

# **Joint Electricity Regulatory Commission for UT of Jammu & Kashmir and UT of Ladakh**



**Order  
On**

**True-Up for FY 2019-20 and for FY 2020-21,  
Annual Performance Review for FY 2021-22,  
Aggregate Revenue Requirement and Tariff Determination for FY 2022-23,  
Retail Tariff for FY 2022-23**

**of**

**Ladakh Power Development Department, UT of Ladakh**

**Jammu**

**September 2022**

## **LADAKH POWER DEVELOPMENT DEPARTMENT**

**Joint Electricity Regulatory Commission for UT of J&K and UT of Ladakh**

**Regd. Office: Railway Road, Ambedkar (Panama) Chowk,  
Jammu-180016**

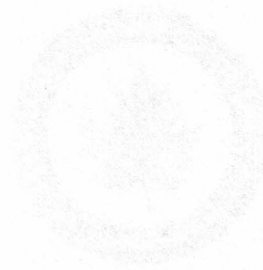
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Joint Electricity Regulatory Commission for

UT of Jammu & Kashmir and UT of Ladakh



Order

On

For FY 2018-19 and for FY 2019-20

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Annual Performance Report for FY 2017-18

Aggregate Financial Performance and Joint Governmental Report FY 2018-19

Report for FY 2018-19

at

Ladakh Power Development Department, UT of Ladakh

Jammu

September 2018

LADAKH POWER DEVELOPMENT DEPARTMENT

Joint Electricity Regulatory Commission for UT of J&K and UT of Ladakh

Report for FY 2018-19 and for FY 2019-20

Page No. 100/10

Page No. 100/10 (100/10) 100/10

For the year ending 31st March 2019

Report for FY 2018-19

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**Before the  
Joint Electricity Regulatory Commission for UT of Jammu & Kashmir  
& UT of Ladakh**

**Petition No.: JERC/P/4 of 2022**

**In The Matter of:**

**Petition for Approval of True-up of FY 2019-20 and FY 2020-21, Annual Performance Review of  
FY 2021-22 and Aggregate Revenue Requirement & Tariff Determination Proposal for FY 2022-23  
for  
Ladakh Power Development Department**

**And**

**In The Matter of:**

**Ladakh Power Development Department, Ladakh**

**Coram:**

**Shri. Lokesh D. Jha, Chairman,**

**Shri. Ajay Gupta, Member (Technical),**

**Shri. Mohd. Rafi Andrabi, Member (Finance)**

**ORDER No. JERC/05 of 2022**

**Passed on 30.09.2022**

1. This Order relates to the Petition for True-up of FY 2019-20 and FY 2020-21, Annual Performance Review for FY 2021-22, and Aggregate Revenue Requirement & Tariff Proposal for FY 2022-23 filed by the Ladakh Power Development Department (herein after referred to as LPDD or the Petitioner or the Utility or the Licensee) before the Joint Electricity Regulatory Commission for UT of Jammu & Kashmir & UT of Ladakh (hereinafter referred to as JERC or the Commission). The Petition was filed as per the adopted regulations of JERC for the State of Goa



- and Union Territories, namely (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2018.
2. The Jammu & Kashmir Reorganization Act, 2019 (hereinafter referred to as “J&K Reorganization Act” or “Reorganization Act”) was enacted by the Parliament of India on 9<sup>th</sup> August 2019 wherein the State of Jammu and Kashmir was divided into the Union Territory of Jammu and Kashmir and the Union Territory of Ladakh. Consequent to the enactment of the Jammu and Kashmir Reorganization Act, 2019 and repeal of the Jammu and Kashmir Electricity Act, 2010, the Central Electricity Act, 2003 was made applicable to the Union Territory of Jammu and Kashmir and Union Territory of Ladakh.
  3. Consequent to the approval of State Administrative Council of J&K, the Power Development Department of Jammu and Kashmir (JKPDD) was unbundled into several power corporations on 23<sup>rd</sup> October 2019 vide Government Order No. 191-PDD of 2019. The unbundling also involved the incorporation of a new company named as Ladakh Power Development Corporation (LPCL) for handling generation and distribution functions in Ladakh.
  4. After constitution of the Joint Electricity Regulatory Commission, the Commission vide Gazette Notification No. JERC-JKL/Tech-13/2021 dated 31<sup>st</sup> March 2021, notified the “JERC for UT of J&K and UT of Ladakh (adoption of various regulations of JERC for the state of Goa and UTs) Regulations, 2021”. The Commission adopted “JERC for the State of Goa and Union Territories (Generation, Transmission and Distribution) Regulations, 2018” applicable for determination of tariff for all the generation companies, transmission licensees and distribution licensees in the UT of J&K and UT of Ladakh. Subsequently, the Commission through a suo-motu order dated 01.12.2021 extended the control period of JERC Goa and UTs Regulations 2018 (FY 2019-20 to FY 2021-22) to a 5-year control period w.e.f FY 2021-22 to FY 2025-26.
  5. The Petitioner submitted the initial Petition on 21.02.2022. On detailed analysis of the Petition, the Commission observed several information gaps and discrepancies for which additional information was sought from the Petitioner vide Commission’s letter No. JERC/Law-S/P/2021-22/55-56 dated 02.03.2022. A revised Petition was submitted by the Petitioner on 18.04.2022 followed by a Technical Validation Session, which was conducted on 27.04.2022 with the Petitioner. The latter submitted its revised Petition on 09.05.2022 after complying with the observations of the Commission pointed out during the Technical Validation Session.
  6. The Commission, vide its letter dated 12.05.2022, admitted the Petition and directed the Petitioner to publish the gist of the True-up for FY 2019-20 and FY 2020-21, the Annual Performance Review (APR) for FY 2021-22, the Aggregate Revenue Requirement for FY 2022-23 and the Tariff Proposal for FY 2022-23 as a public notice and invite comments/objections/suggestions from the stakeholders on the above mentioned petitions filed.
  7. The approved gist of the Petition was published by the Petitioner in several widely read newspapers on 15.05.2022. A copy of the Petition was also made available on the websites of the Commission and the Petitioner.

### Public Hearings

8. In order to maintain transparency in the tariff setting process, the Commission involved the stakeholders by initiating a public consultation process to elicit their views on various aspects of the Petition filed by the Petitioner. Accordingly, a public hearing was held at Leh as per the details mentioned in the following table.



Table 1: Details of Public Hearing of LPDD

| Place/City | Date       | Location                        |
|------------|------------|---------------------------------|
| Leh        | 21.06.2022 | Conference Hall, DC Office, Leh |

9. The notice of the public hearing was published by the Commission in various newspapers, namely, Greater Kashmir, The Daily Aftab Srinagar, and Srinagar Times on 18.06.2022. Various organizations attended the public hearings and presented their views. The comments/objections/suggestions received during the hearings have been duly considered while finalizing this Order.

#### Meeting of the State Advisory Committee

10. The Commission convened a meeting of the members of the State Advisory Committee (SAC) on 19.07.2022 in the Conference Hall of the Public Works Department at Gandhinagar, Jammu, to discuss the Petition filed by various utilities including LPDD.
11. Several issues were discussed during the SAC meeting, suggestions were made by the members of the Committee and other points discussed which have been noted and considered by the Commission in this Order.

#### Approved Aggregate Revenue Requirement and Revenue Gap

12. The Commission has observed that the Petitioner has not submitted the audited accounts for FY 2019-20 and FY 2020-21, without which the Commission cannot carry out the true-up exercise. Hence, the Commission directed the Petitioner to submit the audited accounts along with final True-up Petition. For Annual Performance Review (APR) for FY 2021-22, the Commission directed the Petitioner to submit the audited accounts while submitting the True-up Petition for FY 2021-22. In case of Aggregate Revenue Requirement (ARR) for FY 2022-23, after applying the prudent check to submission made by petitioner, scrutiny of the ARR components & considering the normative AT&C loss reduction trajectory so as to reach to AT&C loss reduction target specified by MoP at the end of FY 2024-25, the Commission has approved the ARR for FY 2022-23 as summarized in the table below:

Table 2: Approved ARR, Revenue with Existing Tariff and Revenue Gap for FY 2022-23 (Rs. Cr.)

| Particulars  | Amount for FY 2022-23 |
|--|-----------------------|
| ARR components   |                       |
| Power Purchase Expenses including Transmission Charges and Water Usage Charges | 120.74                |
| Operation and Maintenance Cost   | 20.49                 |
| Interest on Long Term Debt   | -                     |
| Depreciation   | -                     |
| Interest on Working Capital  | -                     |
| Return on Equity   | -                     |
| Less: Non-Tariff Income  | -                     |
| Aggregate Revenue Requirement  | 141.23                |
| Less: Revenue from Existing Tariff   | 74.04                 |
| Revenue Gap as per Existing Tariff   | 67.19                 |



### Approved Retail Supply Tariff for FY 2022-23

13. The Commission has reviewed the Tariff proposal of LPDD and noticed that even after proposed increase in tariff of nearly 28.66%, there would be still a revenue gap, i.e. proposed tariff hike would not be able to cover the entire revenue gap and there will be an unmet revenue gap. The Petitioner has not submitted any proposal to meet the remaining revenue gap.
14. The Commission has observed that if the unmet revenue gap of Rs. 67.19 Cr is to be met by increasing the tariff, then there will be around 90% hike in present tariff which will be a tariff shock for all categories of the consumers in the UT. The Commission noted that as per the Section 65 of the Act, if the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission then the state Government requires to pay the same in advance. The Commission has not received any communication from the UT of Ladakh Government in this regard.
15. The Commission enquired with the UT of Ladakh Government about the provision of such revenue / grant-in-aid support for the LPDD. In response, the petitioner vide letter CE/PDD /T/ 1984-86 dated 16.09.2022 confirmed that UT government has made budgetary provision for LPDD under the relevant Revenue Head during FY 2022-23.
16. Section 61 of the Electricity Act, 2003 provides the guiding principles for tariff determination. The Commission shall be guided by the following while finalising the tariff: (a) Safeguarding of consumers' interest and at the same time keeping in mind recovery of the cost of electricity in a reasonable manner; and (b) the principles rewarding efficiency in performance.
17. The Commission has observed that the present retail supply tariff effective in the UT of Ladakh is the tariff determined by the erstwhile JKSERC during FY 2016-17 for JKPDD and since then there is no tariff revision in the UT from last 6 years. The Commission notes that restructuring and unbundling of Jammu and Kashmir Power Development Department into various power utilities to look after the Generation, transmission and Distribution business in UT of J&K and UT of Ladakh is primarily aimed towards initiating reform in the power sector to enable self-reliant and cost efficient operation of these corporations in generation, transmission and distribution business in the future. It is therefore imperative that the financial support / Grant-in-aid made available to such utilities during the initial stage needs to be gradually phased out over the period and the revenue requirement to run the business of these utilities shall be met through the tariff charged to the consumers.
18. In view of above, the Commission decided to factor-in the budgetary provision made by the UT Government of Ladakh to the tune of Rs 54.3 Cr as an assured grant-in-aid support to LPDD and construed it as tariff related revenue subsidy provided under Section 65 of the Act and approve the ARR, Revenue and moderate increase in tariff for FY 2022-23 to meet the un-met revenue gap as shown in table below:



Table 3: Approved ARR, Revenue and Tariff increase for FY 2022-23 (Rs. Cr.)

| Particulars  | Amount for FY 2022-23 |
|--|-----------------------|
| ARR for FY 2022-23 after prudent check by Commission )   | 141.23                |
| Revenue with Existing Tariff of FY 2016-17               | 74.04                 |
| Revenue Gap (Rs Cr)                                      | 67.19                 |
| State Government Grant –in -Aid ( assured grant )        | 54.30                 |
| Net Un-met Gap to be met through tariff revision (Rs Cr) | 12.89                 |
| Revenue after revised tariff                             | 86.93                 |
| % Increase in Average Tariff over FY 2016-17             | 17.4%                 |

**For clarity of the stakeholders, the Commission decided to provide two tariff i.e. Full Cost Tariff (Table 57) without considering the grant –in –aid support from the UT government and Subsidized tariff ( Table 4) and subsidized Tariff Schedule (chapter 10) after factoring in the grant- in -aid support provided by UT of Ladakh Government. The Commission directs the LPDD to implement the subsidized tariffs (as per chapter 10) with effect from 1st October 2022 (effectively LPDD gets one billing cycle i.e. 30 days' for entering data in software and issuing bills to consumers).**

19. The existing tariffs for FY 2016-17 along with the Commission-approved subsidized Tariff for FY 2022-23 are summarised in the following table:

