

Jharkhand State Electricity Regulatory Commission



Order on
True-up for FY 2023-24,
Annual Performance Review for FY 2024-25, and Aggregate
Revenue Requirement & Tariff for FY 2025-26.
for
Tata Steel Utilities and Infrastructure Services Limited

Ranchi
March 28, 2025



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List of Abbreviations

Abbreviation	Description
ABR	Average Billing Rate
ACS/ACoS	Average Cost of Supply
A&G	Administration and General
CAPEX	Capital Expenditure
CGRF	Consumer Grievance Redressal Forum
CWIP	Capital Works In Progress
DS	Domestic Service
DS HT	Domestic Service High Tension
DVC	Damodar Valley Corporation
FY	Financial Year
GFA	Gross Fixed Assets
HP	Horse Power
HT	High Tension
HTS	High Tension Service
HTSS	High Tension Special Service
IAS	Irrigation & Agriculture Service
JUSCO	Jamshedpur Utilities and Service Company Limited
KV	Kilo Volt
KVA	Kilo Volt Ampere
KW	Kilo Watt
KWh	Kilo Watt Hours
LF	Load Factor
LT	Low Tension



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Abbreviation	Description
MD	Maximum Demand
MU	Million Units
MVA	Mega Volt Ampere
MW	Megawatt
MYT	Multi-Year Tariff
NDS	Non-Domestic Service
O&M	Operation and Maintenance
PPA	Power Purchase Agreement
PSD	Power Services Division
RBI	Reserve Bank of India
REC	Renewable energy Certificate
R&M	Repairs and Maintenance
RoE	Return on Equity
RPO	Renewable energy Certificate
SBI	State Bank of India
STU	State Transmission Utility
T&D	Transmission & Distribution
TSL	Tata Steel Limited
WPI	Wholesale Price Index



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BEFORE

**Jharkhand State Electricity Regulatory Commission,
Ranchi**

Case (Tariff) No.: 10 of 2024

In the matter of:

Petition for
True-up for FY 2023-24,
Annual Performance Review for FY 2024-25 and
Aggregate Revenue Requirement & Tariff for FY 2025-26

In the matter:

Tata Steel Utilities and Infrastructure
Services Limited, Sakchi Boulevard
Road, Northern Town, Bistupur,

Jamshedpur- 831001.....**Petitioner**

PRESENT

Shri. Mahendra Prasad

Member (Law)

Shri. Atul Kumar

Member (Technical)

Order dated March 28, 2025

Tata Steel Utilities and Infrastructure Services Limited (hereinafter referred to as 'TSUISL' or 'the Petitioner') has filed the Petition dated November 28, 2024 for approval of True-up for FY 2023-24, Annual Performance Review for FY 2024-25, and Aggregate Revenue Requirement & Tariff for FY 2025-26.



Chapter 1: INTRODUCTION

Jharkhand State Electricity Regulatory Commission

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



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



- (b) ensure financial viability of the sector and attract investments;
- (c) promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
- (d) promote competition, efficiency in operations and improvement in quality of supply.

Tata Steel Utilities and Infrastructure Services Limited (TSUISL)

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



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



The Petitioner's Prayers

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

- (a) Admit the Petition and examine the proposal submitted by the petitioner for a favorable dispensation.
- (b) Pass suitable orders with respect to its claim based on regulations and audited accounts for the True-up of ARR of Rs.616.59 Cr for FY 2023-24, APR of Rs.618.88 Cr for FY 2024-25 and ARR of Rs.754.53 Cr. for FY 2025-26.
- (c) Pass suitable orders with respect to the cumulative revenue gap of Rs. 3.61 Cr. and proposed tariff for FY 2025-26
- (d) Pass suitable order to approve the proposed 4 nos. of new capital scheme with total capital expenditure of Rs. 688.95 Cr. with phasing of expenditure as provided in Table No. 76 in this petition.
- (e) Pass suitable orders for open Access charges and Green Energy Tariff as proposed in this petition.
- (f) Condone the delay, if any in filing this petition.
- (g) Condone any inadvertent omissions/errors/shortcomings and permit Tata Steel UISL to add/change/modify/alter this filing and make further submissions as may be required at a future date.
- (h) Pass such further, as the Commission may deem fit and appropriate keeping in view the facts and circumstances of the case.



Chapter 2: PROCEDURAL HISTORY

Background

- 2.1 The Commission had passed Order on Truing-up for FY 2014-15, APR for FY 2015-16, Business Plan for FY 2016-17 to FY 2020-21 and ARR for the MYT Control Period for Tata Steel Utilities and Infrastructure Services Limited and Tariff for FY 2016-17 dated February 28, 2017.
- 2.2 On June 07, 2018, the Commission had passed Order for Tata Steel Utilities and Infrastructure Services Limited on Truing-up for FY 2015-16, APR for FY 2016-17 and ARR & Tariff for FY 2017-18.
- 2.3 The Petitioner had filed review petition against the Commission's Order dated June 07, 2018 which was disposed by the Commission dated September 25, 2018.
- 2.4 The Commission had passed order on trued-up ARR for FY 2016-17 and FY 2017-18 dated June 19, 2020.
- 2.5 The Commission had passed the trued-up for FY 2018-19, APR for FY 2019-20, ARR for FY 2020-21 vide Order dated September 29, 2020.
- 2.6 The Commission had passed order on the True-up for FY 2019-20 and APR for FY 2020-21 on Order dated November 24, 2022.
- 2.7 On November 24, 2022, the Commission had passed order on MYT for FY 2021-22 to FY 2025-26.
- 2.8 The Commission had passed the order on true-up for FY 2020-21, APR for FY 2021-22, and ARR for FY 2022-23 dated September 29, 2023.
- 2.9 The Commission had passed Order on true-up for FY 2021-22, APR for FY 2022-23, and ARR & Tariff for FY 2023-24.
- 2.10 The Commission had passed Order on true-up for FY 2022-23, APR for FY 2023-24, and ARR & Tariff for FY 2024-25.

Information Gaps in the Petition

- 2.11 In exercise of Tariff determination process, several deficiencies/information gaps were found in the Petition submitted by the Petitioner and the same was communicated to the Petitioner vide letter no. JSERC/Case (Tariff) no.: 10 of 2024/449 dated December 11, 2024.
- 2.12 In response, the Petitioner furnished additional data/information to the Commission vide letter nos.: PSD/PSK/633/2024 dated December 24, 2024.
- 2.13 Furthermore, a second set of queries was submitted to the Petitioner vide letter no. JSERC/Case (Tariff) no.: 10 of 2024/563 dated February 13, 2025.



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

- 2.14 In response, the Petitioner furnished additional data/information to the Commission vide letter nos.: PSD/PSK/798/2025 dated February 19, 2025.
- 2.15 The Commission has scrutinized the Petition and the additional data/information furnished by the Petitioner with respect to its discrepancies identified and has considered the same while passing this Order.
- 2.16 In order to provide adequate opportunities to all stakeholders and general public, as mandated under Section 64 (3) of the Electricity Act 2003 and in relevant provisions of Regulations framed by the Commission and in order to ensure transparency in the process of tariff determination, the Commission decided to hold Public Hearing on February 11, 2025.

Inviting Public Comments/Suggestions

- 2.17 On scrutiny of the petition, the Commission has directed the Petitioner to publish a Public Notice inviting comments/suggestions from public and to make available copies of the Petition to the members of general public on request.
- 2.18 Accordingly, Public Notice was published by the Petitioner in the newspapers and a period of twenty-one (21) days was given for submitting the comments/suggestions by the general public:

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

Newspaper	Language	Date of Publication
Dainik Bhaskar	Hindi	06.01.2025 & 07.01.2025
The Times of India	English	06.01.2025 & 07.01.2025
Hindustan	Hindi	06.01.2025 & 07.01.2025
Hindustan Times	English	06.01.2025 & 07.01.2025

- 2.19 The Commission published a Public Notice on its website www.jserc.org and various newspapers giving time till January 28, 2025 to various Stakeholders to submit their comments/suggestions. Further, the Commission also organized a Public Hearing on February 11, 2025 where an additional opportunity was provided to all the Stakeholders to submit their comments/suggestions on the above said Petition. The details of newspapers wherein the Notice was published by the Commission are as under:

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

Newspaper	Language	Date of Publication
Prabhat Khabar	Hindi	01.02.2025 & 09.02.2025



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Newspaper	Language	Date of Publication
Danik Bhaskar	Hindi	01.02.2025 & 09.02.2025
The Times of India	English	01.02.2025 & 09.02.2025
The Hindustan Times	English	01.02.2025 & 09.02.2025

Submission of Comments/Suggestions and Conduct of Public Hearing

2.20 Comments/Suggestions on the Petition were received from various Stakeholders. The Comments/Suggestions of the Public, Petitioner's Responses and Commission's views thereon are detailed in **Chapter 4** of this Order.



Chapter 3: BRIEF FACTS OF THE PETITION

3.1 The following chapter summarizes the Petition of truing-up for FY 2023-24, Annual Performance Review for FY 2024-25, and Aggregate Revenue Requirement & tariff for FY 2025-26 as filed by the Petitioner for the Commission’s approval.

True-up for FY 2023-24

Number of Consumers, Connected Load & Energy Sales

3.2 The actual number of Consumers, Connected Load and Energy Sales for FY 2023-24 as submitted by the Petitioner is given below.

Table 3: Number of Consumers, Connected Load & Energy Sales as submitted by the Petitioner for FY 2023-24.

Particulars	No. of Consumers	Connected Load (kVA)	Sales (MU)
Domestic Services (DS)	6,832	55,387.24	43.68
Domestic Services - Rural	844	2,510.59	1.81
Domestic Services - Urban	5,953	44,337.65	28.45
Domestic Services - HT	35	8,539.00	13.43
Commercial Services (Non-Domestic)	1,281	12,983.53	13.24
Commercial Services-Rural>5 kW	29	492.94	0.51
Commercial Services-Rural<5 kW	73	284.71	0.18
Commercial Services-Urban>5 kW	413	9,991.76	10.78
Commercial Services-Urban<5 kW	766	2,214.12	1.77
Low Tension Industrial Services (LTIS)	314	16,607.05	20.60
High Tension Services (HTS)	335	2,56,781	1010.80
HTS-11 KV	278	94,936.00	278.79
HTS-33 KV	57	1,61,845.00	732.01
Temporary Services	30	328.24	0.09
Total	8.792	3,42,087	1,088.40

Energy Balance

3.3 The Energy Balance as submitted by the Petitioner vis-a-vis as approved by the Commission in Order dated June 26, 2024, is tabulated hereunder:



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Table 4: Energy Balance (in MUs) as submitted by the Petitioner for FY 2023-24.

Particulars	APR	Petition
Energy Requirement		
Total Energy Sales	1099.12	1,088.40
Overall distribution losses (in %)	3.06%	1.80%
Overall distribution losses	33.63	19.99
Total Energy Requirement	1133.81	1,108.39
Energy Availability		
Tata Steel Ltd. (MU)	462.75	446.00
DVC at 33 kV (MU)	156.96	142.66
DVC at 132 kV (MU)	504.10	519.72
Other/Traders (MU)	10	
Total Energy Availability (MU)	1,133.81	1,108.39

Annual Revenue Requirement

3.4 The ARR for FY 2023-24 as submitted by the Petitioner vis-a-vis as approved by the Commission in Tariff Order dated June 26, 2024 is tabulated hereunder:

Table 5: ARR (Rs. Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	APR	Petition
Power Purchase Cost	539.39	539.51
O&M Expenses	31.24	37.67
Depreciation	6.66	7.72
Interest on Loan	5.31	5.63
Interest on Consumer Security Deposit	9.02	8.70
Return on Equity	11.58	11.88
Non-Tariff Income	(0.74)	(0.98)
Impact of Sharing of Gains on Collection Efficiency	0.00	6.47
ARR	602.46	616.59
Revenue from Sales	642.22	646.27
Revenue Gap/(Surplus)	(39.76)	(29.68)



Annual Performance Review for FY 2024-25:

Number of Consumers, Connected Load & Energy Sales

3.5 The number of Consumers, Connected Load and Energy Sales estimated by the Petitioner for FY 2024-25 is given below.

Table 6: Number of Consumers, Connected Load & Energy Sales as submitted by the Petitioner for FY 2024-25

Particulars	No. of Consumers	Connected Load (kVA)	Sales (MU)
Domestic Services (DS)	7,712	61,141	51.43
Domestic Services - Rural	917	2,841	2.20
Domestic Services - Urban	6,759	49,760	34.61
Domestic Services - HT	36	8,539	14.61
Commercial Services (Non-Domestic)	1,426	14,493	14.75
Commercial Services-Rural>5 kW	31	519	0.57
Commercial Services-Rural<5 kW	90	349	0.22
Commercial Services-Urban>5 kW	499	11,308	12.18
Commercial Services-Urban<5 kW	806	2,316	1.77
Low Tension Industrial Services (LTIS)	326	17,548	22.13
High Tension Services (HTS)	350	2,70,583	1,034.08
HTS-11 KV	290	1,00,013	284.78
HTS-33 KV	60	1,70,570	749.30
Temporary Services	37	296	0.10
Total	9,851	3,64,060	1,122.48

Energy Balance

3.6 The Energy Balance as submitted by the Petitioner vis-a-vis as approved by the Commission in Order dated June 26, 2024, is tabulated hereunder:

Table 7: Energy Balance (in MU) as submitted by the Petitioner for FY 2024-25.

Particulars	ARR	Petition
Energy Requirement		
Sales (MU)	1145.13	1,122.48
Overall Distribution Losses %	3.42%	3.42%
Overall Distribution Losses (MU)	39.18	39.75



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Particulars	ARR	Petition
Energy Requirement (MU)	1185.69	1,162.23
Energy Availability		
Tata Steel Ltd. (MU)	470.01	418.24
DVC at 33 kV (MU)	188.35	150.69
DVC at 132 kV (MU)	517.33	583.29
Other/Traders (MU)	10.00	10.00
Total Energy Availability (MU)	1185.69	1,162.23

Annual Revenue Requirement

3.7 The ARR for FY 2024-25 as submitted by the Petitioner vis-a-vis as approved by the Commission in Order dated June 26, 2024 is computed below:

Table 8: ARR (Rs. Cr.) as submitted by the Petitioner for FY 2024-25.

Particulars	ARR	Petition
Power Purchase Cost	562.54	534.16
O&M Expenses	34.03	43.88
Depreciation	8.11	9.69
Interest and Finance Charges	7.54	8.01
Interest on Consumer Security Deposit	9.68	9.48
Return on Equity	13.95	14.39
Non-Tariff Income	(0.74)	(0.74)
ARR	635.12	618.88
Revenue from Sales	668.83	635.59
Revenue Gap/(Surplus)	(33.71)	(16.71)

Aggregate Revenue Requirement for FY 2025-26:

Number of Consumers, Connected Load & Energy Sales

3.8 The number of Consumers, Connected Load and Energy Sales estimated by the Petitioner for FY 2025-26 is given below:



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Table 9: Number of Consumers, Connected Load & Energy Sales as submitted by the Petitioner for FY 2025-26

Particulars	No. of Consumers	Connected Load (kVA)	Sales (MU)
Domestic Services (DS)	8,687	71,698.18	57.52
Domestic Services - Rural	1,077	3,192.18	2.40
Domestic Services - Urban	7,573	59,719.00	40.24
Domestic Services - HT	37	8,787.00	14.87
Commercial Services (Non-Domestic)	1,549	15,680.94	15.69
Commercial Services-Rural>5 kW	47	631.82	0.64
Commercial Services-Rural<5 kW	90	349.41	0.22
Commercial Services-Urban>5 kW	606	12,383.24	13.05
Commercial Services-Urban<5 kW	806	2,316.47	1.77
Low Tension Industrial Services (LTIS)	354	19,027.00	23.01
High Tension Services (HTS)	364	2,80,730	1,065
HTS-11 KV	302	1,03,892	294.19
HTS-33 KV	62	1,76,838	770.77
Temporary Services	37	296.47	0.10
Total	10,991	3,87,433	1,161.27

Energy Balance

3.9 The Energy Balance as submitted by the Petitioner vis-a-vis as approved by the Commission in MYT Order dated November 24, 2022 is tabulated hereunder:

Table 10: Energy Balance (in MU) as submitted by the Petitioner for FY 2025-26.

Particulars	MYT	Petition
Energy Requirement		
Sales (MU)	916.23	1,161.27
Overall Distribution Losses %	3.80%	3.80%
Overall Distribution Losses (MU)	36.19	44.13
Energy Requirement (MU)	952.42	1,207.14
Energy Availability		
Tata Steel Ltd. (MU)	400	475.17
DVC at 33 kV (MU)	120	165.68
DVC at 132 kV (MU)	432.42	556.29



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Particulars	MYT	Petition
Other/Traders (MU)	0	10.00
Total Energy Availability (MU)	952.42	1,207.14

Annual Revenue Requirement

3.10 The ARR for FY 2025-26 as submitted by the Petitioner vis-a-vis as approved by the Commission in MYT Order dated November 24, 2024, is mentioned below:

Table 11: ARR (Rs. Cr.) as submitted by the Petitioner for FY 2025-26.

Particulars	MYT	Petition
Power Purchase Cost	434.82	648.96
O&M Expenses	37.48	49.61
Depreciation	13.01	13.75
Interest and Finance Charges	9.31	12.88
Interest on Consumer Security Deposit	7.91	10.36
Return on Equity	18.53	19.16
Non-Tariff Income	(0.20)	(0.20)
ARR	520.85	754.53
Revenue from Sales		664.79
Revenue Gap/(Surplus)		89.74

Proposed Tariff for FY 2025-26

3.11 The Existing and proposed tariff for FY 2025-26 as submitted by the Petitioner is given below:



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Table 12: Purposed Tariff as submitted by the Petitioner for FY 2025-26

Consumer Category	Existing Tariff				Proposed Tariff			
	Fixed Charges		Energy Charges		Fixed Charges		Energy Charges	
	Units	Rate	Units	Rate	Units	Rate	Units	Rate
Domestic Services (DS)								
Domestic Services - Rural	Rs./Conn/month	40	Rs./kWh	3.00	Rs./Conn/month	45	Rs./kWh	3.09
Domestic Services - Urban	Rs./Conn/month	75	Rs./kWh	3.25	Rs./Conn/month	80	Rs./kWh	3.35
Domestic Services - HT	Rs./kVA/month	75	Rs./kVAh	3.10	Rs./kVA/month	80	Rs./kVAh	3.19
Irrigation & Agriculture Services (IAS)	Rs./HP/month	20	Rs./kWh	3.90	Rs./HP/month	25	Rs./kWh	4.06
Commercial Services (Non-Domestic)								
Commercial Services - Rural	Rs./kW/month	75	Rs./kWh	3.00	Rs./kW/month	80	Rs./kWh	3.09
DSRU-CS5KW	Rs./Conn/month	40	Rs./kWh	3.00	Rs./Conn/month	45	Rs./kWh	3.09
Commercial Services - Urban	Rs./kW/month	150	Rs./kWh	4.15	Rs./kW/month	155	Rs./kWh	4.27
DSUR-CS5KW	Rs./Conn/month	75	Rs./kWh	3.25	Rs./Conn/month	80	Rs./kWh	3.35
Low Tension Industrial Services (LTIS)	Rs./kVA/month	150	Rs./kVAh	4.50	Rs./kVA/month	155	Rs./kVAh	4.64
High Tension Services (HTS)								
HTS-11 KV	Rs./kVA/month	350	Rs./kVAh	4.90	Rs./kVA/month	355	Rs./kVAh	5.05
HTS-33 KV	Rs./kVA/month	350	Rs./kVAh	4.90	Rs./kVA/month	355	Rs./kVAh	5.05
Institutional Services								
Street Light	Rs./kW/month	60	Rs./kWh	5.25	Rs./kW/month	65	Rs./kWh	5.41
Railway traction services, Military Engineering Services and Other Distribution Licensees	Rs./kVA/month	190	Rs./kVAh	5.80	Rs./kVA/month	195	Rs./kVAh	5.97
Temporary Services	1.5 times of the applicable fixed charges		1.5 times of the applicable energy charge		1.5 times of the applicable fixed charges		1.5 times of the applicable energy charge	



Chapter 4: PUBLIC CONSULTATION PROCESS

- 4.1 As per the submitted Petition, a number of stakeholders had responded. A Public Hearing was held by the Commission on February 11, 2025 for giving additional opportunity to all the stakeholders to submit their comments/suggestions on the said petition for ensuring maximum public participation and transparency. Accordingly, stakeholders expressed suggestions and the list of the attendees is attached as **Chapter-18** of this Order.
- 4.2 The comments and suggestions of the public along with the response of the Petitioner and the views of the Commission are summarized in this Chapter. The issues raised by the stakeholders, which do not relate to True-up, APR and ARR have not been discussed in this Chapter.

Tariff hike

Stakeholders Objection

- 5.1 The stakeholder submitted that as an industrial association body with over 500 consumers of TSUISL, they oppose the tariff hike suggested by the DISCOM.
- 5.2 Further, the stakeholder highlighted that that the association members are already under tremendous pressure due to inflation and slowing market demand. It was highlighted that in this region most of the members are bulk buyer of your electricity and it constitutes a major part of production cost for all the metal and mineral industry in this belt.
- 5.3 The stakeholders also submitted that hike in basic raw material will ensure all the industries giving employment to thousands will turn sick and eventually shut down. This decision of yours will ensure mass unemployment and established businesses closing down at a rapid pace.
- 5.4 The stakeholders called to attention the denial or delay in giving load enhancement or new loads to industries in Seraikela - Kharsawan region and urged the Commission to take corrective action so that closure of industries in this region is not stemmed due to unavailability of load of power supply in areas under your jurisdiction.

Petitioner Submission

- 5.5 The Petitioner submitted that they have proposed a nominal hike of 3% to avoid revenue gap in the coming future. The revenue gap not only puts up financial stress on the utility but also puts additional burden of carrying cost on the consumers and therefore needs to be liquidated for sustaining operations.
- 5.6 It was further submitted that each industry needs to sustain its operations based on its own merit, cost and revenue structure and cannot



be cross subsidized by service provider to make it sustainable. Industry can charge the cost of electricity to its end product like any other input cost.

- 5.7 The Petitioner submitted that on the matter of delay in providing power connection, most of the network has reached full capacity due to ongoing demand of power in the area thereby leading to network constraints. The Petitioner submitted that they are facing issues in laying new network on account of Right of Way and Land acquisition.
- 5.8 The Petitioner is already working on a power sourcing scheme for 20 MVA which will be completed by March 2025 and some loads will be released thereafter. The Petitioner has also approached JBVNL/JUSNL for connectivity and additional 20 MVA Power.
- 5.9 On Long term basis, the Petitioner is working on connectivity with CTU. The scheme requires multiple approvals from authorities and agencies and is expected to resolve any long term requirement of electricity in the area. The Petitioner also suggested that till the time they are restricted to give out additional connections, the consumers may seek connection from JBVNL which is also the licensee in the same area.

Commission Analysis

- 5.10 The Commission has noted the Stakeholder's Objection and Petitioner's response on the above mention issue.



Chapter 5: TRUE-UP FOR FY 2023-24

- 5.11 The Commission had passed the MYT Order for the 2nd Control Period i.e., FY 2016-17 to FY 2020-21 and determined the Tariff for FY 2016-17 vide its Order dated February 28, 2017, based on the principles specified in the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2015
- 5.12 On June 07, 2018, the Commission had passed Order on Truing-up for FY 2015-16, Annual Performance Review for FY 2016-17, Annual Revenue Requirement and Tariff for FY 2017-18.
- 5.13 The Commission had passed the Truing up for FY 2016-17 and FY 2017-18 vide its Order dated June 19, 2020 and vide Order dated September 29, 2020 approved the True up for FY 2018-19, APR for FY 2019-20 and ARR & Tariff for FY 2020-21.
- 5.14 The Commission had passed the order on Truing-up for FY 2019-20, Annual Performance Review for FY 2020-21 dated November 24, 2022.
- 5.15 The Commission had passed the MYT Order for the 3rd Control Period i.e., FY 2021-22 to FY 2025-26 and Tariff for FY 2021-22 vide Order dated November 24, 2022, based on the principles specified in the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 (JSERC Distribution Tariff Regulations, 2020).
- 5.16 The Commission had passed order on True-up for FY 2020-21, APR for FY 2021-22, and ARR for FY 2022-23 vide its Order dated September 29, 2023.
- 5.17 The Commission had passed order on True-up for FY 2021-22, APR for FY 2022-23, and ARR for FY 2023-24 vide its Order dated September 29, 2023.
- 5.18 The Commission had passed Order on True-up for FY 2022-23, APR for FY 2023-24, and ARR for FY 2024-25 vide Order dated June 26, 2024.
- 5.19 In the instant petition the Petitioner has now sought approval for True-up for FY 2023-24, Annual Performance Review for FY 2024-25, and Aggregate Revenue Requirement & Tariff for FY 2025-26 based on the Audited Accounts taking into consideration the provisions of the JSERC Distribution Tariff Regulations, 2020 and the methodology adopted by the Commission in the previous Orders.
- 5.20 The Commission has scrutinized the instant petition on the basis of the provisions of the JSERC Distribution Tariff Regulations, 2020, and on consideration of:
- (a) Audited accounts for FY 2023-24;
 - (b) Materials placed before the Commission;



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

(c) Methodology adopted by the Commission in its previous Orders.

