. 5.10/kVAh | Rs. 6.63/kVAh |
| Streetlight | Rs. 50.00/kW/Mon | - | Rs. 4.50/kWh | - |
| RTS, MES & Other Distribution Licensees | Rs. 300.00/kVA/Mon | - | Rs. 5.05/kVAh | - |

| Particulars | Existing Wheeling Charge | Proposed Wheeling Charge |
|-------------|--------------------------|--------------------------|
| FY 2023-24 | Rs. 0.24/kWh | Rs. 0.83/kWh |



Chapter 4: Public Consultation Process

- 4.1 The Petition, filed by the Petitioner, evoked responses from several Stakeholders. The Public Hearing was held on February 02, 2024 at the Main Auditorium, Human Resource Development Centre, Bokaro Steel Plant in Bokaro Steel City for inviting comments/suggestion/objection to ensure maximum Public participation and transparency wherein Stakeholders put forth their comments and suggestions before the Commission in the presence of the Petitioner. The list of the attendees is attached as **Annexure-I** to this Order.
- 4.2 The Comments/Suggestion of the Public along with the response thereon of the Petitioner and the views of the Commission are detailed hereunder:

Cases of Power Theft

Public Comments/Suggestions

- 4.3 बोकारो स्टील सिटी में नाजायज रूप से रह रहे लाखों फुटपाथ के दुकानदार झोपड़ी में रह रहे व्यक्तियों तथा खटालों के द्वारा नाजायज रूप से बिजली कनेक्शन तथा बिजली की चोरी से उपयोग वर्षों से किया जा रहा है। इस संबंध में पहले भी नियामक आयोग को सूचना दी गई है। बी० एस० एल० द्वारा बिजली की इस नाजायज उपयोग को रोकने की कोई व्यवस्था नहीं की गई है। इस बिजली चोरी के कारण करोड़ों रूपयों का बिजली चोरी हो रही है जिसकी क्षतिपूर्ति थी० एस० एल० हमलोगों पर डाल रही है। अपनी क्षति को पूर्ति के, लिए जैसा कि उपरोक्त जारी सूचना के क्रमांक 3.4 में दर्शाया गया है, बिलकुल ही नाजायज है। इस संबंध में बिजली के नाजायज कनेक्शन लिए गये हैं। इसमें चार फोटो साथ में संलग्न है। इस संबंध में हमलोगों के द्वारा अनुरोध है कि इस नाजायज बिजली चोरी का नियामक आयोग के द्वारा सर्वे कराया जाए और इस पर उचित कानूनी कारवाई की जाए तथा हमलोगों पर बिजली शुल्क नहीं बढ़ाया जाए।
- 4.4 उपरोक्त कारणों के अलावा बी० एस० एल० के हजारों खाली पड़े क्वार्टरों में नाजायज रूप से वर्षों से लोग रह रहे हैं जो बिजली का उपयोग कर रहे हैं किन्तु बिजली के लिए कोई भुगतान कम्पनी को नहीं देते हैं। इस कारण भी करोड़ों रूपयों का नुकसान कम्पनी को प्रतिमाह हो रही है।

Petitioner's Response

- 4.5 SAIL-BSL submits that it has taken electricity theft seriously and promptly taking action on the unauthorized connections is reported. In this regard, SAIL-BSL has already formed groups consisting of senior officials along with CISF team and visited the local areas to check illegal connections and hooking.



These officials are conducting time-bound raids in the township for illegal connections. Details of the roster are annexed as 'Annexure G' of the submitted Petition. Further, in this regard, recently, with the direction of the CGM -TA, on 2 January 2024, SAIL-BSL has taken action against illegal occupancy and connections and disconnected 1000 illegal hooking in Sector 2, 4 and 9 of the Township.

4.6 Thus, contention of the Objector that SAIL-BSL is not taking any action on the illegal occupants and the hooking is not based on facts on ground level. However, SAIL-BSL believes that the actual loss level would come down only upon implementation of such initiatives.

4.7 Further, the contention of the Objector on the electricity theft survey is already in process. In this SAIL-BSL has initiated the process of installation of smart meters in a phased manner, such that the actual consumption of electricity can be monitored more precisely, and further actions can be taken onto it. A detailed submission is provided in Para 9.10.2. of the Petition along with the E note sheet on approval of Implementation of Smart meter/ Advance Metering Infrastructure in BSL Township dated 28th July 2022, which is enclosed as 'Annexure H' to the Petition. Further, the Smart meter initiative is under the advanced stage of technical specification finalization. Further, upon technical specification finalisation, the Stage-I approval shall happen at SAIL Management level. Further, SAIL-BSL has already submitted its submission in the Petition.

Views of the Commission

4.8 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner.

Replacement of Burnt Meters

Public Comments/Suggestions

4.9 नियामक आयोग को इस संबंध में विशेष सूचना दी जा रही है कि कम्पनी के यवार्टरों में कर्मचारी रहते हैं उनका बिजली मीटर खराब होने के कारण यहां भी नाजायज बिजली का उपयोग होता है जिससे कि करोड़ों रूपयों का नुकसान कम्पनी को हो रही है, इस विषय पर भी बी० एस० एल० प्रबंधन द्वारा उचित कार्रवाई नहीं की जा रही है।

Petitioner Response

4.10 The Petitioner submits that it is continuously replacing burnt meters with new



meters as per the company rule and installing new meters for the unmetered consumers. Further, upon receiving the complaints of the faulty meter, SAIL-BSL takes prompt action of testing of the meters. Accordingly, if meter is faulty, a new meter is installed within 2-3 days. Further, the details of testing of meter and no. of replaced meters are already provided in 'Annexure Q' to the Petition. Thus, contention of the Objector that SAIL-BSL is not taking any action on faulty meters is not based on the facts on ground level.

Views of the Commission

4.11 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner.

Diversion of power form Township in order to run the Steel Plant

Public Comments/Suggestions

4.12 कम्पनी द्वारा जरूरत पड़ने पर प्लान्ट चलाने के लिए यदा कदा हमलोगों को (टाउनशीप) से बिजली घंटों के लिए काट दी जाती है जोकि नियमों का उल्लंघन है।

Petitioner Response

4.13 In case of restricted power supply from DVC, SAIL-BSL admits that load shedding is conducted in township in planned manner to fairly distribute the impact in all the sectors. Further, it is submitted that the power cuts are not because of running of SAIL-BSL steel plant but due to the power shortage from DVC. However, sometimes, due to maintenance and up-gradation in the Township area, power cuts may happen which is intimated to consumers in advance via BSL-TA Portal.

Views of the Commission

4.14 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner. The Commission directs the Petitioner to explore other avenues for meeting its demand in absence of DVC's power.

High Distribution Loss

Public Comments/Suggestions

4.15 उपरोक्त नोटिस जो कम्पनी द्वारा दिनांक 10/12/2023 को जारी की गई है उसे टेबुल 5 में दर्शाया गया है कि बितरण नुकसान करीब 37 प्रतिशत है जोकि बहुत ही अधिक है इसको कम करने के बारे में कम्पनी द्वारा कोई कार्यवाही नहीं की जा रही है जिससे भी करोड़ों का नुकसान हो रही है जिसका प्रभाव

हमलोगों पर पड़ रहा है।

Petitioner Response

4.16 SAIL-BSL submits that the higher distribution loss is majorly due to the electricity theft and SAIL-BSL is taking appropriate actions as submitted above. Thus, contention of the Objector that SAIL-BSL is not taking any action on distribution loss and electricity theft is not based on the facts on ground level. Further, SAIL-BSL humbly submits that it is striving hard to reduce distribution losses and has been timely introducing new initiatives to check the same. However higher distribution loss can be reduced with gradual steps over a period

Views of the Commission

4.17 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner

Over projection of Energy Sales in FY 2023-24

Public Comments/Suggestions

4.18 टेबुल 1 में 2023-24 के लिए टाउनशीप में एनर्जी सेल बढ़ा कर दिखाया गया है जिसका कारण हमलोगों के समझ में नहीं आ रहा है अतः इसका विवरण हमलोगों को दिया जाये।

Petitioner Response

4.19 The Petitioner submitted that it has projected the energy sales for the township based on the past trends and the principles elaborated in the Petition. Further, a detailed methodology for energy sales projection is shown in Para 5.2. of the Petition.

Views of the Commission

4.20 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner.

Free power supply to public utilities

Public Comments/Suggestions

4.21 टाउनशीप के खर्चा में निम्नलिखित इकाईयों को बिजली मुफ्त में दिया जाता है जिसके कारण खर्चा बढ़ रहा है जिसका प्रभाव हमलोगों पर पड़ रहा है।

4.22 (1) प्रशासनिक भवन (2) ट्रेनिंग इस्टीच्युट (3) ट्रेनिज हॉस्टलों (4) बीजीएच (5) स्वास्थ्य केन्द्र (6) पुस्तकालय (7) बोकारो होटल (8) कलाकेन्द्र (9) बी० एस० एल० स्कूलों (10) सी आई एस एफ ऑफिस एवं बैरेज (11) टाउनशीप वाटर सप्लाई (12) नगर सेवा भवन (13) हवाई अड्डा (14) एमडी बंगला (15)



स्पोर्ट्स कम्प्लेक्स सेक्टर 4 (16) सेल रिपेक्ट्री युनिज एवं निवास गृह (17) बोकारो जैबिक उद्यान एवं सिटी पार्क (17) मैत्री भवन (19) बोकारो के विभिन्न थानों एवं सी० आई० एस० एल० सेक्टर 11 के निवासों इत्यादि ।

- 4.23 इसलिए टाउनशीप के लोड में बिजली के खर्च कम करके जो टेबुल नम्बर 3 में दिखाया गया है उसको उपर्युक्त इकाईयों का खर्च घटाकर टाउनशीप को लोड कम दिखाया जाये और उसी हिसाब से कलकुलेशन किया जाये ।

Petitioner Response

- 4.24 In reply to the above statement, the Petitioner submits that the consumers detailed by the objector are the SAIL-BSL's own consumption which has been treated as HT/LT utilities in the energy sales. Further, as per Hon'ble Commission's methodology in the past Orders, SAIL-BSL treat them in the revenue also with appropriate tariff as considered by Hon'ble Commission in the Past Orders as submitted in Para 3.3.3 to the Petition.
- 4.25 Accordingly, the revenue gap/(surplus) is computed which is further utilised for proposing the tariff. Thus, the objector's contention of giving free electricity to these consumers is not true and not based on the facts on ground level

Views of the Commission

- 4.26 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner

Other miscellaneous queries

Public Comments/Suggestions

- 4.27 इसके अलावा जो बिजली निम्नलिखित इकायों को दिया जा रहा है उसका बिजली दर और आमदनी बताया जाये ।
- झारखण्ड सरकार के विभिन्न ऑफिसों एवं आवासों के बिजली खर्च
 - विभिन्न प्राइवेट स्कूलों एवं कॉलेजों का
 - बोकारो क्लब, मन्दिरों गुरुद्वारा, चर्च एवं मस्जिदों इत्यादि का
 - सभी पेट्रोल पम्पों के बिजली दर बताया जाये ।
 - टेबुल नं० 3.3 सभी ओभरहेड खर्चा को टाउनशीप के खर्चा में दिखाया गया है जोकि गलत है
 - टेबुल नं० 5 में फिक्स चार्ज को क्यों 80 से 90 दिखाया जा रहा है।
 - विलिंग चार्ज क्या है और उसे क्यों बढ़ाया जा रहा है जबकि पहले 0.24 था अभी 0.83 किया जा रहा है ऐसा क्यों ?



Petitioner Response

- 4.28 The Petitioner has submitted that in reply to Para No. 8 a, 8 b, 8 c and 8 d, SAIL-BSL adheres to the tariff approved by Hon'ble Commission as per Section A9 "Tariff Schedule" of JSERC MYT Order dated 22.06.2023. Further, the SAP System of SAIL-BSL does not have bifurcation based on the category as sought by the Objector. Thus, SAIL-BSL is unable to provide the category wise data to the Objector.
- 4.29 In reply to Para No. 8 e SAIL-BSL submits that it has considered the actual expenditure occurred in FY 2021- 22 for Controllable and Uncontrollable items based on Provisions of JSERC MYT Regulations 2020. The relevant extract of JSERC Regulation 2020,
- "7.1 The Licensee shall submit along with the application for truing up, category-wise and voltage-wise sales, contracted demand and number of consumers, source-wise power purchase quantum and cost, details of capital expenditure, additional capitalization, sources of financing, operation and maintenance expenditure, actual loan portfolio with the interest paid along with other components of ARR, for each year of the Control Period, on the basis of annual Audited Accounts as per the Timelines stipulated in Section A 24"*
- 4.30 In this regard, SAIL-BSL has given appropriate justification in the Tariff Petition. Further, SAIL-BSL is also maintaining SAP system for expense and revenue management. The Audit Report of accounts for its Electricity Business, is being duly verified and audited by a Chartered Accountant. The copy of the Audited Accounts is enclosed as Annexure-A of the submitted Petition.
- 4.31 Further, for FY 2022-23, as the audit report was not finalized at the time of Petition filing. SAIL-BSL has considered the expenses as normative, based on the unaudited accounts, and the Provisions of JSERC MYT Regulation. Thus, the objector's contention of considering all overheads is not based on the facts submitted in the Petition.
- 4.32 In reply to Para No. 8 f SAIL-BSL has proposed a tariff hike of around 30% in energy charge and 15% in fixed charge for all the consumer categories in FY 2023-24 to sustain the reliability and efficiency of our electricity supply. SAIL-BSL has also given a detailed justification in the submitted Petition. The relevant extract of the Petition is as below:



“6.1.2. SAIL-BSL has proposed increase in fixed charges for revision in tariff to sustain the reliability and efficiency of our electricity supply. Further, is however submitted that the computed revenue at existing tariff is inadequate to meet the projected annual revenue requirement of the Petitioner for the said period. This is because, the existing tariff is based on FY 2017- 18 ARR projections and practically there is no tariff increase during last 5 years. Hence, SAIL-BSL is proposing upward revision of Tariff for FY 2023-24.

6.1.3 SAIL-BSL proposes a Tariff Hike of 15% on Fixed Charge and 30% of Energy Charge. SAIL-BSL has also compared its proposed tariff with other DISCOMs of Jharkhand. It is observed that for the Domestic category the tariff is in comparable with other utilities.

6.1.4 Considering, SAIL-BSL is a PSU, almost 90% of the consumers are under Domestic category which includes the employees of SAIL-BSL. Hence, it is important to provide reasonable tariff to these consumers. And at the same time the present revenue gap at existing tariff should also be considered while determination of the Tariff.”

4.33 Accordingly, the fixed charge for the DS-LT category is proposed to increase from Rs. 80 per Connection to Rs. 90 per Connection for FY 2022-23.

4.34 In reply to Para No. 8 g. SAIL-BSL submits that "wheeling" means the operation whereby the distribution system and its associated facilities as the case may be, are used by another person for the conveyance of electricity on payment of charges to be determined as wheeling charge. SAIL-BSL submits that the wheeling charge is computed on the allocation of expenses between retail and wheeling under the Regulations 6.8 of the JSERC MYT Regulations, 2020. Further, a distribution licensee is expected to propose wheeling charge as per the JSERC MYT Regulations 2020. The relevant extract from the Regulation is as below:

“6.2 b) Licensees’ forecast of expected wheeling tariff and retail supply tariff for each year of the Control Period, based on reasonable assumptions of the underlying financial and operational parameters, as submitted in the Business plan;”

4.35 Accordingly, SAIL-BSL has proposed Wheeling charge as Rs. 0.83 /kWh for FY 2023-24.



Views of the Commission

4.36 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner.

Non-implementation of Tariff Order on separate meters for Commercial cum residential consumers

Public Comments/Suggestions

4.37 Non-Implementation of Tariff Order 2011-12 and 2012-13 on providing separate meters for the commercial and the residential use and to bifurcate the consumption on different heads in the commercial cum residential plots

Petitioner Response

4.38 SAIL-BSL submits that plots in the City Centre and Sector markets have been allocated for commercial purposes. For the allocation of the plots, SAIL-BSL has invited a public advertisement application in the year 1987 for the transaction of business i.e. on purely commercial plots. SAIL-BSL has already made a submission in this regard in Para no. 9.11. of the submitted Petition. The relevant extract from the Petition is as below:

“9.11.1. The Petitioner submits that plots in City Centre and Sector markets have been allotted for the commercial purposes. For the allocation of the plots, SAIL-BSL has invited public advertisement, which specifically mentions that the application is invited in different sectors/city centre of Bokaro Steel City only for the transaction of business, as highlighted in the Page no. 8 of the annexed sample lease agreement as Annexure P of this Petition.