Table 4: Category-wise Existing and Approved Subsidized Tariff for FY 2022-23

| S. No | Tariff Category  | Unit                         | Existing Tariff FY 2016-17 | Tariff Category  | Unit                         | Approved Tariff FY 2022-23 |
|-------|--|------------------------------|----------------------------|--|------------------------------|----------------------------|
| 1     | Domestic   |                              |                            |  |                              |                            |
| a     | Below Poverty Line<br>(Consumption up to 30 units/month) |                              |                            | Below Poverty Line<br>(Consumption up to 30 units/month) |                              |                            |
|       | Energy Charges   | Rs./kWh                      | 1.25                       | Energy Charges   | Rs./kWh                      | 1.25                       |
|       | Fixed Charges  | Rs./kW or part thereof/month | 5.00                       | Fixed Charges  | Rs./kW/month                 | 5.00                       |
| b     | Metered  |                              |                            | Metered  |                              |                            |
|       | Up to 100 units per month                                | Rs./kWh                      | 1.69                       | Up to 200 units per month                                | Rs./kWh                      | 2.00                       |
|       | 101-200 units per month                                  | Rs./kWh                      | 2.20                       |  |                              |                            |
|       | 201-400 units per month                                  | Rs./kWh                      | 3.30                       | 201-400 units per month                                  | Rs./kWh                      | 3.50                       |
|       | >400 units per month                                     | Rs./kWh                      | 3.52                       | >400 units per month                                     | Rs./kWh                      | 3.80                       |
|       | Fixed Charges  | Rs./kW or part thereof/month | 5.50                       | Fixed Charges  | Rs./kW or part thereof/month | 8.00                       |



| S. No | Tariff Category                 | Unit         | Existing Tariff FY 2016-17   | Tariff Category             | Unit          | Approved Tariff FY 2022-23  |
|-------|---------------------------------|--------------|--|-----------------------------|---------------|---|
| c     | Unmetered                       |              |  | Unmetered                   |               |   |
|       | Up to 1/4 kW                    | Rs./month    | 99.00  | Up to 1/4 kW                | Rs./month     | 175.00  |
|       | Above 1/4 kW up to 1/2 kW       | Rs./month    | 325.00   | Above 1/4 kW up to 1/2 kW   | Rs./month     | 350.00  |
|       | Above 1/2 kW up to 2/3 kW       | Rs./month    | 495.00   | Above 1/2 kW up to 3/4 kW   | Rs./month     | 525.00  |
|       | Above 2/3 kW up to 1 kW         | Rs./month    | 650.00   | Above 3/4 kW up to 1 kW     | Rs./month     | 700.00  |
|       | Above 1 kW up to 2 kW           | Rs./month    | 650 + 155 for every additional 1/4 kW or part thereof up to 2 kW   | Above 1 kW up to 2 kW       | Rs./month     | 700 + 175 for every additional 1/4 kW or part thereof up to 2 kW  |
|       | Above 2 kW                      | Rs./month    | 1,270 + 510 for every additional 1/4 kW or part thereof above 2 kW | Above 2 kW                  | Rs./month     | 1400 + 500 for every additional 1/4 kW or part thereof above 2 kW |
| 2     | Non-Domestic/Commercial         |              |  |                             |               |   |
| a     | Metered Connection              |              |  | Metered Connection          |               |   |
|       | Single Phase                    |              |  | Single Phase                |               |   |
|       | Up to 100 units/month           | Rs./kWh      | 2.81   | Up to 200 units/month       | Rs./kWh       | 3.10  |
|       | 101-200 units/month             | Rs./kWh      | 2.97   |                             |               |   |
|       | 201-400 units/month             | Rs./kWh      | 4.29   | 201-500 units/month         | Rs./kWh       | 4.70  |
|       | >400 units per month            | Rs./kWh      | 4.62   | >400 units per month        | Rs./kWh       | 5.10  |
|       | Three phase - for all units     | Rs./kWh      | 5.01   | Three phase - For all units | Rs./kVAh      | 5.10  |
|       | Fixed Charges                   |              |  | Fixed Charges               |               |   |
|       | Single Phase                    | Rs./kW/month | 44.00  | Single Phase                | Rs./kW/month  | 50.00   |
|       | Three phase                     | Rs./kW/month | 104.50   | Three phase                 | Rs./kVA/month | 120.00  |
| b     | Unmetered                       |              |  | Unmetered                   |               |   |
|       | Up to 1/4 kW                    | Rs./month    | 310.00   | Up to 1/4 kW                | Rs./month     | 500.00  |
|       | >1/4-1/2 kW                     | Rs./month    | 800.00   | >1/4-1/2 kW                 | Rs./month     | 1000.00   |
|       | >1/2-2/3 kW                     | Rs./month    | 1587.00  | >1/2-2/3 kW                 | Rs./month     | 1500.00   |
|       | >2/3-1kW                        | Rs./month    | 1587.00  | >2/3 -1kW                   | Rs./month     | 2000.00   |
|       | Above 1 kW and part thereof for | Rs./month    | 2136.00  | Above 1 kW                  | Rs./month     | 2000 + 500 for every additional 1/4                               |



| S. No | Tariff Category                  | Unit         | Existing Tariff FY 2016-17 | Tariff Category                  | Unit                             | Approved Tariff FY 2022-23    |
|-------|----------------------------------|--------------|----------------------------|----------------------------------|----------------------------------|-------------------------------|
|       | every kW above 1 kW              |              |                            |                                  |                                  | kW or part thereof above 1 kW |
| 3     | State/Central Govt Department    |              |                            |                                  |                                  |                               |
|       | Energy Charges                   |              |                            | Energy Charges                   |                                  |                               |
|       | LT                               | Rs./kWh      | 6.88                       | LT                               | Rs./kVAh                         | 7.50                          |
|       | 11 KV* supply                    | Rs./kWh      | 6.88                       | 11 kV* supply                    | Rs./kVAh                         | 7.50                          |
|       | 33 kV** supply and above         | Rs./kWh      | 6.88                       | 33 kV** supply and above         | Rs./kVAh                         | 7.50                          |
|       | Fixed Charges                    |              |                            | Fixed Charges                    |                                  |                               |
|       | For metered consumers            | Rs./kW/month | 30.00                      | For metered consumers            | Rs./kVA/month                    | 40.00                         |
|       | *2.5% rebate on energy charges.  |              |                            | -                                | *2.5% rebate on energy charges.  |                               |
|       | **5.0% rebate on energy charges. |              |                            |                                  | **5.0% rebate on energy charges. |                               |
| 4     | Agriculture                      |              |                            |                                  |                                  |                               |
| a     | Metered                          |              |                            | Metered                          |                                  |                               |
|       | Energy Charges                   |              |                            | Energy Charges                   |                                  |                               |
|       | 0-10 HP                          | Rs./kWh      | 0.66                       | 0-10 HP                          | Rs./kWh                          | 1.00                          |
|       | 11-20 HP                         | Rs./kWh      | 0.72                       | 11-20 HP                         | Rs./kWh                          | 1.50                          |
|       | Above 20 HP                      | Rs./kWh      | 5.23                       | Above 20 HP                      | Rs./kWh                          | 5.50                          |
|       | Fixed Charges for connected load |              |                            | Fixed Charges for connected load |                                  |                               |
|       | 0-10 HP                          | Rs./HP/month | 15.00                      | 0-10 HP                          | Rs./HP/month                     | 40.00                         |
|       | 11-20 HP                         | Rs./HP/month | 20.00                      | 11-20 HP                         |                                  |                               |
|       | Above 20 HP                      | Rs./HP/month | 40.00                      | Above 20 HP                      |                                  |                               |
| b     | Unmetered                        |              |                            | Unmetered                        |                                  |                               |
|       | 0-10 HP                          | Rs./HP/month | 205.35                     | 0-10 HP                          | Rs./HP/month                     | 250.00                        |
|       | 11-20 HP                         | Rs./HP/month | 222.00                     | 11-20 HP                         | Rs./HP/month                     | 275.00                        |
|       | Above 20 HP                      | Rs./HP/month | 1415.25                    | Above 20 HP                      | Rs./HP/month                     | 1500.00                       |
| 5     | Public Street Lighting           |              |                            |                                  |                                  |                               |
| a     | Metered Connection               |              |                            | Metered Connection               |                                  |                               |
|       | Energy Charge                    | Rs./kWh      | 7.10                       | Energy Charge                    | Rs./kWh                          | 8.00                          |
|       | Fixed Charge                     | Rs./kW       | 55.00                      | Fixed Charge                     | Rs./kW                           | 60.00                         |



LPDD True-up for FY 19-20 and FY 20-21, APR for FY 21-22 and ARR for FY 22-23

| S. No | Tariff Category   | Unit                          | Existing Tariff FY 2016-17 | Tariff Category   | Unit                          | Approved Tariff FY 2022-23 |
|-------|---|-------------------------------|----------------------------|---|-------------------------------|----------------------------|
| b     | Unmetered connection  | Rs./kW/ month or part thereof | 3200.00                    | Unmetered connection  | Rs./kW/ month or part thereof | 3500.00                    |
| 6     | LT Public Water Works   |                               |                            |   |                               |                            |
|       | Energy Charge   | Rs./kWh                       | 6.87                       | Energy Charge   | Rs./kWh                       | 8.00                       |
|       | Fixed Charge  | Rs./kW/ month                 | 50.00                      | Fixed Charge  | Rs./kW/ month                 | 60.00                      |
| 7     | HT Public Water Works   |                               |                            |   |                               |                            |
| a     | 11 KV supply  |                               |                            | 11 KV supply  |                               |                            |
|       | Energy Charge   | Rs./kVAh                      | 5.41                       | Energy Charge   | Rs./kVAh                      | 8.00                       |
|       | Demand Charge   | Rs./kVA/ month                | 242.00                     | Demand Charge   | Rs./kVA/ month                | 250.00                     |
| b     | 33 KV supply and above  |                               |                            | 33 KV supply and above  |                               |                            |
|       | Energy Charge   | Rs./kVAh                      | 5.14                       | Energy Charge   | Rs./kVAh                      | 7.90                       |
|       | Demand Charge   | Rs./kVA/ month                | 231.00                     | Demand Charge   | Rs./kVA/ month                | 250.00                     |
| 8     | LT Industrial Supply  |                               |                            |   |                               |                            |
| a     | LTIS - I (For all metered consumers except those covered under LTIS-II) |                               |                            | LTIS - I (For all metered consumers except those covered under LTIS-II) |                               |                            |
|       | For consumers with connected load < 50 kW                               |                               |                            | For consumers with connected load < 50 kW                               |                               |                            |
|       | Energy Charge   | Rs./kWh                       | 3.30                       | Energy Charge   | Rs./kVAh                      | 3.65                       |
|       | Fixed Charge  | Rs./kW/ month                 | 50.00                      | Fixed Charge  | Rs./kVA/ month                | 55.00                      |
|       | For consumers with connected load > 50 kW                               |                               |                            | For consumers with connected load > 50 kW                               |                               |                            |
|       | Energy Charge   | Rs./kVAh                      | 3.09                       | Energy Charge   | Rs./kVAh                      | 3.65                       |
|       | Fixed Charge  | Rs./kVA/ month                | 47.00                      | Fixed Charge  | Rs./kVA/ month                | 55.00                      |
| b     | LTIS - II (For all metered consumers and having load upto 15 HP)        |                               |                            | LTIS - II (For all metered consumers and having load upto 15 HP)        |                               |                            |
|       | Energy Charge   | Rs./kWh                       | 3.30                       | Energy Charge   | Rs./kWh                       | 3.65                       |
|       | Fixed Charge  | Rs./kW/ month                 | 21.00                      | Fixed Charge  | Rs./kW/ month                 | 30.00                      |
| 9     | HT Industrial supply  |                               |                            |   |                               |                            |
| a     | 11 KV supply  |                               |                            | 11 KV supply  |                               |                            |
|       | Energy Charge   | Rs./kVAh                      | 2.95                       | Energy Charge   | Rs./kVAh                      | 3.60                       |