5.21 The component-wise details filed by the Petitioner and the Commission's analysis and discussion is made in the upcoming paragraph.

Consumers, Connected Load and Energy Sales

Petitioner's Submission

5.22 The Petitioner has submitted the actual details of number of consumers, connected load and energy sales for FY 2023-24. Furthermore, the Petitioner has submitted the same as approved in APR tabulated as follows:

Table 13: Number of Consumers, Connected Load and Sales as submitted by the Petitioner for FY 2023-24

Particulars	No. of Consumers		Connected Load (KVA)		Consumption (MU)	
	APR	Petition	APR	Petition	APR	Petition
Domestic	7,038	6,832	57,564	55,387	42.62	43.68
LT-Rural	851	844	2,554	2,511	1.82	1.81
LT-Urban	6,151	5,953	46,266	44,338	27.77	28.45
DS HT	36	35	8,744	8,539	13.04	13.43
Non-Domestic	1,306	1,281	13,496	12,984	13.28	13.24
Rural-Commercial	31	29	452	493	0.60	0.51
DSRU-CS5KW	70	73	271	285	0.19	0.18
Urban-Commercial	441	413	10,542	9,992	10.69	10.78
DSUR-CS5KW	764	766	2,232	2,214	1.80	1.77
Low Tension Industrial Service (LTIS)	319	314	15,930	16,607	21.06	20.60
LTIS-I (Installation Based)						
LTIS-I (Demand Based)						
HT Services						
High Tension Service (HTS)	342	335	2,50,555	2,56,781	1022.05	1010.80
HTS 11 KV	285	278	96,460	94,936	287.42	278.79
HTS 33 KV	57	57	1,54,095	1,61,845	734.63	732.01
Temporary Services	30	30	322	328	0.11	0.09
Total	9,035	8,792	3,37,867	3,42,087	1,099.12	1,088.40

Commission's Analysis



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

5.23 On scrutinizing and analyzing the material, information, actual figure and of the Annual Audit account for FY 2023-24, the Commission had further sought documentary evidence regarding number of consumers and their connected load. In this regards, the Petitioner has provided the category-wise consumers, their loads (in kVA) and consumption during FY 2023-24 duly certified by Auditor vide '**Annexure A' of Letter No. PSD/PSK/798/2025 dated February 19, 2025**. The Commission has taken into account the sales for LTIS – I and HTS category from the annual accounts. On conducting a prudent check for the data submitted the Commission approves the actual number of consumers, connected load, and sales for FY 2023-24 is given below:

Table 14: Number of Consumers, Connected Load and Sales as approved by the Commission for FY 2023-24

Particulars	No. of Consumer		Connected Load (kVA)		Consumption (MUs)	
	Petition	Approved	Petition	Approved	Petition	Approved
Domestic	6,832	6,832	55,387	55,387	43.68	43.68
LT-Rural	844	844	2,511	2,511	1.81	1.81
LT-Urban	5,953	5,953	44,338	44,338	28.45	28.45
DS HT	35	35	8,539	8,539	13.43	13.43
Non-Domestic	1,281	1,281	12,984	12,984	13.24	13.24
Rural-Commercial	29	29	493	493	0.51	0.51
DSRU-CS5KW	73	73	285	285	0.18	0.18
Urban-Commercial	413	413	9,992	9,992	10.78	10.78
DSUR-CS5KW	766	766	2,214	2,214	1.77	1.77
Low Tension Industrial Service (LTIS)	314	314	16,607	16,607	20.60	20.60
LTIS-I (Installation Based)	335	335	2,56,781	2,56,781	1010.80	1010.80
LTIS-I (Demand Based)	278	278	94,936	94,936	278.79	278.79
HT Services	57	57	1,61,845	1,61,845	732.01	732.01
Temporary Services	30	30	328	328	0.09	0.09
Total	8,792	8,792	3,42,087	3,42,087	1,088.40	1,088.40

Energy Balance

Petitioner's Submission

5.24 It has been submitted that in order to meet the energy requirement, the Petitioner has procured power from two sources i.e., Damodar Valley Corporation (DVC) at 33 kV and 132 kV and Tata Steel Limited (TSL). The



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Petitioner has also been able to sustain the T&D losses at lowest possible levels at 1.8%, which is among the lowest across distribution licensees. The energy balance submitted is tabulated as follows:

Table 15: Energy Balance (in MU) as submitted by the Petitioner for FY 2023-24

Particulars	APR	Petition
Energy Requirement		
Sales (MU)	1099.12	1,088.40
Overall Distribution Losses %	3.06%	1.80%
Overall Distribution Losses (MU)	33.63	19.99
Total Energy Requirement (MU)	1133.81	1,108.39
Energy Availability		
Tata Steel Ltd. (MU)	462.75	446.00
DVC at 33 kV (MU)	156.96	142.66
DVC at 132 kV (MU)	504.10	519.72
Others/Traders (MU)	10	
Total Energy Availability (MU)	1,133.81	1,108.39

Commission’s Analysis

- 5.25 On scrutinizing and analyzing the data, material, information annexed in ‘**Annexure 2**’ of the petition. The Commission approves power purchase cost of Tata Steel Limited for FY 2023-24.
- 5.26 Further, on scrutinizing and analyzing, the data, material, information annexed in ‘**Annexure-3**’ of the petition, the Commission approves the power purchase cost for DVC Sources (33 kV and 132 kV) for FY 2023-24.
- 5.27 It is observed that the distribution loss claimed by the Petitioner is 1.8%. However, on calculation, it was found the distribution loss is 1.84%. As per the APR approved for FY 2023-24 vide Commission Order dated June 26, 2024 the approved distribution loss was 3.06%.
- 5.28 Based on above discussion, the Commission approves the energy sales, distribution losses and power purchase quantum as summarized below:

Table 16: Energy Balance (MU) as approved by the Commission for FY 2023-24

Particulars	APR	Petition	Approved
Energy Requirement			
Sales (MU)	1099.12	1088.40	1088.40
Distribution Losses %	3.06%	1.80%	1.84%
Distribution Losses (MU)	33.63	19.99	19.99



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Particulars	APR	Petition	Approved
Total Energy Requirement (MU)	1133.81	1108.39	1108.39
Energy Availability			
Tata Steel Ltd. (MU)	462.75	446.00	446.00
DVC at 33 kV (MU)	156.96	142.66	142.66
DVC at 132 kV (MU)	504.10	519.72	519.72
Others/Traders (MU)	10.00		
Total Energy Availability (MU)	1133.81	1108.39	1108.39

Power Purchase Cost

Petitioner's Submission

5.29 The Petitioner has submitted that it has sourced its power requirement from Tata Steel Limited (TSL) and Damodar Valley Corporation (DVC). The total power procurement cost claimed by the Petitioner is Rs. 539.50 Cr. The Petitioner further submitted that the total landed power purchase cost of Tata Steel USISL for FY 2023-24 is Rs. 4.87 per unit inclusive of transmission losses and other transmission related charges.

5.30 The power procurement cost from Tata Steel Limited is Rs. 246.64 Cr. for 446 MUs at a rate of Rs. 5.53 per unit. The total power procurement cost from DVC claimed by the Petitioner is Rs. 292.86 Cr. for 662.39 MUs. As per submission, 142.66 MUs are purchased at 33 kV at the rate of Rs. 4.74 per unit while 519.72 MUs have been purchased at rate of Rs. 4.33 per unit.

5.31 With regard to the Renewable Power Obligation, the Petitioner has submitted that it has purchased power from two sources viz (i) DVC and (ii) Tata Steel Limited in consumer mode. Thus, the RPO compliance for the units purchased from DVC and Tata Steel rests with the selling entity, TSL and DVC, and therefore RPO compliance on units purchased from Tata Steel and DVC are not considered for Tata Steel USIL. The Same has already been approved by the Commission in the Tariff Order dated September 29, 2020.:

“...7.17 The Commission is of the view that since the Petitioner is procuring power from Distribution Licensees i.e. TSL and DVC and hence, the responsibility to meet the RPO doesn't lies with the Petitioner...”

5.32 The Petitioner also submitted that the Commission had approved similar methodology in subsequent Tariff Order of TSL. Relevant part of TSL tariff order dated May 31, 2015 is represented below:

.... “With respect to the computation of RPO for the Petitioner, the Commission accepts the methodology proposed by the Petitioner which is in line with the



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methodology followed by the Commission in case of power sold to Tata Steel UISL from TSL and accordingly, have estimated the RPO on total energy requirement estimated now for FY 2013-14 net of power purchase from DVC at 132 kV.”

5.33 Thus, the Petitioner has sought approval for the below listed power purchase cost for FY 2023-24:

Table 17: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	APR	Petition
Tata Steel Ltd.	245.58	246.64
DVC at 33 kV	74.80	67.57
DVC at 132 kV	214.25	225.29
Others	4.76	0.00
Net Power Purchase cost	539.39	539.51

Commission’s Analysis

5.34 On scrutinizing and analyzing the submissions, the Commission has considered the power procurement rate for TSL as approved for FY 2023-24 in Tariff Order dated June 20, 2024.

5.35 With regard to power procured from DVC, the Commission approves the power procurement cost based on the Audited Accounts and monthly bills raised by the DVC as annexed in **‘Annexure 3’**.

5.36 Upon scrutinizing and analyzing the details submitted by the Petitioner, the Commission holds the view that since the Petitioner is procuring power from Distribution Licensees, namely TSL and DVC, in Consumer Mode, the Renewable Purchase Obligation (RPO) compliance for the units sold to the Petitioner must be met by the Distribution Licensees selling power to the Petitioner. The Petitioner was enquired regarding the inclusion of credit notes for power purchased from Tata Steel Ltd. Through **Letter No. PSD/PSK/798/2025 dated February 19, 2025**, the Petitioner has claimed that the figure is as per audited accounts of the company.

5.37 The Commission has taken into account the power purchase cost from Tata Steel Limited based on the per unit charge approved in True up by the Commission. In regards to DVC, the power purchase charges shall be included as and when the Commission passes its true up order, till then the Commission has relied on the submissions made by the Petitioner. Power Procurement Cost from each source as submitted by the Petitioner and as approved by the Commission for FY 2023-24 is tabulated hereunder.



Table 18: Power Procurement Cost (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	APR	Petition	Approved
Tata Steel Limited	245.58	246.64	231.03
DVC at 33 kV	74.80	67.57	67.57
DVC at 132 kV	214.25	225.29	225.29
Other	4.76	0.00	0.00
Power Purchase Cost	539.39	539.51	523.89

5.38 The Commission in the instant petition approves the Power purchases from DVC based on actual bills submitted by the Petitioner. Further, the Commission approves the power purchase from TSL based on the average power purchase rate as approved by this Commission on Order dated June 18, 2024. Furthermore, if any reconciliation is required in future based on the true-up for FY 2023-24 for DVC and TSL it shall be dealt with separately by DVC-TSUISL, TSL-TSUISL, and the impact of the same shall be considered in the next trueing-up.

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

Petitioner's Submission

5.39 It is submitted by the Petitioner that it has considered the Opening & Closing Capital Work in Progress (CWIP), assets transferred to Gross Fixed Asset (GFA) based on the Audited Accounts Statement.

5.40 With regards to Capital Expenditure, the Petitioner has submitted that it has incurred Rs. 43.71 Cr. as Capital Expenditure including Consumer Contribution against the approved value of Rs. 9.56 Cr.

5.41 Accordingly, the CWIP and GFA for FY 2023-24 as submitted by the petitioner is given below:

Table 19: CWIP & GFA (Rs. Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	APR	Petition
Capital Work in Progress		
Opening CWIP	25.53	25.52
Capex Expenditure	28.00	43.71
Capitalization	28.00	39.42
Closing CWIP	25.53	29.81
Gross Fixed Asset		
Opening GFA	343.62	343.62
GFA Addition	28	39.42



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Particulars	APR	Petition
Disposal/Adjustment	0	(0.01)
Closing GFA	371.62	383.04

Commission's Analysis

5.42 The Commission has scrutinized and analyzed the scheme-wise details submitted by the Petitioner along with audited account for approval of CWIP and GFA for FY 2023-24. Accordingly, the Commission approves the Capitalization as per '**Note 02A and 02B**' of annual audit statement.

5.43 The Commission observes that the Capital Expenditure claimed by the Petitioner is Rs. 43.71 Cr. However, as per the financial statements and the Cash Flows, the amount is totaling Rs. 42.31 Cr. The Commission sought further clarity on the said issue from the Petitioner and has accordingly approved. The Petitioner was enquired regarding the discrepancy in claimed Capital Expenditure, in reply, through **Letter No. PSD/PSK/798/2025 dated February 19, 2025**, the Petitioner has claimed that figure Rs 42.31 Cr is related to Net Cash used in investing activities i.e., purchase of capital asset reflecting at point B of Audited Cash flow Statement for year ending 31st March 2024. Whereas figure Rs. 43.71 Cr. is the actual Capex during the year FY2023-24. The difference of Rs 1.40 Cr is related to

(a) Internal transfer of Land for Substation (Rs 0.69 Cr)

(b) Creditor for Capital supplier/services for Rs 0.71 Cr (i.e., Performance Retention Amount)

5.44 In both the above cases, liability is added in book of accounts while actual cash outflow will be in future date. This is as per the accounting standard and purchasing contracts. The details of capital expenditure the figure is a per audited accounts of the company. The claim is further substantiated in the table below:

Table 20: CAPEX cash flow for FY 2023-24 (Rs. Cr.)

Particulars	Amount
CAPEX during the year	43.71
<i>Less: internal transfer of land from Real Estate to PSD (no cash outflow)</i>	<i>(0.70)</i>
Expected Cash Outflow for FY 2023-24	43.02
<i>Add: Opening Creditors for capital supplies/service for FY 2023-24</i>	<i>1.08</i>
<i>Less: Closing Creditors for capital supplies/service for FY 2023-24</i>	<i>(1.08)</i>
Actual Cash Flow for FY 2023-24	42.31

5.45 Based on above discussion, the CWIP and GFA as approved by the Commission for FY 2023-24 is given below.



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Table 21: CWIP & GFA (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	APR	Petition	Approved
Capital Work in Progress			
Opening CWIP	25.53	25.52	25.53
Capital Expenditure	28.00	43.71	43.71
Capitalization	28.00	39.41	39.41
Closing CWIP	25.53	29.82	29.83
Gross Fixed Asset			
Opening GFA	343.62	343.62	343.62
GFA Addition	28.00	39.41	39.41
Closing GFA	371.62	383.03	383.03

Consumer Contribution

Petitioner's Submission

5.46 The Petitioner has submitted details of cumulative consumer contribution received and capitalized during the year including the opening & closing consumer contribution for FY 2023-24 is computed in the table below”

Table 22: CC Capitalized and Received (Rs. Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	Petition
Opening Consumer Contribution received	165.40
Add: Consumer contribution received during the year	9.56
Closing consumer contribution received	174.96
Opening consumer contribution capitalized	146.33
Add: Contribution energized during the year	23.72
Closing consumer contribution energised/capitalised	170.04
Balance amount of consumer contribution not capitalized as on last day of the year	4.92

Commission's Analysis

5.47 Based on facts, circumstance and methodology adopted in previous Tariff Order, the Commission approves the CC received as per **'Note 17E'** of annual audit statement for FY 2023-24, further the same CC received has been considered for calculation of Depreciation, Loan Addition and Return on Equity computation.

Table 23: Consumer Contribution (Rs. Cr.) as approved by the Commission for FY



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2023-24

Particulars		Petition	Approved
Opening CC (Received)	A	165.40	165.39
Addition (Received)	B	9.56	9.56
Closing CC (Received)	C=A+B	174.96	174.95
Opening CC (Capitalized)	D	146.32	146.32
Addition CC (Capitalized)	E	23.72	23.72
Closing CC (Capitalized)	F=D+E	170.04	170.04
Un-Capitalized CC	G=C-F	4.92	4.91

Depreciation

Petitioner's Submission

5.48 It is submitted by the Petitioner that the depreciation proportionate to the extent of fixed assets being funded through Consumer Contribution have been deducted from the total depreciation in order to arrive at the net Depreciation.

5.49 Further, the Petitioner has submitted that the details of accumulated depreciation can be referred to in the Audited Accounts of FY 2023-24 and depreciation charged during FY 2023-24 as annexed in **Annexure-I** of main petition.

Table 24: Overall Depreciation (Rs. Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	Accumulated Depreciation as on 01.04.2023 (Rs. Cr.)	Depreciation/ amortisation during FY 2023-24 (Rs. Cr.)	Depreciation on assets disposed FY 2023-24 (Rs. Cr.)	Accumulated Depreciation as on 31.03.2024 (Rs. Cr.)
Land	-	0.00	-	0.00
Buildings	1.36	0.11	-	1.48
Plant & Machinery	135.06	13.85	0.01	148.90
Furniture, Fixtures and Office equipment	0.19	0.01	-	0.20
Vehicle	0.07	-	-	0.07
License	0.70	0.00	0.00	0.70
Software cost	0.60	0.05	0.00	0.64
Total	137.99	14.01	0.01	151.99

5.50 The depreciation net of Consumer contribution capitalized as submitted



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by the Petitioner is as follows:

Table 25: Net Depreciation (Rs. Cr.) claimed by the Petitioner for FY 2023-24

Particulars	APR	Petition
Depreciation for the FY 2023-24	12.67	14.01
Depreciation on Asset created out of Consumer Contribution	(6.01)	(6.28)
Net Depreciation	6.66	7.72

Commission’s Analysis

5.51 The Commission has outlined **clause 10.34 to clause 10.40** of JSERC Distribution Tariff Regulation, 2020 for the approval of Depreciation as reproduce below:

“Depreciation

10.34 Depreciation shall be calculated every year on the amount of original cost of the fixed assets as admitted by the Commission: Provided that depreciation shall not be allowed on assets funded by Consumer Contribution and Capital Subsidies/ Grants. Provision for replacement of such assets shall be made in the Capital Investment Plan.

10.35 Depreciation for each year shall be determined based on the methodology as specified in these Regulations along with the rates and other terms specified in these Regulations.

10.36 Depreciation shall be calculated annually, based on the straight-line method at the rates specified at Appendix-I. The base value for the purpose of depreciation shall be original cost of the asset:

Provided that the Distribution Licensee shall ensure that once the individual asset is depreciated to the extent of seventy (70) percent of the Book Value of that asset, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset.

10.37 Depreciation shall be charged from the first year of commercial operation of the asset. In case, the operation of the asset is for a part of the year, depreciation shall be charged on a pro-rata basis.

10.38 The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset. Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;

10.39 The Commission may, in the absence of the Fixed Assets Register, calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest available Audited Accounts of the Distribution Licensee. The Depreciation (%) so arrived shall be multiplied by the **Average GFA approved by the Commission for the relevant Financial Year** to arrive at the Depreciation for that Financial Year.

10.40 In case of de-capitalization of assets, the cumulative depreciation shall be adjusted by taking into account the depreciation recovered through tariff corresponding to the decapitalized asset during its useful services.



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- 5.52 On Scrutinizing and analyzing data, material, information on record, the Commission approves the Gross Depreciation as Rs 14.01 Cr. as per **‘note 2A & note 2B’** of annual audit statement.
- 5.53 Further, the Commission approves the net depreciation after deducting the depreciation on assets funded out of Consumer Contribution from the Gross Depreciation for FY 2023-24. While The Petitioner has considered closing GFA for depreciation, the Commission has considered average of Opening and Closing GFA for the financial year.
- 5.54 The table below summarizes the depreciation as submitted by the Petitioner and as approved by the Commission for FY 2023-24.

Table 26: Depreciation (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	APR	Petition	Approved
Opening GFA		343.62	343.62
Additions to GFA		39.41	39.41
Closing GFA		383.03	383.03
GFA considered for depreciation		363.33	363.33
Average Consumer Contribution received (B)		170.04	170.17
Gross Depreciation (C)	12.67	14.01	14.01
Depreciation on Consumer Contribution (D=C/A*B)	6.01	6.28	6.56
Net Deprecation (E=C-D)	6.66	7.72	7.45

Interest on Loan

Petitioner’s Submission

- 5.55 The Petitioner has submitted that it has adopted the same methodology as approved by the Commission in its previous Orders for computing Interest and Finance Charges. The debt-to-equity ratio has been maintained at 70:30. The deemed additions to the loan have been considered at 70% of GFA addition during FY 2023-24 net of Consumer Contribution capitalized during the year and reduced by the accumulated depreciation on own assets. The deemed repayment has been considered equivalent of the net depreciation cost for the financial year
- 5.56 The table below shows the normative loan and normative equity added during the FY 2023-24 as methodology discussed above. The Normative loan is estimated based on actual capitalization and consumer contribution capitalized during the year as per audited account for FY 2023-24.

Table 27: Normative Loan & Normative Equity (Rs. Cr.) added during Year as



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submitted by the Petitioner for FY 2023-24

Particulars	APR	Petition
Assets added during the Financial Year	28.00	39.42
Less: CC capitalized during the Financial Year	8.46	9.56
Normative Amount added during the FY	19.54	29.87
Equity Addition (30%)	5.86	8.96
Debt Addition (70%)	13.68	20.91

5.57 Further, in accordance with **clause 10.26** of JSERC Distribution Tariff Regulations, 2020, the rate of interest on normative is considered as Marginal Cost Landing Rate (MCLR) of SBI prevailing as on April 01, 2023 plus 200 basis point i.e. 8.50%. The table below illustrates the Interest on Normative Loan for FY 2023-24.

Table 28: Interest on Loan (Rs. Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	APR	Petition
Opening Balance of Normative Loan	47.04	47.04
Deemed Addition during the FY	13.68	20.91
Less: Deemed Repayment	6.66	7.72
Closing Balance of Normative Loan	54.06	60.23
Average Balance of Normative Loan	50.55	53.63
SBI Bank Rate plus 200 bp	10.50%	10.50%
Interest on Loan	5.31	5.63

Commission's Analysis

5.58 The Commission has outlined the **clause 10.16, clause 10.17, clause 10.21 to clause 10.29** of JSERC Distribution Tariff Regulation 2020 for the approval of interest of loan and finance charge as reproduced below:

“10.16 Existing Schemes - In case of capital expenditure schemes capitalised prior to April 01, 2021, the debt-equity ratio as allowed by the Commission for determination of tariff for the period ending March 31, 2021 shall be considered.

10.17 New Schemes – For capital expenditure schemes capitalised after April 01, 2021:

a) A normative debt-equity ratio of 70:30 shall be considered for the purpose of determination of Tariff;

b) In case the actual equity employed is in excess of 30%, the amount of equity for the purpose of tariff determination shall be limited to 30%, and the balance amount shall be considered as normative loan;

c) In case the actual equity employed is less than 30%, the actual debt-equity



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ratio shall be considered;

d) The premium, if any raised by the Licensee while issuing share capital and investment of internal accruals created out of free reserve, shall also be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal accruals are actually utilized for meeting capital expenditure.

Note 1: Any expenditure admitted on account of committed liabilities within the original scope of work and the expenditure deferred on techno-economic grounds but falling within the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations;

Note 2: Any expenditure on replacement of old assets or on renovation and modernization or life extension shall be considered on normative debt-equity ratio specified in these Regulations after writing off the entire book value of the original assets from the capital cost of the new asset;

Note 3: Any expenditure admitted by the Commission for determination of tariff on account of new works not in the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations.

10.21 The loans arrived at in the manner indicated in Clauses 10.16 and 10.17 shall be considered as gross normative loan for calculation of interest on loan.

10.22 The normative loan outstanding as on April 01, 2021 shall be worked out as the gross loan by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021 from the gross normative loan.

10.23 The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year.

10.24 In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalization of such assets.

10.25 Notwithstanding any moratorium period availed by the Licensee, the repayment of loan shall be considered from the first year of operation of the scheme/asset.

10.26 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the Licensee: Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to the Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points.

10.27 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.

10.29 The Licensee shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the users and the net savings shall be shared between the users and the Licensee, as the case may be, in the ratio of 50:50”



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- 5.59 In accordance with **clause 10.16 and clause 10.17**, as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.
- 5.60 In accordance with **clause 10.23** as mentioned above, the Commission approves the debt repayment equal to net depreciation for the same financial year.
- 5.61 In accordance with **clause 10.26 (proviso)** as mentioned above, the Commission approves the interest rate as 8.50% (Base rate of SBI as applicable on April 01, 2023 plus 200 basis points).
- 5.62 The table below shows the normative loan and normative equity added during the FY 2023-24 as methodology discussed above. The Normative loan is estimated based on actual consumer contribution received during the year as per audited account for FY 2023-24.