*9.11.2. Further, SAIL-BSL has highlighted in the sample lease agreement (Page no.7) that **the lease agreement was executed between lessee and lessor only for the Commercial purpose and there is no residential demarcation is in the lease terms.** Hence, such bifurcation of electricity tariff based on residential and commercial use would not be possible in this case.” (emphasis added)*

4.39 Further, upon acknowledging the concerns of the consumer, immediately after the public hearing held at Bokaro dated 2nd February 2024, SAIL-BSL has raised a query note sheet to Town Administration Department, SAIL-BSL dated 3rd February 2024, to substantiate that the plots in SAIL-BSL Township have



been allotted on commercial terms only. In reply to this, the Town Administration department has clarified that the Plots had been allotted by SAIL-BSL on purely commercial basis and all the lessees are using the said premises for commercial uses. The relevant extract of the reply is as below:

*Kindly refer attached Advertisement inviting application for allotment of plot in the year 1987 wherein **applications were invited for the transaction of business i.e. on purely commercial plots.** (Attachment-1 to the Reply).*

*Thereafter, lessee applied for a particular trade in the application form i.e. also commercial. (Attachment-2 to the Reply). **There was no provision for residential use.***

*After accepting terms and conditions and depositing requisite charges mentioned in Proposal letter, Allotment order was issued mentioning the trade allotted for. **It is clearly mentioned in the allotted trade in Allotment letter i.e. purely commercial which can be seen in Attached allotment letter** (Attachment-3 to the Reply).*

***The allotted trade which is purely commercial has also reflected in the subsequent Agreement for Lease Agreement executed by and between the Lessee and SAIL/BSL, there is no provision in residential in lease agreement.** A copy of Lease Agreement is also attached herewith as (Annexure-4 to the Reply).*

*Hence, it is ample clear that Plots had been allotted by SAIL/BSL on purely commercial basis and all the lessees are using the said premises as commercial uses. (**emphasis added**)*

- 4.40 In view of the above, SAIL-BSL submits that it is making all efforts to ensure that consumers are put in appropriate categories with appropriate tariff charged to them. Further, in this case, plots in City Centre and Sector markets have been allotted for the commercial purposes as highlighted in Annexure-II of this reply. As per the lease agreement executed between the lessee and SAIL-BSL, the plots have been allotted.
- 4.41 Further, there is no residential demarcation in the lease terms. Hence, such bifurcation of electricity tariff on the basis of residential and commercial use cannot be allowed in this case.



Views of the Commission

4.42 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner.

Non-implementation of Tariff Order on separation of accounts for its electricity distribution business

Public Comments/Suggestions

4.43 Non-Implementation of Tariff Order 2012-13 on separation of accounts for its electricity distribution business.

Petitioner Response

4.44 SAIL-BSL submits that it has already prepared the accounts for its Electricity Business, which is being duly verified and audited by a Chartered Accountant. The copy of the Audited Accounts is enclosed as 'Annexure A' to the Petition.

4.45 Further, for the purpose of filing the Petition, SAIL-BSL has claimed only the costs incurred by SAIL-BSL in the business of distribution of electricity in the township only.

Views of the Commission

4.46 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner.

Non-implementation of Tariff Order on Service Tax levy

Public Comments/Suggestions

4.47 Non-Implementation of Tariff Order 2012-13 on levying a component of service tax in the monthly bills.

Petitioner Response

4.48 SAIL-BSL submits that no service tax is being charged in the electricity bills. However, the SAIL-BSL would take up this matter on case-to-case basis and based on the merit of the case, appropriate action will be taken.

Views of the Commission

4.49 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner.



Non-implementation of Tariff Order on fresh load estimation

Public Comments/Suggestions

4.50 Non-Implementation of Tariff Order 2012-13 on fresh load estimation in the township.

Petitioner Response

4.51 SAIL-BSL submits that the process of assessment of load of the consumers of all categories is in process.

4.52 Also, the consumer, on its own, may also apply for enhancement and reduction of Contract Demand/Sanctioned Load as per the guidelines specified in Clause A7 of Jharkhand State Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2015 as amended from time to time

Views of the Commission

4.53 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner.



Chapter 5: True-up for FY 2021-22, Annual Performance Review (APR) for FY 2022-23 & Aggregate Revenue Requirement (ARR) for FY 2023-24

- 5.1 The Petitioner has submitted that the True-up Petition for FY 2021-22 has been prepared based on the audited accounts and the Annual Performance Review (APR) Petition for FY 2022-23 and Aggregate Revenue Requirement (ARR) Petition for FY 2023-24 has been prepared taking into consideration the provisions of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, and the methodology adopted by the Commission in the previous Orders.
- 5.2 The Commission, based on the provisions of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and amendments thereof, has carried out the True-up for FY 2021-22, APR for FY 2022-23 and ARR for FY 2023-24 taking into consideration: -
- a) Audited Accounts for FY 2021-22 and additional details submitted by the Petitioner;
 - b) JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and amendments thereof; and;
 - c) Methodology adopted by the Commission in the earlier orders.

No. of Consumers, Connected Load and Energy Sales

Petitioner Submission

- 5.3 The Petitioner has submitted that it has been drawing power at 220 kV level from DVC. The 220/132 kV sub-station is maintained by Downward Network (DNW) which further distributes power to Plant and township through different feeders. The Petitioner has submitted that the determination of the ARR by the Hon'ble Commission including the revenue from steel plant at HTS tariff, had notionally created surplus with the Petitioner, while in actuality there was no surplus on account of sale of power to the steel plant. The Petitioner has further submitted that they are not raising any bill to steel plant, and the steel plant is not paying any electricity charges as tariff under HTS category to the Petitioner. The Petitioner is purchasing power from the steel plant at the PPA



rate submitted by the Petitioner, in this Petition.

- 5.4 The Petitioner has submitted, the No. of Consumers, Energy Sales and Connected load, for Township and Steel Plant for FY 2021-22 based the ‘SAP Data of Energy Sales, No. of Consumers and connected load for FY 2021-22’ attached as ‘Annexure-B’ to the Petition, and for FY 2022-23 based on the ‘SAP Data of Energy Sales, No. of Consumers and connected load for FY 2022-23’ attached as ‘Annexure-E’ to the Petition.
- 5.5 The following methodology has been adopted by the Petitioner to project the sales during FY 2023-24:
- CAGR of energy sales of past 2 years from FY 2020-21 to FY 2022-23 are the most recent data and provides true picture of COVID-19 recovery.
 - Hence, 2-year CAGR based on consumer categories from FY 2020-21 to FY 2022-23 is considered for projection of sales for all the categories.
 - CAGR is applied on category-wise sales from FY 2023-24.
 - Where the CAGR is (+), the same is considered for the projection.
 - Where the CAGR is (-), no increase is considered for projections.
 - For Steel Plant and HT/LT utility, the energy sale is considered as same as approved in MYT Order.
 - With the enhanced efforts of the Petitioner towards theft reduction and improvement in the quality of supply, the sales are not projected to reduce during FY 2023-24.
 - The impact of externalities is captured through appropriate reduction/increase in the CAGR rate, as necessary.
- 5.6 The category-wise number of consumers, connected load and energy sale as submitted by the Petitioner are given in the tables below:

TABLE 8: CATEGORY-WISE NO. OF CONSUMERS AS SUBMITTED BY THE PETITIONER

| Category | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| DS-LT | 28,087.00 | 30,847.00 | 28,368.00 | 29,326.00 | 28,652.00 | 29,913.00 |
| DS-HT | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| CS | 1,919.00 | 1,911.00 | 1,939.00 | 1,914.00 | 1,959.00 | 1,934.00 |
| LTIS | 34.00 | 34.00 | 34.00 | 37.00 | 34.00 | 39.00 |
| HTS | 21.00 | 25.00 | 22.00 | 24.00 | 23.00 | 25.00 |
| HT/LT | 656.00 | 656.00 | 656.00 | 656.00 | 656.00 | 656.00 |
| TownshipTotal | 30,722.00 | 33,478.00 | 31,024.00 | 31,962.00 | 31,329.00 | 32,572.00 |
| Steel Plant | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Grand Total | 30,723.00 | 33,479.00 | 31,025.00 | 31,963.00 | 31,330.00 | 32,573.00 |

**TABLE 9: CATEGORY-WISE CONNECTED LOAD AS SUBMITTED BY THE PETITIONER**

| Category | Unit | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|-----------------|------|------------|-----------|------------|-----------|------------|-----------|
| | | MYT | Petition | MYT | Petition | MYT | Petition |
| DS-LT | kW | 96,021.00 | 96,021.00 | 96,982.00 | 96,982.00 | 97,952.00 | 97,952.00 |
| DS-HT | kVA | 4,815.00 | 4,815.00 | 4,815.00 | 4,815.00 | 4,815.00 | 4,815.00 |
| CS | kW | 24,463.00 | 22,451.00 | 24,953.00 | 22,207.00 | 25,453.00 | 23,540.00 |
| LTIS | hp | 1,001.00 | 870.00 | 1,012.00 | 853.00 | 1,023.00 | 853.00 |
| HTS-11 KV | kVA | 7,002.00 | 8,892.75 | 7,353.00 | 7,793.00 | 7,721.00 | 7,793.00 |
| HT/LT Utilities | kW | 33,007.64 | 33,007.64 | 34,162.91 | 34,163.00 | 35,358.61 | 35,188.00 |
| Steel Plant | MVA | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 |

**TABLE 10: CATEGORY-WISE ENERGY SALES AS SUBMITTED BY THE PETITIONER
(MU)**

| Category | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| DS-LT | 98.51 | 103.00 | 101.84 | 101.88 | 105.27 | 105.96 |
| DS-HT | 6.07 | 4.63 | 6.13 | 6.52 | 6.20 | 6.72 |
| CS | 15.07 | 15.14 | 16.31 | 16.67 | 17.66 | 17.51 |
| LTIS | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 |
| HTS | 10.76 | 7.78 | 11.30 | 6.10 | 11.86 | 6.10 |
| HT/LT | 61.49 | 61.49 | 63.33 | 63.33 | 65.23 | 65.23 |
| Township Total | 192.34 | 192.49 | 199.36 | 194.96 | 206.68 | 201.97 |
| Steel Plant | 1,134.85 | 1,151.92 | 1,248.34 | 1,111.27 | 1,373.17 | 1,373.17 |
| Grand Total | 1,327.20 | 1,344.41 | 1,447.70 | 1,306.23 | 1,579.85 | 1,575.14 |

Commission Analysis

Treatment of the Steel Plant

5.7 The Commission in its previous Order has considered the consumption of the Steel Plant as sale to HTS Consumer. The relevant abstract of the Order dated August 03, 2012 is reproduced below:

“5.129 However, considering the treatment of the sales to the Steel Plant by the Petitioner, the Commission agrees that the Steel Works of the Petitioner shall henceforth be treated as a consumer of the electricity distribution business.

5.130 With respect to the categorization and tariff applicability of the Steel Plant, the Commission observes that power to Steel Plant is being supplied at 132 kV from the Petitioner’s network. Therefore, the Steel Plant is to be treated as an HTS consumer of the Petitioner and the tariff applicable to it shall be the tariff applicable to the HTS category. This is also in line with the treatment of other steel works of other distribution licensees in the State.”

5.8 Subsequently, the Petitioner had adopted a similar methodology of considering the steel plant as HTS consumer at 132 KV for calculating the revenue in its tariff Petition for the MYT Period FY 2013-14 to FY 2015-16. The Commission



in its Tariff Order dated September 03, 2014, in line with its earlier Order, adopted a similar methodology embraced by the Petitioner. Likewise, in its MYT Order for period from FY 2016-17 to FY 2020-21 dated June 07, 2018, the Commission adopted similar methodology of considering steel plant as HTS consumer at 132 KV for calculating its revenue.

- 5.9 The Commission continued the methodology of considering steel plant as HTS consumer in the truing up of FY 2016-17 to FY 2018-19 and Suo-Moto Order on ARR of FY 2020-21 dated January 08, 2021, which has been continued in the order on True-up for FY 2019-20 & FY 2020-21, Multi Year Tariff and Business Plan for Control Period FY 2021-22 to FY 2025-26, Annual Performance Review of FY 2021-22, & ARR and Retail Supply Tariff for FY 2021-22 & FY 2022-23 vide order dated June 22, 2023.
- 5.10 In accordance with the above, the Commission finds no merit in the claims made by the Petitioner, and as per the precedent, the Steel Plant has been considered as HT consumer of Electricity Distribution Business of the Petitioner.

Energy Sales, No. of consumers, Connected Load

- 5.11 As per clause 6.45 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, energy sale is considered to be an uncontrollable parameter and shall be treated as a pass through to consumers. The relevant abstract of the Regulations has been reproduced below:

“6.45 The variation on account of uncontrollable elements shall be treated as a pass through to be ultimately charged to the consumers, subject to validation and approval by the Commission.”

- 5.12 In line with the above Regulations, the Commission approves the actual sales for the FY 2021-22 based the ‘SAP Data of Energy Sales, No. of Consumers and connected load for FY 2021-22’ attached as ‘Annexure-B’ to the Petition, and for FY 2022-23 based on ‘SAP Data of Energy Sales, No. of Consumers and connected load for FY 2022-23’ attached as ‘Annexure-E’ to the Petition. For FY 2023-24, the Commission approves the No. of Consumers, Energy Sales and Connected load as projected by the Petitioner. The variation shall be treated as a pass through subject to validation and approval by the Commission as per clause 6.45 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.

**TABLE 11: CATEGORY-WISE NO. OF CONSUMERS APPROVED BY THE COMMISSION**

| Category | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| DS-LT | 28,087.00 | 30,847.00 | 30,847.00 | 28,368.00 | 29,326.00 | 29,326.00 | 28,652.00 | 29,913.00 | 29,913.00 |
| DS-HT | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| CS | 1,919.00 | 1,911.00 | 1,911.00 | 1,939.00 | 1,914.00 | 1,914.00 | 1,959.00 | 1,934.00 | 1,934.00 |
| LTIS | 34.00 | 34.00 | 34.00 | 34.00 | 37.00 | 37.00 | 34.00 | 39.00 | 39.00 |
| HTS | 21.00 | 25.00 | 25.00 | 22.00 | 24.00 | 24.00 | 23.00 | 25.00 | 25.00 |
| HT/LT | 656.00 | 656.00 | 656.00 | 656.00 | 656.00 | 656.00 | 656.00 | 656.00 | 656.00 |
| TownshipTotal | 30,722.00 | 33,478.00 | 33,478.00 | 31,024.00 | 31,962.00 | 31,962.00 | 31,329.00 | 32,572.00 | 32,572.00 |
| Steel Plant | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Grand Total | 30,723.00 | 33,479.00 | 33,479.00 | 31,025.00 | 31,963.00 | 31,963.00 | 31,330.00 | 32,573.00 | 32,573.00 |

TABLE 12: CATEGORY-WISE CONNECTED LOAD APPROVED BY THE COMMISSION

| Category | UoM | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|-----------------|-----|------------|-----------|-----------|------------|-----------|-----------|------------|-----------|-----------|
| | | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| DS-LT | kW | 96,021.00 | 96,021.00 | 96,021.00 | 96,982.00 | 96,982.00 | 96,982.00 | 97,952.00 | 97,952.00 | 97,952.00 |
| DS-HT | kVA | 4,815.00 | 4,815.00 | 4,815.00 | 4,815.00 | 4,815.00 | 4,815.00 | 4,815.00 | 4,815.00 | 4,815.00 |
| CS | kW | 24,463.00 | 22,451.00 | 22,451.00 | 24,953.00 | 22,207.00 | 22,207.00 | 25,453.00 | 23,540.00 | 23,540.00 |
| LTIS | HP | 1,001.00 | 870.00 | 870.00 | 1,012.00 | 853.00 | 853.00 | 1,023.00 | 853.00 | 853.00 |
| HTS-11 KV | kVA | 7,002.00 | 8,892.75 | 8,892.75 | 7,353.00 | 7,793.00 | 7,793.00 | 7,721.00 | 7,793.00 | 7,793.00 |
| HT/LT Utilities | KW | 33,007.64 | 33,007.64 | 33,007.64 | 34,162.91 | 34,163.00 | 34,163.00 | 35,358.61 | 35,188.00 | 35,188.00 |
| Steel Plant | MVA | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 |

TABLE 13: CATEGORY-WISE ENERGY SALES APPROVED BY THE COMMISSION (MU)

| Category | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| DS-LT | 98.51 | 103.00 | 103.00 | 101.84 | 101.88 | 101.88 | 105.27 | 105.96 | 105.96 |
| DS-HT | 6.07 | 4.63 | 4.63 | 6.13 | 6.52 | 6.52 | 6.20 | 6.72 | 6.72 |
| CS | 15.07 | 15.14 | 15.14 | 16.31 | 16.67 | 16.67 | 17.66 | 17.51 | 17.51 |
| LTIS | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 |
| HTS | 10.76 | 7.78 | 7.78 | 11.30 | 6.10 | 6.10 | 11.86 | 6.10 | 6.10 |
| HT/LT | 61.49 | 61.49 | 61.49 | 63.33 | 63.33 | 63.33 | 65.23 | 65.23 | 65.23 |
| Township Total | 192.34 | 192.49 | 192.49 | 199.36 | 194.96 | 194.96 | 206.68 | 201.97 | 201.97 |
| Steel Plant | 1,134.85 | 1,151.92 | 1,151.92 | 1,248.34 | 1,111.27 | 1,111.27 | 1,373.17 | 1,373.17 | 1,373.17 |
| Grand Total | 1,327.20 | 1,344.41 | 1,344.41 | 1,447.70 | 1,306.23 | 1,306.23 | 1,579.85 | 1,575.14 | 1,575.14 |

Distribution Loss

Petitioner's Submission

5.13 The Petitioner has submitted the actual distribution loss for FY 2021-22 as 35.07%, and the estimated distribution loss for FY 2022-23 is 37.30% as per unaudited energy bills and power purchase at township periphery paid upto March 2023. The key reason behind the significantly high losses is theft of electricity through unauthorized means in the rural areas, SAIL-BSL has made several efforts to control such unauthorized usage of electricity and the issues encountered, steps undertaken have been summarized further.