| S. No | Tariff Category                        | Unit          | Existing Tariff FY 2016-17 | Tariff Category         | Unit                  | Approved Tariff FY 2022-23 |
|-------|--|---------------|----------------------------|-------------------------|-----------------------|----------------------------|
|       | Demand Charge                          | Rs./kVA/month | 136.50                     | Demand Charge           | Rs./kVA/month         | 175.00                     |
| b     | 33 KV supply and above.                |               |                            | 33 KV supply and above. |                       |                            |
|       | Energy Charge                          | Rs./kVAh      | 2.86                       | Energy Charge           | Rs./kVAh              | 3.50                       |
|       | Demand Charge                          | Rs./kVA/month | 136.50                     | Demand Charge           | Rs./kVA/month         | 175.00                     |
|       | ToD Tariff applicable                  |               | Surcharge / rebate: 10%    | ToD Tariff              | ToD Tariff applicable | Surcharge / rebate: 10%    |
| 10    | HT PIU                                 |               |                            |                         |                       |                            |
| a     | 11 KV supply                           |               |                            | 11 KV supply            |                       |                            |
|       | Energy Charge                          | Rs./kVAh      | 3.60                       | Energy Charge           | Rs./kVAh              | 4.35                       |
|       | Demand Charge                          | Rs./kVA/month | 205.00                     | Demand Charge           | Rs./kVA/month         | 225.00                     |
| b     | 33 KV supply                           |               |                            | 33 KV supply            |                       |                            |
|       | Energy Charge                          | Rs./kVAh      | 3.34                       | Energy Charge           | Rs./kVAh              | 4.30                       |
|       | Demand Charge                          | Rs./kVA/month | 200.00                     | Demand Charge           | Rs./kVA/month         | 225.00                     |
|       | ToD Tariff applicable                  |               | Surcharge / rebate: 10%    | ToD Tariff              | ToD Tariff applicable | Surcharge / rebate: 10%    |
| 11    | Bulk supply                            |               |                            |                         |                       |                            |
| a     | 11 KV supply                           |               |                            | 11 KV supply            |                       |                            |
|       | Energy Charge                          | Rs./kVAh      | 4.00                       | Energy Charge           | Rs./kVAh              | 4.90                       |
|       | Demand Charge                          | Rs./kVA/month | 193.00                     | Demand Charge           | Rs./kVA/month         | 225.00                     |
| b     | 33 KV and above                        |               |                            | 33 KV and above         |                       |                            |
|       | Energy Charge                          | Rs./kVAh      | 3.85                       | Energy Charge           | Rs./kVAh              | 4.85                       |
|       | Demand Charge                          | Rs./kVA/month | 187.00                     | Demand Charge           | Rs./kVA/month         | 225.00                     |
|       | ToD Tariff applicable                  |               | Surcharge / rebate: 10%    | ToD Tariff              | ToD Tariff Applicable | Surcharge / rebate: 10%    |
| 12    | Electric Vehicle (EV) Charging Station |               |                            |                         |                       |                            |
| a     |  |               |                            | LT supply               |                       |                            |
|       |  |               |                            | Energy Charge           | Rs./kVAh              | 5.10                       |
|       |  |               |                            | Demand Charge           | Rs./kVA/month         | 100                        |
| b     |  |               |                            | 11 kV supply            |                       |                            |
|       |  |               |                            | Energy Charge           | Rs./kVAh              | 5.00                       |
|       |  |               |                            | Demand Charge           | Rs./kVA/month         | 175                        |
| c     |  |               |                            | 33 kV supply            |                       |                            |
|       |  |               |                            | Energy Charge           | Rs./kVAh              | 4.90                       |



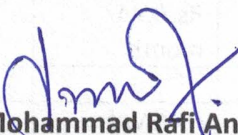
| S. No | Tariff Category | Unit | Existing Tariff FY 2016-17 | Tariff Category           | Unit                  | Approved Tariff FY 2022-23 |
|-------|-----------------|------|----------------------------|---------------------------|-----------------------|----------------------------|
|       |                 |      |                            | Demand Charge             | Rs./kVA/month         | 150                        |
|       |                 |      |                            | ToD Tariff                | ToD Tariff applicable | Surcharge / rebate: 10%    |
| 13    |                 |      |                            | <b>Traction</b>           |                       |                            |
| a     |                 |      |                            | 11 kV / 33 kV supply      |                       |                            |
|       |                 |      |                            | Energy Charge             | Rs./kVAh              | 4.70                       |
|       |                 |      |                            | Demand Charge             | Rs./ kVA/ Month       | 300                        |
|       |                 |      |                            | ToD Tariff only for 33 kV | ToD Tariff Applicable | Surcharge / rebate: 10%    |

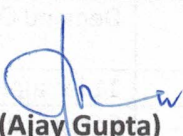
20. Further, the Petitioner prayed for regularization of retail supply tariff charged by them to its consumers for the period from its date of incorporation till date or till the Commission approves the proposed tariff. The Commission has gone through the submission made by the Petitioner and noted that no tariff order was issued post FY 2016-17. In such circumstances, the Petitioner was bound to charge the tariff as per FY 2016-17 order which was in existence. Through this order, the Commission notes the request and being fait accompli ratifies the retail supply tariff charged by them from the date of incorporation till implementation of present order.

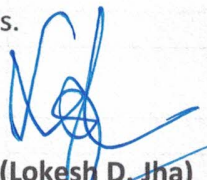
#### Implementation of the Order

21. The Commission has passed the present Order after admitting the Petition for True-up of FY 2019-20 and FY 2020-21, Annual Performance Review for FY 2021-22, and Aggregate Revenue Requirement & Tariff Proposal for FY 2022-23 of LPDD with modifications and conditions. Henceforth, the Commission directs that this Order should be implemented along with directions given and conditions mentioned in the detailed Order and schedules attached. It is further ordered that LPDD is permitted to issue bills to consumers in accordance with subsidized tariff schedule (Chapter 10) provided with this Tariff Order.
22. This Tariff Order shall come into effect from 1<sup>st</sup> October, 2022 and shall remain valid up to 31<sup>st</sup> March, 2023, unless amended or modified or extended by an Order of this Commission. LPDD must take immediate steps for implementation and publication of this Order.
23. In exercise of the powers vested in it under Section 61 and Section 62 of the Electricity Act, 2003, the Commission hereby passes this Order today, i.e. on the 30<sup>th</sup> of September 2022.

Ordered as above, read with attached detailed reasons, grounds and conditions.

  
(Mohammad Rafi Andrabi)  
MEMBER – Finance

  
(Ajay Gupta)  
MEMBER – Technical

  
(Lokesh D. Jha)  
CHAIRMAN

JERC / LAW-S/P/2022/F-04

**Dated: 30.09.2022**  
**Place: Jammu**



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## Chapter 1: Introduction

### Joint Electricity Regulatory Commission

1.1. In exercise of the powers conferred by sub-section (5) of Section 83 of the Electricity Act 2003 (36 of 2003), the Central Government constituted the Joint Electricity Regulatory Commission for the Union Territories of Jammu and Kashmir and Ladakh (herein referred to as "Commission") vide S.O. 1984(E) dated 18<sup>th</sup> June 2020.

1.2. As per Section 83 of Electricity Act, 2003

"

....

(1) *Notwithstanding anything to the contrary contained in section 82, a Joint Commission may be constituted by an agreement to be entered into –*

*(a) by two or more Governments of States; or*

*(b) by the Central Government, in respect of one or more Union territories, and one or more Governments of States, and shall be in force for such period and shall be subject to renewal for each further period, if any, as may be stipulated in the agreement:*

*Provided that .....*

*-----Notwithstanding anything contained in this section, the Central Government may, if so, authorized by all the participating States, constitute a Joint Commission and may exercise the powers in respect of all or any of the matters specified under sub-section (3) and when so specifically authorized by the participating States."*

1.3. The Commission is empowered under Section 86 of the Electricity Act, 2003 to discharge the following functions:

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

Provided that where open access has been permitted to a category of consumers under Section 42, the Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers.

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

(c) Facilitate intra-state transmission and wheeling of electricity.

(d) Issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State.

(e) Promote 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 disputes between the licensees and generating companies and refer any dispute for arbitration.



- (g) Levy fee for the purposes of this Act.
- (h) Specify the State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79.
- (i) Specify or enforce standards with respect to quality, continuity and reliability of service by licensees.
- (j) Fix the trading margin in the intra-state trading of electricity, if considered necessary.
- (k) Discharge such other functions as may be assigned to it under this Act.

1.4. The Commission shall ensure transparency while exercising its powers and discharging its functions.

1.5. In discharge of its functions, the Commission shall be guided by the Electricity Policy, Electricity Plan, and Tariff Policy published under the provisions of the Act.

#### **Jammu & Kashmir Reorganization Act, 2019**

1.6. The J&K Reorganization Act, 2019 was enacted by the Parliament of India on 9<sup>th</sup> August 2019 wherein the State of Jammu and Kashmir was divided into the Union Territory of Jammu & Kashmir and the Union Territory of Ladakh. Upon reorganization, the distribution of electricity supply underwent changes. The relevant portion of Section 85(1) of the J&K Reorganization Act, 2019 is given below:

*"The Central Government may by order, establish one or more Advisory Committees within a period of 90 days from the appointed day, for the purposes of apportionment of assets, rights and liabilities of the companies and corporations constituted for the existing State of Jammu and Kashmir between Union territory of Jammu and Kashmir and Union territory of Ladakh; issues relating to Continuance of arrangements in regard to generation and supply of electric power and supply of water".*

1.7. Consequent to the enactment of the Jammu and Kashmir Reorganization Act, 2019 (herein after "J&K Reorganization Act" or "Reorganization Act") and repeal of the Jammu and Kashmir Electricity Act, 2010, the Central Electricity Act, 2003, was made applicable to the Union Territory of Jammu and Kashmir and Union Territory of Ladakh. The relevant portion of the J&K Reorganization Act, 2019 is given below:

*"95. (1) All Central laws in Table -1 of the Fifth Schedule to this Act, on and from the appointed day, shall apply in the manner as provided therein, to the Union territory of Jammu and Kashmir and Union territory of Ladakh."*

#### **Unbundling of Erstwhile JKPDD**

1.8. The erstwhile state of Jammu and Kashmir consisted of the unbundled utility of Jammu and Kashmir Power Development Department (JKPDD) which was responsible for Trading, Transmission and Distribution of electricity within the whole of the state of Jammu and Kashmir.

1.9. Further, as per Section 85(1) of the J&K Reorganization Act, 2019, a Committee, vide Government Order No: 164 PDD of 2019 dated 20.09.2019, was constituted by the Commissioner/Secretary, Power Development Department, Govt. of J&K, for the purpose of preparing and presenting a comprehensive proposal for apportionment/reorganization of J&K



Power Development Department, J&K State Power Development Corporation and J&K State Trading Company between the Union Territory (UT) of J&K and UT of Ladakh.

1.10. Consequent to the approval of the State Administrative Council of J&K, the Power Development Department was unbundled into several power corporations on 23<sup>rd</sup> October 2019 vide Government Order No. 191-PDD of 2019. The unbundling also involved incorporation of a new company – Ladakh Power Corporation Ltd. in Ladakh for handling generation and distribution functions.

1.11. The relevant extract from the Government Order No. 191- PDD of 2019, is given below:

*"Sanction is hereby accorded: -*

*...*

*(ii) To transfer all the shares, held by Hon'ble Governor, Jammu, and Kashmir in Jammu and Kashmir State Power Development Corporation Limited, Jammu and Kashmir State Power Trading Company Limited (renamed as Jammu and Kashmir Power Corporation Limited) and Jammu and Kashmir State Power Transmission Company Limited (renamed as Jammu and Kashmir Power Transmission Corporation Limited) to the Administrative Secretary to the Govt., Power Development Department.....)*

*(iii) Jammu and Kashmir State Power Trading Company Limited (renamed as Jammu and Kashmir Power Corporation Limited) shall control the composition of the Board of Directors of the following Companies:*

- (a) Jammu and Kashmir State Power Development Corporation Limited (renamed as Jammu and Kashmir Power Development Corporation Limited).*
- (b) Jammu and Kashmir State Power Transmission Company Limited. (renamed as Jammu and Kashmir Power Transmission Corporation Limited).*
- (c) Jammu Power Distribution Company Limited (renamed as Jammu Power Distribution Corporation Limited).*
- (d) Kashmir Power Distribution Company Limited (renamed as Kashmir Power Distribution Corporation Limited).*

*.....*

*(vi) Change in the name of Kashmir Power Distribution Company Limited to Kashmir Power Distribution Corporation Limited. Accordingly, all necessary changes shall be made in the MOA and AOA with regard to functions, name, and jurisdiction of the Corporation. The jurisdiction of the Ladakh shall be deleted from the mandate of the Corporation.*

*(vii) Change in the name of Jammu and Kashmir Power Transmission Company Limited to Jammu and Kashmir Power Transmission Corporation Limited. Accordingly, all necessary changes shall be made in the MOA and AOA with regard to functions, name and jurisdiction of the Corporation. The jurisdiction of the Ladakh shall be deleted from the mandate of the Corporation.*

*(viii) Change in the name of Jammu and Kashmir State Power Development Corporation Limited to Jammu and Kashmir Power Development Corporation Limited. Accordingly, all necessary changes shall be made in the MOA and AOA with regard to functions, name, and jurisdiction of the Corporation. The jurisdiction of the Ladakh shall be deleted from the mandate of the Corporation.*



...  
(xi)(A) Apportionment, Re-organisation and transfer scheme of JKPDD, JKSPDC, as given in the report submitted by the Committee constituted vide Government Order No: 164-PDD of 2019 dated 20-09-2019.

...  
(D) Wherever in this report, framing of new rules, policies, modification/ amendment in the existing rules etc. is required, the approval of the competent authority shall be sought before notification. Accordingly, sanction is also granted to the following:

.....

.....

(c) Transfer of staff on as is and where is basis and along with posts from EM & RE Wing, Kashmir, Project Wing, Kashmir & PMM wing, Kashmir Division to Kashmir Power Distribution Corporation Limited on deputation basis from JKPDD except the staff posted in these wings in Ladakh province who shall be transferred to Ladakh Power Corporation Limited (to be incorporated).

.....

(e) Transfer of Assets and Liabilities of Jammu and Kashmir State Power Development Corporation Limited falling in Ladakh Province to Ladakh Power Corporation Limited on as is and where is basis.