Table 29: Normative Loan & Normative Equity (Rs. Cr.) added during Year for FY 2023-24

Particulars	Approved
Assets added during the Financial Year	39.41
Less: CC Received during the Financial Year	9.56
Normative Amount added during the FY	29.86
Equity Addition (30%)	8.96
Debt Addition (70%)	20.90

- 5.63 Based on the above discussion and findings the Commission approves the Interest on Loan for FY 2023-24.

Table 30: Interest and Finance Charges (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	APR	Petition	Approved
Opening Loan	47.04	47.04	47.04
Normative Addition	13.68	20.91	20.90
Normative Repayment	6.66	7.72	7.45
Closing Loan	54.06	60.23	60.49
Average Loan	50.55	53.64	53.76
Rate of Interest	10.50%	10.50%	10.50%
Interest on Loan	5.31	5.63	5.65

Interest on Security Deposits

Petitioner's Submission



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5.64 The Petitioner has furnished the details of security deposit as per Audited figures for FY 2023-24. In FY 2023-24, the actual outflow towards interest on security deposit paid to consumers is Rs 8.70 Cr. Considering the actual security deposits, period of security deposits held and applicable interest rate, the interest on security deposit is paid. The Interest on Consumer Security Deposit submitted by the Petitioner is tabulated as follows:

Table 31: Consumer Security Deposit (Rs. Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	APR	Petition
Opening Consumer Security Deposit	86.71	86.71
Consumer Security Deposit Addition	5.26	1.65
Closing Consumer Security Deposit	91.87	88.36
Average Consumer Security Deposit	89.29	87.53
Interest Rate	10.10%	10.10%
Interest on Consumer Security Deposit	9.02	8.70

Commission’s Analysis

5.65 The Commission has outlined **clause 10.33** of JSERC Distribution Tariff Regulation 2020 for approval of interest on consumer security deposit as reproduced below:

“Interest on Consumer Security Deposits

6.49 Interest paid on consumer security deposits shall be as specified by the Commission in ‘Jharkhand (Electricity Supply Code) Regulations, 2015’ and as amended or replaced from time to time.”

5.66 On scrutinizing and analyzing the annual audit account for FY 2023-24, the Commission has observed that interest on consumer security deposit amounting to Rs 8.70 Cr. as per **note 14** of annual audit statement, while calculating the interest on security deposit at a rate specified (8.10% interest payable at SBI Base Rate as on April 01 of the Financial Year) in the provision of JSERC Electricity Supply code regulation 2015 it would be Rs 8.84 Cr. Accordingly, the Commission approves the interest on consumer security deposit of Rs. 8.70 Cr. based on audited account and Petitioner claim

Table 32: Consumer Security Deposit (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	APR	Petition	Approved
Opening Consumer Security Deposit	86.71	86.71	86.71



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Particulars	APR	Petition	Approved
Consumer Security Deposit Addition	5.26	1.65	1.65
Closing Consumer Security Deposit	91.87	88.36	88.36
Average Consumer Security Deposit	89.29	87.53	87.54
Interest Rate	10.10%	10.10%	10.10%
Interest on Consumer Security Deposit	9.02	8.70	8.70

Return on Equity

Petitioner's Submission

- 5.67 The Petitioner has submitted that the deemed addition to the normative equity has been taken at 30% of Closing GFA for FY 2023-24 net of Consumer Contribution capitalized. It was also submitted that the normative return on equity is claimed 14.50% as per the provisions of Regulation 10.19 of JSERC Distribution Tariff Regulations, 2020.
- 5.68 The Petitioner has taken opening balance of equity for FY 2023-24 equal to the closing of FY 2022-23.
- 5.69 The Petitioner has submitted that it has paid the Income Tax (IT) as per normal IT rate and accordingly Return on Equity (RoE) has been grossed up by corporate IT rate. The challan copy of Income Tax paid is annexed as **annexure-8** in the main petition.
- 5.70 The Petitioner has further submitted that according to section 115BAA introduced under Income Tax Act by the Government of India through Taxation (Amendment) Ordinance 2019 on September 20, 2019, the Petitioner had an option to pay Income Tax at a reduced rate of 25.168%. Accordingly, Petitioner opted for this scheme for FY 2023-24.

Table 33: Return on Equity (Rs. Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	APR	Petition
Opening Equity	56.81	56.81
Deemed Addition	5.86	8.96
Closing Equity	62.67	65.77
Rate of Return on Equity	14.50%	14.50%
Return on Equity	8.66	8.89
Tax Rate	25.17%	25.17%
Tax on Return on Equity	2.91	2.99
Return on Equity including Tax	11.58	11.88



Commission’s Analysis

- 5.71 On consideration of the JSERC Distribution Tariff Regulations, 2020, the Commission has considered the Opening Equity base for FY 2023-24 as the Closing Equity base for FY 2022-23. Further the Commission has considered the normative Equity addition during the financial year as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.
- 5.72 In accordance with **clause 10.19** of Distribution Tariff Regulation 2020 the Commission has allowed a rate of return of 14.50% on equity.
- 5.73 The Commission approves the income tax on return on equity amount for FY 2023-24 is Rs. 2.24 Cr., being 25.17% of Rs. 8.89 Cr. of total Return on Equity including income tax.
- 5.74 Based on above discussion, the Commission approves the Return on Equity along with Income Tax for FY 2023-24 is tabulated hereunder:

Table 34: Return on Equity (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	APR	Petition	Approved
Opening Equity	56.81	56.81	56.81
Deemed Addition	5.86	8.96	8.96
Closing Equity	62.67	65.77	65.77
Rate of Return on Equity	14.50%	14.50%	14.50%
Return on Equity	8.66	8.89	8.89
Tax Rate	25.17%	25.17%	25.17%
Tax on ROE	2.91	2.99	2.99
Return on Equity including Tax	11.58	11.88	11.88

Interest on Working Capital

Petitioner’s Submission

- 5.75 The Petitioner has not claimed any Interest on Working Capital (IoWC) for FY 2023-24.

Commission’s Analysis

- 5.76 The Commission also doesn’t approve any Interest on Working Capital (IoWC) during the Truing up FY 2023-24.



Operation and Maintenance Expenses (O&M)

Petitioner’s Submission

- 5.77 The Petitioner has submitted that that regulatory provisions of the JSERC Distribution Tariff Regulation 2020 clause 10.3 does not differentiate in treatment of different components of O&M expenses, viz. Employee, A&G and R&M expenses, as far as Normative calculation of Employee, A&G and R&M costs are concerned. Same methodology should be adopted for calculation of approved value of normative employee, A&G and R&M cost. Therefore, the Petitioner submits that the approach to determine the cost of three components cannot be different.
- 5.78 The combined inflation factor proposed by the Petitioner is 3.72% for weighted average of CPI and WPI indices for FY 2022-23 and 2023-24. The Petitioner has provided a growth factor of 7.91% based on the increase in Load (in kVA).
- 5.79 As per the actual accounts, the Petitioner has submitted Employees expenses of Rs. 12.73 Cr. inclusive of Terminal Benefits of Rs. 0.73 Cr. The A&G expenses claimed is Rs. 8.78 Cr. inclusive of CGRF expenses and Petition filing expenses of Rs. 0.36 Cr and Rs. 0.16 Cr. respectively.
- 5.80 The A&G expenses submitted by the Petitioner mainly includes Rent, Travelling & Conveyance, Software charges, Consultancy charges, Advertisement expenses, Security Charges, Vehicle hiring charges etc. It is also submitted that the A&G Expenses are inclusive of CGRF Expenses of Rs. 0.36 Cr. and Petition & other filing fees to the Commission amounting to Rs. 0.16 Cr. The A&G expense claimed is tabulated below:

Table 35: A&G expenses (Rs. Cr.) as claimed by the Petitioner for FY 2023-24

Particulars	Formula	APR	Petition
A&G Expense excluding Petition filing fees & CGRF Expenses	A	3.51	8.26
Petition & other filing fees to JSERC	B	0.27	0.16
CGRF Expenses	C	0.15	0.36
Total Actual A&G Expenses	D=A+B+C	3.93	8.78

- 5.81 The Petitioner further submitted that the computation of Normative A&G expense needs to be revised to bring it to the reality by allowing A&G expense for the new areas which petitioner is serving after FY 2017-18. The Normative estimates approved for A&G expenses for FY 2023-24 in last tariff order has been arrived with only providing inflationary adjustment on the A&G expenditure of FY 2017-18 comes out to be Rs. 3.93 Cr. only, as compared to the actual A&G expenditure in meeting the expenses incurred for new areas covered as well as old areas which is Rs. 8.78 Cr



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

- 5.82 In regards to approval of R&M expenses, it was submitted that for 5 year’s MYT control period FY 2021-22 to FY 2025-26 should be done by considering the inflation factor on two aspects, (1) Inflation on K factor and (2) Cumulative Inflation factor for calculation of normative R&M expenses for future years.
- 5.83 The reasoning provided by Petitioner for using cumulative inflation for calculating R&M expense is due to the fact that Normative R&M value is lower than what it is expected to be. Furthermore, since cumulative inflation is considered for Employee and A&G expense, the same treatment should be given to R&M expense.
- 5.84 The Petitioner has provided a case wherein, if there is no addition to GFA, with K-factor being constant, there shall be no increase in R&M expenses. Although, in practice, the R&M expense shall increase based on inflation. Therefore, the Petitioner has requested for change in methodology.
- 5.85 As per the above submitted methodology, the Petitioner has claimed R&M expenses as follows:

Table 36: R&M expenses (Rs. Cr.) submitted by the Petitioner for FY 2023-24

Particulars	Formula	APR	Petition
Opening GFA	A	343.62	343.62
K Factor as per MYT Order	B	3.30%	3.30%
Add: Inflation factor for FY 2020-21	C		4.14%
Add: Inflation factor for FY 2021-22	D		8.67%
Corrected K factor for MYT period	$E=B*(1+C)*(1+D)$		3.73%
Opening GFA*K-Factor	$F=A*E$	11.34	12.83
Add: Inflation factor for FY 2021-22	G		6.93%
Add: Inflation factor for FY 2022-23	H		6.87%
Add: Inflation factor for FY 2023-24	I	5.98%	3.72%
R&M Expense	<math>F=F*(1+G)* (1+H)*(1+I)</math>	12.02	15.21

- 5.86 The Petitioner has claimed revision in R&M expenses approved for FY 2022-23 as per above methodology and claimed an additional expense of Rs. 2.39 Cr. totaling the R&M expense to Rs. 17.60 Cr.
- 5.87 In regards to the Employee expenses, the Petitioner has computed normative Employee Expenses for FY 2023-24 exclusive of Terminal Liability considering Inflation of 3.72% (for FY 2023-24) and Employee Growth Factor of 13% based on employees as per the letter no PBD/PSK/441/2024 dated 17.10.2024 given to JSERC (Considering MOR for FY 2022-23 and FY 2023-24). The Petitioner has also submitted that to arrive at the final normative employee expense, it has added the actual



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terminal liabilities of Rs. 0.73 Cr. or FY 2023-24 as per the audited annual accounts to normative employee expense (excluding terminal liabilities) to arrive at the total Normative Employee Expense for FY 2023-24 as follows:

Table 37: Employee Expenses (Rs. Cr.) claimed by the Petitioner for FY 2023-24

Particulars	Formula	APR	Petition
Normative Employee Cost (n-1) Excluding Terminal Liabilities	A	13.51	13.51
Weighted Avg. Inflation factor (in %)	B	5.98%	3.72%
Growth Factor-Gn (in %)	C	6.85%	13.00%
Employee Cost as per normative basis (Excl. Terminal Liabilities)	$D=A*\{(1+B)*(1+C)\}$	15.30	15.84
Terminal Liabilities	E	0.00	0.73
Employee Cost as per normative basis (Incl. Terminal Liabilities)	$F=D+E$	15.30	16.57

5.88 In line with above discussion, the Petitioner has claimed the following O&M expenses:

Table 38: O&M expenses (Rs. Cr.) claimed by the Petitioner for FY 2023-24

Particulars	Formula	APR	Audited	Normative Amount
A&G Costs excl. Petition Filing Fees and CGRF Expenses	A	3.51	8.50	7.39
R&M Expenses	B	12.02	11.54	17.60
Employee Cost excluding Terminal Liabilities	C	15.30	12.00	015.84
Total O&M Expenses for the purpose of sharing of Gains/Losses	$D=A+B+C$	30.83	32.03	40.83
Terminal Liabilities/ Additional Manpower	E	0.00	0.73	0.73
CGRF Expenses	F	0.27	0.36	0.36
Petition & other filing fees to JSERC	G	0.15	0.16	.16
Total O&M Expenses	$H= D+E+F+G$	31.24	33.28	42.07

5.89 Further, for calculation of sharing of gains/(loss) on O&M Expenses, the Petitioner has considered the actual value of Employee Expenses, A&G Expenses and R&M Expenses for FY 2023-24 as per the Audited Accounts as shown below:



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Table 39: Sharing of Gain/Loss on O&M expenses and final O&M claim (Rs. Cr.) for FY 2023-24

Particulars	Formula	Claimed
Normative O&M Expenses	A	40.83
Actual O&M Expenses	B	32.03
Sharing of Gains/Losses	C=A-B	8.80
Sharing of Gains to be retained by Licensee	D=50% of C	4.40
Terminal Liabilities	E	0.73
CGRF Expenses	F	0.36
Petition & other filing fees to JSERC	G	0.16
Total O&M Claim of TATA Steel UISL	H=B+D+E+F+G	37.67

Commission's Analysis

5.90 The Commission has outlined **clause 10.3 to clause 10.7** of JSERC Distribution Tariff Regulation 2020 for the approval of operation and maintenance expense as reproduced below:

“Operation and Maintenance Expenses

10.3 Operation and Maintenance (O&M) Expenses shall include:

- a) Salaries, wages, pension contribution and other employee costs;
- b) Administrative and General Expenses;
- c) Repairs and Maintenance Expenses.

10.4 The O&M Expenses for the Base Year of the Control Period shall be approved by the Commission taking into account the audited accounts of FY 2015-16 to FY 2019-20, Business Plan filed by the Licensee, estimates of the actual for the Base Year, prudence Check and any other factor considered appropriate by the Commission.

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

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

Where,

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

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

A&G_n – Administrative and General Costs of the Licensee for the *n*th year.

10.6 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



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

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 nth 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;

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

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

Note 2: Any variation due to changes recommended by the Pay Commission, wage revision agreement, etc., will be considered separately by the Commission;

Note3: Terminal Liabilities will be approved as per actual submitted by the Licensee along with documentary evidence such as actuarial studies.

10.7 The Distribution Licensee, in addition to the above details shall also submit the detailed break-up of the Legal/Litigation Expenses for the previous Years (FY 2015- 16 to FY 2019-20) along with the details and documentary evidence of incurring such expenses. The Commission shall approve the legal expenses as per the relevant provisions of the Jharkhand State Litigation Policy based on the necessary documentary evidence submitted for the Control Period and shall carry out due prudence check of legal expenses at the time of truing up.”

- 5.91 Base on the above excerpt, the Commission had calculated the inflation factor as 3.72% for FY 2023-24.
- 5.92 Further, the Commission has observed that the Petitioner has submitted the Growth factor of 13% based on increase in kVA load. Hence, based on the above mentioned regulation the Commission has considered the growth factor as 13% for Computation of employee expenses.
- 5.93 Based on the facts & circumstances observes in the petition, the Commission approves the normative employee expenses (excluding



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Terminal benefits) for FY 2023-24 by taking the actual value of inflation factor of 3.72% and growth factor of 13%.

Table 40: Normative Employee Expenses (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	UoM	Approved
Employee Cost of Previous Year	Rs. Cr.	13.51
Inflation Factor	%	3.72%
Growth Factor	%	13.00%
Normative Employee Expenses	Rs. Cr.	15.84

5.94 The Commission approves the normative A&G Expenses for FY 2023-24, based on the approved normative A&G Expenses for FY 2022-23 (excluding Petition Filing Fee and CGRF Expenses) and the actual inflation factor as 3.72% for FY 2023-24.

Table 41: Normative A&G Expenses (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	3.31
Inflation Factor	%	3.72%
Normative A&G Expenses	Rs. Cr.	3.37

5.95 For the purpose of evaluating the normative R&M Expenses, the Commission has taken the approved opening value of Gross Fixed Assets for FY 2023-24 and by multiplying the 'k' factor of 3.30% as approved in the MYT Order dated November 24, 2022 and inflation factor 3.72%.

Table 42: Normative R&M Expenses (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	UoM	Approved
GFA	Rs. Cr.	343.62
K-Factor	%	3.30%
<i>Inflation Factor FY 2021-22</i>	%	6.93%
<i>Inflation Factor FY 2022-23</i>	%	6.87%
<i>Inflation Factor FY 2023-24</i>	%	3.72%
Normative R&M Expense	Rs. Cr.	13.44

5.96 Based on the above discussion, the Commission approves the normative operational and maintenance expense as given below.

Table 43: Normative O&M Expenses (Rs Cr.) as approved by the Commission for



FY 2023-24

Particulars	Approved
Normative Employee Expense	15.84
Normative A&G Expenses	3.37
Normative R&M Expenses	13.44
Net Normative Operation & Maintenance Expenses	32.65

5.97 The Commission approves the Terminal liabilities, Petition Filing Fee and CGRF Expenses based on actual as per **note 13** and **note 16**.

5.98 In view of the above, the O&M Expenses claimed by the Petitioner and approved by the Commission including sharing of Gain/(Loss) for FY 2023-24 as given below:

Table 44: Sharing of Gain/Loss (Rs. Cr.) on account of O&M Expenses as approved by the Commission for FY 2023-24

Particulars	Petition	Approved
Normative O&M Expenses	40.83	32.65
Actual O&M Expenses	32.03	32.03
Gain/(Loss)	8.80	0.62
Sharing of Gain/Loss	4.40	0.31
Terminal Liabilities	0.73	0.73
Petition Filing Fee	0.16	0.16
CGRF Expenses (Rent & Remuneration)	0.36	0.36
Net O&M Expenses	37.67	34.21

Non-Tariff Income

Petitioner's Submission

5.99 The Petitioner has claimed Rs. 0.98 Cr. towards Non-Tariff Income for FY 2023-24 based on audited account.

Table 45: Non-Tariff Income (Rs. Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	APR	Petition
Non-Tariff Income	0.74	0.98

Commission's Analysis

5.100 On scrutinizing and analyzing the annual audit account, the Commission approves the NTI tuned to Rs 0.98 Cr. which include income from Delayed Payment Surcharge, income from Sale of Scrap and Income from



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Miscellaneous Sources as per '**note 17A**' of Annual Audit statement for FY 2023-24 as shown below:

Table 46: Non-Tariff Income (Rs. Cr.) as approved by the Commission.

Particulars	APR	Petition	Approved
Non-Tariff Income	0.74	0.98	0.98

Revenue from Sale of Power

Petitioner's Submission

5.101 The Petitioner has submitted that the revenue from sales of power as per audited accounts for Reconciliation of Revenue/ Income is Rs. 646.27 Cr. for FY 2023-24.

Commission's Analysis

5.102 On scrutinizing and analyzing, the audited accounts as mentioned in **Note 17A**. The Commission approves the Revenue from Sale of Power as Rs. 646.27 Cr. on the basis of Audited Accounts for FY 2023-24.

Table 47: Revenue from sale of Power (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	Petition	Approved
Revenue from Tariff Income	646.27	646.27

Collection Efficiency

Petitioner's Submission

5.103 The Petitioner has claimed to have achieved a collection efficiency of 101.50% in FY 2023-24. Accordingly, the Petitioner has computed the sharing of Gain/loss as per the provisions in the JSERC Distribution Tariff Regulation 2020. Total Gain on account of higher collection efficiency is Rs. 12.84 Cr. The Computation of the same is given in the table below.

Table 48: Collection Efficiency Revenue (Rs Cr.) as submitted by the Petitioner for FY 2023-24

Particulars	Formula	Petition
Opening amount of Debtors	A	62.21
Revenue Billed during the year	B	646.27
Revenue Collection during the year	C	655.97
Closing amount of Debtors	D=A+B-C	52.51



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Particulars	Formula	Petition
Collection Efficiency (in %)	$E=C/B$	101.50%
Minimum Collection Efficiency Allowed (in %)	F	99.50%
Collection over Target Collection Efficiency	$G= E-F$	2.00%
Gain/(Loss)	H=G*B	12.94
Collection Efficiency Claim of Tata Steel UISL 50%	I = 50% * G	6.47

5.104 The Petitioner is claiming collection efficiency gain of Rs. 6.47 Cr.

Commission's Analysis

5.105 The Commission had sought the Billing system based proof to support the Collection for FY 2023-24. The Petitioner vide **Letter No. PSD/PSK/798/2025 dated February 19, 2025** submitted the detailed collection information from IT based billing system for the year. Based on the facts & circumstance, the Commission approve the collection efficiency as per **clause 6.38 to 6.53** of JSERC Distribution Tariff Regulation 2020 as computed below:

Table 49: Collection Efficiency Revenue (Rs Cr.) as approved by the Commission for FY 2023-24

Particulars	Formula	Petition	Approved
Opening amount of Debtors (Rs. Cr.)	a	62.21	62.21
Revenue during the year (Rs. Cr.)	b	646.27	646.27
Collection (Rs. Cr.)	c	655.97	655.97
Closing amount of Debtors (Rs. Cr.)	$d=a+b-c$	52.51	52.51
Collection Efficiency (%)	$e=c/b$	101.50%	101.50%
Collection Efficiency target (%)	f	99.50%	99.50%
Gain (%) (upto 100%)	g	2.00%	0.50%
Gain Value (Rs. Cr.)	h	12.93	3.23
Collection Efficiency to be shared with TSUISL	i=50%*h	6.47	1.62

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

Petitioner's Submission

5.106 The Petitioner has claim a Revenue Surplus of Rs (29.68) Cr. for FY 2023-24 based on audited accounts and normative claimed in the Petition.



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Commission's Analysis

5.107 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Revenue Gap/(Surplus) for FY 2023-24 which is summarized below.

Table 50: Summary of ARR (Rs. Cr.) as approved by the Commission for FY 2023-24.

Particulars	APR	Petition	Approved
Power Purchase Cost	539.39	539.51	523.89
O&M Expenses	31.26	37.67	34.21
Depreciation	6.66	7.72	7.45
Interest on loan	5.31	5.63	5.65
Interest on Consumer Security Deposit	9.02	8.70	8.70
Interest on Working Capital			
Return on Equity	11.58	11.88	11.88
Non-Tariff Income	(0.74)	(0.98)	0.98
Annual Revenue Requirement	602.46	610.13	590.80
Revenue from Sale of Power	642.22	646.27	646.27
Revenue Gap/(Surplus)	(39.76)	(36.14)	(55.47)
Add/ Less: Impact of Sharing of Gains/ Loss on Collection Efficiency		6.47	1.62
Revenue Gap/(Surplus) after sharing of Gain/loss		(29.68)	(53.86)

5.108 The Commission has approved the treatment of the Revenue Gap/(Surplus) in **Chapter 8** of this Order.

5.109 The Commission also approves the summarized ARR for Wheeling and Retail Business for FY 2023-24”

Table 51: Wheeling and Retail ARR (Rs Cr.) as approved by the Commission for FY 2023-24

Particulars	Wheeling %	Retail %	Wheeling ARR	Retail ARR	Total Approved
Power Purchase Cost	0%	100%	-	523.89	523.89
O&M Expenses			24.48	9.73	34.21
Employee Expenses	60%	40%	9.50	6.33	15.84
A&G Expenses	50%	50%	1.87	1.87	3.73
R&M Expenses	90%	10%	12.10	1.34	13.44
Gain on O&M	90%	10%	0.94	0.10	1.04
Petition Filing Charges & CGRF	50%	50%	0.08	0.08	0.16



True-up for FY 2023-24, APR for FY 2024-25, and ARR & Tariff for FY 2025-26

Particulars	Wheeling %	Retail %	Wheeling ARR	Retail ARR	Total Approved
Expenses					
Interest on Loan	90%	10%	5.08	0.56	5.65
Interest on Working Capital	10%	90%	-	-	0.00
Interest on Security Deposit	0%	100%	-	8.70	8.70
Depreciation	90%	10%	6.70	0.74	7.45
Return on Equity	90%	10%	10.69	1.19	11.88
Gross Aggregate Revenue Requirement			46.95	544.82	591.78
Less: Non-Tariff Income	10%	90%	(0.10)	(0.88)	(0.98)
Aggregate Revenue Requirement	7.93%	92.07%	46.86	543.94	590.80
Less: Revenue from sale of Power @ Existing Tariff	7.93%	92.07%	51.26	595.02	646.27
Net Gap/ (Surplus)			(4.40)	(51.07)	(55.47)



Chapter 6: ANNUAL PERFORMANCE REVIEW FOR FY 2024-25

6.1 As per Clause 13.2 of the JSERC Distribution Tariff Regulations, 2020:

“13.2 The Licensee shall submit the Annual Performance Review report as part of annual review on actual performance as per the timelines specified in the Section A24 of these Regulations to assess the performance vis-à-vis the targets approved by the Commission at the beginning of the Control Period. This shall include annual statements of its performance and accounts including audited/authenticated accounts and the tariff worked out in accordance with these Regulations.”