5.14 It is observed that, there are some areas which do not come under the Licensed area of SAIL-BSL, they are consuming electricity by hooking from SAIL-BSL's distribution system. These consumers are expected to use the supply of DVC



distribution licensee, however, due to the contiguous area of supply with DVC, these consumers are illegally consuming the supply from SAIL-BSL distribution network.

- 5.15 The officials of SAIL-BSL are in the process of disconnecting these illegal connections and discussing with DVC Distribution Licensee to provide connections to such consumers falling in their area of supply.
- 5.16 SAIL-BSL has also formed groups consisting of senior officials along with CISF team and visiting the local areas to check illegal connections and hooking. These officials are conducting time-bound raids in the township for illegal connections.
- 5.17 Further, as a permanent solution, SAIL-BSL is planning to take concrete measures for distribution loss reduction in the Control period of FY 2021-22 to FY 2025-26 as discussed below:

Smart metering for reduction in losses

- 5.18 SAIL-BSL is committed for reduction of the distribution losses in the township. At present, the consumers of SAIL-BSL are connected with the analog meters and SAIL-BSL has appointed meter readers for meter readings. Few of the challenges in the existing meters are listed below:
- a. Insufficient manpower for meter reading, causing average billing for some of the consumers.
 - b. Electricity theft by bypassing the energy meter.
 - c. Delay in billing leading to outstanding dues.
- 5.19 Hence, SAIL-BSL has proposed for smart meters which would help in overcoming the above mentioned challenges. It is submitted that SAIL-BSL is planning to install smart meters for all the consumers. SAIL-BSL humbly prays before the Hon'ble Commission to allow SAIL-BSL to approach separately the Hon'ble Commission in next tariff petition for the CAPEX approval of Installation of Smart Meters, after the Stage I approval.

Planning of underground cabling of LT network along with laying of Aerial Bunch Cable

- 5.20 In this view, an internal meeting was held at TA Electrical department level with the concerned officials to know their opinion on the matter. It was highlighted in the meeting that to reduce the non-technical distribution loss



because of illegal connection/theft of power /pilferage, SAIL-BSL may propose to install underground cables which is one of the prevailing practices followed in India as suggested in the Forum of Regulators Report on *"Best practices and strategies for distribution loss reduction"*.

- 5.21 Further, Central Electricity Authority has also acknowledged the fact that in the underground cabling system, it is generally impossible to have illegal connection by tapping the conductor for theft of power.
- 5.22 Hence, it was decided in the meeting that the concerned officials would prepare a detailed plan for implementation of Underground of LT Network along with the tentative timelines and cost estimate for Stage I approval from the SAIL-BSL Management.
- 5.23 Accordingly, SAIL-BSL humbly prays before the Hon'ble Commission to allow SAIL BSL to approach separately the Hon'ble Commission in next tariff petition for the CAPEX approval of Installation of Smart Meters, after the Stage I approval.
- 5.24 Further, SAIL-BSL is striving hard to reduce distribution losses and has been timely introducing new initiatives to check the same, but on an overall basis the situation is largely uncontrollable due to legacy issues.
- 5.25 However, SAIL-BSL is committed to reduce the distribution loss level under the specified level determined by the Hon'ble Commission and believes that the actual loss level would come down only upon implementation of such initiatives.
- 5.26 SAIL-BSL has projected distribution loss for the entire for FY 2023-24 in line with the estimated loss for the township as approved by the Hon'ble Commission in MYT Order for FY 2023-24.

TABLE 14: DISTRIBUTION LOSS AS SUBMITTED BY THE PETITIONER

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|-------------------|------------|----------|------------|----------|------------|----------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Distribution Loss | 10.00% | 35.07% | 10.00% | 37.30% | 10.00% | 10.00% |

Commission's Analysis

- 5.27 The Commission appreciates the steps taken by the Petitioner to reduce distribution losses in its area of operation. However, as per clause 6.44 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, *'Distribution Loss and Collection Efficiency'* are treated as *'Controllable'* items.



5.28 The Commission vide its MYT order dated June 22, 2023, after a prudent check and taking into account, the reasons presented before the Commission, approved the Distribution loss trajectory for the Petitioner. Hence, the Commission does not find any merit to revisit the Distribution loss during the MYT Period.

5.29 Based on the facts submitted by the Petitioner, and the reasons presented above, the distribution loss approved by the Commission is as shown below.

TABLE 15: DISTRIBUTION LOSS AS APPROVED BY THE COMMISSION

| Particulars | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|-------------------|------------|----------|----------|------------|----------|----------|------------|----------|----------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| Distribution Loss | 10.00% | 35.07% | 10.00% | 10.00% | 37.30% | 10.00% | 10.00% | 10.00% | 10.00% |

Energy Balance

Petitioner's Submission

5.30 The Petitioner has submitted that the energy requirement has been arrived based on the energy sales and distribution losses for the respective years. The below table shows the Energy Balance as approved vide MYT Order dated June 22, 2023 and that submitted by the Petitioner.

TABLE 16: ENERGY BALANCE AS SUBMITTED BY THE PETITIONER (MU)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Energy Sales - Township | 192.34 | 192.49 | 199.36 | 194.96 | 206.68 | 201.97 |
| Distribution Losses | 10.00% | 35.07% | 10.00% | 37.30% | 10.00% | 10.00% |
| Energy Required for Township | 213.72 | 296.49 | 221.52 | 310.95 | 229.65 | 224.41 |
| Steel Plant Consumption | 1,134.85 | 1,151.92 | 1,248.34 | 1,111.27 | 1,373.17 | 1,373.17 |
| Total Energy Required | 1,348.57 | 1,448.41 | 1,469.85 | 1,422.23 | 1,602.82 | 1,597.58 |

Commission's Analysis

5.31 The Commission has approved the Energy Requirement based on the Distribution loss as approved earlier in this Order. The Energy Requirement as approved by the Commission based on the approved energy sales and distribution loss is summarized below.

TABLE 17: ENERGY BALANCE AS APPROVED BY THE COMMISSION (MU)

| Particulars | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| Energy Sales - Township | 192.34 | 192.49 | 192.49 | 199.36 | 194.96 | 194.96 | 206.68 | 201.97 | 201.97 |
| Distribution Losses | 10.00% | 35.07% | 10.00% | 10.00% | 37.30% | 10.00% | 10.00% | 10.00% | 10.00% |
| Energy Required for Township | 213.72 | 296.49 | 213.88 | 221.52 | 310.95 | 216.62 | 229.65 | 224.41 | 224.41 |
| Energy Sales to Steel Plant | 1,134.85 | 1,151.92 | 1,151.92 | 1,248.34 | 1,111.27 | 1,111.27 | 1,373.17 | 1,373.17 | 1,373.17 |
| Total Energy Required | 1,348.57 | 1,448.41 | 1,365.80 | 1,469.85 | 1,422.23 | 1,327.90 | 1,602.82 | 1,597.58 | 1,597.58 |



Power Purchase Cost

Petitioner's Submission

5.32 The Petitioner has submitted that it has procured power from Damodar Valley Corporation, which is a power generating company under the aegis of the Government of India and supplies power to them in accordance with the tariff fixed by the Hon'ble Commission for FY 2021-22 and FY 2022-23.

5.33 As per the Order dated 20.06.2018 of this Hon'ble Commission in Case No. 07 of 2016, the Petitioner is exempted from Renewable Purchase Obligation (RPO) for the energy procured from DVC. The relevant extracts are as follows,

"...The petitioner (SAIL, Bokaro Steel Plant), Bokaro Steel City is exempted from complying with the Renewable Purchase Obligation for the part of the power consumption which the petitioner is purchasing from DVC to the extent that it has to be complied by the DVC."

5.34 The Petitioner has submitted that the power purchase expenses for FY 2021-22 and FY 2022-23 are calculated based on the actual bills raised and payment made to DVC. For FY 2023-24, the Petitioner has projected the Power Procurement Cost by escalating the per unit power purchase of FY 2022-23 with 4% CAGR as approved by the Commission vide MYT Order dated June 22, 2023.

5.35 Accordingly, the power purchase cost as approved by the Commission in its MYT Order and as submitted by the Petitioner are shown in the table below:

TABLE 18: POWER PROCUREMENT COST AS SUBMITTED BY THE PETITIONER

| Particulars | UoM | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|--------------------------------|---------|------------|----------|------------|----------|------------|----------|
| | | MYT | Petition | MYT | Petition | MYT | Petition |
| Total Power Purchase | MU | 1,348.57 | 1,448.41 | 1,469.85 | 1,422.23 | 1,602.82 | 1,597.58 |
| Power Purchase – Township | MU | 213.72 | 296.49 | 221.52 | 310.95 | 229.65 | 224.41 |
| Power Purchase – Plant | MU | 1,134.85 | 1,151.92 | 1,248.34 | 1,111.27 | 1,373.17 | 1,373.17 |
| Per Unit power purchase cost | Rs./kWh | 4.43 | 4.43 | 4.52 | 4.96 | 4.70 | 5.16 |
| Total Power Purchase Cost | Rs. Cr. | 597.99 | 642.26 | 664.81 | 705.67 | 753.95 | 824.38 |
| Power Purchase Cost – Township | Rs. Cr. | 94.77 | 131.47 | 100.19 | 154.29 | 108.02 | 115.80 |
| Power Purchase Cost – Plant | Rs. Cr. | 503.23 | 510.79 | 564.62 | 551.38 | 645.92 | 708.58 |

Commission's Analysis

5.36 After scrutinizing the submissions made by the Petitioner and with respect to power purchase bills which involves total power purchase cost for the Petitioner, the Commission finds it prudent to approve the power purchase rate (Rs./kWh) as per the power purchase bills for FY 2021-22 and FY 2022-23 attached as 'Annexure-C1 & C2' & 'Annexure-F1 & F2' to the Petition.



Further, the Commission has already approved a 4.00% CAGR by escalating the power purchase rate vide MYT Order dated June 22, 2023, and is convinced by the Petitioner’s rationale to project the power purchase rate for FY 2023-24 using the same escalation rate.

5.37 Accordingly, the power purchase cost as approved by the Commission based on the energy required as approved has been tabulated below:

TABLE 19: POWER PROCUREMENT COST AS APPROVED BY THE COMMISSION

| Particulars | UoM | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|--------------------------------|---------|------------|----------|----------|------------|----------|----------|------------|----------|----------|
| | | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| Total Power Purchase | MU | 1,348.57 | 1,448.41 | 1,365.80 | 1,469.85 | 1,422.23 | 1,327.90 | 1,602.82 | 1,597.58 | 1,597.58 |
| Power Purchase – Township | MU | 213.72 | 296.49 | 213.88 | 221.52 | 310.95 | 216.62 | 229.65 | 224.41 | 224.41 |
| Power Purchase – Plant | MU | 1,134.85 | 1,151.92 | 1,151.92 | 1,248.34 | 1,111.27 | 1,111.27 | 1,373.17 | 1,373.17 | 1,373.17 |
| Per Unit power purchase cost | Rs./kWh | 4.43 | 4.43 | 4.43 | 4.52 | 4.96 | 4.96 | 4.70 | 5.16 | 5.16 |
| Total Power Purchase Cost | Rs. Cr. | 597.99 | 642.26 | 605.64 | 664.81 | 705.67 | 658.87 | 753.95 | 824.38 | 824.38 |
| Power Purchase Cost – Township | Rs. Cr. | 94.77 | 131.47 | 94.84 | 100.19 | 154.29 | 107.48 | 108.02 | 115.80 | 115.80 |
| Power Purchase Cost – Plant | Rs. Cr. | 503.23 | 510.79 | 510.79 | 564.62 | 551.38 | 551.38 | 645.92 | 708.58 | 708.58 |

Gross Fixed Asset

Petitioner Submission

5.38 The Petitioner has submitted that, the township comprises of 10 sectors and is spread over 17000 acres. There are various road intersections, market, fields, parks etc. in the Township of SAIL-BSL which requires proper illumination at night, as these are prone to incidents of theft, accident, nuisance caused by people etc. In order to provide better facilities and security to the residents of the township, the Petitioner has installed 40 No.(s) of high mast towers with LED fixtures in the Township vide Scheme no. AMR/TE/6279. The Petitioner has capitalized the whole project cost in FY 2021-22. The cost of financing of Rs.1,07,23,023.60 is provided by SAIL-BSL. The contract agreement was annexed as ‘Annexure J’ to the Petition.

5.39 For FY 2022-23, the Commission had approved the installation of Arterial lights (Main Road Lights) with a CAPEX of Rs. 2.12 Cr. vide Order dated June 22, 2023 after scrutinizing the supporting documents submitted by the Petitioner. The Petitioner has submitted that it has capitalized Rs. 2.08 Cr. during FY 2022-23 based on the unaudited account. A payment advice from the contractor along with the cost benefit analysis regarding the Arterial lights was annexed as ‘Annexure K’ to the Petition. Further, the Petitioner intends to capitalize the left-over project in FY 2023-24 ensuring the timely completion



- as per the tentative project schedule.
- 5.40 The Commission had also approved the feeder augmentation scheme with a CAPEX of Rs. 7.80 Cr. vide Order dated June 22, 2023. The Petitioner has submitted that it has capitalized Rs. 10.58 Cr. during FY 2022-23 based on the unaudited account. A payment advice from the contractor along with the cost benefit analysis regarding the feeder augmentation was annexed as 'Annexure L' to the Petition. Further, the Petitioner intends to capitalize the left-over project in FY 2023-24 ensuring the timely completion as per the tentative project schedule.
- 5.41 The Commission has also approved Rs. 0.57 Cr. for 30 No's of High Mast Towers with LED Fixture in BSL township in FY 2022-23. However, due to unavoidable circumstances the High mast lights were not capitalized in FY 2022-23. Further, the Petitioner has finalized the contract agreement with the vendor. The Contract agreement copy was annexed as Annexure M to the Petition. As per the Contract these 30 No's High Mast towers are likely to be capitalized in FY 2023-24. The Petitioner requested the Commission to consider the capitalization of 30 No's of High Mast Towers with LED Fixture in FY 2023-24. The Petitioner has further submitted that it has not capitalized any amount for Procurement of cables, wiring and other materials in FY 2022-23.
- 5.42 For FY 2023-24, the Petitioner submitted that the Commission vide Order dated June 22, 2023, has approved Rs. 15.60 Cr. and Rs. 4.24 Cr. for the CAPEX of Feeder augmentation and Arterial lights respectively. It is to be noted that the Petitioner has capitalized Rs. 10.58 Cr. and Rs. 2.08 Cr. for the above-mentioned CAPEX in FY 2022-23. Accordingly, the Petitioner has prayed to approve the estimated capitalization of the left-over amount of Rs. 5.02 Cr. and Rs. 2.16 Cr. with regard to Feeder augmentation and the Arterial lights schemes respectively during FY 2023-24.
- 5.43 The Petitioner has submitted that it had estimated a lower CAPEX for 30 No's of High Mast Towers with LED Fixture in BSL township as it was under the approval stage at the time of Petition filing. Further, after the due tendering process and technical and financial diligence, the Petitioner has awarded the project to the L1 bidder. Accordingly, the Petitioner prays to approve the estimated capitalization of Rs. 1.22 Cr. regarding 30 No's of High Mast Towers with LED Fixture in FY 2023-24, as per the contract agreement with the vendor

annexed as Annexure M to the Petition. Further, any deviation in the capitalization shall be filed at the time of truing up.