(f) Transfer of Assets and Liabilities of Jammu and Kashmir State Power Trading Company Limited falling in Ladakh Province to Ladakh Power Development Department on as is and where is basis. The trading activity in UT Ladakh shall be looked after by Secretary Technical, UT Ladakh.

...."

## Jammu and Kashmir Power Development Department (Re-organisation) First Transfer Scheme 2020

1.12. The Lt. Governor of Jammu and Kashmir made and gave effect to the "Jammu and Kashmir Power Development Department (Re-organisation) First Transfer Scheme 2020" vide Notification dated 20<sup>th</sup> March 2020. The key provisions from the First Transfer Scheme 2020 are as follows:

"

### 5. Transfer of Undertakings by Department: -

(a) The Undertakings of the Department classified in the following schedules shall stand transferred to and vested in the Transferee on and from Appointed Date subject to the terms and conditions specified in the Act and the Scheme:

- (i) Trading cum Holding Undertakings for UT of J&K as set out in Schedule-A'.
- (ii) Distribution Undertakings for Jammu Province, UT of J&K as set out in Schedule-B.
- (iii) Distribution Undertakings for Kashmir Province, UT of J&K as set out in Schedule-C.
- (iv) Generation and Distribution Undertakings for Ladakh Region, UT of Ladakh as set out in Schedule-D.
- (v) Transmission Undertaking with Load Despatch Centre function for Jammu as well as Kashmir Province, UT of J&K as set out in Schedule-E.

.....



*(f) The transfer to and vesting of the undertaking to the transferee in terms of this Scheme shall take effect immediately on the appointed date notwithstanding that the value of Undertakings have not been determined and shall be determined at a later date.*

.....

**15. Government Support -**

*(1) The Transferees shall be eligible for and shall continue to receive support from the Government in the form of revenue support, equity support, capital subsidies, loans, interest subsidies and such other monetary and financial assistance, whether under a Central or State scheme or otherwise, as may be necessary for the due and effective performance of their functions until the time Transferees achieve commercial viability on their own.*

*(2) The Government support indicated in sub section (1) above shall be conditional upon the Transferees submitting a detailed and time-bound financial feasibility plan within 6 (six) months of the Appointed date and duly complying with the same. The feasibility plan shall be reviewed at least once every year to assess and evaluate the fulfilment of the performance targets set out therein. The financial feasibility plan would include projections related to reduction in various losses, revenue requirement and capital support, per capita availability of electricity in the UT and matters incidental thereto."*

- 1.13.** The functions of JKPDD comprising transmission and distribution were unbundled into one Transmission company, i.e. JKPTCL, and two distribution companies, i.e. JPDCL and KPDCL. The unbundling also involved incorporation of a new company in Ladakh for handling generation and distribution functions, i.e. Ladakh Power Company Limited (LPCL). All the functions of generation, transmission, distribution and trading are now being handled separately to make the power sector in Jammu and Kashmir commercially more viable and competitive.

### Procedural History

- 1.14.** Prior to unbundling, as per the provisions in the prevalent JKSERC Multi Year (Distribution Regulations), 2012, the erstwhile JKSERC had carried out True-up for FY 2014-15, Annual Performance Review for FY 2015-16, Aggregate Revenue Requirement for 2<sup>nd</sup> MYT Control Period from FY 2016-17 to FY 2020-21 and Retail Tariff for FY 2016-17 vide JKSERC's Order No. 38-JKSERC of 2016 dated 07.10.2016.

- 1.15.** After constitution of the Joint Electricity Regulatory Commission, the Commission vide Gazette Notification No. JERC-JKL/Tech-13/2021 dated 31<sup>st</sup> March 2021, notified "JERC for UT of J&K and UT of Ladakh (adoption of various Regulations of JERC for the state of Goa and UTs) Regulations, 2021". Vide these regulations, the Commission adopted various regulations of JERC for the state of Goa and UTs with amendments up to date for one year or till replacement of corresponding regulation framed by the Commission. The Commission adopted "JERC for the State of Goa and Union Territories (Generation, Transmission and Distribution) Regulations, 2018" applicable for determination of tariff for all generation companies, transmission licensees and distribution licensees in the UT of J&K and UT of Ladakh.

- 1.16.** Subsequently, the Commission through a Suo-motu order dated 01.12.2021 extended the control period of JERC Goa and UTs Regulations 2018 (FY 2019-20 to FY 2021-22) to a 5-year



control period w.e.f FY 2021-22 to FY 2025-26 so as to make it applicable for tariff determination of FY 2021-22 and FY 2022-23.

- 1.17. After adoption of the regulations, the Commission issued letters to the utilities for submission of tariff petition. The Commission vide letter No. JERC/TECH-/2021-22/46-54 dated 22 February 2022, directed all utilities in the UT of J&K and UT of Ladakh to submit Tariff Petitions for True-up of FY 2019-20 and FY 2020-21, Annual Performance Review of FY 2021-22 and Aggregate Revenue Requirement and Determination of Tariff for FY 2022-23 in line with the Commission's Suo-motu Order No. 57 of 2021.
- 1.18. The Petitioner submitted the initial Petition on 21.02.2022. On detailed analysis of the Petition, the Commission observed several information gaps and discrepancies in the Petition for which additional information was sought vide the Commission's letter No. JERC/Law-S/P/2021-22/55-56 dated 02.03.2022. A revised Petition was submitted on 18.04.2022. A Technical Validation Session (TVS) was conducted on 27.04.2022 with the Petitioner. The Petitioner submitted its revised Petition on 09.05.2022 on the basis of the observations pointed out by the Commission during the TVS.
- 1.19. The Petition was admitted on 12.05.2022 subject to the furnishing of additional information sought by the Commission. The Commission vide its letter dated 12.05.2022 directed the Petitioner to publish the gist of the Petition as a public notice and invite comments/objections/suggestions from the stakeholders on the petition filed.

#### Inviting Public Comments

- 1.20. The approved gist of the Petition indicating its salient features and inviting objections and suggestions from the consumers and other stakeholders was published by the Petitioner in several widely read newspapers on 15.05.2022, as given in the table below. A copy of the Petition was also made available on the websites of the Commission and the Petitioner. The stakeholders were requested to submit their written comments/suggestions/objections.

Table 5: List of Newspapers

| S. No. | Newspaper                | Date of Publication |
|--------|--------------------------|---------------------|
| 1      | Greater Jammu (English)  | 15.05.2022          |
| 2      | Earth News (English)     | 15.05.2022          |
| 3      | Rangyal (Urdu & English) | 15.05.2022          |

- 1.21. Copies of the Petitions were made available to consumers for purchase on all working days. A copy of Petition was also made available on websites of the Commission and the Petitioner. The public notice advised respondents to submit suggestions/comments/objections in person or through the post to the Petitioner along with copies to the Commission.
- 1.22. Subsequently, the Commission issued a notice for a public hearing to be held at Leh on 21.06.2022. The notice was published in various newspapers, namely, Greater Kashmir, The Daily Aftab Srinagar and the Srinagar Times on 18.06.2022. Respondents were given the option to be heard in person during the public hearings.



- 1.23. The Commission held a public hearing in the Conference Hall of the DC Office at Leh on 21.06.2022, to hear the responses and comments/suggestions/objections of the stakeholders/public on the Petition filed by LPDD. The Commission and Petitioner received objections/comments in writing from two of the respondents. The list of stakeholders who responded to the public notice on the Petition in writing and those who attended the public hearing is provided in Annexure 2 and Annexure 3, respectively, of this Order.
- 1.24. The issues and concerns voiced by various stakeholders have been carefully examined by the Commission. Major issues discussed during the public hearing, objections raised by the respondents and the observations of the Commission, have been summarized in Chapter 3 of this Order.

### Meeting of the State Advisory Committee

- 1.25. The Commission convened a meeting of the members of the State Advisory Committee (SAC) on 19<sup>th</sup> July 2022 in the Conference Hall of the Public Works Department at Gandhinagar, Jammu to discuss the Petitions filed by various utilities including LPDD.
- 1.26. The Commission has presented a summary of the Petition submitted by the Petitioner. The representatives from LPDD discussed the Petition submitted by them. Some of the key points raised and discussed by the members of the Committee during the SAC meeting are summarized below:
- The Petitioner submitted that the transformer failure rate is low in the LPDD area. The Petitioner added that under the special development package, the installation of smart meters is ongoing.
  - The Petitioner informed of several ongoing initiatives towards carbon neutrality in the Ladakh region including development of renewable energy projects like a 20 MW energy storage project, a green hydrogen project by Central Public Sector Undertakings, buses running on hydrogen, and a pilot project on geothermal energy by Oil and Natural Gas Corporation Limited.
  - The Petitioner informed that outstanding dues from various government departments are almost nil and the same have been settled.
  - It has been submitted by the Petitioner that in a few remote areas in the UT, they have to depend on diesel generating sets due to limited hours of supply and the cost of generation in such places is almost Rs.35 per unit.
  - The Petitioner submitted that they are facing difficulties in operation due to inadequate manpower. Further, they submitted that they were trying to implement several reform activities and manpower planning was going on for the same.
  - The Petitioner submitted that they did not have a dedicated IT cell to take care of consumer billing and therefore urged the Commission to keep their tariff structure as per the tariff to be approved for Kashmir Power Development Corporation Limited (KPDCL), so that the KPDCL billing software could be utilized with help until they developed their own billing system. The Chairman, JERC, opined that a different billing system could be developed for a different tariff structure on the same platform. He suggested the Petitioner request the MD, KPDCL for necessary help in this regard and depute officials for training, if required. The MD, KPDCL generously agreed to support LPDD and suggested that LPDD could depute their staff for necessary training and handholding.



1.27. The issues discussed during the SAC meeting have been considered by the Commission in this Order. The participants of the SAC meeting are listed in **Annexure 1**.

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## Chapter 2: Summary of the Petition

- 2.1** This section contains a summary of the Petition for True-up for FY 2019-20 and FY 2020-21, Annual Performance Review (APR) for FY 2021-22, Aggregate Revenue Requirement (ARR) and Tariff Proposal for FY 2022-23 submitted by LPDD.

### Salient Features of Petition

- 2.2** LPDD has filed the Tariff Petition for approval of True-up for FY2019-20 and FY2020-21, Annual Performance Review for FY 2021-22, Aggregate Revenue Requirement and Tariff Determination proposal for FY 2022-23 as given in the table below:

Table 6: Summary of Petition

| S. No.  | Particulars  | True-Up    |            | Annual Performance Review | Annual Revenue Requirement |
|---|--|------------|------------|---------------------------|----------------------------|
|   |  | FY 2019-20 | FY 2020-21 | FY 2021-22                | FY 2022-23                 |
|   |  | Submission | Submission | Submission                | Submission                 |
| A   | Sales (MU)   | 103.30     | 127.00     | 147.73                    | 170.00                     |
| B   | AT&C Loss (%)                                      | 43.03      | 48.17      | 49.04                     | 42.90                      |
| C   | Capital Expenditure (Rs. Cr.)                      | -          | -          | -                         | -                          |
| D   | Capitalisation (Rs. Cr.)                           | -          | -          | -                         | -                          |
| Annual Revenue Requirement and Revenue Gap/(Surplus) (Rs. Cr) |  |            |            |                           |                            |
| 1   | Power Purchase Cost inclusive of Transmission Cost | 58.55      | 89.14      | 107.11                    | 110.61                     |
| 2   | Operation & Maintenance Expenses                   | 29.68      | 51.86      | 58.46                     | 61.84                      |
| 2.1   | Employee Expenses                                  | 26.05      | 31.82      | 32.86                     | 34.89                      |
| 2.2   | Administrative & General Expenses                  | 0.45       | 16.21      | 20.34                     | 21.59                      |
| 2.3   | Repair & Maintenance Expenses                      | 3.19       | 3.83       | 5.26                      | 5.36                       |
| 3   | Depreciation                                       | -          | -          | -                         | -                          |
| 4   | Interest on Loan                                   | -          | -          | -                         | -                          |
| 5   | Return on Equity                                   | -          | -          | -                         | -                          |
| 6   | Interest on Security Deposit                       | -          | -          | -                         | -                          |
| 7   | Interest on Working Capital                        | -          | -          | -                         | -                          |
| 8   | Income Tax   | -          | -          | -                         | -                          |
| 9   | Provision for Bad & Doubtful Debt                  | -          | -          | -                         | -                          |
| 10  | Total Revenue Requirement                          | 88.24      | 140.99     | 165.58                    | 172.46                     |
| 11  | Less: Non-Tariff Income                            | -          | -          | -                         | -                          |
| 12  | Net Revenue Requirement                            | 88.24      | 140.99     | 165.58                    | 172.46                     |
| 13  | Revenue at Existing Tariff                         | 46.01      | 50.20      | 60.44                     | 65.39                      |
| 14  | Revenue Gap/ (Surplus)                             | 42.23      | 90.79      | 105.14                    | 107.07                     |