6.2 In the instant petition the Petitioner has now sought an Annual Performance Review (APR) for FY 2024-25 based on the actual for first six months (H1) and estimating for the balance six months (H2).

6.3 The Commission on scrutinizing the instant petition on the basis of provision of the Tariff Regulation, 2020 & amendments has determined the APR for FY 2023-24 on consideration of the:

- Actual for H1 period and Projected for H2 period
- Information made available by the Petitioner;

6.4 The component-wise details filed by the Petitioner’s and the Commission’s analysis and discussion is made in the upcoming paragraph.

Consumers, Connected Load and Energy Sales

Petitioner’s Submission

6.5 The Petitioner has submitted the details of the number of consumers, connected load and energy sales for FY 2024-25 based on the first six month’s actuals (H1) while projections for balance six months (H2) has been submitted. The same is tabulated as follows:

Table 52: Number of Consumers, Connected Load and Sales as submitted by the Petitioner for FY 2024-25

Consumer Category	Number of Consumers		Connected Load (in kVA)		Energy Sales (in MU)	
	ARR	Petition	ARR	Petition	ARR	Petition
Domestic Services (DS)	7,989	7,712	66,786	61,141	45.42	51.43
Domestic Services - Rural	1,001	917	2,941	2,841	1.96	2.20
Domestic Services - Urban	6,952	6,759	55,101	49,760	30.42	34.61



Consumer Category	Number of Consumers		Connected Load (in kVA)		Energy Sales (in MU)	
	ARR	Petition	ARR	Petition	ARR	Petition
Domestic Services - HT	36	36	8,744	8,539	13.04	14.61
Commercial Services (Non-Domestic)	1,445	1,426	14,952	14,493	14.01	14.75
Commercial Services-Rural>5 kW	50	31	534	519	0.66	0.57
Commercial Services-Rural<5 kW	80	90	346	349	0.22	0.22
Commercial Services-Urban>5 kW	496	499	11,601	11,308	11.23	12.18
Commercial Services-Urban<5 kW	819	806	2,471	2,316	1.90	1.77
Low Tension Industrial Services (LTIS)	347	326	17,410	17,548	22.04	22.13
High Tension Services (HTS)	354	350	2,69,434	2,70,583	1,063.59	1,034.08
HTS-11 KV	297	290	1,00,339	1,00,013	293.20	284.78
HTS-33 KV	57	60	1,69,095	1,70,570	770.39	749.30
Temporary Services	10	37	272	296	0.10	0.10
Total	10,145	9,851	3,68,854	3,64,060	1,145.16	1,122.48

Commission's Analysis

6.6 On scrutinizing the material, information, actual figure and details submitted by the Petitioner and on prudent Check, the Commission approves the actual number for H1 period and projected for H2 period of consumers, connected load, and energy sale FY 2024-25 which is summarized in the table below:

Table 53: Number of Consumers, Connected Load and Sales as submitted by the approved by the Commission for FY 2024-25

Particulars	No. of Consumer		Connected Load (kVA)		Consumption (MUs)	
	Petition	Approved	Petition	Approved	Petition	Approved
Domestic Services (DS)	7,712	7,712	61,140	61,140	51.43	51.43
Domestic Services - Rural	917	917	2,841	2,841	2.20	2.20
Domestic Services - Urban	6,759	6,759	49,760	49,760	34.61	34.61
Domestic Services - HT	36	36	8,539	8,539	14.61	14.61
Commercial Services (Non-Domestic)	1,426	1,426	14,493	14,493	14.75	14.75
Commercial Services-Rural>5 kW	31	31	519	519	0.57	0.57
Commercial Services-Rural<5 kW	90	90	349	349	0.22	0.22
Commercial Services-Urban>5 kW	499	499	11,308	11,308	12.18	12.18
Commercial Services-Urban<5 kW	806	806	2,316	2,316	1.77	1.77



Particulars	No. of Consumer		Connected Load (kVA)		Consumption (MUs)	
	Petition	Approved	Petition	Approved	Petition	Approved
Low Tension Industrial Services (LTIS)	326	326	17,548	17,548	22.13	22.13
High Tension Services (HTS)	350	350	2,70,583	2,70,583	1034.08	1034.08
HTS-11 KV	290	290	1,00,013	1,00,013	284.78	284.78
HTS-33 KV	60	60	1,70,570	1,70,570	749.30	749.30
Temporary Services	37	37	296	296	0.10	0.10
Total	9,851	9,851	3,64,061	3,64,061	1,122.48	1,122.48

Energy Balance

Petitioner's Submission

- 6.7 It has been submitted that in order to meet the energy requirement, the Petitioner has procured power from different sources.
- 6.8 The Petitioner has considered H1 performance and estimated the energy requirement for the remaining six months of FY 2024-25. The power purchase quantum for H2 is assumed in line with H1 power purchase from same source. The Petitioner has projected the loss at 3.42% for FY 2024-25 and proposed the Energy Balance as summarized below:

Table 54: Energy Balance (in MU) as submitted by the Petitioner for FY 2024-25

Particulars	ARR	Petition
Energy Requirement		
Sales (MU)	1145.13	1,122.48
Distribution Losses %	3.42%	3.42%
Distribution Losses (MU)	39.18	39.75
Total Energy Requirement (MU)	1185.69	1,162.23
Energy Availability		
Tata Steel Ltd. (MU)	470.01	418.24
DVC at 33 kV (MU)	188.35	150.69
DVC at 132 kV (MU)	517.33	583.29
Others/Traders (MU)	10.00	10.00
Total Energy Availability (MU)	1185.69	1,162.23

Commission Analysis

- 6.9 On scrutinizing the bills for H1 period raised by the DVC and Tata Steel Ltd. and the projections made by the Petitioner, it is observed that a



marginal variation in quantum has been claimed in the APR Petition. The Commission is of the view that the additional quantum is for mitigating anomalous conditions, if any, and system constraints. Therefore, the Commission approves the quantum and rate for H2 period projection as proposed by the Petitioner.

6.10 In line with the Tariff Order dated June 26, 2024, the Commission has approved overall distribution loss of 3.42% for FY 2024-25

6.11 It is observed by the Commission that the Petitioner planned to procure power quantum of 10.00 MUs from Others/Traders. In this regard, the Commission direct to provide the basis of projection of power purchase of 10.00 MUs from Others/Traders for October to March of FY 2024-25. However, since there was no power purchase bill submitted as part of the Petition, the Commission enquired regarding the power purchase plan from Others/Traders during FY 2024-25. In reply to this, the Petitioner has submitted that they had planned to buy 10.00 MU power from others/traders because of following reasons as given below:

- a) To buy power from Open access/exchange during outage/restriction from DVC.
- b) Due to high level of demand in the Adityapur Industrial Area, this area network has almost reached full capacity. After widening of the Tata Kandra Main Road and significantly high number of new utilities (JBVNL power cables, Gail pipelines, water utilities, FO Cable or Telecom companies and wastewater Drains) commissioned recently in the same underground corridor, suitable corridor is not available to lay new cables from the Petitioner's main substation to Adityapur Industrial Area. In view of the same and to meet a part of the demand from consumers, Petitioner has plans to take power from JBVNL at 33 kV for 20 MVA.
- c) Petitioner has also approached JBVNL for 200 kVA power in Seraikela town to cater as standby source of power supply, which may be used in case of breakdown/ shutdowns.
- d) In view of the above, the Petitioner has projected 10 MU of power purchase from other/ Trader. The petitioner requests the Commission to kindly approve the energy balance for FY2024-25 accordingly.

6.12 Based on the facts and circumstance and above submission, the Commission approves 10.00 MU from Others/Trader, subject to true-up based on actual.

6.13 In line with the above discussion, the approved energy balance for FY 2024-25 is summarized as follows:

**Table 55: Energy Balance (MU) as approved by the Commission for FY 2024-25**

Particulars	ARR	Petition	Approved
Energy Requirement			
Sales (MU)	1145.13	1122.48	1122.48
Distribution Losses %	3.42%	3.42%	3.42%
Distribution Losses (MU)	39.18	39.75	39.75
Total Energy Requirement (MU)	1185.69	1162.23	1162.23
Energy Availability			
Tata Steel Ltd. (MU)	470.01	418.24	418.24
DVC at 33 kV (MU)	188.35	150.69	150.69
DVC at 132 kV (MU)	517.33	583.29	583.29
Others/Traders (MU)		10.00	10.00
Total Energy Availability (MU)	1185.69	1162.23	1162.23

Power Purchase Cost

Petitioner's Submission

- 6.14 The Petitioner has submitted the power purchase cost on the basis of actuals for the H1 period and that estimated for the H2 period of FY 2024-25 as annexed in **Annexure-9**. The Petitioner has further submitted that the exiting rate of H1 at which TSL is charging Tata Steel USIL is based on provisional data available for the first six months of FY 2024-25. For the purpose of projection for H2 of FY 2024-25, the petitioner has considered the unit power purchase cost of Tata Steel as approved in ARR for FY 2024-25 in Tariff Order dated June 26, 2024.
- 6.15 Furthermore, the Petitioner has submitted that the rates are based on weighted average pooled power purchase cost approved for TSL for FY 2024-25. Petitioner also submitted that in order to meet increasing demand of consumers TSL has agreed to provide additional power (~15 MVA) at 33 kV level at weighted average cost of power plus losses and wheeling charges for 33 kV, till such time new connectivity is established with CTU. The Petitioner has requested for approval of such method of billing for 33 kV level power supply to TSUISL from TSL based as above.
- 6.16 The Petitioner has submitted the monthly breakup of DVC 132 and 33 kV source for power purchase quantum and cost for H1 as annexed in **Annexure-10** of the main petition. The Petitioner has considered higher power purchase rate from DVC during H2 because of expected increase in DVC tariff.
- 6.17 With regard to RPO the petitioner has submitted that the Tata Steel USIL



purchase power from two sources i.e. (1) DVC and (2) Tata Steel Limited in consumer mode. The RPO Obligation for the units purchased from DVC and Tata Steel rest with them and therefore RPO obligation on units purchased from Tata Steel and DVC are not applicable for Tata Steel UISL.

- 6.18 Based on above discussion, the Petitioner has requested to approve the power purchase cost as Rs. 534.16 Cr. for FY 2024-25 subject to truing up.

Table 56: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner for FY 2024-25

Particulars	ARR	Petition
Tata Steel Ltd.	241.98	209.16
DVC at 33 kV	91.55	70.90
DVC at 132 kV	224.27	249.32
Others/Traders	4.74	4.77
Net Power Purchase cost	562.54	534.16

Commission Analysis

- 6.19 It is observed by the Commission that the Petitioner has been considered in the same proportion as was procured originally in H1 period for FY 2024-25 with minor variations. This however, may undergo change due to variation in loading of various industrial consumers connected to individual feeders / source.
- 6.20 Base on the fact and circumstance the Commission approves the power quantum of 10.00 MU from Other/Traders at a weightage average cost of all the source of TSIUSL for FY 2024-25 amounting to Rs. 4.59 per unit.
- 6.21 On scrutinizing and analyzing the submission, the Commission approves the cost of power purchased from TSL based on the average power procurement cost as approved in the ARR for FY 2024-25 order dated June 26, 2024 for TSL, and subject to truing up. The Commission also approves the delivery of power from TSL at 33kV level to cater to additional load on account of increase in demand from consumers at weighted average cost of power plus losses and wheeling charges for 33 kV.
- 6.22 In case of power procured from DVC 33kV & DVC 132kV, the Commission approves the average power procurement cost based on the actual for H1 period and considered the same proportion for the H2 period submitted by the Petitioner, and shall be subject to prudent check at the time of truing up.
- 6.23 The Commission is of the view that since the Petitioner is procuring power



from Distribution Licensees i.e., TSL and DVC in consumer mode. Therefore, it not liable to meet the RPO compliance for the units purchased from TSL and DVC 33kV & DVC 132kV.

- 6.24 The Power Procurement Cost from each source as proposed by the Petitioner and approved by the Commission for FY 2024-25 is tabulated hereunder.

Table 57: Power Procurement Cost (Rs. Cr.) as approved by the Commission for FY 2024-25

Particulars	ARR	Petition	Approved
Tata Steel Limited	241.98	209.16	215.81
DVC at 33 kV	91.55	70.90	70.90
DVC at 132 kV	224.27	249.32	249.32
Others/Traders	4.74	4.77	4.65
Power Purchase Cost	562.54	534.16	540.69

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

Petitioner's Submission

- 6.25 The Petitioner has submitted that the CWIP and GFA based on the actual for first six months (H1) and estimated for next six months (H2) for FY 2024-25. The Petitioner has further submitted that Opening CWIP, Capital Expenditure incurred during the year, Capitalization of Assets opening and closing GFA based on the H1 and H2 period as shown below:

Table 58: CWIP & GFA (Rs. Cr.) as submitted by the Petitioner for FY 2024-25

Particulars	ARR	Petition
Capital Work in Progress		
Opening CWIP	25.53	29.81
Capex Expenditure	71.33	80.19
Capitalization	71.33	67.50
Closing CWIP	25.53	42.51
Gross Fixed Asset		
Opening GFA	371.62	383.03
GFA Addition	71.33	67.50
Closing GFA	442.95	450.53

Commission's Analysis

- 6.26 Based on the information submitted by the Petitioner for H1 of FY 2024-



25 and on prudent check, the Commission has provisionally approved the CWIP and GFA for FY 2024-25, subjected to true-up based on actuals is given below.

Table 59: CWIP & GFA (Rs. Cr.) as approved by the Commission for FY 2024-25

Particulars	ARR	Petition	Approved
Capital Work in Progress			
Opening CWIP	25.53	29.81	29.83
Capex Exp.	71.33	80.19	80.19
Capitalization	71.33	67.50	67.50
Closing CWIP	25.53	42.51	42.52
Gross Fixed Asset			
Opening GFA	371.62	383.03	383.03
GFA Addition	71.33	67.50	67.50
Closing GFA	442.95	450.53	450.53

Consumer Contribution

Petitioner's Submission

6.27 The petitioner has submitted that similar to the approach adopted in the previous year, the actual consumer contribution received in H1 and expected to be received in H2 based on the number of consumers and connected load to be added in H2 is added to arrive at the total consumer contribution for FY 2024-25.

Table 60: CC Capitalized and Received (Rs. Cr.) as submitted by the Petitioner for FY 2024-25.

Particulars	Petition
CC received during the Year	10.72
CC capitalized during the Year	9.17

Commission's Analysis

6.28 The Commission has analyzed and scrutinized the details submitted by the Petitioner and approves the Consumer Contribution received during FY 2024-25 as below. Accordingly, the same is taken for calculation of Depreciation, Loan Addition and Equity Addition calculations as per the methodology adopted by the Commission in earlier Orders subjected to prudent check at the time of truing-up.

Table 61: Consumer Contribution (Rs. Cr.) as approved by the Commission for FY



2024-25

Particulars	Petition	Approved
Consumer Contribution received during the Year	10.72	10.72

Depreciation

Petitioner's Submission

- 6.29 The Petitioner considered an average depreciation rate of 3.86% based on actual depreciation observed in FY 2023-24 as against 3.54 % approved in earlier estimates
- 6.30 The Petitioner has submitted the depreciation on assets funded through Consumer Contribution as shown below:

Table 62: Depreciation (Rs Cr.) as submitted by the Petitioner for FY 2024-25.

Particulars	Formula	ARR	Petition
Opening GFA	A	371.62	383.04
Closing GFA	B	442.95	450.53
Average GFA	$C=(A+B)/2$	407.29	416.78
Gross depreciation for the year	D	14.43	16.09
Average Gross depreciation rate	E=D/C	3.54%	3.86%
Depreciation on account of consumer contribution	F	6.32	6.40
Net Depreciation for the year	G=E-F	8.11	9.69

Commission's Analysis

- 6.31 The Commission has calculated the actual rate of depreciation for FY 2023-24 as per the Truing up in previous section of this Order. The landed rate of depreciation is 3.85%. Considering the same rate of depreciation and excluding depreciation of consumer contribution, the Commission approves the below tabulated depreciation:

Table 63: Depreciation (Rs Cr.) as approved by the Commission for FY 2024-25

Particulars	ARR	Petition	Approved
Opening GFA		383.03	383.03
Addition to GFA		67.50	67.50
Closing GFA		450.53	450.53
GFA Considered (A)	407.29	416.78	416.78
Average Consumer Contribution Received (B)	178.38	179.21	180.31
Gross Depreciation (C)	14.43	16.09	14.01



Particulars	ARR	Petition	Approved
Depreciation on Account of CC (D=C/A*B)	6.32	6.40	6.06
Net Depreciation (E=C-D)	8.11	9.69	7.95

Interest on Loan

Petitioner's Submission

- 6.32 The Petitioner has submitted that the normative loan has been computed by considering the normative Debt-Equity ratio of 70:30. The deemed normative loan addition is considered as 70% of additional capitalizations net of Consumer Contribution capitalized during FY 2024-25. The deemed repayment has been considered equivalent to net depreciation for the Financial Year.
- 6.33 The table below shows the normative loan and normative equity added during the FY 2024-25 as submitted by the Petitioner. The normative loan is estimated based on the actual Capitalization and Consumer Contribution capitalized during the Financial Year.

Table 64: Normative Loan & Normative Equity (Rs. Cr.) added during FY 2024-25

Particulars	ARR	Petition
Assets added during the Financial Year	71.33	67.50
CC capitalized during the Financial Year	(9.00)	(10.72)
Normative Amount added during the Financial Year	62.33	56.77
Equity Addition (30%)	18.70	17.03
Debt Addition (70%)	43.63	39.74

- 6.34 In accordance with **clause 10.26 and clause 10.27** of the Distribution Tariff Regulations, 2020 the interest on normative loan has been calculated on the average balance of the normative loan during the Financial Year. The addition of loan amount has been considered on normative basis and repayment equal to depreciation is considered for FY 2024-25. The rate of interest is considered as SBI Bank Rate plus 200 basis points as on April 01, 2024 (i.e. 10.65%= 8.65%+ 200 basis points).

Table 65: Interest on Loan (Rs. Cr.) as submitted by the Petitioner for FY 2024-25

Particulars	ARR	Petition
Opening Balance of Normative Loan	54.05	60.23
Deemed Addition during the FY	43.63	39.74
Deemed Repayment	(8.11)	(9.69)



Particulars	ARR	Petition
Closing Balance of Normative Loan	89.57	90.27
Average Balance of Normative Loan	71.82	75.25
SBI Bank Rate plus 200 bp	10.50%	10.65%
Interest on Loan	7.54	8.01

Commission's Analysis

- 6.35 In accordance with **clause 10.16 and clause 10.17**, as mentioned earlier in this order, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.
- 6.36 While approving the normative addition for FY 2024-25, the Commission has considered the GFA addition and Consumer Contribution received during FY 2024-25, in accordance with previous Orders.
- 6.37 In accordance with the **clause 10.23** as mention earlier in this order the Commission approves the debt repayment equal to depreciation for the year.
- 6.38 The table below shows the normative loan and normative equity added during the FY 2024-25 as methodology discuss above. The Normative Loan is estimated based on projected consumer contribution received during the year (i.e for FY 2024-25).

Table 66: Normative Loan & Normative Equity (Rs. Cr.) added during FY 2024-25

Particulars	Petition	Approved
Assets added during the Financial Year	67.50	67.50
CC Received during the Financial Year	(10.72)	(10.72)
Normative Amount added during the FY	56.77	56.77
Equity Addition (30%)	17.03	17.03
Debt Addition (70%)	39.74	39.74

- 6.39 In accordance with **clause 10.26 (proviso)** as mentioned above, the Commission approves the interest rate as 10.65% (Base rate of SBI as applicable on April 01, 2024 plus 200 basis point).
- 6.40 The following table show the details of Interest and Finance Charges as submitted by the Petitioner and that approved by the Commission for FY 2024-25.



Table 67: Interest on Loan (Rs. Cr.) as approved by the Commission for FY 2024-25

Particulars	ARR	Petition	Approved
Opening Loan	54.05	60.23	60.49
Normative Addition	43.63	39.74	39.74
Normative Repayment	8.11	9.69	7.95
Closing Loan	89.57	90.28	92.28
Average Loan	71.81	75.26	76.39
Rate of Interest	10.50%	10.65%	10.65%
Interest on Loan	7.54	8.01	8.14

Interest on Security Deposits

Petitioner's Submission

6.41 The Petitioner in the table below has estimated the Security Deposit amount to be received during the year based on the growth expected in FY 2024-25 and has also estimated the receipt of Cash Security Deposit amount of around Rs. 8.31 Cr. on an overall basis. The SBI rate for April 1, 2024 considered is 10.25%.

Table 68: Consumer Security Deposit (Rs. Cr.) as submitted by the Petitioner for FY 2024-25

Particulars	ARR	Petition
Opening Consumer Security Deposit	91.98	88.36
Consumer Security Deposit Addition	7.82	8.31
Closing Consumer Security Deposit	99.80	96.67
Average Consumer Security Deposit	95.89	92.52
Interest Rate	10.10%	10.25%
Interest on Consumer Security Deposit	9.68	9.48

Commission's Analysis

6.42 The Commission has gone through the Petition and analyzed the details submitted by the Petitioner before the Commission and on prudent check approves the Interest on Consumer Security Deposit for FY 2024-25 subject to true-up based on the audited accounts is given below:



Table 69: Consumer Security Deposit (Rs. Cr.) as approved by the Commission for FY 2024-25

Particulars	ARR	Petition	Approved
Opening Consumer Security Deposit	91.98	88.36	88.36
Consumer Security Deposit Addition	7.82	8.31	8.31
Closing Consumer Security Deposit	99.80	96.67	96.67
Average Consumer Security Deposit	95.89	92.52	92.52
Interest Rate	10.10%	10.25%	10.25%
Interest on Consumer Security Deposit	9.68	9.48	9.48

Return on Equity

Petitioner's Submission

6.43 The Petitioner has considered the opening normative equity for FY 2024-25 as per closing equity claimed for FY 2023-24. The annual addition has been considered as calculated in preceding sections. The rate of Return on Equity considered is 14.50% as per Regulation 10.19 of JSERC Distribution Tariff Regulations, 2020.

6.44 The Return on Equity has been grossed with the applicable income tax rate applicable for FY 2024-25 which stands at 25.17%. The return on equity for FY 2024-25 based on the normative approach is provided in the table below:

Table 70: Return on Equity (Rs. Cr.) as submitted by the Petitioner for FY 2024-25

Particulars	ARR	Petition
Opening Equity	62.67	65.77
Deemed Addition	18.7	17.03
Closing Equity	81.37	82.80
Average Balance of Equity	72.02	74.29
Rate of Return on Equity	14.50%	14.50%
Return on Equity	10.44	10.77
Tax Rate	25.17%	25.17%
Tax on Return on Equity	3.51	3.62
Return on Equity including Tax	13.95	14.39

Commission's Analysis

6.45 In line with JSERC Distribution Tariff Regulation, 2020 the Commission



has taken the normative addition of equity for FY 2024-25 as 30% of approved GFA added during the Financial Year along net of Consumer Contribution received.

- 6.46 In accordance with **clause 10.19** of Tariff Regulations, 2020 the Commission approves the Rate of Return on equity as 14.50%.
- 6.47 The Commission approves the Income Tax on Return on Equity @ 25.17% (under section. 115BAA of the Income Tax Act) for FY 2024-25, subject to prudent check at the time of truing up.
- 6.48 The table below show the details of Return on Equity (RoE) as submitted by the Petitioner and approved by the Commission for FY 2024-25.

Table 71: Return on Equity (Rs. Cr.) as approved by the Commission for FY 2024-25

Particulars	ARR	Petition	Approved
Opening Equity	62.67	65.77	65.77
Deemed Addition	18.70	17.03	17.03
Closing Equity	81.37	82.80	82.80
Rate of Return on Equity	14.50%	14.50%	14.50%
Return on Equity	10.44	10.77	10.77
Tax Rate	25.17%	25.17%	25.17%
Tax on ROE	3.51	3.62	3.62
Return on Equity including Tax	13.96	14.39	14.39

Interest on Working Capital

Petitioner's Submission

- 6.49 The Petitioner has not claimed any Interest on Working Capital (IoWC) for FY 2024-25.