- 5.44 The Commission vide Order dated June 22, 2023, had also acknowledged the CAPEX for Underground LT Network development, Installation of Smart meter, and Installation of Energy saving dimmable LED streetlights (Smart Street Light Solution) and allowed SAIL-BSL for approval of these schemes in the subsequent tariff petition. Accordingly, SAIL-BSL submits the CAPEX and Capitalization for Smart Street Light Solution for the digital transformation in SAIL-BSL for harnessing the potential of latest advances in the field of IoT/AI/ML. In this regard, an Expression of Interest was floated to capture relevant projects across different areas. Further, multiple projects were selected on the basis of cost, quality and benefits. The work order and the implementation schedule of the scheme was annexed as Annexure N to the Petition. Accordingly, the Petitioner submitted before the Hon'ble Commission to approve the CAPEX and Capitalization of Rs. 0.50 Cr. for FY 2023-24 as funded through its internal funds.
- 5.45 Further, the Petitioner has prayed to allow for the CAPEX approval of Installation of Smart Meters and Underground LT network after Stage-I approval as, discussed in Para 5.18 to 5.23.

TABLE 20: GROSS FIXED ASSET (GFA) AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|-------------------|------------|----------|------------|----------|------------|----------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Opening GFA | 44.45 | 44.45 | 48.24 | 45.52 | 59.73 | 58.18 |
| Capitalization | 3.79 | 1.07 | 11.49 | 12.66 | 11.49 | 8.90 |
| De-capitalization | - | - | - | - | - | - |
| Closing GFA | 48.24 | 45.52 | 59.73 | 58.18 | 71.21 | 67.08 |

Commission's Analysis

- 5.46 The Commission appreciates and has noted the detailed justification and documentation submitted by the Petitioner with regard to Capitalization and Gross Fixed Assets in its Licensed Control Area. Accordingly, the Commission allows the capitalization of 40 No.(s) of high mast towers with LED fixtures in the Township for FY 2021-22 based on the contract agreement annexed as Annexure J to the Petition.
- 5.47 The installation of Arterial lights (Main Road Lights), and feeder augmentation scheme in FY 2022-23 is in line with the Business Plan approved by the Commission vide Order dated June 22, 2023. Accordingly, the Commission allows the capitalization of Rs. 2.08 Cr. for Arterial lights and Rs. 10.58 Cr. for



- feeder augmentation in FY 2022-23 based on the payment advice from the contractor along with the cost benefit analysis annexed as 'Annexures K & L' to the Petition. The Petitioner is directed to appraise the Commission upon capitalization of the Left over projects in FY 2023-24.
- 5.48 Likewise, Petitioner is directed to appraise the Commission upon capitalization of 30 No's of High Mast Towers with LED Fixtures in FY 2023-24. The Commission has noted that the Petitioner has not capitalized any amount for Procurement of cables, wiring and other materials in FY 2022-23, which had been allowed by the Commission vide Order dated June 22, 2023.
- 5.49 Further, the Commission allows the capitalization of Rs. 1.22 Cr. for 30 No's of High Mast Towers with LED Fixture in FY 2023-24, as per the contract agreement with the vendor annexed as Annexure M to the Petition, which has been awarded to the L1 bidder. The Petitioner may file for any deviation in the capitalization at the time of truing up.
- 5.50 The Petitioner's prayers for capitalization of Underground LT Network development, Installation of Smart meter, and Installation of Energy saving dimmable LED streetlights (Smart Street Light Solution) are heard and allowed. The Commission approves the CAPEX and Capitalization of Rs. 0.50 Cr. for FY 2023-24 as funded through its internal funds after Stage I approval as discussed in Para 5.18 to 5.23.
- 5.51 Additionally, with regard to Capitalization and Gross Fixed Assets in its Licensed Control Area the Petitioner is directed to present its Fixed Asset Register (FAR) for its Distribution Business along with the Segregation of Accounts of the Electricity Distribution Business and the Audit of Accounts along with the next tariff Petition. The Petitioner is directed to make class-wise segregation of assets in its FAR for computation of asset-wise depreciation along with detailed submission regarding addition, retirement and the age of its assets under current usage in the FAR. The Petitioner has been directed multiple times to adhere to such direction, however, time and again the Petitioner has been unable to comply with the same. In case the Petitioner is unable to comply with the directions of the Commission, it will attract penal action under Section 142 of the Electricity Act, 2003 for every case of default.
- 5.52 The Commission has considered the opening balance of GFA for FY 2021-22 based on the closing GFA for FY 2020-21 as approved in the True up for the FY 2020-21. The GFA approved by the Commission is summarized in the table



below.

TABLE 21: GROSS FIXED ASSET (GFA) AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|-------------------|------------|----------|----------|------------|----------|----------|------------|----------|----------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| Opening GFA | 44.45 | 44.45 | 44.45 | 48.24 | 45.52 | 45.52 | 59.73 | 58.18 | 58.18 |
| Capitalization | 3.79 | 1.07 | 1.07 | 11.49 | 12.66 | 12.66 | 11.49 | 8.90 | 8.90 |
| De-capitalization | - | - | - | - | - | - | - | - | - |
| Closing GFA | 48.24 | 45.52 | 45.52 | 59.73 | 58.18 | 58.18 | 71.21 | 67.08 | 67.08 |

Operation and Maintenance Expenses

Petitioner's Submission

- 5.53 The Petitioner has submitted that the O&M expenses for FY 2021-22 has been calculated by considering the actual O&M expenses incurred by TA-Electrical department and the O&M expense incurred by DNW and ETL is based on the ratio of energy transferred to the TA-Electrical to the total energy received (distribution capacity ratio).
- 5.54 **Employee Expenses:** The Petitioner has submitted that the amount of wages and salaries for officers and staff who are directly engaged in the Petitioner's electricity distribution business and employee expenses incurred on DNW and of ETL are proportionate in the ratio of distribution capacity of TA-Electrical Department to the total capacity. The actual employee expenses have been less as the pay revision has not been implemented.
- 5.55 **R&M expenditure:** The Petitioner has submitted that, R&M expenses includes expenditure on distribution lines, power & distribution transformers, substation equipment, civil maintenance, spares, consumables, service contracts, complaints management etc. The expenditure has been considered on the basis of purchase orders identified by TA-Electrical. Similarly, expenses with regard to DNW and ETL have been considered based on distribution capacity ratio.
- 5.56 **A&G expenses:** The Petitioner has submitted that A&G expenses include expenditure incurred directly in managing the distribution business in the licensed area. These include regulatory and legal charges, consultancy charges, travel expenses, printing & stationery, press advertisement, telephone and mobile expenses, insurance premium, training, hired vehicle expenses, rent rates & taxes etc. The Petitioner has submitted that these expenses have been computed after considering total expenses of this account for TA-Electrical. Similarly, expenses with regard to DNW and ETL have been considered based on distribution capacity ratio.





- 5.57 The Petitioner claims to have integrated its various processes relating to inventory management, procurement and contracts, project management, Human Resources viz. payroll, leave management, performance management and finance & accounts through implementation of Enterprise Resource Planning (ERP) Software which has brought about a positive paradigm shift in the manner in which business is conducted. All transactions related to the above processes are conducted online thus bringing about a quantum improvement in efficiency and eliminating time consuming manual or repetitive transactions while enhancing the checks and balances that are necessary.
- 5.58 The Petitioner has submitted that the employee costs are dependent upon many factors, such as the growth in economy in general and the sector in particular, requirement and availability of personnel with the requisite skill sets, etc. It may be further appreciated that in order to obtain commitment from the personnel, outstanding performance, loyalty, etc., which are a critical pre-requisite for any organization, especially a service utility, the organization must meet the rational needs of the personnel. Market equivalent salaries and growth are hygiene factors for retaining the employees and it is imperative to meet these as a first step towards building a committed, loyal and performing workforce.
- 5.59 The Petitioner has made its projections for the FY 2022-23 & FY 2023-24 based on Regulation 10.6 of the Tariff Regulations, 2020. The escalation factor has been estimated in line with Regulation 10.6 whereby the Wholesale Price Index (WPI) and Consumer Price Index (CPI) have been computed and a weighted average rate has been arrived at by giving 45% weightage to WPI and 55% weightage to CPI. Inflation factor has been computed as per applicable rates of WPI and CPI and is arrived at 5.76%.
- 5.60 The R&M expenditure incurred by the distribution licensee is a function of the network condition of the licensee. The network condition would depend on the condition of the assets and subsequent augmentation/ strengthening capex undertaken by the Licensee. Benchmarking with other utilities in other State jurisdictions for the R&M expenditure therefore may not provide an appropriate indication. The K factor needs to be customized for each distribution licensee considering the above and may vary across years based on the capital expenditure in the previous years together with expenditure



incurred during the year. Accordingly, the K factor is computed as 7.17% as per Regulation 10.6 of Tariff Regulation 2020.

5.61 The summary of the O&M Expenses as approved by the Commission in its MYT Order vis-à-vis as prayed for by the Petitioner are as shown in the table below:

TABLE 22: O&M EXPENSE AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Emp. Expenses | 8.31 | 5.11 | 8.81 | 5.93 | 9.35 | 6.74 |
| R&M Expenses | 3.38 | 2.91 | 3.67 | 3.79 | 4.55 | 4.74 |
| A&G Expenses | 2.48 | 4.37 | 2.63 | 5.07 | 2.79 | 5.76 |
| O&M Expenses | 14.17 | 12.39 | 15.12 | 14.80 | 16.69 | 17.25 |
| Sharing of Gains (O&M Expenses) | - | 0.89 | - | - | - | - |

Commission's Analysis

5.62 The Commission has outlined clause 10.5 and 10.6 of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, for the approval of O&M expenses as reproduced below:

$$"O\&M_n = (R\&M_n + EMP_n + A\&G_n) + Terminal Liabilities$$

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.

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

$$a) R\&M_n = K * GFA * (INDX_n / INDX_{n-1})$$

Where,

'K' is a constant (expressed in %) governing the relationship between R&M costs and Gross Fixed Assets (GFA) and shall be calculated based on the % of R&M to GFA of the preceding year of the Base Year in the MYT Order after normalising any abnormal expenses;

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

$$b) EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1})$$

Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/litigation expenses;



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 – is a growth factor for the nth year and it can be greater than or lesser than zero based on the actual performance. Value of G_n shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Distribution Licensee’s Filing, benchmarking and any other factor that the Commission feels appropriate;

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

5.63 Based on the above excerpt, the Commission approves the Normative Employee Expenses for FY 2021-22 by taking the actual value of inflation factor (6.93%), and growth factor (0%). Further, the Commission approves normative employee expenses for FY 2022-23 & FY 23-24 by taking inflation factor as 6.81% and growth factor as nil as shown below.

TABLE 23: NORMATIVE EMPLOYEE EXPENSE AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | UoM | FY 21-22 | FY 22-23 | FY 23-24 |
|------------------------------------|----------------|-------------|-------------|-------------|
| | | Approved | Approved | Approved |
| Employee Cost of Previous Year | Rs. Cr. | 7.83 | 8.37 | 8.94 |
| Inflation Factor | % | 6.93% | 6.81% | 6.81% |
| Growth Factor | % | - | - | - |
| Normative Employee Expenses | Rs. Cr. | 8.37 | 8.94 | 9.55 |

5.64 The Commission approves the normative A&G Expenses for FY 2021-22, FY 2022-23, FY 2023-24 by

- considering inflation factor as 6.93% for FY 2021-22
- considering inflation factor as 6.81% for FY 2022-23, FY 2023-24

TABLE 24: NORMATIVE A&G EXPENSE AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | UoM | FY 21-22 | FY 22-23 | FY 23-24 |
|-----------------------------------|----------------|-------------|-------------|-------------|
| | | Approved | Approved | Approved |
| A&G (n-1) | Rs. Cr. | 2.34 | 2.50 | 2.67 |
| Inflation Factor | % | 6.93% | 6.81% | 6.81% |
| Normative A&G Expenses | Rs. Cr. | 2.50 | 2.67 | 2.85 |

5.65 For the purpose of evaluating the normative R&M Expenses, the Commission has taken the following steps as shown below:

- **For FY 2021-22:-** To consider approved value of Gross Fixed Assets for FY 2021-22 and multiplying by ‘k’ factor 7.18% and inflation factor of 6.93%.
- **For FY 2022-23:-** To consider approved value of Gross Fixed Assets for



FY 2022-23 and multiplying by 'k' factor 7.18% and inflation factor of 6.81%

- **For FY 2023-24:-** To consider approved value of Gross Fixed Assets for FY 2023-24 and multiplying by 'k' factor 7.18% and inflation factor of 6.81%

TABLE 25: NORMATIVE R&M EXPENSE AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | UoM | FY 21-22 | FY 22-23 | FY 23-24 |
|----------------------------------|----------------|-------------|-------------|-------------|
| | | Approved | Approved | Approved |
| GFA | Rs. Cr. | 44.45 | 45.52 | 58.18 |
| K-Factor | % | 7.18% | 7.18% | 7.18% |
| Inflation Factor | % | 6.93% | 6.81% | 6.81% |
| Normative R&M Expense | Rs. Cr. | 3.41 | 3.49 | 4.46 |

5.66 On the basis of above excerpt the normative operation and maintenance expense as shown below:

TABLE 26: NORMATIVE O&M EXPENSE AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | UoM | FY 21-22 | FY 22-23 | FY 23-24 |
|---|----------------|--------------|--------------|--------------|
| | | Approved | Approved | Approved |
| Normative Employee Expenses | Rs. Cr. | 8.37 | 8.94 | 9.55 |
| Normative A & G Expenses | Rs. Cr. | 2.50 | 2.67 | 2.85 |
| Normative R & M Expenses | Rs. Cr. | 3.41 | 3.49 | 4.46 |
| Total Normative O&M Expenses | Rs. Cr. | 14.29 | 15.11 | 16.87 |

5.67 The Commission observes that the actual O&M expenditure in FY 2021-22 is much lower than the expenditure approved vide Order dated June 22, 2023. Since O&M is a controllable factor, the Commission finds it appropriate to qualify for 'Gain/Loss sharing Framework', and orders for sharing of aggregate gains between the Licensee and the customers in the ratio of 50:50 respectively for FY 2021-22 in accordance with Clause 6.50 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020. Likewise, being a controllable factor, the Commission allows Normative O&M expenditure for FY 2022-23 & FY 2023-24 as shown below.

TABLE 27: O&M EXPENSE AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | UoM | FY 21-22 | FY 22-23 | FY 23-24 |
|---|---------------|--------------|--------------|--------------|
| | | Approved | Approved | Approved |
| Normative O&M Expenses | Rs. Cr. | 14.29 | 15.11 | 15.11 |
| Audited O&M Expenses | Rs. Cr. | 12.39 | | |
| Gain/(Loss) | Rs. Cr. | 1.90 | | |
| Sharing of Gain/(Loss) of O&M | Rs. Cr. | 0.95 | | |
| O&M Exp. allowable to SAIL-BSL | Rs. Cr | 13.34 | 15.11 | 15.11 |



Depreciation

Petitioner's Submission

- 5.68 The Petitioner has submitted that it has calculated the depreciation as per the Straight-Line Method and has considered depreciation rates as prescribed in the schedule attached to the Regulation as Appendix-I of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.
- 5.69 The Petitioner has considered the opening Gross Fixed Assets of FY 2021-22 as the closing balance of FY 2020-21. Based on the Opening GFA of FY 2020-21, the additions in GFA for FY 2021-22 has been added to arrive at the closing GFA figures for the FY 2021-22, and so forth for both FY 2022-23 & FY 2023-24. Further, the depreciation rate of 4.22 % has been considered as approved by the Commission vide Order dated June 22, 2023. Accordingly, the Petitioner has submitted the Depreciation as under.