- 2.3** To recover the revenue gap to some extent as submitted above, the Petitioner has proposed an average tariff hike of 14.66%. The projected revenue collection for FY 2022-23 at the proposed tariff is Rs.74.98 Crore (revenue billed is Rs.85.96 Crore). The proposed tariff would lead to increase in revenue billed by Rs.10 Crore.
- 2.4** The category-wise tariff hike proposed by the Petitioner for FY 2022-23 has been summarised in the table below. The Petitioner submitted the prayer to the Commission that the last tariff hike was in the previous Tariff Order of FY 2016-17. No tariff hike was introduced in the past five years. The Existing and Proposed Tariff as submitted by the Petitioner is given in table below:

Table 7: Existing and Proposed Tariff Hike

| S. No.   | Tariff Category   | Unit                          | Existing Tariff | Tariff Category   | Unit                          | Proposed Tariff |
|----------|---|-------------------------------|-----------------|---|-------------------------------|-----------------|
| <b>1</b> | <b>Domestic</b>   |                               |                 | <b>Domestic</b>   |                               |                 |
| <b>a</b> | Below Poverty Line<br>(Consumption up to 30 units/ month) |                               |                 | Below Poverty Line<br>(Consumption up to 30 units/ month) |                               |                 |
|          | Energy Charges  | Rs./kWh                       | 1.25            |   | Rs./kWh                       | 1.25            |
|          | Fixed Charges   | Rs./kW or part thereof/ month | 5.00            |   | Rs./kW or part thereof/ month | 5.00            |
| <b>b</b> | <b>Metered</b>  |                               |                 | <b>Metered</b>  |                               |                 |
|          | Up to 100 units per month                                 | Rs./kWh                       | 1.69            | Up to 200 units per month                                 | Rs./kWh                       | 2.00            |
|          | 101-200 units per month                                   | Rs./kWh                       | 2.20            |   |                               |                 |
|          | 201-400 units per month                                   | Rs./kWh                       | 3.30            | 201-400 units per month                                   | Rs./kWh                       | 4.00            |
|          | >400 units per month                                      | Rs./kWh                       | 3.52            | >400 units per month                                      | Rs./kWh                       | 5.00            |
|          | Fixed Charges   | Rs./kW or part thereof/ month | 5.50            | Fixed Charges   | Rs./kW or part thereof/ month | 15.00           |
| <b>c</b> | <b>Unmetered</b>  |                               |                 | <b>Unmetered</b>  |                               |                 |
|          | Up to 1/4 kW  | Rs./month                     | 99.00           | Up to 1/4 kW  | Rs./month                     | 200.00          |
|          | Above 1/4 kW up to 1/2 kW                                 | Rs./month                     | 325.00          | Above 1/4 kW up to 1/2 kW                                 | Rs./month                     | 400.00          |
|          | Above 1/2 kW up to 2/3 kW                                 | Rs./month                     | 495.00          | Above 1/2 kW up to 3/4 kW                                 | Rs./month                     | 600.00          |
|          | Above 2/3 kW up to 1 kW                                   | Rs./month                     | 650.00          | Above 3/4 kW up to 1 kW                                   | Rs./month                     | 800.00          |



| S. No. | Tariff Category                                     | Unit          | Existing Tariff  | Tariff Category                                     | Unit            | Proposed Tariff                         |
|--------|---|---------------|--|---|-----------------|---|
|        | Above 1 kW up to 2 kW                               | Rs./month     | 650 + 155 for every additional 1/4 kW or part thereof up to 2 kW   | Above 1 kW up to 2 kW                               | Rs./ month      | 1,200 + 200 for every additional 1/4 kW |
|        | Above 2 kW  | Rs./month     | 1,270 + 510 for every additional 1/4 kW or part thereof above 2 kW | Above 2 kW  | Rs./month       | 2,200+ 500 for every additional 1/4 kW  |
| 2      | Non-Domestic/ Commercial                            |               |  | Non-Domestic/ Commercial                            |                 |   |
| a      | Metered Connection                                  |               |  | Metered Connection                                  |                 |   |
|        | Single Phase  |               |  | Single Phase  |                 |   |
|        | Up to 100 units/month                               | Rs./kWh       | 2.81   | Up to 200 units/month                               | Rs./kWh         | 3.50                                    |
|        | 101-200 units/month                                 | Rs./kWh       | 2.97   |   |                 |   |
|        | 201-400 units/month                                 | Rs./kWh       | 4.29   | 201-400 units/month                                 | Rs./kWh         | 4.90                                    |
|        | >400 units per month                                | Rs./kWh       | 4.62   | >400 units per month                                | Rs./kWh         | 5.00                                    |
|        | Three phase - for all units                         | Rs./kWh       | 5.01   | Three phase - for all units                         | Rs./kVAh        | 5.10                                    |
|        | Fixed Charges                                       |               |  | Fixed Charges                                       |                 |   |
|        | Single Phase  | Rs./kW/ month | 44.00  | Single Phase  | Rs./kW/ month   | 60.00                                   |
|        | Three phase   | Rs./kW/ month | 104.50   | Three phase   | Rs./ kVA/ month | 150.00                                  |
| b      | Unmetered   |               |  | Unmetered   |                 |   |
|        | Up to 1/4 kW  | Rs./month     | 310.00   | Up to 1/4 kW  | Rs./month       | Rs.500 per 0.25 kW per month            |
|        | >1/4-1/2 kW   | Rs./month     | 800.00   | >1/4-1/2 kW   | Rs./month       |   |
|        | >1/2-2/3 kW   | Rs./month     | 1587.00  | >1/2-2/3 kW   | Rs./month       |   |
|        | >2/3 - 1kW  | Rs./month     | 1587.00  | >2/3 - 1kW  | Rs./month       |   |
|        | Above 1 kW and part thereof for every kW above 1 kW | Rs./month     | 2136.00  | Above 1 kW and part thereof for every kW above 1 kW | Rs./month       |   |
| 3      | State/Central Govt. Department                      |               |  | State/Central Govt. Department                      |                 |   |
|        | Energy Charges                                      |               |  | Energy Charges                                      |                 |   |
|        | LT  | Rs./kWh       | 6.88   | LT  | Rs./kWh         | 6.90                                    |
|        | 11 KV* supply                                       | Rs./kWh       | 6.88   | 11 kV supply  | Rs./kVAh        | 6.90                                    |
|        | 33 kV **supply and above                            | Rs./kWh       | 6.88   | 33 kV supply and above                              |                 |   |



| S. No. | Tariff Category                  | Unit                          | Existing Tariff | Tariff Category                  | Unit                          | Proposed Tariff |
|--------|----------------------------------|-------------------------------|-----------------|----------------------------------|-------------------------------|-----------------|
|        | Fixed Charges                    |                               |                 | Fixed Charges                    |                               |                 |
|        | For metered consumers            | Rs./kW/ month                 | 30.00           | For metered consumers            | Rs./kW/ month                 | 60.00           |
|        | *2.5% rebate on energy charges   |                               |                 | -                                | No rebate is proposed         | No rebate       |
|        | **5.0% rebate on energy charges  |                               |                 |                                  | No rebate is proposed         |                 |
| 4      | Agriculture                      |                               |                 | Agriculture                      |                               |                 |
| a      | Metered                          |                               |                 | Metered                          |                               |                 |
|        | Energy Charges                   |                               |                 | Energy Charges                   |                               |                 |
|        | 0-10 HP                          | Rs./kWh                       | 0.66            | 0-10 HP                          | Rs./kWh                       | 1.00            |
|        | 11-20 HP                         | Rs./kWh                       | 0.72            | 11-20 HP                         | Rs./kWh                       | 2.00            |
|        | Above 20 HP                      | Rs./kWh                       | 5.23            | Above 20 HP                      | Rs./kWh                       | 5.25            |
|        | Fixed Charges for connected load |                               |                 | Fixed Charges for connected load |                               |                 |
|        | 0-10 HP                          | Rs./HP/ month                 | 15.00           | 0-10 HP                          | Rs./HP/ month                 | 30.00           |
|        | 11-20 HP                         | Rs./HP/ month                 | 20.00           | 11-20 HP                         |                               |                 |
|        | Above 20 HP                      | Rs./HP/ month                 | 40.00           | Above 20 HP                      |                               |                 |
| b      | Unmetered                        |                               |                 | Unmetered                        |                               |                 |
|        | 0-10 HP                          | Rs./HP/ month                 | 205.35          | 0-10 HP                          | Rs./HP/ month                 | 250.00          |
|        | 11-20 HP                         | Rs./HP/ month                 | 222.00          | 11-20 HP                         | Rs./HP/ month                 | 275.00          |
|        | Above 20 HP                      | Rs./HP/ month                 | 1415.25         | Above 20 HP                      | Rs./HP/ month                 | 1500.00         |
| 5      | Public Street Lighting           |                               |                 | Public Street Lighting           |                               |                 |
| a      | Metered connection               |                               |                 | Metered connection               |                               |                 |
|        | Energy Charge                    | Rs./kWh                       | 7.10            | Energy Charge                    | Rs./kWh                       | 7.25            |
|        | Fixed Charge                     | Rs./kW                        | 55.00           | Fixed Charge                     | Rs./kW                        | 60.00           |
| b      | Unmetered connection             | Rs./kW/ month or part thereof | 3200.00         | Unmetered connection             | Rs./kW/ month or part thereof | 3500.00         |
| 6      | LT Public Water Works            |                               |                 | LT Public Water Works            |                               |                 |
|        | Energy Charge                    | Rs./kWh                       | 6.87            | Energy Charge                    | Rs./kWh                       | 7.00            |
|        | Fixed Charge                     | Rs./kW/ month                 | 50.00           | Fixed Charge                     | Rs./kW/ month                 | 60.00           |
| 7      | HT Public Water Works            |                               |                 | HT Public Water Works            |                               |                 |
| a      | 11 KV supply                     |                               |                 | 11 KV supply                     |                               |                 |
|        | Energy Charge                    | Rs./kVAh                      | 5.41            | Energy Charge                    | Rs./kVAh                      | 7.00            |



| S. No. | Tariff Category   | Unit           | Existing Tariff | Tariff Category   | Unit           | Proposed Tariff |
|--------|---|----------------|-----------------|---|----------------|-----------------|
|        | Demand Charge   | Rs./kVA/ month | 242.00          | Demand Charge   | Rs./kVA/ month | 250.00          |
| b      | 33 KV supply and above  |                |                 | 33 KV supply and above  |                |                 |
|        | Energy Charge   | Rs./kVAh       | 5.14            | Energy Charge   | Rs./kVAh       | 7.00            |
|        | Demand Charge   | Rs./kVA/ month | 231.00          | Demand Charge   | Rs./kVA/ month | 250.00          |
| 8      | LT Industrial supply  |                |                 | LT Industrial supply  |                |                 |
| a      | LTIS - I (for all metered consumers except those covered under LTIS - II) |                |                 | LTIS - I (for all metered consumers except those covered under LTIS - II) |                |                 |
|        | For consumers with connected load < 50 kW                                 |                |                 | For consumers with connected load < 50 kW                                 |                |                 |
|        | Energy Charge   | Rs./kWh        | 3.30            | Energy Charge   | Rs./kVAh       | 5.10            |
|        | Fixed Charge  | Rs./kW/ month  | 50.00           | Fixed Charge  | Rs./kVA/ month | 100.00          |
|        | For consumers with connected load > 50 kW                                 |                |                 | For consumers with connected load > 50 kW                                 |                |                 |
|        | Energy Charge   | Rs./kVAh       | 3.09            | Energy Charge   | Rs./kVAh       | 5.10            |
|        | Fixed Charge  | Rs./kVA/ month | 47.00           | Fixed Charge  | Rs./kVA/ month | 100.00          |
| b      | LTIS - II (for all metered consumers and having load upto 15 HP)          |                |                 | LTIS - II (for all metered consumers and having load upto 15 HP)          |                |                 |
|        | Energy Charge   | Rs./kWh        | 3.30            | Energy Charge   | Rs./kWh        | 4.50            |
|        | Fixed Charge  | Rs./kW/ month  | 21.00           | Fixed Charge  | Rs./kW/ month  | 30.00           |
| 9      | HT Industrial supply  |                |                 | HT Industrial supply  |                |                 |
| A      | 11 KV   |                |                 | 11 KV   |                |                 |
|        | Energy Charge   | Rs./kVAh       | 2.95            | Energy Charge   | Rs./kVAh       | 5.00            |
|        | Demand Charge   | Rs./kVA/ month | 136.50          | Demand Charge   | Rs./kVA/ month | 175.00          |
| B      | 33 KV supply and above.   |                |                 | 33 KV supply and above.   |                |                 |
|        | Energy Charge   | Rs./kVAh       | 2.86            | Energy Charge   | Rs./kVAh       | 4.90            |
|        | Demand Charge   | Rs./kVA/ month | 136.50          | Demand Charge   | Rs./kVA/ month | 150.00          |



| S. No. | Tariff Category  | Unit           | Existing Tariff | Tariff Category  | Unit           | Proposed Tariff |
|--------|--|----------------|-----------------|--|----------------|-----------------|
|        | ToD Tariff:  |                |                 | ToD Tariff   |                | 10%             |
|        | Applicable Surcharge on energy charges during peak hours (0600-0800 Hrs. & 1800-2200 Hrs.) |                | 10%             | Applicable Surcharge on energy charges during peak hours (0600-0800 Hrs. & 1800-2200 Hrs.) |                |                 |
|        | Rebate on energy charges during off peak hours (2300-0500 Hrs.)                            |                |                 | Rebate on energy charges during off peak hours (2300-0500 Hrs.)                            |                |                 |
| 10     | HT PIU   |                |                 | HT PIU   |                |                 |
| a      | 11 KV supply   |                |                 | 11 KV supply   |                |                 |
|        | Energy Charge  | Rs./kVAh       | 3.60            | Energy Charge  | Rs./kVAh       | 5.25            |
|        | Demand Charge  | Rs./kVA/ month | 205.00          | Demand Charge  | Rs./kVA/ month | 225.00          |
| 11     | Bulk supply  |                |                 | Bulk supply  |                |                 |
| A      | 11 KV supply   |                |                 | 11 KV supply   |                |                 |
|        | Energy Charge  | Rs./kVAh       | 4.00            | Energy Charge  | Rs./kVAh       | 5.00            |
|        | Demand Charge  | Rs./kVA/ month | 193.00          | Demand Charge  | Rs./kVA/ month | 175.00          |
| B      | 33 KV supply and above   |                |                 | 33 KV supply and above   |                |                 |
|        | Energy Charge  | Rs./kVAh       | 3.85            | Energy Charge  | Rs./kVAh       | 4.90            |
|        | Demand Charge  | Rs./kVA/ month | 187.00          | Demand Charge  | Rs./kVA/ month | 150.00          |