Commission's Analysis

- 6.50 The Commission has also not allowed any Interest on Working Capital (IoWC) during the Truing up FY 2024-25.

Operation and Maintenance Expenses (O&M)

Petitioner's Submission

- 6.51 The Petitioner has submitted that as per the progress during Financial Year, the average inflation rate in true up of FY 2023-24 is 3.72%. The same rate is considered for FY 2024-25.



- 6.52 In regards to projection for H2 the Petitioner has submitted that The projected expenses in H2 are expected to be higher because of onboarding of additional manpower, opening of offices in new area and other maintenance activities in power and distribution substations and strengthening work of some of the distribution network.
- 6.53 The Petitioner has calculated the normative R&M Expenses considering the 'k' factor as 3.30% and as approved by the Commission in the MYT Order dated November 24, 2022 and has factored in the inflation factor (3.72%) while calculating the normative O&M Expenses for FY 2024-25.
- 6.54 In order to calculate the Employee expense, the methodology adopted by the Commission in previous orders for computation of normative Employee Expenses has been adopted by the Petitioner. Accordingly, Petitioner has computed normative Employee Expenses for FY 2024-25 exclusive of Terminal Liabilities considering Inflation Factor of 3.72% (for FY 2023-24) and Growth Factor of 3.02% as approved in the Tariff Order dated 26.06.2024 for FY 2024-25. The Petitioner further submits that to arrive at the final normative Employee Expenses, it has added the actual Terminal Liabilities of Rs. 0.80 Cr. for FY 2023-24 as per the Audited Annual Accounts inflated at a growth rate of 3.72% to the normative Employee Expenses (including Terminal Liabilities) to arrive at the total Normative Employee Expenses of **Rs. 17.72 Cr.** for FY 2024-25.
- 6.55 The A&G expense claimed by the Petitioner allowed with inflation factor over previous year approved figures. In line with the methodology adopted and submitted by the Petitioner in the MYT Petition for the Control Period FY 2021-22 to FY 2025-26, the Petitioner has considered the opening A&G Expenses for FY 2024-25 same as the closing A&G Expenses exclusive of CGRF Expense and Petition & Other Filing fees of FY 2023-24. On the opening A&G Expenses of FY 2024-25, the Petitioner has considered the inflation of 3.72% (Inflation factor for FY 2023-24) as well as Load Growth Factor of 6.42% (Connected load - 3,64,060.59 kVA in FY 2024-25 and 3,42,087 kVA in FY 2023-24) to project the normative A&G expenses for FY 2024-25 (inclusive of CGRF Expense and Petition & Other Filing fees). After considering the estimated Petition & Other Filing fees, & CGRF Expenditure the total A&G Expenses for FY 2024-25 is estimated to be **Rs. 8.58 Cr.**
- 6.56 The Petitioner has submitted that in JSERC Distribution Tariff Regulations 2020, the Commission has provided methodology to compute R&M expenses in relation to the Gross Fixed Assets by arriving at the 'k' Factor based on the historical actual performance. The Tariff Regulation also provides for indexation of R&M expense using inflationary index.
- 6.57 The Petitioner submits that for the purpose of revised estimation of R&M expenses for FY 2024-25, the inflation index for FY21 to FY25 and corrected 'K' factor of 3.73% has been. The proposed R&M expenses are



as follows:

Table 72: R&M cost proposed by Petitioner for FY 2024-25

Particulars	Formula	ARR	Petition
Opening GFA as on 01.04.2024	A	371.62	383.04
K Factor as per MYT Order (in %)	B	3.30%	3.30%
Add: Inflation factor for FY 2020-21	C		4.14%
Add: Inflation factor for FY 2021-22	D		8.67%
Corrected K factor for MYT period	E=B*(1+C)*(1+D)		3.73%
Opening GFA*K-Factor	F	12.26	14.08
Add: Inflation factor for FY 2021-22	G		6.93%
Add: Inflation factor for FY 2022-23	H		6.87%
Add: Inflation factor for FY 2023 -24	I	6.59%	3.72%
Add: Inflation factor for FY 2024-25	J		3.72%
Normative R&M Cost for FY 2024-25	K=F*(1+G)*(1+H)*(1+I)*(1+J)	13.07	17.58

6.58 Accordingly, the Petitioner has proposed the below listed claim for O&M expense

Table 73: Normative O&M Expenses (Rs. Cr.) as submitted by the Petitioner.

Particulars	ARR	Petition
Employee Cost	16.80	17.72
A&G Expenses (including CGRF Expenses)	4.16	8.57
R&M expenses	13.07	17.58
Total O&M Expenses	34.03	43.88

Commission Analysis

6.59 It is observed by the Commission that the Regulations has the provision for consideration of impact of growth factor and inflation factor while calculating the Normative Employee Expenses. Accordingly, the Commission has taken the impact of growth factor and inflation factor while approving the Normative Employee Expenses.

6.60 The Commission approves the normative Employee Expenses for FY 2024-25 based on the normative Employee Expenses (Salaries and Wages and Staff Welfare Expenses) for FY 2023-24 approved by the Commission earlier in this Order, by considering the inflation factor 5.84% (average of last 3 years) and growth factor as 3.02% for FY 2023-24.

Table 74: Normative Employee Expenses (Rs. Cr.) as approved by the Commission



for FY 2024-25

Particulars	Petition	Approved
Employee Cost (n-1) Years	15.84	15.84
Inflation Factor	3.72%	5.84%
Growth Factor	3.02%	3.02%
Normative Employee cost	16.92	17.27

6.61 The Commission approves the normative A&G Expenses for FY 2024-25, by taking the normative A&G Expenses (A&G Expenses excluding petition filing fee and CGRF Expenses) approved during true up for FY 2023-24 earlier in this Order and the inflation factor as 5.84% for FY 2024-25.

Table 75: Normative A&G Expenses (Rs. Cr.) as approved by the Commission for FY 2024-25.

Particulars	Petition	Approved
Normative A&G (n-1) Years		3.37
Inflation Factor		5.84%
Normative A&G Expenses	8.16	3.57

6.62 For the purpose of evaluating the normative R&M Expenses, the Commission has approved opening value of GFA for FY 2024-25 and by multiplying with the 'k' factor of 3.30% as approved in the MYT Order dated September 29, 2023 and inflation factor of 5.84%.

Table 76: Normative R&M Expenses (Rs. Cr.) as approved by the Commission.

Particulars	Petition	Approved
Opening GFA		383.03
K-Factor	%	3.30%
<i>Inflation Factor FY 2021-22</i>	%	6.93%
<i>Inflation Factor FY 2022-23</i>	%	6.87%
<i>Inflation Factor FY 2023-24</i>	%	3.72%
<i>Approximate Inflation Factor FY 2024-25</i>	%	5.84%
Normative R&M Expenses	17.58	15.86

6.63 In accordance with **clause 10.6 (note 2)** of Distribution Tariff regulation, 2020 the terminal liabilities are approved as per the actual submitted by the Licensee along with the documentary evidence. Accordingly, the Commission disapproves the Terminal liabilities for APR and reserve the liberty to claim the same during true-up.

6.64 The Commission approves the Petition filing fees and CGRF Expenses to be same as Petitioner claim subject to prudent check at the time of true-up.



6.65 The Normative O&M Expenses calculated based on the Methodology discussed above is summarized in the table below:

Table 77: Normative O&M Expenses (Rs. Cr.) as approved by the Commission for FY 2024-25.

Particulars	Petition	Approved
Normative Employee Expenses (excluding Terminal Liabilities)	16.92	17.27
Normative A&G Expenses (excluding filing & CGRF Expenses)	8.16	3.57
Normative R&M Expenses	17.58	15.86
Normative O&M Expenses	42.66	36.70
Terminal Liabilities	0.80	0.00
Petition Filing Fee	0.15	0.15
CGRF Expenses (Rent & Remuneration)	0.27	0.27
Net Normative O&M Expenses	43.89	37.12

Non-Tariff Income

Petitioner's Submission

6.66 The Petitioner has claimed Rs. 0.74 Cr. towards Non-Tariff Income for FY 2024-25 as proposed.

Commission's Analysis

6.67 The Commission approves the Non-Tariff Income by considering the increase in demand and new consumer addition, subject to truing up on the actuals. Hence, the Commission approves the NTI as per FY 2023-24:

Table 78: Non-Tariff Income (Rs. Cr.) as approved by the Commission for FY 2024-25

Particulars	Petition	Approved
Non-Tariff Income	0.74	0.98

Revenue from Sale of Power

Petitioner's Submission

6.68 The Petitioner has submitted that revenue from sales of power for H1 is taken as per actuals and that for H2 has been computed based on growth in load, consumers, and energy sales during H2. The tariff for last 6 months of FY 2024-25 has been estimated at the new approved tariff given by Commission vide order dated 26th June 2024 w.e.f 27th June 2024. The revenue from sale of power for H1, H2 and overall are provided



in the tables below:

Table 79: Revenue (Rs. Cr.) as submitted by the Commission for FY 2024-25

Particulars	Petition
Revenue from sale of Power	635.59

Commission's Analysis

6.69 The Commission has scrutinized the submission made by the Petitioner and provisionally approves the revenue from sale of power subject to true up based on actuals.

Table 80: Revenue (Rs. Cr.) as approved by the Commission for FY 2024-25

Particulars	Petition	Approved
Revenue	635.59	635.59

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

Petitioner's Submission

6.70 The Petitioner has projected a Revenue Surplus of Rs 16.71 Cr. for FY 2024-25 based on actual performance for first six months and estimated performance for balance six months for FY 2024-25.

Commission's Analysis

6.71 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2024-25 which is summarized below:

Table 81: Summary of ARR (Rs. Cr.) as approved by the Commission for FY 2024-25.

Particulars	ARR	Petition	Approved
Power Purchase Cost	562.54	534.16	540.69
O&M Expenses	34.04	43.89	37.12
Depreciation	8.11	9.69	7.95
Interest and Finance Charges	7.54	8.01	8.14
Interest on Consumer Security Deposit	9.68	9.48	9.48
Interest on Working Capital			
Return on Equity	13.96	14.39	14.39
Non-Tariff Income	(0.74)	(0.74)	(0.98)
Annual Revenue Requirement	635.12	618.89	616.79



Particulars	ARR	Petition	Approved
Revenue from Sale of Power		635.59	635.59
Revenue Gap/(Surplus)		(16.70)	(18.80)

6.72 The Commission has approved the treatment of the Revenue Gap/(Surplus) in **Chapter 8** of this Order.



Chapter 7: AGGREGATE REVENUE REQUIREMENT & TARIFF FOR FY 2025-26

- 7.1 The Petitioner has submitted the Aggregate Revenue Requirement and Tariff for FY 2025-26 as per clause A24 of Jharkhand State Electricity Regulatory Commission (Term and Condition for Determination of Distribution Tariff) Regulation, 2020.
- 7.2 The Commission on scrutinizing the instant petition on basis of the provision of JSERC Distribution Tariff Regulation 2020 and on consideration of:
- Material evidences placed before the Commission;
 - Distribution Tariff Regulations, 2020;
 - Methodology adopted by the Commission in previous Order

Consumers, Connected Load and Energy Sales

Petitioner's Submission

- 7.3 The Petitioner has projected the category-wise detail of number of Consumers, Connected Load and Energy Sales for FY 2025-26 in line with the MYT Petition. However, the Petitioner has normalized the MYT figures based on the actual data available till H1 of FY 2024-25.
- 7.4 As per the submissions of Petitioner the Consumer count, connected load and Energy sales is as follows:

Table 82: Consumer number, Connected load and estimated sale as per Petitioner for FY 2025-26

Consumer Category	No. of Consumers	Connected Load (in kVA)	Estimated Sale (in MUs)
Domestic Services (DS)	8,687	71,698.18	57.52
Domestic Services – Rural	1,077	3,192.18	2.40
Domestic Services – Urban	7,573	59,719.00	40.24
Domestic Services – HT	37	8,787.00	14.87
Commercial Services	1,549	15,680.94	15.69
Commercial Services - Rural	47	631.82	0.64
DSRU-CS5KW	90	349.41	0.22
Commercial Services - Urban	606	12,383.24	13.05
DSUR-CS5KW	806	2,316.47	1.77
Low-tension Industrial Services	354	19,027.00	23.01



Consumer Category	No. of Consumers	Connected Load (in kVA)	Estimated Sale (in MUs)
(LTIS)			
High Tension Services (HTS)	364	2,80,730	1,065
HTS-11 KV	302	1,03,892	294.19
HTS-33 KV	62	1,76,838	770.77
Temporary Services	37	296.47	0.10
Total	10,993	3,87,433	1,161.27

Commission's Analysis

7.5 On scrutinizing the latest data submitted by the Petitioner and on carrying out prudent check, the Commission approves the actual Number of Consumers, Connected Load and Energy Sales as submitted by the Petitioner for FY 2025-26 is given below:

Table 83: Number of Consumers, Connected Load and Sales as submitted by the Petitioner and approved by the Commission for FY 2025-26

Particulars	No. of Consumer		Connected Load (kVA)		Consumption (MUs)	
	Petition	Approved	Petition	Approved	Petition	Approved
Domestic Services (DS)	8,687	8,687	71,698	71,698	57.52	57.52
Domestic Services - Rural	1,077	1,077	3,192	3,192	2.40	2.40
Domestic Services - Urban	7,573	7,573	59,719	59,719	40.24	40.24
Domestic Services - HT	37	37	8,787	8,787	14.87	14.87
Commercial Services (Non-Domestic)	1,551	1,551	15,681	15,681	15.69	15.69
Commercial Services-Rural>5 kW	47	47	632	632	0.64	0.64
Commercial Services-Rural<5 kW	90	90	349	349	0.22	0.22
Commercial Services-Urban>5 kW	606	606	12,383	12,383	13.05	13.05
Commercial Services-Urban<5 kW	808	808	2,316	2,316	1.77	1.77
Low Tension Industrial Services (LTIS)	354	354	19,027	19,027	23.01	23.01
High Tension Services (HTS)	364	364	2,80,730	2,80,730	1064.96	1064.96
HTS-11 KV	302	302	1,03,892	1,03,892	294.19	294.19
HTS-33 KV	62	62	1,76,838	1,76,838	770.77	770.77
Temporary Services	37	37	296	296	0.10	0.10
Total	10,993	10,993	3,87,433	3,87,433	1,161.27	1,161.27



Energy Balance

Petitioner's Submission

7.6 The Petitioner has submitted that to meet its energy requirement, it has projected to procure power primarily from Damodar Valley Corporation (DVC) at (33 kV and 132 kV), and Tata Steel Limited (TSL) at (6.6 kV, 66 kV and 132 kV).

7.7 The Petitioner submitted the following energy balance for approval:

Table 84: Energy Balance (in MU) as submitted by the Petitioner for FY 2025-26.

Particulars	MYT	Petition
Energy Requirement		
Sales (MU)	916.23	1,161.27
Distribution Losses %	3.80%	3.80%
Distribution Losses (MU)	36.19	44.13
Total Energy Requirement (MU)	952.42	1,207.14
Energy Availability		
Tata Steel Ltd. (MU)	400	475.17
DVC at 33 kV (MU)	120	165.68
DVC at 132 kV (MU)	432.42	556.29
Others/Traders (MU)	0	10.00
Total Energy Availability (MU)	952.42	1,207.14

Commission's Analysis

7.8 On analysis and scrutinizing the details submitted by the Petitioner and on prudent check the Commission approves the projected Sales for FY 2025-26. Accordingly, it approves the projected distribution loss of 3.80% subject to prudent check at the time of true-up based on actuals.

7.9 The table details the Energy Sales, distribution losses and power purchase quantum as submitted by the Petitioner and as approved by the Commission as given below:

Table 85: Energy Requirement (MU) as approved by the Commission for FY 2025-26.

Particulars	MYT	Petition	Approved
Energy Requirement			
Sales (MU)	916.23	1161.27	1161.27
Distribution Losses %	3.80%	3.80%	3.80%
Distribution Losses (MU)	36.19	44.13	44.13



Particulars	MYT	Petition	Approved
Energy Requirement	952.42	1207.14	1207.14
Energy Availability			
Tata Steel Ltd.	400.00	475.17	475.17
DVC at 33 kV	120.00	165.68	165.68
DVC at 132 kV	432.42	556.29	556.29
Others/Traders	0.00	10.00	10.00
Energy Availability	952.42	1207.14	1207.14

Power Purchase Cost

Petitioner's Submission

- 7.10 The Petitioner has submitted Power Purchase Cost estimates has also been revised accordingly based on the unit power purchase cost estimates in APR for FY 2024-25 along with some inflationary adjustments.
- 7.11 The petitioner also submits that DVC has communicated that all the licensees need to convert to schedule mode from fixed contract mode. Licensee will then be allocated power station specific capacity. It is expected that the cost of power purchase from DVC may go up because the benefit of lower distribution tariff, load factor rebate, prompt payment rebate (additional 0.5%) may not be available when power is taken from specific generator. The Petitioner appraised that JBVNL and Indian Railway has already shifted to schedule mode from the fixed contract mode.
- 7.12 Considering the power purchase cost from DVC and accordingly considering 20% increase over FY 2024-25 H2 cost based on available data of power purchase from DVC by other utilities the rate of purchase of power from TSL has been considered equal to the average power purchase cost expected to be incurred by TSL, based on the information received from TSL.
- 7.13 The Petitioner has also submitted that the rate of purchase of power from DVC (33 kV & 132 kV) has been considered the same as what is expected in H2 of FY 2024-25.
- 7.14 Accordingly, the Power Purchase cost submitted is tabulated as follows:

Table 86: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner for FY 2025-26

Particulars	MYT	Petition
Tata Steel Ltd.	198.49	254.06



Particulars	MYT	Petition
DVC at 33 kV	53.11	99.07
DVC at 132 kV	183.22	291.05
Others/Traders	0.00	4.77
Net Power Purchase cost	434.82	648.96

Commission Analysis

- 7.15 The cost of power purchased from TSL is approved based on the average power procurement cost as approved in the Tariff Order for FY 2025-26 dated June 20, 2024 for TSL, Distribution licensee and shall be subject to truing up.
- 7.16 The Commission approves the power procurement rate from DVC at escalated 2% on APR value for FY 2025-26, subject to final truing up based on actual.
- 7.17 The Commission is of the view that since the Petitioner is procuring power from Distribution Licensees i.e., TSL and DVC in consumer mode therefore it is not liable to meet the RPO compliance for the units purchased from TSL and DVC 33kV & DVC 132kV.
- 7.18 Furthermore, the Commission approves the power procurement rate from other/trader at weightage average rate of all power source for FY 2025-26.
- 7.19 The Power Procurement Cost from each source as proposed by the Petitioner and approved by the Commission for FY 2025-26 is tabulated hereunder.

Table 87: Power Procurement Cost (Rs. Cr.) as approved by the Commission for FY 2025-26

Particulars	MYT	Petition	Approved
Tata Steel Limited	198.49	254.06	258.49
DVC at 33 kV	53.11	99.07	79.50
DVC at 132 kV	183.22	291.05	242.54
Others/Traders	0.00	4.77	4.85
Power Purchase Cost	434.82	648.96	585.39

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

Petitioner's Submission

- 7.20 The Petitioner has submitted that is has considered Opening CWIP for FY 2025-26 as estimated closing CWIP of FY 2024-25 as per the APR for



2024-25. The Petitioner has considered Capital expenditure of Rs. 98.60 Cr. and capitalization of Rs.118.63 Cr. for FY 2025-26 which is more than the value approved by the Commission in order dated November 24, 2022 i.e. Rs. 28 Cr. The Petitioner also stated that the claim is on account of increased demand as well as delay in approval of business plan and certain capital expenditure works got spilled over to subsequent years FY 2024-25 and FY 2025-26.

7.21 The projected Capital Work in Progress (CWIP), Capital Investment and Fixed Assets (GFA) for FY 2025-26 vis-à-vis that submitted in the MYT Petition is provided in the table given below:

Table 88: CWIP & GFA (Rs. Cr.) as submitted by the Petitioner for FY 2025-26

Particulars	MYT	Petition
Capital Work in Progress		
Opening CWIP	8.99	42.51
Capex Expenditure	28.00	98.60
Capitalization	28.00	118.63
Closing CWIP	8.99	22.48
Gross Fixed Asset		
Opening GFA	440.83	450.53
GFA Addition	28.00	118.63
Closing GFA	468.83	569.16

Commission's Analysis

7.22 On scrutinizing and analyzing the data submitted by the Petitioner, the Commission has observed that the Capital Expenditure is drastically more than that approved in the CAPEX plan in MYT. The Petitioner has submitted that the CAPEX and CWIP are in line with approved plan as per MYT and subsequent to order. Accordingly, the Commission provisionally approves the CWIP and GFA for FY 2025-26 as shown below which shall be subject to true-up based on actuals.

Table 89: CWIP & GFA (Rs. Cr.) as approved by the Commission for FY 2025-26

Particulars	MYT	Petition	Approved
Capital Work in Progress			
Opening CWIP	8.99	42.51	42.52
Capex Exp.	28.00	98.60	98.60
Capitalization	28.00	118.63	118.63
Closing CWIP	8.99	22.48	22.49
Gross Fixed Asset			



Particulars	MYT	Petition	Approved
Opening GFA	440.83	450.53	450.53
GFA Addition	28.00	118.63	118.63
Closing GFA	468.83	569.16	569.16

Consumer Contribution

Petitioner's Submission

7.23 The Petitioner has projected the both received and capitalization of Consumer Contribution (CC) at Rs. 11.41 Cr for the purpose of revised ARR for FY 2025-26 as shown below.

Table 90: CC Capitalized and Received (Rs. Cr.) as submitted by the Petitioner for FY 2025-26

Particulars	Petition
CC received during the Year	11.41
CC capitalized during the Year	11.41

Commission's Analysis

7.24 The Commission has scrutinized the details submitted by the Petitioner and approves the CC received during FY 2025-26 as below as the same is considered for calculation of Depreciation, Loan Addition and Equity Addition calculations as per the methodology adopted by the Commission in the previous Orders subjected to prudent check at the time of truing-up.

Table 91: Consumer Contribution (Rs. Cr.) as approved by the Commission for FY 2025-26

Particulars	Petition	Approved
Consumer Contribution received during the Year	11.41	11.41

Depreciation

Petitioner's Submission

7.25 Based on the methodology adopted in previous year the Petitioner has projected the Gross Depreciation for FY 2025-26, subject to truing up based on actuals is given below:

Table 92: Depreciation (Rs Cr.) as submitted by the Petitioner for FY 2025-26

Particulars	MYT	Petition
Opening GFA	440.83	450.53



Particulars	MYT	Petition
Closing GFA	468.83	569.16
Average GFA	454.83	509.85
Gross depreciation for the year	19.25	21.58
Average Gross depreciation rate	4.23%	4.23%
Depreciation on account of consumer contribution	(6.23)	(7.83)
Net Depreciation for the year	13.01	13.75

Commission's Analysis

- 7.26 It is observed that the depreciation on assets created out of Consumer Contribution is calculated in proportion to gross depreciation and in the ratio of closing CC capitalized out of total Closing GFA for FY 2025-26.
- 7.27 The Commission has adopted the previous methodology; accordingly, the Commission approves the net depreciation after deducting the depreciation on assets funded out of CC from the Gross Depreciation for FY 2024-25. The depreciation has been considered at the same rate of Depreciation as claimed by the Petitioner while approving the depreciation for FY 2025-26, subject to true up based on the actual.
- 7.28 The table below summarizes the depreciation as submitted by the Petitioner and as approved by the Commission for FY 2025-26:

Table 93: Depreciation (Rs Cr.) as approved by the Commission for FY 2025-26

Particulars	Petition	Approved
Opening GFA	450.53	450.53
Additions to GFA	118.63	118.63
Closing GFA	569.16	569.16
GFA Considered (A)	509.85	509.84
Consumer Contribution Capitalized (B)	190.61	191.38
Gross Depreciation (C)	21.58	17.14
Depreciation on Consumer Contribution (D=C/A*B)	7.83	6.43
Net Deprecation (E=C-D)	13.75	10.70

Interest on Loan

Petitioner's Submission

- 7.29 The Petitioner has submitted that normative interest is computed on the average balance of loan during the financial year. The opening balance of normative loan has been taken from closing normative loan balance for



FY 2024-25.