TABLE 28: DEPRECIATION AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Opening Gross Block | 44.45 | 44.45 | 48.24 | 45.52 | 59.73 | 58.18 |
| Additional Capitalization | 3.79 | 1.07 | 11.49 | 12.66 | 11.49 | 8.90 |
| Closing Gross Block | 48.24 | 45.52 | 59.73 | 58.18 | 71.21 | 67.08 |
| Average Gross Block | 46.35 | 44.99 | 53.98 | 51.85 | 65.47 | 62.63 |
| Rate of Depreciation | 4.22% | 4.22% | 4.22% | 4.22% | 4.22% | 4.22% |
| Depreciation | 1.96 | 1.90 | 2.28 | 2.19 | 2.76 | 2.64 |

Commission's Analysis

- 5.70 The Commission, after scrutinizing the submission made by the Petitioner approves the depreciation by multiplying the Average Gross fixed asset to the average rate of depreciation as claimed by the Petitioner in its Petition which had been approved by the Commission vide Order dated June 22, 2023.
- 5.71 The Commission herein reiterates that with regard to Capitalization and Gross Fixed Assets in its Licensed Control Area the Petitioner is directed to present its Fixed Asset Register (FAR) for its Distribution Business along with the Segregation of Accounts of the Electricity Distribution Business and the Audit of Accounts along with the next tariff Petition. The Petitioner is directed to make class-wise segregation of assets in its FAR for computation of asset-wise depreciation along with detailed submission regarding addition, retirement and the age of its assets under current usage in the FAR. Failure to comply with the directions of the Commission will attract penal action under Section 142 of the Electricity Act, 2003 for every case of default.



TABLE 29: DEPRECIATION AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| Opening Gross Block | 44.45 | 44.45 | 44.45 | 48.24 | 45.52 | 45.52 | 59.73 | 58.18 | 58.18 |
| Additional Capitalization | 3.79 | 1.07 | 1.07 | 11.49 | 12.66 | 12.66 | 11.49 | 8.90 | 8.90 |
| Closing Gross Block | 48.24 | 45.52 | 45.52 | 59.73 | 58.18 | 58.18 | 71.21 | 67.08 | 67.08 |
| Average Gross Block | 46.35 | 44.99 | 44.99 | 53.98 | 51.85 | 51.85 | 65.47 | 62.63 | 62.63 |
| Rate of Depreciation | 4.22% | 4.22% | 4.22% | 4.22% | 4.22% | 4.22% | 4.22% | 4.22% | 4.22% |
| Depreciation | 1.96 | 1.90 | 1.90 | 2.28 | 2.19 | 2.19 | 2.76 | 2.64 | 2.64 |

Interest on Loan

Petitioner's Submission

5.72 The Petitioner has submitted that, it has not availed any loan from external agencies and financing to distribution operation of the licensee is done through its own equity funding. Accordingly, it has considered the normative debt for computation. The Bank Rate equivalent to 1 year MCLR of SBI, applicable for FY 2021-22, FY 2022-23, and FY 2023-24 is 7.00%, 7.00% and 8.50% respectively, which has been considered to calculate a rate of interest of 9.00%, 9.00% and 10.50% for the respective years by adding 200 basis points to the Bank Rate as per Clauses 10.16 and 10.17 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020. The Petitioner submitted interest on loan approved by the Commission vide Order dated June 22, 2023 vis-à-vis as claimed now and as shown below.

TABLE 30: INTEREST ON LOAN AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Net Loan-Opening | 17.65 | 17.65 | 18.35 | 16.50 | 24.11 | 23.18 |
| Addition in Loan | 2.65 | 0.75 | 8.04 | 8.86 | 8.04 | 6.23 |
| Repayment during the Year | 1.96 | 1.90 | 2.28 | 2.19 | 2.76 | 2.64 |
| Net Loan- closing | 18.35 | 16.50 | 24.11 | 23.18 | 29.39 | 26.77 |
| Average Loan | 18.00 | 17.08 | 21.23 | 19.84 | 26.75 | 24.97 |
| Rate of Interest | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 10.50% |
| Interest on Loan | 1.62 | 1.54 | 1.91 | 1.79 | 2.41 | 2.62 |

Commission's Analysis

5.73 The repayment for each year of the Control Period has been considered to be equal to the depreciation allowed for that particular financial year. The closing loan values for the FY 2020-21 has been considered as opening loan value for FY 2021-22, and so forth for FY 2022-23 & FY 2023-24. The rate of interest has been considered as the SBI 1 year MCLR as on 1st April of the financial year plus 200 basis points as per JSERC (Terms & Conditions for determination of Distribution Tariff) Regulations, 2020. Accordingly, the interest on loan has been computed as shown below.

TABLE 31: INTEREST ON LOAN AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| Net Loan-Opening | 17.65 | 17.65 | 17.65 | 18.35 | 16.50 | 16.50 | 24.11 | 23.18 | 23.18 |
| Addition in Loan | 2.65 | 0.75 | 0.75 | 8.04 | 8.86 | 8.86 | 8.04 | 6.23 | 6.23 |
| Repayment during the Year | 1.96 | 1.90 | 1.90 | 2.28 | 2.19 | 2.19 | 2.76 | 2.64 | 2.64 |
| Net Loan- closing | 18.35 | 16.50 | 16.50 | 24.11 | 23.18 | 23.18 | 29.39 | 26.77 | 26.77 |
| Average Loan | 18.00 | 17.08 | 17.08 | 21.23 | 19.84 | 19.84 | 26.75 | 24.97 | 24.97 |
| Rate of Interest | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 10.50% | 10.50% |
| Interest on Loan | 1.62 | 1.54 | 1.54 | 1.91 | 1.79 | 1.79 | 2.41 | 2.62 | 2.62 |

Interest on Working Capital

Petitioner's Submission

5.74 The Petitioner has submitted that it has calculated the Interest on Working Capital (IoWC) as per the Clauses 10.31 and 10.32 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and the rate of interest is considered as equivalent to 1 year MCLR of SBI as on 1st April of the financial year plus 350 basis points. The Interest on working capital claimed by the Petitioner vis-à-vis approved by the Commission vide Order June 22, 2023 is given below:

TABLE 32: INTEREST ON WORKING CAPITAL AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Maintenance spares 1% of opening GFA | 0.44 | 0.44 | 0.48 | 0.46 | 0.60 | 0.58 |
| 2 Months Revenue | 113.43 | 11.15 | 123.47 | 16.42 | 134.49 | 21.72 |
| Less: 1 month of power purchase cost | (49.83) | (10.96) | (55.40) | (12.86) | (62.83) | (9.65) |
| Total Working Capital | 64.04 | 0.64 | 68.55 | 4.02 | 72.25 | 12.66 |
| Rate of Working Capital | 10.50% | 10.50% | 10.50% | 10.50% | 10.50% | 10.50% |
| Interest on Working Capital | 6.72 | 0.07 | 7.20 | 0.42 | 7.59 | 1.33 |

Commission's Analysis

5.75 The Commission has considered the Interest on Working Capital (IoWC) as per provision specified in Clauses 10.31 and 10.32 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.

5.76 The rate of IoWC has been considered to be equal to 1 year MCLR of SBI as on 1st April of the financial year plus 350 basis points as per Clause 10.32 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.

5.77 As discussed earlier, the Commission has considered the Steel Plant as HTS Consumer of the Petitioner. Following the same methodology, the Commission has considered Revenue and Power Purchase costs to be inclusive of Revenue from Steel Plant and costs incurred towards power purchase for the Steel

Plant. Accordingly, the interest on working capital has been computed and stands approved as shown below.

**TABLE 33: INTEREST ON WORKING CAPITAL AS APPROVED BY THE COMMISSION
(RS. CR.)**

| Particulars | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| Maintenance spares 1% of opening GFA | 0.44 | 0.44 | 0.44 | 0.48 | 0.46 | 0.46 | 0.60 | 0.58 | 0.58 |
| 2 Months Revenue | 113.43 | 11.15 | 109.75 | 123.47 | 16.42 | 111.64 | 134.49 | 21.72 | 134.01 |
| Less: 1 month of power purchase cost | (49.83) | (10.96) | (50.47) | (55.40) | (12.86) | (54.91) | (62.83) | (9.65) | (68.70) |
| Total Working Capital | 64.04 | 0.64 | 59.73 | 68.55 | 4.02 | 57.19 | 72.25 | 12.66 | 65.89 |
| Rate of Working Capital | 10.50% | 10.50% | 10.50% | 10.50% | 10.50% | 10.50% | 10.50% | 10.50% | 12.00% |
| Interest on Working Capital | 6.72 | 0.07 | 6.27 | 7.20 | 0.42 | 6.00 | 7.59 | 1.33 | 7.91 |

Return on Equity

Petitioner's Submission

5.78 The Petitioner has submitted that the Return on Equity (RoE) has been computed in accordance with Clause 10.19 of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.

5.79 The Petitioner has considered the opening of equity for FY 2021-22 as the closing equity of FY 2020-21. Further, the average rate of return of 14.50 % has been applied to compute the return on equity. Similar methodology has been followed for FY 2022-23 and FY 2023-24. The RoE submitted by the Petitioner as against the Commission's approved value vide Order dated June 22, 2023 is summarized below.

TABLE 34: RETURN ON EQUITY AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Opening Equity | 13.33 | 13.33 | 14.47 | 13.65 | 17.91 | 17.45 |
| Addition in Equity | 1.14 | 0.32 | 3.45 | 3.80 | 3.45 | 2.67 |
| Closing Equity | 14.47 | 13.65 | 17.91 | 17.45 | 21.36 | 20.12 |
| Average Equity | 13.90 | 13.49 | 16.19 | 15.55 | 19.64 | 18.78 |
| Rate of Return | 14.50% | 14.50% | 14.50% | 14.50% | 14.50% | 14.50% |
| Return on Equity | 2.02 | 1.96 | 2.35 | 2.25 | 2.85 | 2.72 |

Commission's Analysis

5.80 The Commission vide June 22, 2023 had approved the Return on Equity employed for the Control period as per Clause 10.19 and 10.20 specified in the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020. Accordingly, the Commission has computed the normative return on equity as shown below:

TABLE 35: RETURN ON EQUITY AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| Opening Equity | 13.33 | 13.33 | 13.33 | 14.47 | 13.65 | 13.65 | 17.91 | 17.45 | 17.45 |
| Addition in Equity | 1.14 | 0.32 | 0.32 | 3.45 | 3.80 | 3.80 | 3.45 | 2.67 | 2.67 |
| Closing Equity | 14.47 | 13.65 | 13.65 | 17.91 | 17.45 | 17.45 | 21.36 | 20.12 | 20.12 |
| Average Equity | 13.90 | 13.49 | 13.49 | 16.19 | 15.55 | 15.55 | 19.64 | 18.78 | 18.78 |
| Rate of Return | 14.50% | 14.50% | 14.50% | 14.50% | 14.50% | 14.50% | 14.50% | 14.50% | 14.50% |
| Return on Equity | 2.02 | 1.96 | 1.96 | 2.35 | 2.25 | 2.25 | 2.85 | 2.72 | 2.72 |

Summary of ARR Components

Petitioner's Submission

5.81 The summary of ARR components as submitted by the Petitioner is summarized in the table below.

TABLE 36: SUMMARY OF ARR AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| Power Purchase Cost (including Steel Plant) | 597.99 | 642.26 | 664.81 | 705.67 | 753.95 | 824.38 |
| Power Purchase Cost (excluding Steel Plant) | 94.77 | 131.47 | 100.19 | 154.29 | 108.02 | 115.80 |
| Employee Cost | 8.31 | 5.11 | 8.81 | 5.93 | 9.35 | 6.74 |
| R&M Expenses | 3.38 | 2.91 | 3.67 | 3.79 | 4.55 | 4.74 |
| A&G Expenses | 2.48 | 4.37 | 2.63 | 5.07 | 2.79 | 5.76 |
| Depreciation | 1.96 | 1.90 | 2.28 | 2.19 | 2.76 | 2.64 |
| Interest on Loan | 1.62 | 1.54 | 1.91 | 1.79 | 2.41 | 2.62 |
| Return on Equity | 2.02 | 1.96 | 2.35 | 2.25 | 2.85 | 2.72 |
| Interest on Working Capital | 6.72 | 0.07 | 7.20 | 0.42 | 7.59 | 1.33 |
| Sharing of Gains (O&M Expenses) | - | 0.89 | - | - | - | - |
| Total Annual Revenue Requirement (including Steel Plant) | 624.49 | 661.00 | 693.66 | 727.12 | 786.24 | 850.95 |
| Total Annual Revenue Requirement (excluding Steel Plant) | - | 150.21 | - | 175.74 | - | 142.36 |

Commission's Analysis

5.82 The summary of ARR components as approved by the Commission is summarized in the table below:

TABLE 37: SUMMARY OF ARR AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | FY 2021-22 | | | FY 2022-23 | | | FY 2023-24 | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | MYT | Petition | Approved | MYT | Petition | Approved | MYT | Petition | Approved |
| Power Purchase Cost (including Steel Plant) | 597.99 | 642.26 | 605.64 | 664.81 | 705.67 | 658.87 | 753.95 | 824.38 | 824.38 |
| Power Purchase Cost (excluding Steel Plant) | 94.77 | 131.47 | 94.84 | 100.19 | 154.29 | 107.48 | 108.02 | 115.80 | 115.80 |
| Operation & Maintenance incl. sharing of Gain | 14.17 | 13.28 | 13.34 | 15.11 | 14.80 | 15.11 | 16.69 | 17.25 | 15.11 |
| Depreciation | 1.96 | 1.90 | 1.90 | 2.28 | 2.19 | 2.19 | 2.76 | 2.64 | 2.64 |
| Interest on Loan | 1.62 | 1.54 | 1.54 | 1.91 | 1.79 | 1.79 | 2.41 | 2.62 | 2.62 |
| Return on Equity | 2.02 | 1.96 | - | 2.35 | 2.25 | 2.25 | 2.85 | 2.72 | 2.72 |
| Interest on Working Capital | 6.72 | 0.07 | 6.27 | 7.20 | 0.42 | 6.00 | 7.59 | 1.33 | 7.91 |
| Total Annual Revenue Requirement (including Steel Plant) | 624.49 | 661.00 | 628.68 | 693.66 | 727.12 | 686.22 | 786.24 | 850.95 | 855.38 |
| Total Annual Revenue Requirement (excluding Steel Plant) | - | 150.21 | - | - | 175.74 | - | - | 142.36 | - |
| Average Cost of Supply (ACoS) | 4.71 | 7.80 | 4.68 | 4.79 | 9.01 | 5.25 | 4.98 | 7.05 | 5.43 |



Revenue from Sale of Power

Petitioner Submission

5.83 The Petitioner submitted that it has only considered the revenue from sale of power to the consumers of township, at the existing tariff, as shown below.

TABLE 38: REVENUE AT AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|--------------------|---------------|--------------|---------------|--------------|---------------|---------------|
| | MYT | Petition | MYT | Petition | MYT | Petition |
| DS-LT | 34.71 | - | 35.82 | - | 36.96 | 37.31 |
| DS-HT | 2.13 | - | 2.15 | - | 2.17 | 2.31 |
| CS | 12.26 | - | 13.04 | - | 13.89 | 13.51 |
| LTIS | 0.39 | - | 0.39 | - | 0.39 | 0.36 |
| HTS | 8.01 | - | 8.41 | - | 8.83 | 5.92 |
| HT/LT | 40.00 | - | 41.22 | - | 42.49 | 42.46 |
| Township Total | 96.04 | 66.92 | 99.55 | 98.52 | 103.21 | 101.87 |
| Steel Plant | 583.07 | - | 639.79 | - | 702.19 | - |
| GRAND TOTAL | 680.57 | 66.92 | 740.83 | 98.52 | 806.91 | 101.87 |

Commission's Analysis

5.84 The Commission has considered the sales to the Petitioner's Steel plant in the ARR and therefore the revenue from Steel Plant on normative basis has also been considered in the revenue from sale of power by the Petitioner in line with the methodology adopted by the Commission in its earlier Orders.