### New Tariff Categories Proposed

2.5 Apart from the existing tariff categories, the Petitioner has proposed new tariff categories which are summarized below:

a) Tariff for Electric Vehicle Charging Stations (EV):

Table 8: Proposed Tariff for EV Category

| Tariff Proposal         | Unit          | Proposed Tariff |
|-------------------------|---------------|-----------------|
| LT connection           |               |                 |
| Energy Charge           | Rs./kVAh      | 5.10            |
| Fixed Charge            | Rs./kVA/month | 100.00          |
| HT connection           |               |                 |
| 11 kV supply            |               |                 |
| Energy Charge           | Rs./kVAh      | 5.00            |
| Demand Charge           | Rs./kVA/month | 175.00          |
| 33 kV supply and above. |               |                 |
| Energy Charge           | Rs./kVAh      | 4.90            |
| Demand Charge           | Rs./kVA/month | 150.00          |



**b) Tariff for Traction Category**

Table 9: Proposed Tariff for Traction Category

| Tariff Proposal | Unit          | Proposed Tariff |
|-----------------|---------------|-----------------|
| Energy Charge   | Rs./kVAh      | 4.70            |
| Demand Charge   | Rs./kVA/month | 300.00          |



## Chapter 3: Public Consultation Process

- 3.1 After the receipt of the Petition, the Commission examined the submission and identified certain data gaps which were communicated to the Petitioner. Thereafter, a Technical Validation Session (TVS) was organized in the office of the Commission. Subsequently, upon receipt of the revised Petition, the Commission admitted the Petition filed by the Petitioner pertaining to True-up for FY 2019-20 and FY 2020-21, APR for FY 2021-22, and ARR & Tariff for FY 2022-23. The Commission directed the Petitioner to invite comments/objections from the stakeholders and public on the subject matter of the Petition and also directed it to make available copies of the Petition to the general public.
- 3.2 The Commission, vide its letter dated 12.05.2022 directed the Petitioner to publish notice detailing the salient features and facts of the ARR Petition and Proposal filed in at least three daily newspapers (Urdu, English and Hindi) widely circulated in the area of its operation for comments by the stakeholder and public at large.
- 3.3 As directed by the Commission, the Petitioner published Public Notice in widely read newspapers indicating the salient features of its Petition and inviting objections and suggestions from the stakeholders and public. The Public Notice appeared in the various newspapers as per the details tabulated below:

Table 10: Details of publication of notice inviting comments / objections

| Newspaper                | Date of publication |
|--------------------------|---------------------|
| Greater Jammu (English)  | 15.05.2022          |
| Earth News (English)     | 15.05.2022          |
| Rangyal (Urdu & English) | 15.05.2022          |

- 3.4 The copies of the Public Notice and the Tariff Petition were made available on the website of the Commission as well as on the Petitioner's website and at its office address mentioned in the public notice. The stakeholders were advised to submit their objections to the Commission and to the Petitioner.
- 3.5 Subsequently, the Commission published the notice for public hearing, wherein the interested stakeholders were given the option to be heard in person during the public hearing conducted by the Commission.
- 3.6 The Commission held public hearing at Conference Hall, DC office, Leh on 21.06.2022 to hear the stakeholders and to discuss the matters pertaining to the Petition filed by the Petitioner. The list of person who attended the public hearing held at Leh is provided in Annexure 3.
- 3.7 The Commission has received two comments /suggestions from the stakeholders. The Commission considered the comments /suggestions, as given below, while finalising the tariff order.



## Applicability of Industrial Electricity Tariff for Tourism Businesses

- 3.8 The All Ladakh Hotel and Guest House Association submitted that tourism has been the mainstay of Ladakh's economy. In the last two years, tourism has been affected due to a number of unforeseen and unavoidable events that have brought the industry to a complete standstill. The need to support Ladakh's tourism industry, dependent on a short summer season, is extremely crucial for the local economy and one of the measures could be the application of the industrial electricity tariff in place of commercial category tariff. Keeping in mind that the major source of electricity in Ladakh is renewable, this could strengthen the initiative to develop Ladakh as a carbon neutral destination.

### Commission's View

- 3.9 The Commission has noted the submission of the stakeholder. The Commission is aware of the fact that tourism industry is a major contributor to Ladakh's economy. However, it needs to be understood that consumer categories in the tariff schedule have been created with certain objectives and as such the Commission has to strike a balance between the interests of the consumer and the licensee. Section 62 (3) of the Electricity Act, 2003 Act requires the tariff to be determined according to the nature of supply and the purpose for which the supply is being provided. Commercial activity is different from typical industrial activity. Industrial activity is defined as where raw materials are converted into finished goods. So, it may not be prudent to consider commercial activity under the industrial tariff category and therefore the commercial tariff is kept at a different level from industrial tariff.

## Separate Slab for Defence Establishments

- 3.10 SE, Headquarters, Chief Engineer - Leh Zone, C/o 56 APO, submitted that the Ministry of Defence has urged the Ministry of Power to modify electricity tariff slabs for the Armed Forces. It submitted that the Armed Forces are bulk consumers using electricity mainly for domestic purposes and not for industrial activity. Hence, the tariff rates should be kept at par with domestic tariff or lower, and they have requested a separate slab for defence establishments keeping rates at par with domestic tariff or lower.

### Commission's View

- 3.11 The Commission has noted the submission and reviewed the correspondence produced before it. The Ministry of Power, Govt. of India has forwarded the proposal received from the Ministry of Defence to the Forum of Regulators (FoR). FoR decided in its meeting that the decision in this regard has to be taken by the respective Electricity Regulatory Commissions (ERCs). At present, defence establishments including para-military are covered under the tariff category of State/Central Government Departments. However, water pumping and street lighting in those establishments are charged under the respective tariff categories. Additionally, supply received at higher voltage by such establishment entitles them for a rebate of 2.5% and 5% in the energy charge at 11 kV and 33 kV level. The Commission has forwarded the request of the stakeholder to the distribution licensees for their opinion in this regard. The Commission shall review the matter at the next tariff proceedings. The existing consumer category and corresponding tariff structure is kept unchanged for FY 2022-23.

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## Chapter 4: True-Up for FY 2019-20 and FY 2020-21

- 4.1 As specified in Regulation 11.2 of the prevailing JERC Goa and UTs (Generation, Transmission and Distribution) Regulations 2018, LPDD has submitted the True-up petition as part of the instant petition for the purpose of truing-up of FY 2019-20 and FY 2020-21. The relevant excerpt of regulation 11.2 is reproduced here:

*"The Generating Company, Transmission Licensee and Distribution Licensee shall file an application for the annual performance review of the current year, truing up of the previous Year or the Year for which the audited accounts are available and determination of tariff for the ensuing Year on or before 30<sup>th</sup> November of each Year, in formats specified by the Commission from time to time:*

*Provided that the Generating Company, Transmission Licensee or Distribution Licensee, as the case may be, shall submit to the Commission information in such form as may be specified by the Commission, together with the audited accounts, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of Aggregate Revenue Requirement and Expected Revenue from Tariff and Charges."*

- 4.2 As specified by the above regulations, the Petitioner has to submit the application for truing-up of the previous year or the year for which audited accounts are available along with audited accounts, extract of books of account and other details as the Commission may require to assess the reasons for variation from the approved forecasts at the time of ARR for the applicable year.
- 4.3 In the absence of audited accounts, the Commission has provisionally noted the costs and revenue for FY 2019-20 and FY 2020-21 in this Order. However, the Commission has not allowed any incentive/penalty for gains/losses on over/under achievement of targets for controllable/uncontrollable parameters. The sharing of gains/losses shall be determined once the Utility submits audited annual accounts for the year.

### Number of Consumers, Connected Load and Energy Sales

#### Petitioner's Submission

- 4.4 LPDD caters to a diverse consumer mix constituting domestic, commercial, industrial, agriculture and other consumers. Energy sales, as recorded during the period April '19 to March '20, is 103 MU serving 48,840 consumers with connected load of 82.86 MW. Majority of the consumption was recorded in the Domestic category (i.e., 41%) followed by State/Central Government Departments with 27.67% and Non-domestic/Commercial category with 24.3% consumption.
- 4.5 For FY 2020-21, the Petitioner has submitted that 127 MU of sales were recorded for 51,174 consumers with connected load of 89.5 MW.
- 4.6 Category-wise recorded numbers of consumers, connected load and energy sales for FY 2019-20 and FY 2020-21 are tabulated below:



Table 11: Category-wise No. of Consumers, Connected Load and Energy Sales for FY 2019-20

| Categories                     | No. of Consumers | Connected Load (kW) | Energy Sales (MUs) |
|--------------------------------|------------------|---------------------|--------------------|
| Domestic                       | 42388            | 52.84               | 42.32              |
| Non-domestic/Commercial        | 5813             | 13.54               | 25.03              |
| State/Central Govt. Department | 309              | 13.57               | 28.51              |
| Agriculture                    | 1                | 0.02                | 0.03               |
| Public Street Lighting         | 3                | 0.05                | 0.30               |
| LT Public water works          | 9                | 0.10                | 0.29               |
| HT Public water works          | 12               | 0.48                | 2.00               |
| LT Industrial supply           | 292              | 1.59                | 1.55               |
| HT Industrial supply           | 11               | 0.46                | 0.66               |
| HT PIU                         | 0                | 0.00                | 0.00               |
| General Purpose Bulk           | 2                | 0.22                | 2.61               |
| <b>Total</b>                   | <b>48,840</b>    | <b>82.86</b>        | <b>103</b>         |

Table 12: Category-wise No. of Consumers, Connected Load and Energy Sales for FY 2020-21

| Categories                     | No. of Consumers | Connected Load (kW) | Energy Sales (MUs) |
|--------------------------------|------------------|---------------------|--------------------|
| Domestic                       | 44211            | 55.84               | 52.36              |
| Non-domestic/Commercial        | 6248             | 15.21               | 25.56              |
| State/Central Govt. Department | 356              | 15.24               | 40.83              |
| Agriculture                    | 1                | 0.01                | 0.05               |
| Public Street Lighting         | 5                | 0.07                | 0.37               |
| LT Public water works          | 9                | 0.10                | 0.00               |
| HT Public water works          | 18               | 0.59                | 2.69               |
| LT Industrial supply           | 311              | 1.70                | 1.59               |
| HT Industrial supply           | 13               | 0.53                | 0.77               |
| HT PIU                         |                  |                     |                    |
| General Purpose Bulk           | 2                | 0.22                | 2.31               |
| <b>Total</b>                   | <b>51,174</b>    | <b>89.5</b>         | <b>127</b>         |

- 4.7 The Petitioner has submitted the number of consumers, sanctioned load and energy sales for FY2019-20 and FY 2020-21 for metered and un-metered consumers, separately.

#### Commission's Analysis

- 4.8 The Commission has noted the submission of the Petitioner. As the Petitioner has not submitted the audited accounts for the relevant years, the Commission has not reviewed the same in detail. The Petitioner should submit the details of consumer number, sanctioned load and actual sales as per audited data at the time of True-up petition.



## AT&C Losses

### Petitioner's Submission

4.9 The distribution loss for FY 2019-20, as reported by the Petitioner, is 41.79% and for FY 2020-21 it is 39.48%. The losses are calculated by the Petitioner based on input energy and billed energy.