- 7.30 Further, in accordance with the regulation 10.26 of JSERC Distribution Tariff Regulations 2020, the rate of interest for the year is considered as Marginal Cost of Lending Rate of SBI prevailing as on 01st April 2024 plus 200 basis points i.e., 10.65%. Accordingly, the normative interest comes to **Rs. 12.88 Cr.**

Table 94: Normative Loan & Normative Equity (Rs. Cr.) added during FY 2025-26

Particulars	Formula	MYT	Petition
Opening Balance of Normative Loan	A	101.2	90.28
Add: Deemed Additions during the year	B	17.5	75.06
Less: Deemed Repayments	C	13.01	13.75
Closing Balance of Normative Loan	D=A+B-C	105.69	151.59
Average Balance of Normative Loan	E=(A+D)/2	103.45	120.93
Bank Rate plus 200 BP as on 1st April 2024	F	9.00%	10.65%
Normative Interest Amount	G=E*F	9.31	12.88

Commission's Analysis

- 7.31 On consideration of the normative opening loan for FY 2025-26 as the closing value approved for FY 2024-25 in the earlier chapter of this order and the principles adopted in accordance with the Tariff Regulations, 2020 and methodology in the previous Tariff Order, the Commission has considered the normative loan addition during the financial year as 70% of the approved received after deducting assets funded out of Consumer Contribution received. The normative repayment is deemed to be equal to the approved net depreciation during the financial year.

Table 95: Normative Loan & Normative Equity (Rs. Cr.) added during FY 2025-26

Particulars	Petition	Approved
Assets added during the Financial Year	118.63	118.63
Consumer Contribution received during the Financial Year	11.41	11.41
Normative Amount added during the FY	107.22	107.22
Equity Addition (30%)	32.17	32.17
Debt Addition (70%)	75.06	75.06

- 7.32 Taking into account the above methodology, interest on normative loan has been calculated on the average normative loan outstanding during the year at the interest rate of SBI Bank Rate as on April 01, 2023 plus 200 basis points (i.e. 10.25%=8.25%+200 basis points)
- 7.33 The table summarizes the Interest on loan as submitted by the Petitioner and as approved by the Commission for FY 2024-25:



Table 96: Interest on Loan (Rs. Cr.) as approved by the Commission for FY 2025-26

Particulars	MYT	Petition	Approved
Opening Loan	101.20	90.28	92.28
Normative Addition	17.50	75.06	75.06
Normative Repayment	13.01	13.75	10.70
Closing Loan	105.69	151.59	156.63
Average Loan	103.45	120.93	124.46
Rate of Interest	9.00%	10.65%	10.65%
Interest on Loan	9.31	12.88	13.25

Interest on Security Deposits

Petitioner's Submission

7.34 The petitioner has estimated the Security Deposit amount to be received during the year for FY 2025-26 based on the growth expected in line with the ratio of actual security deposit received during the year FY 2023-24 with regards to increase in connected load for the year. The same has been considered by the Petitioner for projection of revised ARR for FY 2025-26 as follows:

Table 97: Interest on Consumer Security Deposit (Rs. Cr.) as submitted by the Petitioner for FY 2025-26

Particulars	MYT	Petition
Opening Consumer Security Deposit	101.6	96.67
Consumer Security Deposit Addition	7.31	8.84
Closing Consumer Security Deposit	108.91	105.51
Average Consumer Security Deposit	105.26	101.09
Interest Rate	7.52%	10.25%
Interest on Consumer Security Deposit	7.91	10.36

Commission's Analysis

7.35 The Commission has carried out prudent check of the details submitted by the Petitioner and approves the Interest on Consumer Security Deposit based on the projection for FY 2025-26 is given below:

Table 98: Consumer Security Deposit (Rs. Cr.) as approved by the Commission



for FY 2025-26

Particulars	MYT	Petition	Approved
Opening Consumer Security Deposit	101.60	96.67	96.67
Consumer Security Deposit Addition	7.31	8.84	8.84
Closing Consumer Security Deposit	108.91	105.51	105.52
Average Consumer Security Deposit	105.26	101.09	101.09
Interest Rate	7.52%	10.25%	10.25%
Interest on Consumer Security Deposit	7.91	10.36	10.36

Return on Equity

Petitioner's Submission

7.36 The Petitioner has submitted that it has considered the same methodology for computing equity addition as approved by the Commission in its earlier Orders. The deemed addition to the equity has been considered @30% of total GFA addition after reducing asset addition from CC amount received during the year.

7.37 In accordance with **clause 10.19** of JSERC Distribution Tariff Regulations, 2020 the Petitioner has projected the rate of Return on Equity (RoE) is 14.50%, the Petitioner also submits that the Return on Equity has been grossed with the applicable income tax rate applicable for FY 2025-26 which stands at 25.17% is given below:

Table 99: Return on Equity (Rs. Cr.) as submitted by the Petitioner for FY 2025-26.

Particulars	MYT	Petition
Opening Equity	91.86	82.80
Deemed Addition	7.5	32.17
Closing Equity	99.36	114.97
Rate of Return on Equity	95.61	98.88
Return on Equity	14.50%	14.50%
Tax Rate	13.86	14.34
Tax on Return on Equity	25.17%	25.17%
Return on Equity including Tax	18.53	19.16

Commission's Analysis

7.38 In accordance with the JSERC Distribution Tariff Regulations, 2020, the Opening Equity base for FY 2025-26 as the Closing Equity base approved



for FY 2024-25 by the Commission earlier in this order and normative Equity addition during the financial year as 30% of the approved capitalization after deducting assets funded out of CC received.

- 7.39 In accordance with clause 10.19 of Distribution Tariff Regulation 2020 the Commission has allowed a rate of return of 14.50% on equity.
- 7.40 The income tax amount approved by the Commission for FY 2025-26 is at rate of 25.17% of total Return on Equity including income tax.
- 7.41 Based on the above discussion, the Commission approves the Return on Equity along with Income Tax for FY 2025-26 is given below.

Table 100: Return on Equity (Rs. Cr.) as approved by the Commission for FY 2025-26.

Particulars	MYT	Petition	Approved
Opening Equity	91.86	82.80	82.80
Deemed Addition	7.50	32.17	32.17
Closing Equity	99.36	114.97	114.96
Rate of Return on Equity	14.50%	14.50%	14.50%
Return on Equity	13.86	14.34	14.34
Tax Rate	25.17%	25.17%	25.17%
Tax on ROE	4.66	4.82	4.82
Return on Equity including Tax	18.53	19.16	19.16

Interest on Working Capital

Petitioner's Submission

- 7.42 The Petitioner has not projected any Interest on Working Capital (IoWC) for FY 2025-26.

Commission's Analysis

- 7.43 The Commission has also not projected the Interest on Working Capital (IoWC) during the Truing up FY 2025-26.

Operation and Maintenance Expenses (O&M)

Petitioner's Submission

- 7.44 The Petitioner has submitted O&M expenses including Employee Cost, R&M Expenses and A&G Expenses. As per provisions 10.5 and 10.6 of JSERC Distribution Tariff Regulations 2020, the expenses are to be



claimed as below:

Table 101: O&M expenses (Rs. Cr.) claimed by the Petitioner for FY 2025-26

Particulars	Formula	MYT	Petition
Employee Cost (including terminal liabilities)	A	17.67	18.74
A&G Expenses (incl Petition filing fees and CGRF Expenses)	B	4.76	9.43
R&M expenses	C	15.05	21.45
Total O&M Expense	D=A+B+C	37.48	49.62

Commission Analysis

7.45 It is observed by the Commission that the Regulations has the provision for consideration of impact of growth factor and inflation factor while calculating the Normative Employee Expenses. Accordingly, the Commission has taken the impact of growth factor as 2.20% and inflation factor 5.84% (average of last three-year inflation) while approving the Normative Employee Expenses.

Table 102: Normative Employee Expenses (Rs. Cr.) as approved by the Commission for FY 2025-26

Particulars	Petition	Approved
Employee Cost (n-1) Years	16.92	17.27
Inflation Factor	3.72%	5.47%
Growth Factor	2.20%	2.20%
Normative Employee cost	17.94	18.61

7.46 For the purpose of evaluating the normative R&M Expenses, the Commission has considered the opening value of GFA for FY 2025-26 and by multiplying with the 'k' factor of 3.30% as approved in the MYT Order dated November 24, 2022 and inflation factor of 5.84%.

Table 103: Normative R&M Expenses (Rs. Cr.) as approved by the Commission for FY 2025-26

Particulars	Petition	Approved
Opening GFA		383.03
K-Factor	%	3.30%
<i>Inflation Factor FY 2021-22</i>	%	6.93%
<i>Inflation Factor FY 2022-23</i>	%	6.87%
<i>Inflation Factor FY 2023-24</i>	%	3.72%
<i>Approximate Inflation Factor FY 2024-25</i>	%	5.84%



Particulars	Petition	Approved
Approximate Inflation Factor FY 2025-26	%	5.84%
Normative R&M Expenses	17.58	19.74

7.47 For the purpose of A&G expense the amount approved is as follows:

Table 104: Normative A&G Expenses (Rs. Cr.) as approved by the Commission for FY 2025-26

Particulars	Petition	Approved
Normative A&G Expenses of previous Yrs.		3.57
Inflation factor		5.47%
Normative A&G Expenses	9.43	3.78

7.48 In accordance with **clause 10.6(note 2)** of Distribution Tariff regulation, 2020 the terminal liabilities approved as per actual submitted by the Licensee along with the documentary evidence. Accordingly, the Commission disapproves the Terminal liabilities for ARR and reserve the liberty to claim the same during true-up.

7.49 The Commission approves the Petition filing fees and CGRF Expenses to be same as the Petitioner claim subject to prudent check at the time of true-up.

7.50 The Normative O&M Expenses calculated based on the Methodology discussed above is summarized in the table below:

Table 105: Normative O&M Expenses (Rs. Cr.) as approved by the Commission for FY 2025-26.

Particulars	Approved
Normative Employee Expenses	18.61
Normative A&G Expenses	3.78
Normative R&M Expenses	19.74
Normative O&M Expenses	42.20
Terminal Liabilities	0.00
Petition Filling Fee	0.15
CGRF Expenses (Rent & Remuneration)	0.27
Net Normative O&M Expenses	42.62

Non-Tariff Income

Petitioner's Submission

7.51 The Petitioner has projected Rs. 0.20 Cr. towards Non-Tariff Income for FY 2025-26 as approved in the MYT Tariff Order dated November 24,



2022.

Table 106: Non-Tariff Income (Rs. Cr.) as submitted by the Petitioner.

Particulars	MYT	Petition
Non-Tariff Income	0.20	0.20

Commission's Analysis

7.52 The Commission approves the Non-Tariff Income in accordance with the true-up value as approved earlier in this order, subject to truing up on the actuals is given below.

Table 107: Non-Tariff Income (Rs. Cr.) as approved by the Commission.

Particulars	MYT	Petition	Approved
Non-Tariff Income	0.20	0.20	0.98

Revenue from Sale of Power

Petitioner's Submission

7.53 The Petitioner has projected the revenue from Sale of power based on category wise energy sales and tariff order issued by the Commission. While computing the revenue, the Petitioner has considered the impact of changes in rebate clauses. The expected revenue from sale of power for FY 2025-26 is given below:

Table 108: Revenue (Rs. Cr.) as submitted by the Commission for FY 2025-26.

Particulars	Petition
Revenue from sale of power	664.79

Commission's Analysis

7.54 On scrutinizing and analyzing the information available on record, the Commission has computed the revenue from sale of power as per below table:

Table 109: Revenue (Rs. Cr.) as approved by the Commission for FY 2025-26.

Particulars	Petition	Approved
Revenue	664.79	675.56



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

Petitioner's Submission

7.55 The Petitioner has projected a Revenue Gap of Rs 18.39 Cr. for FY 2025-26 based on projection for FY 2025-26.

Commission's Analysis

7.56 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2025-26 which is summarized below:

Table 110: Summary of ARR (Rs. Cr.) as approved by the Commission for FY 2025-26

Particulars	MYT	Petition	Approved
Power Purchase Cost	434.82	648.96	585.39
O&M Expenses	37.49	49.61	42.62
Depreciation	13.01	13.75	10.70
Interest on Loan	9.31	12.88	13.25
Interest on Consumer Security Deposit	7.91	10.36	10.36
Interest on Working Capital			
Return on Equity	18.53	19.16	19.16
Less: Non-Tariff Income	(0.20)	(0.20)	(0.98)
Annual Revenue Requirement	520.86	755.13	680.51
Revenue from Sale of Power		664.79	675.56
Revenue Gap/(Surplus)		90.34	4.95

7.57 The Commission has approved the treatment of the Gap/(Surplus) in **Chapter 8** of this Order.



Chapter 8: REVENUE GAP AND ITS TREATMENT

Revenue Gap/(Surplus)

Petitioner's Submission

- 8.1 The Petitioner has estimated the cumulative Revenue Surplus of Rs. (109.94) Cr. till FY 25-26
- 8.2 At current tariff Standalone estimated standalone revenue surplus for the year is estimated to be around Rs 1.55 Cr, most part of which may get liquidated with the revenue surplus of previous years.
- 8.3 The cumulative revenue gap/ (surplus) till FY 2025-26 as per the methodology adopted by the Commission is presented in the table below:

Table 111: Cumulative Revenue Gap (Rs. Cr.) as submitted by the Petitioner till FY 2025-26

Particulars (All figures in Rs. Cr.)	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
	Trued-up	Trued-up	Trued-up	Trued-up	Trued-up	Trued-up	Being filled now in Nov'24		
Opening revenue gap/(surplus) as on 1st April of FY	7.52	-8.70	-5.81	13.27	10.31	-3.52	-22.81	-57.01	-81.66
Revenue gap/(surplus) created during the year	-15.26	3.72	18.64	-4.26	-14.17	-17.89	-29.68	-16.71	89.74
Closing revenue gap/(surplus) at the end of the year	-7.73	-4.98	12.83	9.01	-3.86	-21.41	-52.49	-73.72	8.08
Rate of interest	12.60%	12.20%	12.55%	11.65%	10.50%	11.20%	12.00%	12.15%	12%
Carrying cost on opening gap/(surplus)	-	-1.06	-0.73	1.55	1.08	-0.39	-2.74	-6.93	-9.92
Carrying cost on gap/(surplus) created during the FY	-0.96	0.23	1.17	-0.25	-0.74	-1.00	-1.78	-1.02	5.45
Total gap/(surplus) including carrying cost	-8.70	-5.81	13.27	10.31	-3.52	-22.81	-57.01	-81.66	3.61

Commission's Analysis

- 8.4 As per the Commission the approved value of Truing up for FY 2023-24, and APR for FY 2024-25 the cumulative Revenue Gap/(Surplus) approved by the Commission till FY 2024-25 is shown below:

Table 112: Cumulative Gap/(Surplus) (Rs. Cr.) as approved by the Commission till FY 2024-25.

Particulars	FY 2023-24	FY 2024-25
Opening Gap/(Surplus)	(22.81)	(82.64)



True-up for FY 2023-24, APR for FY 2024-25, & ARR & Tariff for FY 2025-26

Particulars	FY 2023-24	FY 2024-25
Revenue Gap/(Surplus) during FY	(53.86)	(18.80)
Rate of Carrying Cost (%)	12.00%	12.15%
Carrying Cost on Opening Revenue Gap/(Surplus)	(2.74)	(10.04)
Carrying Cost on Revenue Gap/(Surplus) during FY	(3.23)	(1.14)
Closing Revenue Gap/(Surplus)	(82.64)	(112.62)

8.5 Further, taking into account the Trued-up value for FY 2023-24, APR for FY 2024-25 and Revenue surplus for FY 2025-26, the Commission hereby approves the Cumulative closing gap for FY 2025-26 as shown below:

Table 113: Cumulative Gap/(Surplus) (in Rs Cr.) as approved by the Commission for FY 2025-26

Particulars	Approved
Opening Gap/(Surplus) FY 2023-24	(112.62)
Revenue Gap/(Surplus) during FY 2024-25	4.95
Rate of Carrying Cost (%)	12.15%
Carrying Cost on Opening Revenue Gap/(Surplus)	(13.68)
Carrying Cost on Revenue Gap/(Surplus) during FY 2024-25	0.30
Closing Revenue Gap/(Surplus)	(121.05)

8.6 On account of gap of Rs. 4.95 Cr. in FY 2025-26 as well as considering the proposed expansion of distribution network, the Commission is inclined to revise the tariff.

8.7 The Gap/(Surplus) approved in this Order for FY 2025-26 will be passed-on to the beneficiary while carrying out the Annual Revenue Requirement for the subsequent year.



Chapter 9: OPEN ACCESS CHARGES

9.1 As per Clause 2.2 of the Tariff Regulations, 2020, the Commission shall determine wheeling tariff, cross-subsidy surcharge, additional surcharge and other Open Access (OA) related charges. The relevant extract of the Regulations has been reproduced below:

“2.2

..... Provided further that where any category of consumer has been permitted open access under Section 42 of the Act, the Commission shall determine the wheeling tariff, cross-subsidy surcharge, additional surcharge and other open access related charges in accordance with these Regulations and JSERC (Intra State Open Access) Regulations, 2016, as amended from time to time;”

9.2 As per the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access) Regulations, 2016, the OA charges includes Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge, and Additional Surcharge.

9.3 The Petitioner has submitted its proposal for the determination of Wheeling Charge, Cross Subsidy Surcharge and Additional Surcharge for FY 2025-26. The following chapter summarize the Petitioner’s submission and Commission’s analysis thereof:

Wheeling Charges

Petitioner’s Submission

9.4 The Petitioner has submitted that it has considered the allocation ratio for Wheeling and Retail Supply business in accordance with Clause 6.8 of the Tariff Regulations, 2020. Accordingly, the allocation for wire and supply business for each ARR component for FY 2025-26 is reproduced below:

Table 114: Segregation of ARR and Wheeling Charges as submitted by the Petitioner for FY 2025-26

Particulars	Share of Retail Supply	Share of Wheeling Supply	Retail ARR	Wheeling ARR
Power Purchase Cost	100%	0%	648.96	0.00
O&M Expenses			14.36	35.25
(a) Employee Expenses	40%	60%	7.50	11.24
(b) A&G Expenses	50%	50%	4.71	4.71
(c) R&M Expenses	10%	90%	2.15	19.30
Depreciation	10%	90%	1.38	12.38



Particulars	Share of Retail Supply	Share of Wheeling Supply	Retail ARR	Wheeling ARR
Interest on Normative Long Term Loan	10%	90%	1.29	11.59
Interest on Consumer Security Deposit	100%	0%	10.36	0.00
Add: Return on Equity	10%	90%	1.92	17.24
Total Expenditure			678.26	76.46
Less: Non-Tariff Income	90%	10%	(0.18)	(0.02)
Net: Aggregate Revenue Requirement			678.08	76.44

Commission Analysis

9.5 According to **clause 6.5 to clause 6.8** of the Tariff Regulations, 2020, the petitioner is required to segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business. In absence of segregated accounts, the Petitioner is required to submit an allocation statement duly approved by the Board of Directors accompanied with an explanation of the basis and methodology used for segregation. The relevant extract of the Regulations has been reproduced hereunder:

“6.5 The Licensee shall segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business.

6.6 The ARR for Wheeling Business shall be used to determine Wheeling Tariff and the ARR for Retail Supply Business shall be used to determine Retail Supply Tariff.

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

6.8 In case clear and reasoned methodology for allocation is not submitted by the Distribution Licensee, the Commission may consider the segregation as approved for the previous Control Period as specified below or may decide on the manner in which such allocation can be done;”



9.6 The segregation of ARR into Wires and Supply Business as approved by the Commission for FY 2025-26 is shown below:

Table 115: Segregation of ARR and Wheeling Charges as approved by the Commission for FY 2025-26

Particulars	Share of Retail Supply	Share of Wheeling Supply	Retail ARR	Wheeling ARR	Total Approved
Power Purchase Cost	0%	100%	-	585.39	585.39
O&M Expenses			31.07	11.55	42.62
Employee Expenses	60%	40%	11.21	7.47	18.68
A&G Expenses	50%	50%	1.89	1.89	3.78
R&M Expenses	90%	10%	17.77	1.97	19.74
Gain on O&M	90%	10%	-	-	0.00
Petition Filing Charges & CGRF Expenses	50%	50%	0.21	0.21	0.42
Interest on Loan	90%	10%	11.93	1.33	13.25
Interest on Working Capital	10%	90%	-	-	0.00
Interest on Security Deposit	0%	100%	-	10.36	10.36
Depreciation	90%	10%	9.63	1.07	10.70
Return on Equity	90%	10%	17.24	1.92	19.16
Gross Aggregate Revenue Requirement			69.88	611.61	681.49
Less: Non-Tariff Income	10%	90%	(0.10)	(0.88)	(0.98)
Aggregate Revenue Requirement	10.25%	89.75%	69.78	610.73	680.51
Less: Revenue from sale of Power @ Existing Tariff	10.25%	89.75%	69.28	606.28	675.56
Net Gap/ (Surplus)			0.51	4.45	4.95

9.7 The Commission has considered the network details of the Petitioner as submitted along with Petition. The 132 kV asset and common assets are distributed among the other voltage level assets based on the estimated sales for FY 2025-26.

Table 116: Segregation of ARR and Wheeling Charges as approved by the Commission for FY 2025-26

Voltage Level	Asset Segregation	Asset Segregation (%)	Segregation of ARR	Sale (%)
LT	47.47	12.39%	8.65	7.01%



Voltage Level	Asset Segregation	Asset Segregation (%)	Segregation of ARR	Sale (%)
HT (upto 11kV)	124.61	32.53%	22.70	26.61%
HT (above 11kV)	210.95	55.07%	38.43	66.37%
Total	383.04		69.78	

9.8 Based on the above, the Voltage-wise Wheeling Charges for FY 2025-26 as approved by the Commission has been tabulated below:

Table 117: Cost stacking as approved by the Commission for FY 2025-26.

Voltage level	Voltage-wise ARR Allocation	Cost Stacking on the basis of energy sales		
		LT	HT (upto 11kV)	HT (above 11kV)
LT	8.65	8.65		
HT (upto 11kV)	22.70	4.73	17.97	
HT (above 11kV)	38.43	2.70	10.23	25.51
Total	69.78	16.08	28.20	25.51

Table 118: Wheeling Tariff as approved by the Commission for FY 2025-26.

Voltage Level	ARR (Rs. Cr.)	Sales (MUs)	Wheeling Tariff (Rs./kWh)
LT	16.08	81.44	1.97
HT (upto 11kV)	28.20	309.06	0.91
HT (above 11kV)	25.51	770.77	0.33
Total	69.78	1161.27	

Cross Subsidy Surcharge

9.9 The Petitioner has determined the Cross-Subsidy Surcharge as per the methodology outlined in National Tariff Policy 2016. The methodology keeps the interest of distribution companies as well as consumers in mind while determining a mathematical formula, thus ensuring competition in electricity through open access which is not constrained.

“10.62 The surcharge payable by consumers opting for open access on the network of the Licensee will be determined by the Commission as per the following formula:

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

Where,



S is the surcharge;

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

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

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

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

R is the per unit cost of carrying regulatory assets:

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking open access.”

- 9.10 In accordance with the above formula and methodology adopted by the Commission in previous tariff order, CSS for consumers connected to TSL is calculated as per table below based on proposed tariffs:

Table 119: Cross Subsidy Surcharges as submitted by the Petitioner for FY 2025-26

Consumer Categories	Voltage Level	T-Tariff Payable ABR (Rs/kWh)	C-Power Purchase Cost (Rs/kWh)	L-System losses for applicable voltage (%)	D-Wheeling Charges (Rs/kWh)	R- per unit cost of carrying Regulatory assets	Cross Subsidy Surcharge (Rs/kWh)
Domestic	LT	3.63	5.38	12.50%	2.16	0.00	
Commercial	LT	5.64	5.38	12.50%	2.16	0.00	
Industrial-HTIS	11 KV HT	6.56	5.38	3.30%	1.00	0.00	0.18
	33 KV HT	5.96	5.38	2.50%	0.36	0.00	0.22
	132 KV HT	5.96	5.38	2.00%	0.36	0.00	0.22
LTIS	LT	6.27	5.38	12.50%	2.16	0.00	

Commission Analysis

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

“The Cross-subsidy surcharge shall be determined by the Commission in accordance with the principles and formula



stipulated in the National Tariff Policy and shall be leviable at the rate as determined by the Commission from time to time.”