5.85 The Commission in its order dated September 30, 2020 while determining the Tariff for FY 2020-21 for DVC in Clause IV: Voltage Rebate of Chapter A 13 stated as follows, "It is further clarified that the voltage rebate will not be applicable to all consumers who are connected to the voltages specified above. The Commission in order to have uniform approach across all distribution utilities has now linked voltage rebate to be allowable to only those consumers who opt for higher voltages and meets the conditions specified in JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time". As such, the Commission while determining the revenue from Steel Plant on normative basis has not considered the Voltage Rebate for the Steel Plant.

5.86 The total revenue from sale of power as approved by the Commission is summarized in the below table:

TABLE 39: REVENUE FROM SALE OF POWER AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 |
|--------------------------------------|------------|------------|------------|
| Steel Plant Sale (MU) | 1,151.92 | 1,111.27 | 1,373.17 |
| Steel Plant Load (MVA) @ 132 kV | 45.00 | 45.00 | 45.00 |
| Fixed Charges (Rs/kVA/Month) | 300.00 | 300.00 | 300.00 |
| Energy Charges (Rs/kWh) | 5.10 | 5.10 | 5.10 |
| Revenue from Fixed Charges (Rs. Cr.) | 16.20 | 16.20 | 16.20 |



| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 |
|--|---------------|---------------|---------------|
| Revenue from Energy Charges (Rs. Cr.) | 587.48 | 566.75 | 700.32 |
| Total Revenue (Rs. Cr.) | 603.68 | 582.95 | 716.52 |
| Power Factor Rebate- 2% on Demand & Energy Charges | 12.07 | 11.66 | 14.33 |
| Net Revenue from Steel Plant (Rs. Cr.) | 591.61 | 571.29 | 702.19 |
| Revenue from Township (Rs. Cr.) | 66.92 | 98.52 | 101.87 |
| Total Revenue (Rs. Cr.) | 658.53 | 669.81 | 804.06 |

Revenue Gap/(Surplus)

Petitioner's Submission

5.87 The Petitioner has submitted that it has only considered the ARR and revenue from sale of power to consumers of township, at the existing tariff for the calculation of the Revenue Gap/(Surplus) as shown below.

TABLE 40: REVENUE GAP/(SURPLUS) AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 |
|---|--------------|--------------|--------------|
| Annual Revenue Requirement | 150.21 | 175.74 | 142.36 |
| Revenue at Existing Tariff | 66.92 | 98.52 | 101.87 |
| Revenue (Surplus)/Gap for the year | 83.29 | 77.21 | 40.49 |

Commission's Analysis

5.88 The Commission has considered the ARR and revenue from sale of power being inclusive of distribution to township and the Petitioner's steel plant. The Gap/(Surplus) approved by the Commission is shown below. The Commission is of the view that the Petitioner was required to submit the True-up Petition for FY 2021-22 latest by 30.11.2022. However, the Petitioner has filed these Petitions on November 02, 2023, hence, no carrying cost has been allowed for the period of default.

TABLE 41: REVENUE GAP/(SURPLUS) AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | |
|-----------------------------------|--------------|----------------|--------------|--------------|--------------|--------------|
| | Petition | Approved | Petition | Approved | Petition | Approved |
| Annual Revenue Requirement | 150.21 | 628.68 | 175.74 | 686.22 | 142.36 | 855.38 |
| Revenue at Existing Tariff | 66.92 | 658.53 | 98.52 | 669.81 | 101.87 | 804.06 |
| Gap/(Surplus) for the year | 83.29 | (29.84) | 77.21 | 16.40 | 40.49 | 51.33 |

TABLE 42: NET GAP/(SURPLUS) AS APPROVED BY THE COMMISSION (RS. CR.)

| Particulars | Approved |
|---|-----------------|
| Net Gap/(Surplus) approved in True-up Order dated June 22, 2023 | (234.38) |
| Gap/(Surplus) for FY 2021-22 | (29.84) |
| Gap/(Surplus) for FY 2022-23 | 16.40 |
| Gap/(Surplus) for FY 2023-24 | 51.33 |
| Total Gap/(Surplus) | (196.11) |

5.89 The Commission in this Order has approved a net Surplus of Rs. 196.11 Cr. Thus, the Commission finds no merit in revision of tariff for FY 2023-24.



Chapter 6: Tariff for FY 2023-24

Petitioner's Submission

6.1 The Petitioner has proposed for the revision of Tariff for FY 2023-24. The submissions of the Petitioner are summarized below,

TABLE 43: PROJECTED ARR FOR RETAIL SUPPLY AND WHEELING BUSINESS AS SUBMITTED BY THE PETITIONER (RS. CR.)

| Particulars | FY 2023-24 | |
|--|---------------|--------------|
| | Retail Supply | Wheeling |
| Power Purchase Cost (Township) | 115.80 | - |
| Power Purchase Cost (inc. Steel Plant) | 824.38 | - |
| Employee Expenses | 2.70 | 4.04 |
| R&M Expenses | 0.47 | 4.27 |
| A&G Expenses | 2.88 | 2.88 |
| Depreciation | 0.26 | 2.38 |
| Interest on Loan | 0.26 | 2.36 |
| Return on Equity | 0.27 | 2.45 |
| Interest on Working Capital | 1.20 | 0.13 |
| Annual Revenue Requirement (Township) | 123.85 | 18.52 |

TABLE 44: WHEELING CHARGES AS SUBMITTED BY THE PETITIONER (RS./KWH)

| Particulars | Existing Wheeling Charge | Proposed Wheeling Charge |
|-------------|--------------------------|--------------------------|
| FY 2023-24 | 0.24 | 0.83 |

TABLE 45: RETAIL TARIFF AS SUBMITTED BY THE PETITIONER

| Category | Fixed Charges | |
|---|--------------------|--------------------|
| | Existing | Proposed |
| Domestic-LT | Rs. 80.00/Con./Mon | Rs. 90.00/Con./Mon |
| Domestic-HT | Rs. 75.00/kVA/Mon | Rs. 100.00/kVA/Mon |
| Commercial | Rs. 125.00/kW/Mon | Rs. 140.00/kW/Mon |
| Irrigation & Agriculture Service | Rs. 40.00/HP/Mon | - |
| LTIS (Demand & Installation Based) | Rs. 150.00/kVA/Mon | Rs. 175.00/kVA/Mon |
| HTS | Rs. 300.00/kVA/Mon | Rs. 345.00/kVA/Mon |
| Streetlight | Rs. 50.00/kW/Mon | - |
| RTS, MES & Other Distribution Licensees | Rs. 300.00/kVA/Mon | - |
| Category | Energy Charges | |
| | Existing | Proposed |
| Domestic-LT | Rs. 3.25/kWh | Rs. 4.23/kWh |
| Domestic-HT | Rs. 2.80/kVAh | Rs. 3.64/kVAh |
| Commercial | Rs. 5.70/kWh | Rs. 7.41/kWh |
| Irrigation & Agriculture Service | Rs. 4.50/kWh | - |
| LTIS (Demand & Installation Based) | Rs. 4.60/kVAh | Rs. 5.98/kVAh |
| HTS | Rs. 5.10/kVAh | Rs. 6.63/kVAh |
| Streetlight | Rs. 4.50/kWh | - |
| RTS, MES & Other Distribution Licensees | Rs. 5.05/kVAh | - |



Commission’s analysis

6.2 The Commission in this Order has approved a net Surplus from the recovery of tariff. Thus, the Commission finds no merit in revision of tariff for FY 2023-24.

6.3 Based on the above discussion, the summary of Tariff approved by the Commission for FY 2023-24 is as below:

TABLE 46: RETAIL TARIFF FOR FY 2023-24 AS APPROVED BY THE COMMISSION

| Category | Fixed Charges | |
|---|--------------------|--------------------|
| | Existing | Approved |
| Domestic-LT | Rs. 80.00/Con./Mon | Rs. 80.00/Con./Mon |
| Domestic-HT | Rs. 75.00/kVA/Mon | Rs. 75.00/kVA/Mon |
| Commercial | Rs. 125.00/kW/Mon | Rs. 125.00/kW/Mon |
| Irrigation & Agriculture Service | Rs. 40.00/HP/Mon | Rs. 40.00/HP/Mon |
| LTIS (Demand & Installation Based) | Rs. 150.00/kVA/Mon | Rs. 150.00/kVA/Mon |
| HTS | Rs. 300.00/kVA/Mon | Rs. 300.00/kVA/Mon |
| Streetlight | Rs. 50.00/kW/Mon | Rs. 50.00/kW/Mon |
| RTS, MES & Other Distribution Licensees | Rs. 300.00/kVA/Mon | Rs. 300.00/kVA/Mon |
| Category | Energy Charges | |
| | Existing | Approved |
| Domestic-LT | Rs. 3.25/kWh | Rs. 3.25/kWh |
| Domestic-HT | Rs. 2.80/kVAh | Rs. 2.80/kVAh |
| Commercial | Rs. 5.70/kWh | Rs. 5.70/kWh |
| Irrigation & Agriculture Service | Rs. 4.50/kWh | Rs. 4.50/kWh |
| LTIS (Demand & Installation Based) | Rs. 4.60/kVAh | Rs. 4.60/kVAh |
| HTS | Rs. 5.10/kVAh | Rs. 5.10/kVAh |
| Streetlight | Rs. 4.50/kWh | Rs. 4.50/kWh |
| RTS, MES & Other Distribution Licensees | Rs. 5.05/kVAh | Rs. 5.05/kVAh |

TABLE 47: WHEELING CHARGES AS APPROVED BY THE COMMISSION (RS./KWH)

| Particulars | Existing | Proposed | Approved |
|-------------|----------|----------|----------|
| FY 2023-24 | 0.24 | 0.83 | 0.24 |



Chapter 7: Tariff Schedule

**Applicable from first day of the month succeeding the date of Order
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-LT

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 include motor pumps for lifting water for domestic purposes and other household electrical appliances that are 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-LT: For Urban areas covered by notified Area Committee /municipality / Municipal Corporation / All District Town / All sub-divisional Town / All Block Headquarters /Industrial Area / contiguous sub-urban area/ all market places (urban) including rural drinking water schemes.



Service Character:

For LT: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.

Tariff:

| Category | Fixed Charges | | Energy Charges |
|----------|-----------------|-------|----------------|
| | Unit | Rate | (Rs./kWh) |
| DS-LT | Rs./Conn./month | 80.00 | 3.25 |

Delayed Payment Surcharge: In accordance with ‘*Clause III: Delay Payment*’ Surcharge of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with ‘*Clause VIII: Prompt Payment Rebate and Rebate for Online Payment*’ of Terms & Conditions of Supply as provided in **Chapter 8** 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. 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:

For HT: AC, 50 Cycles, at 11kV or 33kV.

Tariff:

| Category | Fixed Charges | | Energy Charges |
|----------|---------------|-------|----------------|
| | Unit | Rate | (Rs./kVAh) |
| DS-HT | Rs./kVA/month | 75.00 | 2.80 |

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 **Chapter 8** of this Tariff Order.

Delayed Payment Surcharge: In accordance with 'Clause III: Delay Payment' Surcharge of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with 'Clause VIII: Prompt Payment Rebate and Rebate for Online Payment' of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.



Commercial Service (CS)

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 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.

Category of Services:

Commercial Service: This Schedule shall apply for areas covered by Notified Areas Committee / municipality / Municipal Corporation / All District Town / All Sub-divisional Town / All Block Headquarters / Industrial Area & Contiguous Sub-urban area, urban market place.

**Service Character:**

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 | Rs./kW/month | 125.00 | 5.70 |

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 **Chapter 8** 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 **Chapter 8** 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 **Chapter 8** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with 'Clause VIII: Prompt Payment Rebate and Rebate for Online Payment' of Terms & Conditions of Supply as provided in **Chapter 8** 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, and Dal mills.

Service Character:

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

Tariff:

| Category | Fixed Charges | | Energy Charges |
|----------|---------------|-------|----------------|
| | Unit | Rate | (Rs./kWh) |
| IAS | Rs./hp/month | 40.00 | 4.50 |

Delayed Payment Surcharge: In accordance with 'Clause III: Delay Payment' Surcharge of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with 'Clause VIII: Prompt Payment Rebate and Rebate for Online Payment' of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.



Low Tension Industrial Service (LTIS)

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 at 230 Volts or Three Phase at 400 Volts.

Tariff:

| Category | Fixed Charges | | Energy Charges |
|----------|---------------|--------|----------------|
| | Unit | Rate | (Rs./kVAh) |
| LTIS | Rs./kVA/month | 150.00 | 4.60 |

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 **Chapter 8** 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 **Chapter 8** 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 **Chapter 8** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with 'Clause VIII: Prompt Payment Rebate and Rebate for Online Payment' of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.



High Tension Service (HTS)

Applicability:

High Tension Service (HTS): This schedule shall apply to all 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): AC, 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 | 300.00 | 5.10 |

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 **Chapter 8** of this Tariff Order.

Load Factor Rebate: In accordance with 'Clause V: Load Factor Rebate' of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

Voltage Rebate: In accordance with 'Clause IV: Voltage Rebate' of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

Delayed Payment Surcharge: In accordance with 'Clause III: Delay Payment' Surcharge of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with 'Clause VIII: Prompt Payment Rebate and Rebate for Online Payment' of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

TOD Tariff: In accordance with 'Clause VII: ToD Tariff' as provided in Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.



Streetlight Service (SS)

Applicability:

Streetlight 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 that the number of lamps served from a point of supply is not less than 5.

Service Character:

Streetlight 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 Service | Rs./kW/month | 50.00 | 4.50 |

Delayed Payment Surcharge: In accordance with 'Clause III: Delay Payment' Surcharge of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with 'Clause VIII: Prompt Payment Rebate and Rebate for Online Payment' of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.



High Tension Institutional Service (HTIS)

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

Applicability:

Railway Traction Services (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 defense 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 (Rs./kVAh) |
|--------------------------|---------------|--------|------------------------------|
| | Unit | Rate | |
| HT Institutional Service | Rs./kVA/month | 300.00 | 5.05 |

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 **Chapter 8** of this Tariff Order.

Load Factor Rebate: In accordance with 'Clause V: Load Factor Rebate' of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.



Voltage Rebate: In accordance with ‘*Clause IV: Voltage Rebate*’ of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order

Delayed Payment Surcharge: In accordance with ‘*Clause III: Delay Payment*’ Surcharge of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

Prompt Payment Rebate and Rebate for Online Payment: In accordance with ‘*Clause VIII: Prompt Payment Rebate and Rebate for Online Payment*’ of Terms & Conditions of Supply as provided in **Chapter 8** of this Tariff Order.

TOD Tariff: In accordance with ‘*Clause VII: ToD Tariff*’ as provided in Terms & Conditions of Supply as provided in **Chapter 8** 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 SAIL buys power from Discom-1, which in turn has procured such quantum of power from Discom-2, then, the onus to comply with RPO will be with Discom-2 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 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 shall remain effective till the issue of subsequent Tariff Order/Individual Order as the case may be.



Schedule of Miscellaneous Charges

| Sl. No. | Purpose | Scale of Charges | Manner in which payment will be realized |
|------------|---|---|--|
| 1. | Application Fee | | |
| | LT Connection | Rs. 100 | Payable with Energy Bill |
| | HT Connection | Rs. 500 | |
| 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 | | |
| | LT Connection | Rs. 100 | Payable with Energy Bill |
| | HT Connection | Rs. 500 | |
| 3. | Testing of consumers Installation ⁽¹⁾ | | |
| | LT Supply | Rs. 100 | Payable with Energy Bill |
| | HT Supply | Rs. 500 | |
| 4. | Meter test when accuracy disputed by consumer ⁽²⁾ | | |
| | Single phase/Three Phase Trivector/ special type meter, HT, EHT Metering Equipment | Rs. 100 | Payable with Energy Bill |
| | | Rs. 500 | |
| 5. | Removing/ Refixing of meter | | |
| | Single phase/Three Phase Trivector/ special type meter, HT, EHT Metering Equipment | Rs. 200 | Payable with Energy Bill |
| | | Rs. 1000 | |
| 6. | Replacement of meter card, if lost or damaged by consumer | Rs. 100 | Payable with Energy Bill |
| 7. | Fuse call - Replacement | | |
| | Consumer Fuse | Rs. 100 | Payable with Energy Bill |
| 8. | Disconnection/Reconnection | | |
| | LT Connection | Rs. 200 | Payable in advance along with the Consumer request. In case the same consumer is reconnected or disconnected within 12 months, 50% will be charged extra |
| | HT Connection | Rs. 1500 | |
| 9. | Security Deposit | As per the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time | |
| 10. | Replacement of Brunt Meter | Cost of Meter | Payable with Energy Bill |
| 11. | Transformer Rent ⁽³⁾ | | |
| | Upto 200 kVA | Rs. 5,500/Month | Payable with Energy Bill |
| | Above 200 kVA | Rs. 7,500/Month | |

⁽¹⁾ First 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.