4.10 The AT&C loss reported by the Petitioner for FY 2019-20 and FY 2020-21 is detailed in the tables below.

Table 13: AT&C Losses submitted by the Petitioner for FY 2019-20

| Energy Input<br>(including<br>Wheeling<br>Units) | Total<br>Output/<br>Energy<br>Billed<br>(MU) | Total<br>Losses<br>(MU) | Billing<br>Efficiency | Revenue<br>Billed<br>(Rs. Lac.) | Revenue<br>Realized<br>(Rs. Lac.) | Collection<br>Efficiency | AT&C<br>losses |
|--|--|-------------------------|-----------------------|---------------------------------|-----------------------------------|--------------------------|----------------|
| 177.45   | 103.30                                       | 74.15                   | 58.21%                | 4,700.88                        | 4,601.00                          | 97.88%                   | 43.03%         |

Table 14: AT&C Losses submitted by the Petitioner for FY 2020-21

| Energy Input<br>(including<br>Wheeling<br>Units) | Total Output/<br>Energy Billed<br>(MU) | Total<br>Losses<br>(MU) | Billing<br>Efficiency | Revenue<br>Billed<br>(Rs. Lac.) | Revenue<br>Realized<br>(Rs. Lac.) | Collection<br>Efficiency | AT&C<br>losses |
|--|--|-------------------------|-----------------------|---------------------------------|-----------------------------------|--------------------------|----------------|
| 209.06   | 126.53                                 | 82.53                   | 60.53%                | 5,862.20                        | 5,020.20                          | 85.64%                   | 48.17%         |

### Commission's Analysis

4.11 The Commission noted that the AT&C loss figures submitted by the Petitioner are quite high. It was noticed that collection efficiency had reduced significantly in FY 2020-21 compared to FY 2019-20. The Petitioner should take all measures to control losses and improve its collection efficiency. The Petitioner should submit the actual figures and details along with audited account in the True-up petition.

## Power Purchase Quantum and Cost

### Petitioner's Submission

4.12 The Petitioner submitted that most of the power required to serve the license area was procured from Jammu and Kashmir Power Development Department (JKPDD), which is now unbundled, and the Jammu and Kashmir Power Corporation Limited (JKPCL) is presently responsible for power sourcing. Other than JKPCL, the remaining power was procured from internal power generation such as solar, small hydro, and diesel generating plants.

4.13 The Petitioner submitted that the LPDD procured 177.45 MU of power from JKPDD to meet its energy requirement during FY 2019-20 at a cost of Rs.58.56 Crore. Details of source-wise power purchase during FY 2019-20 is tabulated below:



Table 15: Power Purchase Quantum and Cost for FY 2019-20

| Source (Power Station)             | Power Purchased (MU) | Cost of Power Purchase (Rs. Crore) |
|------------------------------------|----------------------|------------------------------------|
| Long term / Medium term Sources    |                      |                                    |
| Power from JKPDD                   | 177.45               | 58.56                              |
| Power Purchase LPDD for FY 2019-20 | 177.45               | 58.56                              |

4.14 Similarly, the Petitioner submitted that the LPDD has procured power quantum of 174.21 MU to meet energy requirement during FY 2020-21 from JKPDD and 34.38 MU from its own generation at a gross power purchase cost of Rs.89.14 Crore. Details of source-wise power purchase during FY 2020-21 is tabulated as follows:

Table 16: Power Purchase Quantum and Cost for FY 2020-21

| Source (Power Station)             | Power Purchased (MU) | Cost of Power Purchase (Rs. Crore) |
|------------------------------------|----------------------|------------------------------------|
| Long term / Medium term Sources    |                      |                                    |
| State Owned Plants                 |                      |                                    |
| PDD                                |                      |                                    |
| Diesel                             |                      |                                    |
| Saubhagya Nos./KVA                 | 6.95                 | 24.31                              |
| Saubhagya Nos./MVA                 | 0.16                 | 0.55                               |
| DG MVA                             | 0.09                 | 0.31                               |
| Hydel                              |                      |                                    |
| Bazgo MHP                          | 1.05                 | 0.35                               |
| Haftal                             | 2.06                 | 0.59                               |
| Hunder MHP                         | 1.34                 | 0.35                               |
| Igo-Mercellong                     | 4.50                 | 1.34                               |
| Iqbal MHP Kargil                   | 8.54                 | 1.58                               |
| Marpachoo HEP                      | 0.95                 | 0.28                               |
| Sanjak                             | 0.58                 | 0.21                               |
| Sumoor                             | 0.27                 | 0.10                               |
| Chamshem                           | 0.36                 | 0.07                               |
| Turtuk                             | 0.11                 | 0.02                               |
| Stakna                             |                      | -                                  |
| Power from JKPDD                   | 174.21               | 57.49                              |
| Renewable Energy                   |                      |                                    |
| Ground-mounted solar               | 7.78                 | 1.56                               |
| Rooftop                            | 0.13                 | 0.03                               |
| Power Purchase LPDD for FY 2020-21 | 209.06               | 89.14                              |

4.15 The average power purchase cost of LPDD for FY 2019-20 and FY 2020-23 works out to Rs.3.30 per unit and Rs.4.26 per unit, respectively.



**Commission's Analysis**

- 4.16 The Commission has observed that LPDD is heavily dependent on JKPCCL for its power requirement. As locally available sources of power are limited, LPDD has had to procure power from JKPCCL. The Commission noted that the Petitioner purchased power from a few small hydro and solar power plants located in the UT. A small quantum of power has also been purchased from diesel-based power plants. The source-wise details of power purchase shall be reviewed based on audited data to be submitted by the Petitioner with supporting bills/invoices at the time of truing up exercise.
- 4.17 The Petitioner has not submitted its compliance towards Renewable Purchase Obligation (RPO) specified by the Commission. However, it is observed that for FY 2020-21, 7.91 MU were purchased from ground-mounted solar and rooftop solar as provided in table below:

Table 17: RPO Target met in FY 2020-21 (%)

| Particulars                     |       | Energy in MU |
|---------------------------------|-------|--------------|
| Energy Sourced from Solar Power | A     | 7.91         |
| Total Power Purchase            | B     | 209.06       |
| Solar RPO Met                   | C=A/B | 3.78%        |

- 4.18 The Commission directs the petitioner to submit the details of RPO compliance in True-up Petition for solar and non-solar purchase obligation, separately.

**Operation & Maintenance (O&M) Expenses****Petitioner's Submission**

- 4.19 The Petitioner submitted that the Operation and Maintenance (O&M) expenses comprise of the following expenses:
- Employee expenses
  - Repair & Maintenance (R&M) expenses
  - Administrative & General (A&G) expenses
- 4.20 As specified in Regulation 51.2 and Regulation 60.2 of MYT Regulations, operation and maintenance expenses of a licensee for distribution wires business and retail supply business comprises of employee expenses, administrative and general expenses and repairs and maintenance expenses. Relevant excerpts, of the Regulations are reproduced below:
- "Operation and Maintenance (O&M) expenses shall comprise of the following:*
- Employee expenses - salaries, wages, pension contribution and other employee costs.*
  - Administrative and General expenses including insurance charges, if any.*
  - Repairs and Maintenance expenses"*

**Employee Expenses**

- 4.21 Employee expenses include expenses incurred towards those employees who are presently working with LPDD. Employee expenses include salary, medical reimbursement, payment towards compensation, etc.



- 4.22<sup>+</sup> The Petitioner has incurred expenses of Rs.25.99 Crore towards salary and wages of employees and Rs.0.05 Crore towards medical reimbursement. The Petitioner has incurred a total expense of Rs.26.04 Crore towards employees during the said period of FY 2019-20.
- 4.23 During FY 2020-21, the Petitioner has spent Rs.31.82 Crore towards salary and wages of employees which includes Rs.0.03 Crore towards medical reimbursement.
- 4.24 The Petitioner requested the Commission to approve the above employee expenses of LPDD for FY 2019-20 and FY 2020-21.

### Administrative and General (A&G) Expenses

- 4.25 Administrative expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances and other debits.
- 4.26 During FY 2019-20, LPDD incurred an expenditure of Rs.0.45 Crore towards administrative and general payments and in FY 2020-21, Rs.16.21 Crore was disbursed towards administrative and general expenses. The details are tabulated as follows:

Table 18: Administrative and General Expenses for FY 2019-20 and FY 2020-21 (in Rs. Lakh)

| Sr. No. | Particulars                               | FY 2019-20 | FY 2020-21 |
|---------|---|------------|------------|
| 1       | Travel Expenses                           | 6.18       | 10.62      |
| 2       | Office Expenses                           | 25.91      | 73.18      |
| 3       | RRT                                       | 12.72      | 7.84       |
| 4       | Other Adm. Expenses                       | 0          | 0          |
| 5       | Adv. & Publicity                          | 0          | 0.7        |
| 6       | Professional Services                     | 0          | 0.08       |
| 7       | Other charges                             | 0          | 1528.55    |
|         | Total Administrative and General Expenses | 44.81      | 1620.97    |

### Repair and Maintenance (R&M) Expenses

- 4.27 Repairs and maintenance expenses include regular expenditure incurred for improvement of system reliability and quality of power supply. Also, these expenses are important in view of the system maintenance and loss reduction within the distribution network.
- 4.28 During FY 2019-20, and FY 2020-21, LPDD spent Rs.3.19 Cr. and Rs.3.82 Cr. respectively towards repair and maintenance activities of lines and cable networks, plant and machinery, and furniture and fixtures.
- 4.29 The Commission has been requested to approve the above mentioned repair and maintenance expenses of LPDD for FY 2019-20 and FY 2020-21. The actuals of O&M expenses for FY 2019-20 and FY 2020-21 incurred by the Petitioner are tabulated below:



Table 19: O&amp;M Expenses for FY 2019-20 &amp; FY 2020-21 (Rs. Lakh)

| Sr. No. | Particulars                              | FY 2019-20 | FY 2020-21 |
|---------|--|------------|------------|
| 1       | Employee Expenses                        | 2604.90    | 3181.86    |
| 2       | Administrative and General Expenses      | 44.81      | 1620.97    |
| 3       | Repairs and Maintenance Expenses         | 318.71     | 382.88     |
|         | Total Operation and Maintenance Expenses | 2968.42    | 5185.71    |

**Commission's Analysis**

4.30 The Commission has noted the submission of the Petitioner. The Petitioner has submitted the O&M expenses for FY 2019-20 and FY 2020-21, which comprise employee expenses, A&G expenses and R&M expenses.

4.31 The Petitioner submitted that its employee sanctioned strength is 705 employees. Vacant positions were 189 and 197 in FY 2019-20 and FY 2020-21, respectively. The Commission enquired about LPDD's manpower planning. LPDD submitted that they are in the process of preparing the manpower planning report and would submit the same to the Commission after completion. The Commission directed the Petitioner to submit the audited accounts with all details of O&M expenses in the True-up petition.

**Capital Expenditure, Capitalization and CWIP**

4.32 The Petitioner has not claimed any amount against capital expenditure and capitalization. As the Petitioner has not claimed any capital expenditure for FY 2019-20 and FY 2020-21, the Commission accepts the same.

4.33 Additionally, the Petitioner has not claimed any amount against depreciation, interest on loan and return on equity, and the Commission has not considered any amount against those expenses.

**Aggregate Revenue Requirement (ARR) for FY 2019-20 and FY 2020-21****Petitioner's Submission**

4.34 Based on the submission made related to various components, the summary of ARR for FY 2019-20 and FY 2020-21 as submitted by the Petitioner is summarized in the following table.

Table 20: Summary of ARR for FY 2019-20 and FY 2020-21 (Rs. Crore)

| ARR Components                 | FY 2019-20 | FY 2020-21 |
|--------------------------------|------------|------------|
| Costs                          |            |            |
| Power Purchase Cost            | 58.56      | 89.14      |
| Operation and Maintenance Cost | 29.68      | 51.86      |
| Interest                       | -          | -          |
| Depreciation                   | -          | -          |
| Interest on Working Capital    | -          | -          |
| Return on Equity               | -          | -          |
| Less: Non-Tariff Income        | -          | -          |
| Aggregate Revenue Requirement  | 88.24      | 140.99     |



**Commission's Analysis**

4.35 The Commission has noted the submission of the Petitioner who shall submit the audited accounts for final True-up by the Commission.

**Revenue from Sale of Power at Existing Tariffs****Petitioner's Submission**

4.36 The Petitioner submitted that a total revenue of Rs.46.01 Cr. has been earned by LPDD from the sale of 103.30 MU of power to its consumers during FY 2019-20, while billed revenue is Rs.47.01 Cr. For FY 2020-21, the total revenue earned was Rs.50.20 Cr. from sale of 127 MU to consumers, while the billed amount is Rs.62.98 Cr.

**Commission's Analysis**

4.37 The Commission has noted the submission of the Petitioner. The petitioner has submitted the consumer category-wise billed amount too. The Commission will review the consumer category-wise revenue once LPDD submits its annual audited accounts.