- 9.12 The Commission has considered the JSERC (Terms and Conditions for Intra-State Open Access) Regulations, 2016, Tariff, and clause 10.62 JSERC Distribution Tariff Regulation 2020 while approving the Cross-Subsidy Surcharge (CSS). The Commission has also taken into account that the CSS shall not exceed 20% of the tariff applicable to the category of the consumers seeking Open Access.
- 9.13 Weighted average purchase cost for CSS computation works out to Rs 4.73 per unit by considering the Power Purchase Cost of Rs. 571.54 Cr. and Power Purchase Quantum of 1207.14 MU as approved by the Commission for FY 2025-26.
- 9.14 The Tariff Policy suggests that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking Open Access. Accordingly, the CSS approved by the Commission for FY 2025-26 is as follows:

Table 120: Cross Subsidy Surcharges as approved by the Commission for FY 2025-26

Consumer Categories	Voltage Level	T-Tariff Payable ABR (Rs/kWh)	C-Power Purchase Cost (Rs/kWh)	L-System losses for applicable voltage (%)	D-Wheeling Charges (Rs/kWh)	R- per unit cost of carrying Regulatory assets	Cross Subsidy Surcharge (Rs/kWh)
Domestic	LT	2.44	4.85	12.50%	1.97	0.00	
Commercial	LT	5.19	4.85	12.50%	1.97	0.00	
Industrial-HTIS	11 KV HT	6.43	4.85	3.30%	0.91	0.00	0.66
	33 KV HT	5.84	4.85	2.50%	0.33	0.00	0.65
	132 KV HT	5.84	4.85	2.00%	0.33	0.00	0.65
LTIS	LT	6.41	4.85	12.50%	1.97	0.00	

Additional Surcharges

Petitioner’s Submission

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

“8.5.4 The additional surcharge for obligation to supply as per



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

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

Commission Analysis

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

Regulatory Surcharge for Open Access Consumers

Petitioner's Submission

- 9.18 The Petitioner has submitted that there is no revenue gap at proposed tariff, hence, it has not submitting the proposal for regulatory surcharge for open access consumers.

Commission Analysis

- 9.19 After Scrutinizing the plea of the Petitioner, the Commission has not approved any Regulatory Asset Surcharge at existing tariff and directs the Petitioner to approach this Commission separately in this matter, if required.



Chapter 10: CAPITAL INVESTMENT PLAN

Petitioner's Submission

- 10.1 The Petitioner has submitted that Capital Investment Plan totaling Rs. 191 Cr (for FY22-FY26) was included with the MYT petition and Business Plan for the Control Period FY 2021-22 to FY 2025-26 in November 2020. However, due to uncertainties involving land for substations, cable corridors, and Right of Way (RoW) clearances, approval was sought for capital expenditure of Rs. 25 Cr for each year, totaling Rs. 125 Cr (out of the Rs. 191 Cr identified), along with Rs. 9.89 Cr for carryover schemes from the previous Multi Year Tariff (MYT) Control period.
- 10.2 The petitioner has further submitted that the Commission vide MYT Order dated November 24, 2022 has approved the following expenditure and capitalization. The relevant part of the Order is represented below:

5.59 The approved Capital Expenditure and Capitalization for each year of the control period from FY 2021-22 to FY 2025-26 has been summarized in the table below.

Table 31: Capital Expenditure Plan as approved by the Commission (Rs. Crore)

Sr. No	Schemes	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
1	Carry over schemes	8.20	1.69	-	-	-
2	New schemes	25	25	25	25	25
3	Consumer Contribution during the year	3	3	3	3	3
Total Capital Expenditure Plan (Rs. Crore)		36.20	29.69	28	28	28

Table 32: Capitalisation Plan as approved by the Commission (Rs. Crore)

Sr. No	Schemes	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
1	Carry over schemes	22.39	2.69	-	-	-
2	New schemes	25	25	25	25	25
3	Consumer Contribution during the year	3	3	3	3	3
Total Capitalization (Rs. Crore)		50.39	30.69	28	28	28

- 10.3 With respect to other network development schemes which were in primitive stage and yet to be finalized, the Commission has directed the Petitioner to carry out study and submit a separate petition along with detailed project report (DPR) before the Commission for approval well in advance before executing the same. The relevant part of the Business plan and MYT order dated 24th November 2022 is reproduced below:

“5.58 With regards to other network development schemes which are at primitive stage and yet to be finalized, the Commission directs the Petitioner to carry out detailed study and submit a separate Petition



along with Detail Project Report (DPR) before the Commission for approval well in advance before executing the same.”

- 10.4 The petitioner has further submitted that the Commission while passing the order stated (section 5.62, 5.63 of order dated 24th November’2022) that as this information was not available when public notification was given, therefore the same may be re-submitted with the next tariff petition.
- 10.5 Also, the Commission directed the Petitioner to submit the approval of capital expenditure plan, including the spill over schemes, duly approved by CEC/Board to the Commission, before carrying out actual operations in ground. The Petitioner was also directed to submit revised capital expenditure plan duly approved by CEC/Board to the Commission in next tariff filling petition.
- 10.6 In reference to the above, the Petitioner has again submitted that the revised cost estimates of 32 capital scheme, (list enclosed in Annexure-10) totaling to Rs 273 Cr., in the petition filed before the Commission for True-up of FY 2021-22, APR for FY 2023-24 and ARR and Tariff for FY 2024-25.
- 10.7 The petitioner has further submitted that this Commission while passing the order for True-up of FY 2021-22, APR of FY 2023-24 and ARR & Tariff for FY 2024-25 stated that the Commission has noted the submission of the petitioner.
- 10.8 On 21st day of December 2022, the Petitioner has submitted the petition for approval of additional capex of Rs 0.63 Cr. for installation of Nitrogen Injection Fire Protection System (NIFPS) in existing two number of power transformer in phase-7 substation. Accordingly, the Commission vide Order dated May 16, 2023 had accorded approval for the same.
- 10.9 Based on above approval, total capital expenditure approved (list enclosed in annexure 11) till date is given for immediate reference:

Table 121: Updated Capital Expenditure Plan as already approved by the Commission (Rs. Cr.)

SL. No.	Schemes	FY 2021-22	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
1	Carry over schemes	8.20	1.69	-		-
2A	New schemes	25	25	25	25	25
2B	*NIFPS	-	-	0.63	-	-
3	Consumer Contribution during the year	3	3	3	3	3



SL. No.	Schemes	FY 2021-22	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26
4	Total Capital Expenditure Plan Rs. Cr	36.2	29.69	28.63	28	28

10.10 The petitioner has submitted that there has been sudden spurt in the power demand from existing as well as prospective consumers. To meet the increased demand from various area, new network development is required in new/existing areas.

10.11 Furthermore, the petitioner has submitted that loading of the existing power source connectivity has almost reached its capacity, new power source connectivity and strengthening of existing power source connectivity is also required which is at various stages of formation/approvals.

10.12 The Petitioner has submitted approved as well as new schemes for approval is enclosed in Annexure 11. The Petitioner has further submitted individual new schemes being proposed as enclosed in Annexure 12.

Table 122: New capital scheme for network extension/augmentation, power sourcing and reliability improvement being submitted by the petitioner.

Sl .	Scheme No.	Summary of Capital Expenditure plan	Estimated Cost (Rs Cr.)	Status of Approval by Competent Authority
1	N.9	Power Source Connectivity and major Capacity augmentation (2x315 MVA) of Power Infrastructure for Distribution of power in Seraikela Kharsawan	681.00	Technically Approved
2	N.10	Procurement of Emergency Restoration System (ERS) tower for 132 kV lines	6.60	Approved
3	N.11	Ready to Use Admin Asset i.e., Light/Medium Motor Vehicles, Vehicle mounted aerial boom man lifter & Electrical Fork lifter etc.	1.05	Under Approval
4	N.12	Installation of fixed type fire suppression system inside cable vaults of substations	0.30	Under Approval
Total (Rs Cr)			688.95	

10.13 Based on above submission the petitioner has submitted the revised capital expenditure as given in the table below:



Table 123: Capital expenditure as submitted by the petitioner.

Sl.	Capex approved/being submitted with this petition	Total	FY22	FY23	FY24	FY25	FY26	MTY (FY22-26)	MTY (FY27-31)
A	Capex approved MYT Business Plan Petition	150.52	36.20	29.69	28.63	28.00	28.00	150.52	
1	Carry over Schemes	9.89	8.20	1.69				9.89	
2A	New Schemes	125.00	25.00	25.00	25.00	25.00	25.00	125.00	
2B	NIFPS- approved vide order dated 16/5/2023	0.63			0.63			0.63	
3	Consumer Contribution During the year	15.00	3.00	3.00	3.00	3.00	3.00	15.00	
B	Capex approved vide order dated 26th June 2024.	100.25	0	0	2.00	41.10	56.65	100.25	
4	2x10/12.5 MVA, 33/11 KV sub-station at Dobo Area & 33 kV feeder	28.65				10.00	18.65	28.65	
5	Purchase of land for Substation in various areas	6.00			2.00	2.00	2.00	6.00	
6	Real time thermal monitoring system for TGS 132/33 KV substation switchyard	1.10				1.10		1.10	
7	Augmentation of Transformer at Phase-4 from 2 x 5 MVA to 2x12.5 MVA	5.00				5.00		5.00	
8	2x10/12.5 MVA, 33/11 KV Sub-station at Phase-3	25.00				10.00	15.00	25.00	
9	Additional 80/100 MVA 132/33KV power transformer with 132 KV & 33 KV GIS for interconnection	31.00				10.00	21.00	31.00	
10	Supply & Installation of Package AC System in EMC Control Building	0.50				0.50		0.50	
11	Development of power source connectivity - Preliminary expenses on DPR & System studies.	3.00				3.00		3.00	
C	Capex being submitted in this petition	688.95					13.95	13.95	675.00
12	Power Source Connectivity and major Capacity augmentation (2x315 MVA) of Power Infrastructure for Distribution of power in Seraikela Kharsawan	681					6.00	6.00	675.00
13	Procurement of Emergency Restoration System (ERS) tower for 132 kV lines	6.60					6.60	6.60	
14	Ready to Use Admin Asset i.e., Light/Medium Motor Vehicles, Vehicle mounted aerial boom man lifter & Electrical Fork lifter etc.	1.05					1.05	1.05	
15	Installation of fixed type fire suppression system inside cable vaults of substations	0.30					0.30	0.30	
Total Capex (Rs. Cr.) (A+B+C)		939.72	36.20	29.69	30.63	69.6	98.60	264.72	675.00



Future Capital Scheme for Power Sourcing and network augmentation

10.14 Scheme N.9

- 10.14.1 Expected future Power Demand: As on Aug'2023, there is a pending demand of approximately, 78 MVA (54 MVA from existing consumers & 24 MVA from new consumers) of load from Consumers in Seraikela Area. Further a demand of additional ~220 MVA is expected in the area progressively in next 6-7 years, totaling to a demand of ~300 MVA till 2030.
- 10.14.2 Requirement: In view of the above to meet the power demand, there is need of (a) New Connectivity from Grid (STU / CTU / DVC) including Transformers and Lines and (b) New Power Substation and interconnecting line with existing Grid substation at TGS, Gamharia
- 10.14.3 Proposal: As an outcome of option analysis, it is proposed to take 400kV Connectivity from Power Grid, construct new 2x100 MVA, 132/33kV Substation, Augment the Capacity of existing 132/33kV Substation located inside TGS for meeting the power demand from existing as well as new consumers in the Seraikela Kharsawan.

10.15 Scheme N.10

- 10.15.1 Business Case and Essentiality: Storms, cyclone, soil erosion, earthquakes, flooding, etc. natural calamities, and willful acts are difficult to predict and can damage or destroy EHT towers. These low frequency extreme weather conditions are becoming more severe and common due to changing climatic conditions.
- 10.15.2 In India, as per CEA "REPORT OF THE STANDING COMMITTEE OF EXPERTS ON FAILURE OF EHV TRANSMISSION LINE TOWER," there were total 947 numbers of EHT tower failure (as reported to CEA) due to several reasons including unpredictable wind force due to storm, cyclone, old design aspects, etc.
- 10.15.3 Scheme Details: This capex is being proposed to procure 6 Nos. of Emergency Restoration Towers for quick temporary restoration of 132 kV Lines upon tower failures.

10.16 Scheme N.11

- 10.16.1 Scheme Details: Ready to Use Admin Asset i.e., Light/Medium Motor Vehicles, Vehicle mounted aerial boom man lifter & Electrical Fork lifter etc.
- 10.16.2 Benefits: Availability of vehicles to attend breakdown, customer complaint job, Improved Line Maintenance, quick breakdown restoration time, Improved Reliability, Customer Satisfaction.

10.17 Scheme N.12

- 10.17.1 Limitation of current system:



Automatic fire suppression system is not installed in existing cable tunnels/vaults.

During any fire incident, dense smoke is expected to be generated from cable vault room due to burning of cable sheath. As a result, firefighting team will not be able to enter inside cable vault to extinguish.

This may result in further spread of fire.

Smoke detection-based FDA System is presently installed in existing cable tunnels which acts after fire starts and considerable smoke accumulates near the sensor.

10.17.2 Proposal:

To minimize impact of any fire incident inside cable vault, it is proposed to install automatic fixed type fire extinguishing system for suppression of fire at cable vaults of the following substations:

- TGS 132/33 kV substation
- Phase 7 substation
- Birbans substation
- EMC substation
- Seraikela Substation

Commission Analysis

10.18 The Commission has outlined **clause 6.12 to clause 6.15** of JSERC Distribution Tariff Regulation 2020 for the approval of Depreciation as reproduce below:

“Capital Investment Plan

6.12 The Licensee shall file for the Commission’s approval a Capital Investment Plan for the entire Control Period along with the Business Plan. The Capital Investment Plan shall be prepared scheme-wise and each scheme shall include:

a) Purpose of investment (e.g., replacement of existing assets, meeting load growth, technical and distribution loss reduction, non-technical loss reduction, meeting reactive energy requirements, customer service improvement, improvement in quality and reliability of supply, etc.);

b) Approval of Competent Authority;

c) Capital Structure;

d) Detailed Project Report

e) Capitalization Schedule;



- f) Implementation schedule including timelines;*
- g) Cost-benefit analysis and Rate reasonability;*
- h) Improvement in operational efficiency envisaged in the Control Period;*
- i) On-going schemes that will spill over into the year under review along with justification;*
- j) New schemes that will commence during the Control Period but may be completed within or beyond the Control Period.
.....”*

- 10.19 On scrutinizing and analyzing the data, material, and information on record, the Commission allows spilled over works and related capital expenditure work from previous Control Period. However, the Petitioner to strictly ensure that the approved schedule of Capital Expenditure should be strictly adhered to.
- 10.20 With regards to new schemes, the Commission has scrutinized the Detailed Scheme Wise Reports along with projected objective of project, benefit of scheme, capital structure, financing plan and other aspect provided by the petitioner for the schemes along with detail justification and necessity of the schemes.
- 10.21 The Commission provides in-principle approval for Scheme N.9, “Power Source Connectivity and major Capacity augmentation (2x315 MVA) of Power Infrastructure for Distribution of power in Seraikela Kharsawan”. The Petitioner is directed to submit detailed feasibility study and the execution plan for the said scheme to be included in totality in the Capital investment plan. The Commission has approved the scheme N.10, “Procurement of Emergency Restoration System (ERS) tower for 132 kV lines”.

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Table 124: Revised Capital expenditure (Rs. Cr.) as approved by the Commission

Sl.	Capex approved/being submitted with this petition	Revised capital Expenditure Plan (Rs. Cr.)						Approved Capital Expenditure Plan (Rs. Cr.)					
		FY22	FY23	FY24	FY25	FY26	Total	FY22	FY23	FY24	FY25	FY26	Total
A	Capex already approved by Commission	36.2	29.69	30.63	69.6	84.65	250.77	36.2	29.69	30.63	69.6	84.65	250.77
1	Carry over Schemes	8.2	1.69				9.89	8.2	1.69				9.89
2A	New Schemes	25	25	25	25	25	125	25	25	25	25	25	125
2B	NIFPS- approved vide order dated 16/5/2023			0.63			0.63			0.63			0.63
3	Consumer Contribution During the year	3	3	3	3	3	15	3	3	3	3	3	15
4	2x10/12.5 MVA, 33/11 KV sub-station at Dobo Area & 33 kV feeder				10	18.65	28.65				10	18.65	28.65
5	Purchase of land for Substation in various areas			2	2	2	6			2	2	2	6
6	Real time thermal monitoring system for TGS 132/33 KV substation switchyard				1.1	0	1.1				1.1	0	1.1
7	Augmentation of Transformer at Phase-4 from 2 x 5 MVA to 2x12.5 MVA				5		5				5		5
8	2x10/12.5 MVA, 33/11 KV Sub-station at Phase-3				10	15	25				10	15	25
9	Additional 80/100 MVA 132/33KV power transformer with 132 KV & 33 KV GIS for interconnection				10	21	31				10	21	31
10	Supply & Installation of Package AC System in EMC Control Building				0.5		0.5				0.5		0.5
11	Development of power source connectivity - Preliminary expenses on DPR & System studies.				3	0	3				3	0	3
B	Capex being submitted with this petition					6.6	6.6					6.6	6.6
12	Procurement of Emergency Restoration System (ERS) tower for 132 kV lines					6.6	6.6					6.6	6.6
	Total Capex (Rs. Cr.) (A+B)	36.2	29.69	30.63	69.6	91.25	257.37	36.2	29.69	30.63	69.6	91.25	257.37



10.22 The Commission shall review the capital expenditure and capitalization actually done by the petitioner at the end of each year of the Control Period in accordance with **Clause 6.13 to Clause 6.15** of the Distribution Tariff Regulations, 2020. The relevant regulation is mentioned below:

“.....

6.13 During the Annual Performance Review, the Commission shall monitor the year-wise progress of the actual capital expenditure incurred by the Licensee vis-à-vis the approved capital expenditure. The Licensee shall submit the actual capital expenditure incurred along with the Annual Performance Review Filing.

6.14 The Commission shall review the actual capitalisation at the end of each year of the Control Period vis-à-vis the approved capitalization schedule and shall true up the ARR based on actual capitalization for the year for which True up has been filed and also revise the ARR components for the year for which APR and Tariff have been sought.

6.15 In case the capital expenditure is required for emergency work, which has not been approved in the Capital Investment Plan, the Licensee shall submit an application containing all relevant information along with reasons justifying emergency nature of the proposed work seeking approval of the Commission wherever possible:

Provided that in case the capital expenditure is required for emergency work or unforeseen situation to mitigate threat to life and property and if prior intimation thereof to the Commission shall cause any irreparable loss or injury, the Licensee may undertake such capital expenditure and submit the details for post-facto approval of the Commission along with next Tariff Petition with all relevant details.”

10.23 The Commission at this junction does not approve any de-capitalization, however, directed the Petitioner to submit the detail of de-capitalization, if any at the time up of APR/truing up.



Chapter 11: GREEN ENERGY TARIFF

Petitioner Submission

11.1 The Petitioner submitted that Ministry of Power, Government of India has notified “The Electricity Act (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022. Taking Consideration of the above, the Commission has notified Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Green Energy Open access) Regulations, 2024. Clause 4.2(c) of the Regulation provides details of method by which a distribution licensee can determine tariff for the supply of green energy to the consumers, which shall be determined separately by the Commission based on the Average Pooled Power Purchase Cost of the renewable energy, cross-subsidy charges (if any), and service charges covering the prudent cost of the distribution licensee for providing the green energy.

11.2 The clause 4.2 c of the said Regulation is being reproduced below –

“4.2. Any entity, whether obligated or not may elect to generate, purchase and consume renewable energy as per their requirements by one or more of the following methods:

c. By requisition from distribution licensee:

i. Any consumer may elect to purchase Green Energy either upto a certain percentage of the consumption or its entire consumption and they may place a requisition for this with their distribution licensee, which shall procure such quantity of green energy and supply it and the consumer shall have the flexibility to give separate requisition for solar and non-solar;

ii. The consumer may purchase on a voluntary basis, more renewable energy, than he is obligated to do and for ease of implementation, this may be in steps of 25% going upto 100%;

iii. The tariff for the green energy shall be determined separately by the Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy surcharges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy;

iv. Any requisition for green energy from a distribution licensee shall be for a minimum period of one year;

v. The quantum of green energy shall be pre-specified for at least one year;

vi. The green energy purchased from distribution licensee or from Renewable Energy sources other than distribution licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted



towards Renewable Purchase Obligation compliance of the distribution licensee;

vii. *The Accounting of renewable energy supplied at distribution licensee level shall be on a monthly basis;*”

- 11.3 Petitioner submits that some of the Industrial/Commercial customers have approached Tata Steel UISL for supplying Green Energy. Further, there is increased awareness in certain class of consumers regarding reducing their Carbon footprints and are willing to pay a premium for “Green Energy”.
- 11.4 The petitioner seeks approval for “Green Energy Tariff” for Supply of Renewable Energy (RE) to consumers for meeting their requirement of Green Energy. Based on approval of Green Energy tariff by the Commission the petitioner would explore Sources of Green Energy and would approach the Commission for consent to procure RE Power from such sources.
- 11.5 Petitioner would like to adopt the methodology adopted by Commission for determination of Green Energy tariff for TSL Power Distribution Licensee vide. TSL Tariff Order dated : 26th June 2024. The relevant extract of the said Tariff Order are given below:

“10.12 For the calculation of the Green Energy Tariff, the Commission has introduced a formula that considers the difference between the weighted average rate of renewable energy (RE) power and the weighted average rate of the energy charge (variable charge) of non-renewable energy (Non-RE) sources.”

- 11.6 Computation of Green Energy Tariff –Based on above, Green Energy Tariff for FY 2024-25 is being computed below as difference between Weighted Average of Market. Weighted Average of Market Clearing Price (MCP) of RE sources in GDAM for FY 2022-23 ,2023-24 & 2024-25 (Upto Sept-24) is shown below.

Particulars	FY23	FY24	FY25 (upto Sept-24)
Weighted MCP of RE in GDAM (Rs./kWh)	5.64	5.06	4.00

- 11.7 Pooled power purchase cost (Variable Only) of Non-RE sources for FY 2022-23, 2023-24 & 2024-25 (Up to Sept-24) is calculated by considering Weighted Average Variable Cost of all Non-RE Sources supplying power to the Licensee. As per the data available Average Variable Cost of Power Purchase comes out to be Rs. 3.74 / kWh. This has been derived by considering previous year’s figures i.e actuals of FY 2021-22, FY2022-23,



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FY2023-24 & FY2024-25 (Up to Sept-24). Average of FY23 to FY25 (Up to Sept-24): Rs 3.74 / kWh.

Source	FY23	FY24	FY25 (Upto Sept-24)
	Rs/kWh	Rs/kWh	Rs/kWh
DVC 33 KV	3.76	3.92	3.64
DVC 132 KV	3.72	3.89	3.61
Weighted Average Rs/kWh	3.73	3.90	3.61

11.8 The difference of Weighted MCP of RE in GDAM (Rs./kWh) and weightage average Variable Cost of Power Purchase from Conventional Non-RE Sources is shown below:

Particulars	Formula	FY23	FY24	FY25 (up to Sept-24)	Average
Weighted MCP of RE in GDAM (Rs./kWh)	A	5.64	5.06	4.00	4.90
Cost of Non-RE (Only Variable cost) (Rs./kWh)	B	3.73	3.90	3.61	3.74
Difference between RE & Non-RE (Only Variable cost) (Rs/kWh)	C = A-B	1.92	1.16	0.39	1.15

**Note: Tata Steel UISL has not procured RE till date as Renewable Energy Purchase Obligation is not applicable for Tata Steel UISL Licensee as on date. Hence the Cost of RE (Rs/kWh) is considered same as Weighted Average of Market Clearing Price (MCP) of RE in Green Day Ahead Market.*

11.9 In Order to promote Green Energy, the Petitioner submitted that Commission may approve Green Energy tariff by considering 50% of the difference between RE & Non-RE (Only Variable cost) i.e, 50% of Rs 1.15/kWh, which comes out to be Rs. 0.58 / kWh.

11.10 Based on methodology adopted by the Commission as mentioned above, Green Energy Tariff comes out to be “Normal Tariff applicable for a consumer + Rs 0.58/ unit”

11.11 Petitioner submitted that the Commission may approve Green Energy tariff based on the above submission.

11.12 As customers would also be requiring Green Energy certificate for their compliance purpose; Petitioner requests the Commission that Tata Steel UISL may also be authorized to provide green energy certificate to the consumers who avails Green energy at applicable Green Energy tariff.



11.13 REGULATORY FRAMEWORK -Clauses which empowers the Commission to approve the Green Energy Tariff are as follows –

11.14 The Petitioner submitted that Section 94 of the Electricity Act 2003 empowers the Commission to take up this request and pass order in this regard. Relevant part of section 94 of the Electricity Act 2003 is reproduced below.

“(1) The Appropriate Commission shall, for the purposes of any inquiry or proceedings under this Act, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 in respect of the following matters, namely: -

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) discovery and production of any document or other material object producible as evidence;

(c) receiving evidence on affidavits;

(d) requisitioning of any public record;

(e) issuing commission for the examination of witnesses;

(f) reviewing its decisions, directions and orders;

(g) any other matter which may be prescribed.

(2) The Appropriate Commission shall have the powers to pass such interim order in any proceeding, hearing or matter before the Appropriate Commission, as that Commission may consider appropriate.