⁽²⁾ 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.

⁽³⁾ Applicable 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.



Chapter 8: Terms & 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 shall be applicable as specified in Clauses 10.75 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, as amended from time to time. 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 entire billing duration.

**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% |

* Note:

- 1) It is clarified that, if a consumer who is eligible to get supply at 11kV as per classification as mentioned in Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and then the consumer opts for connection at 33kV then consumer shall be eligible for voltage rebate of 3%. Similarly, if a consumer who is eligible to get supply at 33kV as per Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and opts for connection at 132kV then consumer shall be eligible for voltage rebate of 5%. Further, no voltage rebate shall be applicable above voltage level of 132 kV. It is further clarified that the existing consumers at 11kV and 33kV opts for higher voltage, rebate shall be applicable for such consumers.
- 2) 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

The Load factor rebate shall be allowed to all the consumers whose load factor exceeds 65%. For any 'X' % increase in the load factor over and above 65%, the rebate shall be allowed at the rate of 'X' % on the total energy charges corresponding to total energy consumption of the consumer subject to a maximum ceiling rebate of 15%.

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: Prompt Payment Rebate and Rebate for Online Payment

The due date for making payment of energy bills or other charges shall be as specified in Clauses 10.1.5 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time.

Prompt Payment Rebate shall be allowed for payment of bills by the Consumers in accordance with Clauses 10.76 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, as amended from time to time.

Further, 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 subject to a maximum ceiling rebate of Rs. 250 against the 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. SAIL-BSL would 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 are uploaded on its website seven days in advance with a copy to the Commission and an intimation to the respective consumers it shall be excluded while computing scheduled supply hours.

Provided that any reduction in recovery of Fixed/Demand Charges on account of lower than the 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 Petitioner shall submit a report on implementation of the above, within 30 days of issuance of this Order and implement the same from the subsequent billing cycle.



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 the 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 charge 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)

The Licensee is exempt from Fuel & Power Purchase Cost Adjustment (FPPCA) as it is procuring power in consumer mode from Damodar Valley Corporation (DVC).

Single Part Tariff applicable for public EV charging stations

The Commission approves the Single Part Tariff equal to the Average Cost of Supply (ACoS) as approved by this Commission which shall be applicable for public EV charging stations operating in the supply area of the Licensee till further orders.



Chapter 9: Status of Earlier Directives

9.1 The Commission has time and again issued various directives in order to improve the functioning of the Petitioner. The compliance submitted by the Petitioner to the Commission earlier directions is tabulated below:

| Sl. No. | Directives | Status | Views of the Commission |
|---------|---|---|--|
| 1. | <p>Segregation of Accounts of the Electricity Distribution Business and Audit of Accounts:</p> <p>As per the provisions under Section 51 of the Act, a distribution licensee is required to maintain separate accounts for each business so as to ensure that the power supply business does not subsidize or burden its distribution assets to support other business activities of the licensee.</p> <p>The annual accounts submitted by the Petitioner have been merely extracted from the main accounts of Bokaro Steel Plant on basis on certain norms and assumptions. Such extraction of expenses, on a normative basis, is not scientific and does not represent the complete picture of expenses of the distribution business. The Petitioner is directed to undertake an exercise for full and final segregation of accounts and get it certified.</p> | <p>SAIL has an integrated Steel Production Business, and the Company has been incorporated under the Companies Act. It prepares the Audited Annual Accounts as a statutory requirement since inception. The licensed Electricity Distribution Business i.e. SAIL- BSL is a part of this overall integrated Steel Production business. In compliance to the directives of the Hon'ble Commission, SAIL-BSL has prepared accounts for its Electricity Business, which is being duly verified and audited by a Chartered Accountant.</p> | <p>The Commission has taken a note on the compliance of the Petitioner.</p> <p>However, the Commission notes with concern that the Accounts as submitted by the Petitioner have following issues as stated in the Auditor's Reports for FY 2021-22</p> <ol style="list-style-type: none"> 1. Annual accounts pertaining to electricity distribution business have been extracted from the main audited books of accounts of SAIL/Bokaro steel plant for the financial year 2021-22. Further no separate books of accounts are being maintained for its electricity distribution business and financial statement i.e balance sheet and profit & loss account of electricity distribution business has been prepared on the basis of such accounting policies and assumptions as annexed to these financial statements. 2. Since no separate company has been formed for electricity distribution business and the entire operation of electricity distribution business is being taken care by SAIL/Bokaro steel plant, observations on Companies audit report order, 2003 has not been commented upon and we have limited our observation to the extent of true & fair view of balance sheet and profit & loss account prepared on the basis as mentioned above. <p>3. The directives given by the Jharkhand state</p> |



| Sl. No. | Directives | Status | Views of the Commission |
|---------|---|--|--|
| | | | <p>electricity regulatory commission has not been complied in totality. However, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India.</p> <p>Since the Auditor's Report for both FY 2021-22 itself states the deficiencies in the compliance of the directives of the Commission, the Petitioner is being re-directed to comply with the same.</p> <p>Failure to comply with the directions of the Commission will attract penal action under Section 142 of the Electricity Act, 2003 for every case of default.</p> |
| 2. | <p>Employee Details:</p> <p>The Commission identified that the employee expenses is calculated by considering the actual employee expenses incurred by TA-electrical department and employee expenses incurred on DNW and of ETL proportionately in the ratio of distribution capacity of capacity of TA-Electrical Department to the total capacity.</p> <p>The Petitioner is directed to maintain and submit to the Commission separate lists of all the employees who are partially and wholly engaged in the electricity distribution business, along with their role and responsibility and salary drawn during the past financial year as on March 31, 2021 with the next tariff petition.</p> | <p>SAIL-BSL has employees including officers and staff who are directly engaged in the SAIL-BSL's electricity distribution business. SAIL-BSL includes expenses number of wages and salaries for officers and staff who are directly engaged in the SAIL-BSL's electricity distribution business.</p> <p>In Compliance to the directives of the Hon'ble Commission, SAIL-BSL has provided the detailed breakup of all its employee (TA Electrical) and their expense for FY 2021-22 is enclosed as Annexure O of this Petition. Further, it is to be highlighted that in November 2021, there is spike in the Salary because of pay revision</p> | <p>The Commission has taken a note on the compliance of the Petitioner. However, it is observed that the information provided herein is not certified by Statuary Auditor's, hence the directives if the Commission has not been complied in totality.</p> <p>The Petitioner is being re-directed to comply with the same.</p> <p>Failure to comply with the directions of the Commission will attract penal action under Section 142 of the Electricity Act, 2003 for every case of default.</p> |
| 3. | <p>Timeliness and Data Adequacy in Next Tariff Petition:</p> <p>The Commission directs the licensee to come up with the next tariff petition, after</p> | <p>SAIL-BSL submits that due to delay in the finalisation of audited account and the delay in issuance of MYT order the present petition is delayed. SAIL-BSL humbly prays Hon'ble Commission to condone the delay on account of submission of</p> | <p>The Petitioner was required to submit the True-up Petition for FY 2021-22 latest by November 30, 2022. However, the Petitioner filed the current Petition on November 02,</p> |



| Sl. No. | Directives | Status | Views of the Commission |
|---------|---|--|--|
| | removing the various data deficiencies highlighted in this Tariff Order. The Petitioner should prepare the petition in a professional manner and ensure that the data submitted to the Commission is accurate. The Commission also directs the licensee to ensure submission of True up Petition for FY 2019-20, APR Petition for FY 2020-21 and MYT Petition for the Tariff period from FY 2021-22 to FY 2025-26 within three months from the date of publishing of this order | this petition. SAIL-BSL is committed to adhering to the stipulations outlined in 9.3 (Timelines and Data Adequacy) of Tariff Regulation, 2020. The focus moving forward is on maintaining rigorous compliance with deadlines. | 2023. The Petitioner has been unable to comply with the direction of the Commission, and is being re-directed to comply with the same. |
| 4. | <p>Maintenance of Fixed Asset Register</p> <p>The Petitioner in its last Tariff Petition had submitted that the assets of the distribution network of SAIL BSL have been evaluated by CET (a wing of SAIL) and some correction with respect to the depreciated value etc is under study. The same shall be available shortly before filing of the next tariff petition. However, the Petitioner has failed to provide it with the current Tariff Petition.</p> <p>The Commission is of the view that the directive has not been complied with. The Petitioner must expedite the process and submit the report the exercise within 3 months of the date of issuance of Order.</p> | Presently, Fixed Assets Register has been prepared for the Steel Plant as a whole and it encompasses all the assets of SAIL-BSL. However, in compliance to the directives of the Hon'ble Commission, SAIL-BSL has prepared the Fixed Assets Register for Distribution Business with certain assumptions | <p>The Commission has taken a note on the compliance of the Petitioner. However, it is observed that the directions have not been complied in totality.</p> <p>The Petitioner is directed to segregate the Fixed Assets Register along with the Segregation of Accounts of the Electricity Distribution Business and Audit of Accounts.</p> <p>Failure to comply with the directions of the Commission will attract penal action under Section 142 of the Electricity Act, 2003 for every case of default.</p> |
| 5. | <p>Distribution Loss</p> <p>The Commission directed the Petitioner to constitute a task force for supervising distribution losses mitigation efforts in its licensed area.</p> <p>The Commission also directed the Petitioner to prepare a detailed, year wise plan for reduction of distribution losses and submit it with the next Tariff Petition. The Commission directed the Petitioner to make all efforts for Prevention and Reduction of Theft of Electricity and draft an Action Plan for tackling the</p> | <p>SAIL- BSL has appointed different teams from TA-Electrical for monitoring theft of energy in licensed area. SAIL-BSL has been making all efforts towards reduction in the incidents of theft and losses. It is submitted that teams have been formed comprising senior officials to regularly visit different sites during the weeks and take appropriate action wherever hooking/illegal tapping is encountered.</p> <p>In addition to this, SAIL-BSL has taken following concrete initiatives for the loss reduction:</p> <p>i. Planning for undergrounding the LT network.</p> | <p>The Commission has taken a note on the compliance of the Petitioner. The Commission has already set the targets for distribution loss in earlier chapters of this Order and directs the Petitioner to strictly comply with the same.</p> |



| Sl. No. | Directives | Status | Views of the Commission |
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| | <p>theft of electricity.</p> <p>The Commission has taken note of the steps taken by the Petitioner to contain distribution loss levels. However, it is a matter of grave concern that the actual distribution loss levels of the Petitioner have been significantly high compared to the distribution utilities serving in a similar geographical area. The Commission re-directs the Petitioner to continue taking measures so as to comply with the distribution loss levels as set by the Commission.</p> | <p>ii. Implementation of Smart meter</p> <p>SAIL-BSL is striving hard to reduce distribution losses and has been timely introducing new initiatives to check the same, but on an overall basis the situation is largely uncontrollable due to legacy issues.</p> <p>However, SAIL-BSL is committed to reduce the distribution loss level under the specified level as determined by the Hon'ble Commission and believe that the actual loss level would come down upon implementation of such initiatives. SAIL-BSL humbly submits that the Smart Meter scheme is in advance stage of finalization of technical specifications, a copy of E note sheet is attached in the Annexure H of this Petition. Further, the LT Network underground scheme is under initial discussions annexed as Annexure I of this Petition.</p> <p>In view of above, at present where situation is largely uncontrollable, SAIL-BSL request Hon'ble Commission to approve a higher distribution loss as submitted in this petition</p> | |
| 6. | <p>Cost of supply</p> <p>The Commission directs the Petitioner to conduct a CoS study for each category of consumers and submit it to the Commission along with the next Tariff Petition.</p> | <p>In order to calculate losses at various voltage levels to determine the category wise cost of supply, SAIL-BSL has taken an initiative to install smart meters and CT/PT sets at strategic points within substation network. The Smart meter initiative is under the advance stage of technical specification finalization. Further, upon technical specification finalization, the Stage I approval of the scheme shall happen. Accordingly, SAIL-BSL will be in a position to calculate the category wise cost of supply only after installation of such CTs PTs and smart meters. SAIL BSL humbly requests Hon'ble Commission to allow SAIL BSL to submit the detailed plan regarding category wise cost of supply in upcoming years.</p> | <p>The Petitioner is directed to submit the detailed plan regarding category wise cost of supply in its next tariff petition.</p> |
| 7. | <p>Quality of power/ Reliability Indices and Standard of Performance (SOP)</p> <p>The Commission directs the Petitioner to continue submitting monthly report on Reliability Indices in MSExcel</p> | <p>The Petitioner submits that, it is mandated to comply with the Standards of Performance as per the JSERC (Standards of Performance) Regulations, 2015. It has prepared a 'Contingency Plan for restoration of power' wherein stepwise approach has been framed</p> | <p>The Commission has taken a note on the compliance of the Petitioner.</p> |



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| | <p>format along with compliance to SOPs in true spirit, in course of achieving 24x7 quality & reliable power. The Commission directs the Petitioner to continue implementing SoP as per Standards of Performance as per the JSERC (Standards of Performance) Regulations, 2015 and report to the Commission as per Regulation.</p> | <p>to restore power supply at different instances of events. Besides other details, the plan consists of aspects such as damage report preparation, preventive actions to be taken, priority wise feeder restoration, deployment of officers and availability of vehicles etc.</p> <p>Further, the Petitioner has set objectives and targets in accordance with ISO 9001:2015 Quality Management System for the MYT period. Petitioner is working on maintaining data as per JSERC (Standards of Performance) Regulations, 2015 and following type of complaints and schedule is prepared by SAIL BSL:</p> <ol style="list-style-type: none"> 1. No light in BSL Township 2. Breakdown 3. Preventive Maintenance schedule 4. Repairs and Maintenance of Street light schedule 5. DT Failure Cases 6. Testing of meters 7. Replacement of meters | |
| <p>8.</p> | <p>Energy Audit & T&D Loss Reduction Plan</p> <p>The Commission directs the Petitioner to conduct Energy Audit & prepare T&D loss Reduction Plan.</p> | <p>SAIL-BSL notes that a detailed feeder wise the energy audit is required to assess the high loss pockets and feeder wise/cluster wise loss reduction. However, before initiation of energy audit for the township, the installation of feeder level energy meters is necessary.</p> <p>Accordingly, SAIL-BSL is planning to install smart meters on each of the feeders Substation as envisaged in the measures undertaken for the loss reduction plan. The Smart meter initiative is under the advance stage of technical specification finalization. Further, upon technical specification finalization, the Stage I approval of the scheme shall happen. Accordingly, SAIL-BSL will be in a position to perform Energy Audit only after installation of such CTs /PTs and smart meters.</p> | <p>The Petitioner has failed to comply with the directions of the Commission and is directed to submit the energy audit along with its next tariff petition.</p> |
| <p>9.</p> | <p>Impact assessment study for switching from kWh billing to kVAh billing</p> <p>The Petitioner had not complied with the earlier Directives of the Commission. The Commission in this Order has introduced kVAh tariff and any impact on account of the same shall not be passed</p> | <p>The Petitioner submits that actions for installation of measuring transformers and meters at the various nodes of the distribution network have been initiated. Impact assessment study for switching from kWh to kVAh shall be taken up after the installation of such meters in the network as well as at consumer premises.</p> | <p>The Commission has taken a note on the compliance of the Petitioner.</p> |