(3) The Appropriate Commission may authorise any person, as it deems fit, to represent the interest of the consumers in the proceedings before it.”

11.15 The Petitioner submitted that Section 86 of the Electricity Act 2003 empowers the Commission to consider this request and pass order in this regard. Section 86 of the Electricity Act 2003 is reproduced below.

“Section 86. (Functions of State Commission): (1) The State Commission shall discharge the following functions, namely: -

(a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:

Provided that where open access has been permitted to a category of consumers under section 42, the State Commission shall determine only the wheeling charges and surcharge thereon,

if any, for the said category of consumers;



(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;

(c) facilitate intra-State transmission and wheeling of electricity;

(d) issue licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;

(e) promote co-generation 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; and

(k) discharge such other functions as may be assigned to it under this Act.

11.16 Further, the Petitioner submitted that Section 4.2 C (iii) of JSERC (Green Energy Open Access) Regulations 2024, empowers the Commission to take decision regarding this petition filed. The same section is reproduced below-

“4.2. Any entity, whether obligated or not may elect to generate, purchase and consume renewable energy as per their requirements by one or more of the following methods:

c. By requisition from distribution licensee:

iii. The tariff for the green energy shall be determined separately by the Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy surcharges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy;”



11.17 The Petitioner submitted that Section A 44 and 45 of Conduct of Business Regulations 2016, which empowers the Commission to take decision regarding this petition filed. The same section is reproduced below-

“A44: ISSUE OF ORDERS AND DIRECTIONS ON PROCEDURES

44.1 Subject to the provisions of the Act and these Regulations, the Commission may, from time to time, issue orders and directions in regard to the implementation of the Regulations and procedure to be followed.”

“A45: SAVING OF INHERENT POWER OF THE COMMISSION

45.1 Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary for ends of justice or to prevent the abuse of the process of the Commission.

45.2 Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act, a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded, in writing, deems it necessary or expedient for dealing with such a matter or class of matters.

45.3 Nothing in these Regulations shall, expressly or impliedly bar the Commission to deal with any matter or exercise any power under the Act for which no Regulation have been framed, and the Commission may deal with such matters, with powers and functions in a manner it thinks fit.

11.18 In the view of aforesaid mentioned facts, the Petitioner requested the Commission to approve the “Green Energy Tariff” as “Normal Tariff applicable for a customer + Rs. 0.58 per kWh as proposed above or as deem fit by the Commission.

Commission Analysis

11.19 The Commission is of the opinion that since the Petitioner is buying power in consumer mode and thus RPO compliances are not applicable to the Petitioner, **the Green Tariff approved for the Licensee, Tata Steel Ltd., shall be applicable to the Petitioner too.**



Chapter 12: APPROVED RETAIL TARIFF FOR FY 2025-26

Petitioner Submission

12.1 The Summary of Tariff proposed by the Petitioner is provided below:

Table 125: Summary of Tariff Proposed by the Petitioner for FY 2025-26

Consumer Category	Existing Tariff				Proposed Tariff			
	Fixed Charges		Energy Charges		Fixed Charges		Energy Charges	
	Units	Rate	Units	Rate	Units	Rate	Units	Rate
Domestic Services (DS)								
Domestic Services - Rural	Rs./Conn/month	40.00	Rs./kWh	3.00	Rs./Conn/month	45.00	Rs./kWh	3.09
Domestic Services - Urban	Rs./Conn/month	75.00	Rs./kWh	3.25	Rs./Conn/month	80.00	Rs./kWh	3.35
Domestic Services - HT	Rs./kVA/month	75.00	Rs./kVAh	3.10	Rs./kVA/month	80.00	Rs./kVAh	3.19
Irrigation & Agriculture Services (IAS)	Rs./HP/month	20.00	Rs./kWh	3.90	Rs./HP/month	25.00	Rs./kWh	4.06
Commercial Services (Non-Domestic)								
Commercial Services - Rural	Rs./kW/month	75.00	Rs./kWh	3.00	Rs./kW/month	80.00	Rs./kWh	3.09
DSRU-CS5KW	Rs./Conn/month	40.00	Rs./kWh	3.00	Rs./Conn/month	45.00	Rs./kWh	3.09
Commercial Services - Urban	Rs./kW/month	150.00	Rs./kWh	4.15	Rs./kW/month	155.00	Rs./kWh	4.27
DSUR-CS5KW	Rs./Conn/month	75.00	Rs./kWh	3.25	Rs./Conn/month	80.00	Rs./kWh	3.35
Low Tension Industrial Services (LTIS)	Rs./kVA/month	150.00	Rs./kVAh	4.50	Rs./kVA/month	155	Rs./kVAh	4.64
High Tension Services (HTS)								
HTS-11 KV	Rs./kVA/month	350.00	Rs./kVAh	4.90	Rs./kVA/month	355	Rs./kVAh	5.05
HTS-33 KV	Rs./kVA/month	350.00	Rs./kVAh	4.90	Rs./kVA/month	355	Rs./kVAh	5.05
Institutional Services								
Streetlight	Rs./kW/month	60.00	Rs./kWh	5.25	Rs./kW/month	65.00	Rs./kWh	5.46
Railway traction services, Military	Rs./kVA/month	190.00	Rs./kVAh	5.80	Rs./kVA/month	195.00	Rs./kVAh	6.03

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Consumer Category	Existing Tariff				Proposed Tariff			
	Fixed Charges		Energy Charges		Fixed Charges		Energy Charges	
	Units	Rate	Units	Rate	Units	Rate	Units	Rate
Engineering Services and Other Distribution Licensees								
Temporary Services	Rs./kW/month	1.5 times of the applicable fixed charges	Rs./kWh	1.5 times of the applicable energy charges	Rs./kW/month		Rs./kWh	

Commission Analysis

12.2 Based on the above discussions, the summary of Tariff approved by the Commission for FY 2025-26 is as below:

Table 126: Summary of Approved Tariff by the Commission for FY 2025-26

Consumer Category	Existing Tariff				Approved Tariff			
	Fixed Charges		Energy Charges		Fixed Charges		Energy Charges	
	Units	Rate	Units	Rate	Units	Rate	Units	Rate
DOMESTIC SERVICE								
DS LT								
LT Rural	Rs./Conn/month	40	Rs./kWh	3.00	Rs./Conn/month	45	Rs./kWh	3.06
LT Urban	Rs./Conn/month	75	Rs./kWh	3.25	Rs./Conn/month	80	Rs./kWh	3.32
DS HT	Rs./kVA/month	75	Rs./kVAh	3.10	Rs./kVA/month	80	Rs./kVAh	3.16
IRRIGATION & AGRICULTURE SERVICE (IAS)	Rs./HP/month	20	Rs./kWh	3.90	Rs./HP/month	25	Rs./kWh	4.06
COMMERCIAL SERVICES (CS)								
CS Rural	Rs/kW/month	75	Rs./kWh	3.00	Rs/kW/month	80	Rs./kWh	3.06

True-up for FY 2023-24, APR for FY 2024-25, & ARR & Tariff for FY 2025-26



Consumer Category	Existing Tariff				Approved Tariff			
	Fixed Charges		Energy Charges		Fixed Charges		Energy Charges	
	Units	Rate	Units	Rate	Units	Rate	Units	Rate
CS Urban	Rs/kW/month	150	Rs./kWh	4.15	Rs/kW/month	155	Rs./kWh	4.23
INDUSTRIAL SERVICES								
Low Tension Industrial Service	Rs./kVA/month	150	Rs./kVAh	4.50	Rs./kVA/month	155	Rs./kVAh	4.59
High Tension Service	Rs./kVA/month	350	Rs./kVAh	4.90	Rs./kVA/month	355	Rs./kVAh	5.00
INSTITUTIONAL SERVICES								
Street Light	Rs./kW/month	60	Rs./kWh	5.25	Rs./kW/month	65	Rs./kWh	5.36
Railway Traction Services, Military Engineering Services and Other Distribution Licensees	Rs./kVA/month	190	Rs./kVAh	4.80	Rs./kVA/month	195	Rs./kVAh	4.90
Temporary Services	Rs./kW/month	1.5 times of the applicable fixed charges	Rs./kWh	1.5 times of the applicable energy charges	Rs./kW/month		Rs./kWh	



Chapter 13: SCHEDULE OF CHARGES FOR FY 2025-26

Petitioner Submission

13.1 The Petitioner has proposed no change in the Schedule for Miscellaneous Charges except Disconnection and Reconnection charges, and one new service is proposed for shutdown on customer request as shown below:

Table 127: Miscellaneous Charges as proposed by the Petitioner for FY 2025-26

No	Purpose	Existing Charges	Proposed Charges	Manner in which payment will be realized
1	Application fee			
	LT categories	100	No change	Payable with Energy Bill
	HT Connection	500	No Change	
2	Revision of Estimate on Consumer Request based on Revision in Original Application			
	LT Categories	100	No Change	Payable with demand note
	HT Connection	500	No Change	
3	Testing of consumers Installation ⁽¹⁾			
	LT Supply	100	No change	Payable with energy bill
	HT Supply	500	No Change	
4	Meter test when accuracy disputed by consumer ⁽²⁾			
	Single/ Three Phase	100	505	Payable with request for testing
	Trivector/Special Type Meter, HT, EHT Metering Equipment	1000	1500	



No	Purpose	Existing Charges	Proposed Charges	Manner in which payment will be realized
5	Removing/Refixing of meter/ Changing of meter/meter equipment/fixing of sub meter on the request of the customer/fixing of sub meter/ Resealing of Meter when meter seals are found broken.			
	Single / Three Phase	200	No Change	Payable with energy bill
	Trivector/Special type meter/ HT / EHT Neter/Metering equipment	1000	No Change	
6	Replacement of meter card, if lost or damaged by Consumer	100	No Change	Payable with Energy Bill
7	Fuse call- Replacement /RCBO Tripping Call- Replacement.			
	Consumer fuse/ RCBO attending	100	100	Payable with energy bill
8	Disconnection / Reconnection			
	LT Connection	200		Payable in advance along with the consumer request.
	HT Connection	1500		
9	Replacement of Burnt Meter/ MCCB/ RCBO/ Catenary/Switches or any ither items	Cost of meter or other items relaced	No change	Payable with Energy Bill
10	Security Deposit	As per JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time		
11	Transformer Rent ⁽³⁾			
	Up to 200 kVA	5500/Month	No Change	Payable with energy bill
	Above 200 kVA	7500/Month	No Change	
12	Shutdown on Consumer Request -			



No	Purpose	Existing Charges	Proposed Charges	Manner in which payment will be realized
	LT Connection	NA	200	Payable with energy bill; Considering visit twice per shutdown request (Power disconnection & reconnection)
	LT Industrial	NA	1000	
	HT Industrial	NA	2000	

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

Commission Analysis

13.2 The Commission has analyzed the various aspects of these charges and the Schedule of Miscellaneous Charges applicable to other Distribution Licensee in the State of Jharkhand. The Commission observes that the Schedule of Miscellaneous Charges are already specified in the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time. However, since the Commission has approved the Miscellaneous Charges in the Tariff Order dated November 24, 2022, the Commission has not approved any change in Miscellaneous Charges in this Order as reiterated in **Chapter 14** of this Order and any changes in the Charges shall be revised in the amendment of the Supply Code Regulations.



Chapter 14: TARIFF SCHEDULE

TARIFF APPLICABLE FORM 01.04.2025

Consumer Tariff

Ceiling Tariff

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

Domestic Service- Rural and Urban

Applicability:

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

This rate is also applicable for supply to religious institutions such as Temples, Gurudwaras, Mosques, Church, Burial/Crematorium grounds, Rural Drinking Water Schemes and other recognized 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 up to 5 kW mixed, commercial, industrial, educational institutions, drinking water schemes or for any other purpose, except streetlight connections and agriculture/allied connections

Category of Services:

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

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

Service Character:

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

Tariff:

Category	Fixed Charge	Energy Charge
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True-up for FY 2023-24, APR for FY 2024-25, & ARR & Tariff for FY 2025-26

	Unit	Rate	Unit	Rate
LT-Rural	Rs./Conn./month	45	Rs./kWh	3.06
LT-Urban	Rs./Conn./month	80	Rs./kWh	3.32

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order



Domestic Service- HT

Applicability:

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

Category of Services:

Domestic Service- HT: This Schedule shall apply for domestic connection in Housing Colonies/ Housing Complex/Houses of multi storied buildings purely for residential use for single point metered supply, with power supply at 6.6 kV, 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 11 kV or 33 kV

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
DS-HT	Rs./kVA/month	80	Rs./kVAh	3.16

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 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Orde



Irrigation & Agriculture Service (IAS)

Applicability:

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

Service Character:

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

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
IAS	Rs./HP/month	25.00	Rs./kWh	4.06

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order



Commercial Service:

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 multistoried commercial office/buildings, Dharmshalas, public Electric Vehicles Charging stations and such other installations not covered under any other tariff schedule whose Contracted Demand is 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 greater 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-Rural: Areas not covered by area indicated for Commercial Service Urban.

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

Service Character:

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

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
CS- Rural	Rs./kW/month	80	Rs./kWh	3.06



Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
CS- Urban	Rs./kW/month	155	Rs./kWh	4.23

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 15** 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: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** 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 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Low Tension Industrial Service:

Applicability:

Low Tension Industrial Service (LTIS): This schedule shall apply to all industrial / processing units or agro industrial processes having a contracted load less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

Service Character:

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

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
LTIS	Rs./kVA/month	155.00	Rs./kVAh	4.59

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 15** 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: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** 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 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



HT Service:

Applicability:

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

Service Character:

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

Tariff

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
HTS	Rs./kVA/month	355	Rs./kVAh	5.00

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Street Light:

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

Applicability:

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

Service Character:

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

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Street Light	Rs./kW/month	65	Rs./kWh	5.36

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



HT Institutional Service:

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

Applicability:

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

Other Distribution Licensees: This tariff schedule shall apply to other distribution licensees procuring power from the Licensee (except JUSCO, which shall continue to procure power as per the prevailing arrangement) 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 utilized in industrial units owned by it or its parent or affiliate company.

Service Character:

Railway Traction Service (RTS): AC, 50 cycles, Single phase at 25 kV/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 Charge		Energy Charge	
	Unit	Rate	Unit	Rate
HT Institutional Service	Rs./kVA/month	195	Rs./kVAh	4.90

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 15** of this Tariff Order.

Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this



Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** as provided in **Chapter** on Terms & Conditions of Supply as provided in **Chapter 15** 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 TSL buys power from DVC then the onus to comply with RPO will be with DVC only.



Temporary Connection:

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 and amendment thereof.
- (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 Charge	Energy Charge
	Rate	Rate
Temporary Connection (all Units)	1.5 times of the applicable fixed charges	1.5 times of the applicable energy charge



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

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 issued separately by the Commission and till the time such order is issued; the existing rate shall continue to be valid.

Table 128: Miscellaneous Charges as approved by the Commission for FY 2024-25

No	Purpose	Existing Charges	Proposed Charges	Manner in which payment will be realized
1	Application fee			
	LT categories	100	No change	Payable with Energy Bill
	HT Connection	500	No Change	
2	Revision of Estimate on Consumer Request based on Revision in Original Application			
	LT Categories	100	No Change	Payable with demand note
	HT Connection	500	No Change	
3	Testing of consumers Installation ⁽¹⁾			
	LT Supply	100	No change	Payable with energy bill
	HT Supply	500	No Change	
4	Meter test when accuracy disputed by consumer ⁽²⁾			
	Single/ Three Phase	100	505	



No	Purpose	Existing Charges	Proposed Charges	Manner in which payment will be realized
	Trivector/Special Type Meter, HT, EHT Metering Equipment	1000	1500	Payable with request for testing
5	Removing/Re-fixing of meter/ Changing of meter/meter equipment/fixing of sub meter on the request of the customer/fixing of sub meter/ Resealing of Meter when meter seals are found broken.			
	Single / Three Phase	200	No Change	Payable with energy bill
	Trivector/Special type meter/ HT / EHT Meter/Metering equipment	1000	No Change	
6	Replacement of meter card, if lost or damaged by Consumer	100	No Change	Payable with Energy Bill
7	Fuse call- Replacement /RCBO Tripping Call- Replacement.			
	Consumer fuse/ RCBO attending	100	100	Payable with energy bill
8	Disconnection / Reconnection			
	LT Connection	200		Payable in advance along with the consumer request.
	HT Connection	1500		
9	Replacement of Burnt Meter/ MCCB/ RCBO/ Catenary/Switches or any other items	Cost of meter or other items related	No change	Payable with Energy Bill
10	Security Deposit	As per JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time		
11	Transformer Rent ⁽³⁾			
	Up to 200 kVA	5500/Month	No Change	Payable with energy bill



No	Purpose	Existing Charges	Proposed Charges	Manner in which payment will be realized
	Above 200 kVA	7500/Month	No Change	
12	Shutdown on Consumer Request -			
	LT Connection	NA	-	-
	LT Industrial	NA	-	
	HT Industrial	NA	-	

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



Chapter 15: TERMS AND CONDITION 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 amended 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.

Clause IV: Voltage Rebate

Voltage Rebate* will be applicable on Energy Charge 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

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 no rebate shall be allowed after due date irrespective of the mode of payment.

Note: As per example if a bill is issued on the 1st day of any month, the 5 days will be counted from the 2nd day of the month, i.e. the 6th day of the month will be the end date for availing the rebate.

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. TSL to include the same in the consumer's bill and recover the Fixed Charges only in proportion to the hours of supply as per the meter. The cut off hours for complete recovery from Fixed/Demand Charges shall be 21 hours per day for LT consumers and 23 hours per day for HT Consumers.

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



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

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

Point of Supply

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

Dishonored Cheques

In terms of Clause 10.10.5 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time, in the event of dishonored cheque for payment against a particular bill, the Licensee shall charge a minimum of Rs. 300 or 0.5% of the billed amount, whichever is higher. In addition to the same, the Delayed Payment Surcharge shall be levied extra as per the applicable terms and conditions of Delayed 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 Load/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 Consumer- (<132kV)	0.30
HT Consumer- (>132kV)	0.50

Sale of Energy

No consumer shall be allowed to sell the electricity purchased from the Licensee to any other person/entity. In case of DS-HT consumers, who supply power to individual households, the average per unit charges billed to an individual



True-up for FY 2023-24, APR for FY 2024-25, & ARR & Tariff for FY 2025-26

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.

Fuel & Power Purchase Cost Adjustment (FPPCA)

Applicable as per JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and as amended by the Commission from time to time.



Chapter 16: STATUS OF EARLIER DIRECTIVES

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

Directives	Status	Views of the Commission
Submission of Fixed Assets Register		
<p>The Commission had directed the Petitioner to maintain the Fixed Assets Register (FAR) considering the depreciation rates as specified in JSERC Distribution Tariff Regulations, 2020 and submit the status report to the Commission along with FAR in next tariff filling. Further, the Commission directs that the Petitioner should specifically comply with observations of statutory authorities/auditors on the matter of Verification & Monitoring of Fixed Assets/CAPEX/Inventory and Maintenance of proper records preferably in digital form for observance of statutory provisions. The Petitioner should also put in place a robust Integrated Accounts & Financial Management System to minimize the time for preparation of Annual Accounts & filing of Petitions/Business Plans/APR's in time.</p>	<p>The petitioner has submitted that the Fixed Asset Register (FAR) is maintained as per the depreciation rates as specified in JSERC Distribution Tariff Regulations, 2020. The soft copy of the same is being provided along with this petition. The petitioner would like to inform the Commission that a robust integrated Accounts & Financial Management System in the form of SAP-ERP is already in place. (For Billing and Collection: SAP-IS Utility and for Financial Management: SAP S/4 HANA)</p>	<p>The Commission has noted the submission of the Petitioner.</p>
Stores and Scraps		
<p>The Commission directs the Petitioner to submit the Itemized details of scraps and store items</p>	<p>The details of store items have been submitted as part of</p>	<p>The Commission has noted the submission of the</p>



Directives	Status	Views of the Commission
along with the estimated values within 3 months from the issue of this Order. The Petitioner is directed to review the comments of the Commission and comply with the directives issued by the Commission with utmost sincerity failing which penal action may be taken.	Annexure-13 of the Petition. Furthermore, the Petitioner submitted that the income from sale of scrap is Rs. 0.22 Cr. during FY 2023-24.	Petitioner.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on March 28, 2025.

Date: 28.03.2025

Place: Ranchi

Sd/-
(Atul Kumar)
MEMBER (Technical)

Sd/-
(Mahendra Prasad)
MEMBER (Law)



Chapter 17: List of Participants

Table 129: List of participants who attend Public Hearing and submitted their Suggestions/Comments

Sr. No.	Name	Address/Organization
1.	Neelama Pandey	Bhatia, Adityapur
2.	Navin Singh	Hariomnagar
3.	Pramod Kumar	Adityapur
4.	Shanu	Ambey residency
5.	Ranjeet	Golden Heritage
6.	Sunder singh	Aastha Homes
7.	Pankaj Kumar	TSUISL
8.	Kripa Shanicar	Toll Bridge
9.	Biswajite Jana	TSUISL
10.	Guddy Tantubai	TSUISL
11.	Brajesh Singh	Prabhat Khabar
12.	Punit Kauntia	Singhbhum Chamber of Commerce and Industries
13.	Nirmal Prasad	Dainik Jagran
14.	Vikash Kumar	Seraikela Town
15.	Birendra Lama	Adityapur
16.	Vinod Sharma	Gamharia
17.	Mritunjay Singh	TSUISL
18.	Vishwa Karma Mahato	Rapcha Po.Rapcha
19.	Rupesh Soren	Hari Bhanga
20.	Lulu Sardar	Ragadi



Sr. No.	Name	Address/Organization
21.	Vinod Sharma	SCCI
22.	Suman Dutta	TSUISL
23.	Mritunjay Kumar	TSUISL
24.	Anand mahuto	Chhota Gamaria
25.	Shakti Kumar	Serakela
26.	Chhatni Mahato	Birbans
27.	Dev	Harisundarpur
28.	Marshal Soren	TSUISL
29.	Dilip	TSUISL
30.	Ritesh	TSUISL
31.	Ashwani Kumar	Jamshedpur
32.	H. Prasoon Singh	Toll Bridge Adityapur
33.	Rupesh Mahato	Rapcha TSUISL
34.	Biplab Kumar Mahato	Siada office
35.	Rupesh Singh	TSUISL
36.	Sharad Kumar	CGRD Tata Steel
37.	MP Verma	Adityapur
38.	Jawahar Lal Sharma	Jamshedpur
39.	Mishank Lal Jawardhan	Kadria
40.	Anshu Kumar Singh	TSUISL
41.	UK Mitra	TSUISL
42.	Mani Pandey	TSUISL
43.	Ramchandra	TSUISL



Sr. No.	Name	Address/Organization
44.	Sanjay Chaterjee	NIT, Jamshedpur
45.	Barun Dey	TSUisl
46.	Madhulika singh	TSUisl
47.	Ritesh Gupta	TSUisl
48.	Javed Sen	TSUisl
49.	Dhruv Kapoor	Deloitte
50.	Nivek Kumar Mishra	Ashiana Housing Ltd.
51.	Sumit Kumar	TSUisl
52.	Diksha utsav Kindo	TSUil
53.	AK Tripathi	TSUisl
54.	MK Panda	TSUisl
55.	Siddheshwar	Ganesh Lakshaya Apartment, Adityapur
56.	Manish Vaishkhiyar	TSUisl
57.	Ranabir Mullick	TSUisl
58.	Tanmoy Chaterjee	Deloitte
59.	Kundan Karith	TSUisl
60.	Abdul Basit	TSUisl
61.	Suman Mandal	TSUisl
62.	Chiku Kumar	TSUisl
63.	Suraj Kumar Sharma	TSUisl
64.	Koustav Banerjee	TSUisl
65.	Sushma Karmakar	TSUisl



Sr. No.	Name	Address/Organization
66.	Arbind Kumar	TSUISL
67.	Devi Ponthala	TSUISL
68.	Jyoti Prakash	TSUISL
69.	Prachi Jha	TSUISL
70.	Samiksha Rai	TSUISL
71.	SK Monsob	TSUISL
72.	Nirmal Karmakar	TSUISL
73.	Ravi Ranjan Singh	TSUISL
74.	Deepak Kumar	TSUISL
75.	Ritik Kumar	TSUISL
76.	S Mahadev	TSUISL
77.	Sharat Kumar	CGRF Saraikela Khairsawan
78.	Shashi Chandra Kumar	Jamshedpur
79.	Rohit Tirkey	TSUISL
80.	Chanmaryada Nayak	TSUISL
81.	N. Leena	TSUISL
82.	Rahul Kumar Arsh	TSUISL
83.	Chittranhan	TSUISL
84.	Shubhendu Kr. Mohanta	TSUISL
85.	Suman Deuri	TSUISL
86.	OS Jha	TSUISL