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| | on to the consumers as the same is failure on the part of Distribution Licensee. | SAIL agrees that, with kVAh billing, consumers will be forced to maintain the power factor and it will also benefit to Distribution Licensee as it will be able to bill all the input energy including active and reactive energy. This will also improve the power stability. SAIL BSL humbly submits that, upon completion of enabling metering framework for kVAh billing SAIL BSL would be able to switch from kWh billing to kVAh billing as per the directions of the Hon'ble Commission. | |
| 10. | Removal of Installation Based Tariff The Commission hereby directs the Petitioner to replace all existing meters of LTIS consumers with MDI meters in a phased manner so as to convert all the existing Installation based consumers to Demand based consumers within one year from the date of issuance of the Order. | SAIL-BSL is planning to install smart meters for all the consumers. A copy of E note sheet on approval of Implementation of Smart meter/ Advance Metering Infrastructure in BSL Township dated 28 th July 2022, is enclosed as Annexure H. | The Commission has taken a note on the compliance of the Petitioner. |
| 11. | Voltage-wise Cost of Supply The Commission directs the Petitioner to carry out a detailed technical study on voltage wise losses on Distribution network and furnish a report along with the next Tariff Petition. | As discussed in the petition, SAIL-BSL is planning to install smart meters for all the consumers. A copy of E note sheet on approval of Implementation of Smart meter/ Advance Metering Infrastructure in BSL Township dated 28 th July 2022, is enclosed as Annexure H. Further, upon technical specification finalization, the Stage I approval of the scheme shall happen. Accordingly, SAIL-BSL will be in a position to perform voltage wise cost of supply study only after installation of after installation of metering systems at the various nodes of the network. SAIL BSL humbly requests Hon'ble Commission to allow SAIL BSL to submit the detailed plan regarding determination of voltage wise cost of supply in upcoming years. | The Petitioner is directed to submit the detailed plan regarding determination of voltage wise cost of supply its next tariff petition. |
| 12. | Theft of Electricity The Commission has taken note of the steps taken by the Petitioner to contain distribution loss levels. However, it is a matter of grave concern that the actual distribution loss levels of the Petitioner have been significantly high compared to | SAIL-BSL has formed groups consisting of senior officials and visits the local areas to check illegal connections and hooking. These officials are conducting time-bound raids in the township for illegal connections. Further, SAIL-BSL is planning to install smart meters in a phased manner, such that the actual | The Commission has taken a note on the compliance of the Petitioner. |



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| | the distribution utilities serving in a similar geographical area. The Commission re-directs the Petitioner to continue taking measures so as to decrease the theft of electricity in theft prone area. | consumption of electricity can be monitored more precisely, and further actions can be taken onto it. A copy of E note sheet on approval of Implementation of Smart meter/ Advance Metering Infrastructure in BSL Township dated 28th July 2022, is enclosed as Annexure H. Further, the Smart meter initiative is under the advance stage of technical specification finalization. Further, upon technical specification finalization, the Stage I approval shall happen at SAIL Management level. | |
| 13. | <p>Meter separation for Commercial-cum-Residential Consumer Premises</p> <p>The Commission directs the licensee to identify and segregate all Commercial-cum-Residential Consumer Premises, and issue separate bills for each type of usage. The licensee is directed to submit a report on such compliance of directive within three (3) months of issuance of this Order.</p> | <p>The Petitioner submits that plots in City Centre and Sector markets have been allotted for the commercial purposes. For the allocation of the plots, SAIL-BSL has invited public advertisement, which specifically mentions that the application is invited in different sectors/city centre of Bokaro Steel City only for the transaction of business, as highlighted the Page no. 8 of the annexed sample lease agreement as Annexure P of this Petition.</p> <p>Further, SAIL-BSL has highlighted in the sample lease agreement (Page no.7) that the lease agreement was executed between lessee and lessor only for the Commercial purpose and there is no residential demarcation in the lease terms. Hence, such bifurcation of electricity tariff based on residential and commercial use would not be possible in this case.</p> <p>In view of the above facts, SAIL-BSL humbly submits before the Hon'ble Commission that the intent of these plots is only for commercial activities and the plot holders are using these plots for commercial activities. Hence, SAIL-BSL may be allowed to provide electricity to the lease plot holders in terms of Commercial Tariff category.</p> | <p>The Petitioner has been unable to comply with the direction of the Commission, and is being re-directed to comply with the same.</p> <p>Failure to comply with the directions of the Commission will attract penal action under Section 142 of the Electricity Act, 2003 for every case of default.</p> |
| 14. | <p>Legal Action against Theft of Electricity</p> <p>The licensee is directed to identify and take legal action against all cases of Electricity Theft including theft due to encroachment of unregistered commercial establishments. In all cases if identified theft, the consumer shall be offered</p> | <p>SAIL-BSL is addressing theft by taking certain initiatives as discussed in Para 3.4.7 to 3.4.11 of this Petition. Further, SAIL-BSL has also formed groups consisting of senior officials along with CISF team and visiting the local areas to check illegal connections and hooking. These officials are conducting time-bound raids in the township for illegal connections.</p> | <p>The Petitioner has failed to comply with the directions of the Commission and is directed to submit the details regarding Legal Action against Theft of Electricity its next tariff petition.</p> <p>Non-compliance of the directions of the</p> |



| Sl. No. | Directives | Status | Views of the Commission |
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| | a load appropriate metered connection. The licensee shall submit bi-annual reports to the Commission in such regard. | <p>Details of the roster and photographs are annexed as Annexure G of this Petition. Further, SAIL-BSL is in process of performing legal action against the unauthorized use of electricity as per the appropriate Regulations of the JSERC.</p> <p>SAIL BSL humbly requests Hon'ble Commission to allow SAIL-BSL to submit the details in the subsequent petition.</p> | Commission shall attract penal action as per law. |
| 15. | <p>Computation of SAIDI, CAIFI and SAIFI</p> <p>The Commission directs the Petitioner to submit the quarterly report on calculation of SAIDI, CAIFI and SAIFI with the details of feeders utilised for calculation of the same to the Commission and regularly update the same in its website.</p> | <p>SAIL-BSL has prepared a Contingency Plan for restoration of power wherein stepwise approach has been framed to restore power supply at different instances of events. Besides other details, the plan consists of aspects such as damage report preparation, preventive actions to be taken, priority wise feeder restoration, deployment of officers and availability of vehicles etc.</p> <p>Further, SAIL-BSL has set objectives and targets in accordance with ISO 9001:2015 Quality management System annexed as Annexure Q of this Petition. The following type of complaints and schedule is prepared by SAIL BSL</p> <ol style="list-style-type: none"> I. No light in BSL Township II. Breakdown III. Preventive Maintenance schedule IV. Repairs and Maintenance of Street light schedule V. DT Failure Cases VI. Testing of meter VII. Replacement of meters <p>Further, SAIL-BSL is planning to install smart meters as discussed in Para 3.4.7 and will be in a position for computation of SAIDI, CAIDI and SAIFI only after installation of such smart meters. SAIL-BSL humbly requests Hon'ble Commission to allow SAIL BSL to submit the computation of SAIDI, CAIDI and SAIFI post installation of Smart meters in the subsequent Tariff Petition.</p> | <p>The Petitioner has failed to comply with the directions of the Commission and is directed to submit the data its next tariff petition.</p> <p>Non-compliance of the directions of the Commission shall attract penal action as per law.</p> |
| 16. | <p>Consumer Awareness Programs</p> <p>The Commission directs the Petitioner to conduct a minimum of two (2) Consumer Awareness Programs per year to enhance awareness of the consumers about Consumer</p> | <p>In compliance to the directive given by the Hon'ble Commission, SAIL-BSL is in discussion with the internal team regarding the Customer Interaction Meeting (CIM) for the redressal of consumer complaints at General Manager level. A MoM of the discussion is annexed as an Annexure R of this</p> | <p>The Petitioner has failed to comply with the directions of the Commission and is directed to submit newspaper cuttings of the Consumer Awareness Programs conducted along with its next tariff petition.</p> |



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| | Grievance Redressal Mechanism, Electricity Tariffs, Standards of Performance and Other Regulations as applicable. These programs shall also be used to redress the grievances of consumers, as the case may be. | Petition. | Non-compliance of the directions of the Commission shall attract penal action as per law. |
| 17. | Reduction in Fixed Charges The Commission directs the Petitioner to submit a report on implementation of the reduction in Fixed Charges as per 'Clause XI: Other Terms and Conditions' based on billing hours for all categories within 30 days of issue of this Order and implement the same from the subsequent billing cycle following the issue of this Order. | SAIL-BSL humbly submits that the present metering and billing infrastructure is not capable of reading and billing in the time block manner. Thus, SAIL-BSL humbly prays before the Hon'ble Commission to allow SAIL-BSL to implement the billing of fixed charge based on billing hours for all categories post implementation of Smart meters which are capable of such billing. SAIL-BSL humbly submits that it is currently in the process of finalizing the technical specification of the smart meter as discussed in Para 3.4.7 to 3.4.8 of this Petition. | The Petitioner has failed to comply with the directions of the Commission and is directed to submit the data its next tariff petition. Non-compliance of the directions of the Commission shall attract penal action as per law. |
| 18. | Testing of Smart Meters from third party meter testing labs The Commission directs the Petitioner to test the prepaid meters from empanelment party meter testing labs approved by the Commission before installation of prepaid meters at the consumer premises. | SAIL-BSL humbly submits that it is currently in the process of finalising the technical specification of the smart meter. However, as per the direction of Commission, SAIL-BSL would bring the clause of meter testing by the agencies approved by the Hon'ble Commission in the Public notification dated 24.04.2023, in the bid document. | The Commission has taken a note on the compliance of the Petitioner. |
| 19. | Choice of Pre-Paid Smart Metering to Consumers The Petitioner is directed to offer a choice for pre-paid smart metering to its consumers while installing the smart meters in its licensed area of supply. | SAIL-BSL humbly submits that at SAIL-BSL, the distribution loss is a legacy issue for which a mandatory implementation of smart meters is one of the most effective ways for reduction of distribution loss in the area of supply of SAIL-BSL. Also, being a Public Sector Undertaking in which majority of its consumers are the employee of SAIL-BSL. Thus, for treating all consumers in equitable and justifiable manner, SAIL-BSL has to install smart meter mandatorily. SAIL-BSL humbly prays before the Hon'ble Commission to allow SAIL-BSL to implement smart meter mandatorily for all consumers. | The Petitioner is directed to implement smart meters mandatorily for all consumers. |
| 20. | Identification & Elimination of Unmetered Consumers The Petitioner is directed to identify & meter all unmetered | SAIL-BSL humbly submits that, it is planning for 36,000 smart meters in the township area as detailed in the E note sheet on approval of implementation of Smart meter/ | The Commission has taken a note on the compliance of the Petitioner. |



| Sl. No. | Directives | Status | Views of the Commission |
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| | <p>consumers who are paying fixed tariff, irrespective of the consumption. The petitioner shall submit a report of compliance within three (3) months of issuance of this Order.</p> | <p>Advance Metering Infrastructure in BSL Township dated 28th July 2022, is enclosed as Annexure H. Further, upon implementation of such initiative all unmetered consumers are likely to be metered.</p> | |
| <p>21.</p> | <p>Trajectory for reduction of Cross-subsidy</p> <p>The Petitioner is directed to submit a proposal with regard to the category/sub-category wise trajectory for cross-subsidy reduction and take steps to reduce such subsidy to (+/-) 20% of the Average Cost of Supply (ACoS) in compliance with the provisions of the Electricity (Amendment) Rules, 2022.</p> | <p>The Consumer Mix of SAIL-BSL is quite different from other utilities in the Jharkhand as 90% consumers come under highly subsidized residential category. Hence, for cross-subsidy reduction to (+/-) 20% of the Average Cost of Supply (ACoS) with the provisions of the Electricity (Amendment) Rules, 2022 is difficult to adhere for SAIL-BSL.</p> <p>SAIL-BSL humbly pray Hon'ble Commission that it will submit a proposal with regard to the category/subcategory wise trajectory for cross-subsidy reduction and take steps to reduce such subsidy in upcoming year.</p> | <p>The Petitioner is directed to submit the trajectory for cross-subsidy reduction in its next tariff petition.</p> |



Chapter 10: Directives

Meter separation for Commercial-cum-Residential Consumer Premises

- 10.1 The Commission directs the licensee to identify and segregate all Commercial-cum-Residential Consumer Premises, and issue separate bills for each type of usage. The licensee is directed to submit a report on such compliance of directive within three (3) months of issuance of this Order.
- 10.2 A similar direction had been given to the licensee in the previous tariff order, however, the licensee has not made any submission in this regard, as such the license is being redirected to comply with the above mentioned direction. Non-compliance of the directions of the Commission shall attract penal action as per law.

Timeliness and Data Adequacy in the Next Tariff Petition

- 10.3 The Commission directs the licensee to file the next tariff petition, after removing deficiencies highlighted in this Tariff Order. The Petitioner should ensure that the data submitted to the Commission is accurate and justified with adequate certification. The Commission also directs the licensee to ensure submission of the next tariff petition within the time frame as stipulated in Section A 24 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.

This order is signed and issued by the Jharkhand State Electricity Regulatory Commission on **February 22, 2024**.

Date: 22.02.2024

Place: Ranchi

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|---------------------------|------------------------|-----------------------------------|
| Sd/- | Sd/- | Sd/- |
| Atul Kumar | Mahendra Prasad | Justice Amitav Kumar Gupta |
| MEMBER (Technical) | MEMBER (Legal) | CHAIRPERSON |



ANNEXURE - I

List of participating members in the Public Hearing

| Sl. No | Name | Address/Organization |
|--------|--------------------------------|--|
| 1. | Mr. Laxmi Narayan Kesari | Lease Society, Bokaro |
| 2. | Mr. Rajendra Prasad | III D - 127, B.S. City |
| 3. | Mr. Sudarshan Singh | Bokaro Steel City |
| 4. | Mr. Hari Om Kumar | 3B/69, President, BSL Anadhisashi Karmchari Sangh |
| 5. | Mr. Prem Sagar | ADM |
| 6. | Mr. Sharad Chand | City Centre - 4 |
| 7. | Mr. Vishal Raj | Bokaro Steel City |
| 8. | Mr. Raj Kumar | Bermo |
| 9. | Mr. S. S. Gupta | Bokaro Steel City |
| 10. | Mr. Rajendra Kumar Vishvakarma | President, Bokaro Vayavsayik Plot Holders' Welfare Association |
| 11. | Mr. Anil Kumar Singh | Bokaro Steel City |
| 12. | Mr. Jagdish Chowdhary | Bokaro Chamber of Commerce |
| 13. | Mr. H. Singh | Bokaro Steel City |
| 14. | Mr. R. B. Singh | Bokaro Steel City |
| 15. | Mr. Yash Pal | Bokaro Steel City |
| 16. | Mr. S. B. Singh | Bokaro Steel City |
| 17. | Mr. Om Prakash Narayan | Q No. 3027, Sector 2 |
| 18. | Mr. Navin Nishchal Chouhan | Bokaro Steel City |
| 19. | Mr. Ravi Kumar | Bokaro Steel City |
| 20. | Mr. Ashok Kumar | TA - Electrical |
| 21. | Mr. Panesh Ch. Binua | TA - Electrical |
| 22. | Mr. Miren Bahadur | Bokaro Steel City |
| 23. | Mr. Suresh Prasad Shah | Bokaro Steel City |
| 24. | Mr. Mahadev Goswami | Bokaro Steel City |
| 25. | Mr. T. D. Mondal | Bokaro Steel City |
| 26. | Mr. Sekhar Suman | Bokaro Steel City |
| 27. | Mr. Munilal | Bokaro Steel City |
| 28. | Mr. Neeraj Chouhan | Bokaro Steel City |
| 29. | Mr. M. Kumar | Bokaro Steel City |
| 30. | Mr. Rajesh Kumar | Bokaro Steel City |
| 31. | Mr. Sanjay Kumar | Chiksia (Rajak Tola) |
| 32. | Mr. D. K. Singh | Bokaro Steel City |
| 33. | Mr. B. N. Prasad | Bokaro Steel City |
| 34. | Mr. Bhaiya Pritam | Plot No. G.F/2, City Centre, Sector 4 |
| 35. | Mr. Santosh Khawar | Bokaro Steel City |
| 36. | Mr. Jeevan Kumar | Bokaro Steel City |
| 37. | Mr. P. K. Paswan | TA - Electrical |
| 38. | Mr. Jaleshwar Das | Teiphi |
| 39. | Mr. S. C. Murmu | HRD |
| 40. | Mr. B. P. Singh | Bokaro Steel City |
| 41. | Mr. Prabhat Kumar | TA - Electrical |
| 42. | Mr. Manoj Kumar Singh | Bokaro Steel City |
| 43. | Mr. Sisir Kumar Yadav | Bokaro Steel City |
| 44. | Mr. Lakhi Lal Ray | Bokaro Steel City |
| 45. | Mr. Nem Chand Mehto | Bokaro Steel City |
| 46. | Mr. S. R. Prasad | Bokaro Steel City |
| 47. | Mr. A. K. Tiwari | Bokaro Steel City |