**Revenue Gap****Petitioner's Submission**

4.38 In line with the above submissions, the Petitioner 's revenue gap for FY 2019-20 and FY 2020-21, is given as follows:

Table 21: Net Revenue Gap/(Excess) for FY 2019-20 and FY 2020-21 (Rs. Crore)

| Particulars                           | FY 2019-20 | FY 2020-21 |
|---------------------------------------|------------|------------|
| Net Aggregate Revenue Requirement (A) | 88.24      | 140.99     |
| Total Revenue (B)                     | 46.01      | 50.02      |
| Net Revenue Gap/(Excess) (C = A-B)    | 42.23      | 90.79      |

**Commission's Analysis**

4.39 The Commission noted the revenue gap submitted by the Petitioner. It was observed that while calculating the revenue gap, the Petitioner had considered the amount collected instead of amount billed to the consumer. After submission of the audited account, the Commission will finalise the revenue gap/surplus quantum. The Petitioner has not given any information about government subsidy in its submission. The Commission directs the Petitioner to submit the quantum of subsidy received from the Government, if any. The same should be reflected in the audited account too. Based on the audited information, the Commission can take a final view on the revenue gap/surplus.

■ ■ ■



## Chapter 5: Annual Performance Review for FY 2021-22

- 5.1. The Commission, vide gazette notification dated 31<sup>st</sup> March 2021, issued JERC for UT of J&K and UT of Ladakh (adoption of various Regulations of JERC for the state of Goa and UTs) Regulations, 2021 through which JERC Goa and UTs (Generation, Transmission and Distribution) Regulations, 2018 are adopted by the Commission up to one year or till replacement of corresponding regulations are framed by the Commission for the purpose of tariff determination for the UT of J&K and UT of Ladakh.
- 5.2. As specified in Regulation 11 of the prevailing JERC Goa and UTs (Generation, Transmission and Distribution) Regulations 2018, LPDD submitted the annual performance review (APR) for FY 2021-22. Relevant excerpts of the MYT Regulations are reproduced as follows:

*11.1 The Generating Company, Transmission Licensee and Distribution Licensee shall be subject to annual performance review and truing up of expenses and revenue during the Control Period in accordance with these Regulations.*

*11.2 The Generating Company, Transmission Licensee and Distribution Licensee shall file an application for the annual performance review of the current year, truing up of the previous Year or the Year for which the audited accounts are available and determination of tariff for the ensuing Year on or before 30th November of each Year, in formats specified by the Commission from time to time:*

*Provided that the Generating Company, Transmission Licensee or Distribution Licensee, as the case may be, shall submit to the Commission information in such form as may be specified by the Commission, together with the audited accounts, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of Aggregate Revenue Requirement and Expected Revenue from Tariff and Charges.*

*11.3 The scope of the annual performance review, truing up and tariff determination shall be a comparison of the performance of the Generating Company, Transmission Licensee or Distribution Licensee with the approved forecast of Aggregate Revenue Requirement and Expected Revenue from Tariff and Charges and shall comprise of the following:*

*.....*

*b. Annual Performance Review: a comparison of the revised performance targets of the Applicant for the current Financial Year with the approved forecast in the Tariff Order corresponding to the Control Period for the current Financial Year subject to prudence check; .....*

- 5.3. This chapter summarizes the APR submitted by the Petitioner and the corresponding observation of the Commission:



## Number of Consumers, Connected Load and Energy Sales

### Petitioner's Submission

- 5.4. LPDD caters to a diverse consumer mix constituting domestic, commercial, industrial and state /central government department consumers. The Petitioner projected sales of 147.73 MU for FY 2021-22 for serving 53,835 consumers with connected load of 98.19 MW. Category-wise details of consumer profile for FY 2021-22 is tabulated below:

Table 22: Category-wise No. of Consumers, Connected Load and Energy Sales for FY 2021-22

| Categories                      | No. of Consumers | Connected Load (kW) | Energy Sales (MU) |
|---------------------------------|------------------|---------------------|-------------------|
| Domestic                        | 46287            | 60.05               | 57.51             |
| Non-domestic/Commercial         | 6772             | 17.35               | 33.99             |
| State/Central Govt. Departments | 403              | 17.02               | 45.76             |
| Agriculture                     | 1                | 0.27                | 0.71              |
| Public Street Lighting          | 4                | 0.10                | 0.56              |
| LT Public water works           | 8                | 0.15                | 0.17              |
| HT Public water works           | 16               | 0.71                | 2.68              |
| LT Industrial supply            | 330              | 1.48                | 2.77              |
| HT Industrial supply            | 12               | 0.83                | 1.19              |
| HT PIU                          |                  |                     |                   |
| General Purpose Bulk            | 2                | 0.22                | 2.40              |
| <b>Total</b>                    | <b>53,835</b>    | <b>98.19</b>        | <b>147.73</b>     |

- 5.5. The Petitioner requested the Commission to approve the above mentioned consumer profile of LPDD for FY 2021-22.

### Commission's Analysis

- 5.6. The Commission observed that 86% of consumers of LPDD belong to the domestic category followed by commercial consumers. However, in terms of sales, it is domestic consumers who consume maximum energy followed by the state/central government departments. The number of industrial consumers are negligible being only 342. As the financial year is already over, the Commission will review the same after submission of actual audited data by the Petitioner.

## AT&C Losses

### Petitioner's Submission

- 5.7. LPDD has estimated an AT&C loss of 49.04% for FY 2021-22 as detailed below. The Petitioner has requested the Commission to approve the AT&C losses of LPDD for FY 2021-22.

Table 23: AT&C Losses for FY 2021-22

| Energy Input (including Wheeling Units) | Total Output/ Energy Billed (MU) | Total Losses (MU) | Billing Efficiency | Revenue Billed (Rs. Lacs) | Revenue Realized (Rs. Lacs) | Collection Efficiency | AT&C losses |
|---|----------------------------------|-------------------|--------------------|---------------------------|-----------------------------|-----------------------|-------------|
| 250.00                                  | 147.73                           | 102.27            | 59.09%             | 7,009.10                  | 6,043.90                    | 86.23%                | 49.04%      |



**Commission's Analysis**

- 5.8. The Petitioner has projected the distribution loss as 40.91% for FY 2021-22 which is actually higher than the distribution loss for FY 2020-21. The Petitioner has not submitted the reasons for the higher losses. The Commission has asked the Petitioner to make earnest efforts and implement suitable measures to reduce its losses. The Petitioner was asked to submit the action taken in this regard and its future action plan to reduce losses to a reasonable level in line with the distribution loss reduction trajectory provided by the Commission in this order.

**Power Purchase Quantum and Cost**

- 5.9. Power purchase expense is the largest component of the ARR. In case of LPDD, the Power Purchase Cost accounts for around 65% of total ARR and the remaining 35% is O&M expenses. Hence, it is imperative that this element of cost is estimated with utmost care and prudence.

**Petitioner's Submission**

- 5.10. The Petitioner has submitted that the total energy available from its own generating stations and power purchase from JKPDD/JKPCL during FY 2021-22 is estimated to be 250.00 MU (250.47 MU as per format F2 attached with the Petition). The details of power purchase as submitted by the Petitioner are given below.

Table 24: Power Purchase Quantum and Cost for FY 2021-22

| Source (Power Station)                      | Power Purchased (MUs) | Cost of Power Purchase (Rs. Crore) |
|---|-----------------------|------------------------------------|
| Long term / Medium term Sources             |                       |                                    |
| State Owned Plants                          |                       |                                    |
| PDD   |                       |                                    |
| Diesel                                      |                       |                                    |
| Saubhagya Nos./KVA                          | 6.95                  | 24.31                              |
| Saubhagya Nos./MVA                          | 0.16                  | 0.55                               |
| DG MVA                                      | 0.09                  | 0.31                               |
| Hydel                                       |                       |                                    |
| Bazgo MHP                                   | 1.05                  | 0.35                               |
| Haftal                                      | 2.06                  | 0.59                               |
| Hunder MHP                                  | 1.34                  | 0.35                               |
| Igo-Mercellong                              | 4.50                  | 1.34                               |
| Iqbal MHP Kargil                            | 8.54                  | 1.58                               |
| Marpachoo HEP                               | 0.95                  | 0.28                               |
| Sanjak                                      | 0.58                  | 0.21                               |
| Sumoor                                      | 0.27                  | 0.10                               |
| Chamshem                                    | 0.36                  | 0.07                               |
| Turtuk                                      | 0.11                  | 0.02                               |
| Stakna                                      |                       | -                                  |
| Power from JKPDD                            | 215.62                | 75.47                              |
| Renewable Energy                            |                       |                                    |
| Ground-mounted solar                        | 7.78                  | 1.56                               |
| Rooftop                                     | 0.13                  | 0.03                               |
| Power Purchase share of LPDD for FY 2021-22 | 250.47                | 107.11                             |



5.11. Average power purchase cost of LPDD works out to Rs. 4.28 per unit for FY 2021-22.

#### Commission's Analysis

- 5.12. The Commission has reviewed the submission of the Petitioner with regard to power purchase quantum and cost. The Petitioner has projected power procurement from JKPDD/JKPCL as 215.62 MU and from internal generation sources as 34.85 MU. Total power purchase cost is projected to be Rs.107.11 Crore at an average rate of Rs.4.28 per unit. The power purchased from JKPDD/JKPCL is Rs.3.50 per unit. It has been observed that some small hydro power projects located in Ladakh region belong to Jammu and Kashmir Power Development Corporation Limited (JKPDCL). After reorganisation and unbundling, JKPDCL is currently maintaining those plants although these plants are injecting power into the LPDD region.
- 5.13. JKPDCL in its Petition submitted that so far as the generation sector is concerned, it looks after generation of power in J&K, but in view of the request of the UT of Ladakh, services regarding (i) inspection, (ii) generation and (iii) power purchase in respect of Ladakh are currently looked after by J&K, as common services have been assigned to J&K until Ladakh builds its own infrastructure.
- 5.14. Further, LPDD in its letter No. CE/GEN/T/217-21 dated 30.05.2021 has submitted that JKPDCL was requested to file a tariff petition before the Commission in respect of power plants located in the Ladakh region.
- 5.15. As JKPCCL is the sole authority for power procurement, it is purchasing power from all JKPDCL plants (including those situated in Ladakh). In case of LPDD, only those plants, which are not related to JKPDCL, have been considered as internal generation sources. However, the cost and quantum will be finalised after receipt of the audited accounts for FY 2021-22 along with the True-up petition.

#### Renewable Purchase Obligation (RPO)

- 5.16. JKPCCL purchases power on behalf of distribution licensees namely JPDCL, KPDCL and LPDD. It decides the power source mix and accordingly sources renewable energy and conventional energy to meet the requirements of the distribution licensees. The Commission, vide letter No. JERC/Tech-32/2021/360-67 dated 13<sup>th</sup> July 2021, communicated that it is in the process of framing Renewable Purchase Obligation (RPO) and REC Framework Implementation Regulations. In the said letter, the Commission provided the following RPO trajectory for the period FY 2016-17 to FY 2021-22, which comprises RPO target set by the erstwhile JKSERC and target given by the Ministry of Power.

Table 25: RPO Trajectory Communicated by the Commission

| FY                   | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22* |
|----------------------|---------|---------|---------|---------|---------|----------|
| Solar RPO Target     | 1.00%   | 1.25%   | 1.50%   | 1.75%   | 2.00%   | 10.50%   |
| Non-Solar RPO Target | 6.50%   | 7.25%   | 8.00%   | 8.75%   | 9.50%   | 10.68%   |

\*as per Ministry of Power target



5.17. The Petitioner has not submitted any RPO compliance for FY 2021-22. However, considering the submission made by the Petitioner, the solar RPO compliance level is given below. The Petitioner will submit its RPO compliance level for FY 2021-22 at the time of the true-up with all supporting details.

Table 26: Solar RPO Target met in FY 2021-22

| Particulars                     |       | Energy in MU |
|---------------------------------|-------|--------------|
| Energy Sourced from Solar Power | A     | 7.91         |
| Total Power Purchase            | B     | 209.06       |
| Solar RPO Met                   | C=A/B | 3.78%        |

## Operation & Maintenance (O&M) Expenses

### Petitioner's Submission

5.18. The Petitioner submitted that the Operation and Maintenance (O&M) expenses comprise the following expenses:

- Employee expenses
- Repair & Maintenance (R&M) expenses
- Administrative & General (A&G) expenses

5.19. As specified in Regulation 51.2 and Regulation 60.2 of MYT Regulations, operation, and maintenance expenses of a licensee for distribution wires business and retail supply business comprises of employee expenses, administrative and general expenses and repairs and maintenance expenses. Regulation 51.2 and Regulation 60.2 are reproduced as follows:

*"Operation and Maintenance (O&M) expenses shall comprise of the following:*

- Employee expenses - salaries, wages, pension contribution and other employee costs.*
- Administrative and General expenses including insurance charges if any; and*
- Repairs and Maintenance expenses."*

Component-wise breakup of estimated O&M expenses for FY 2021-22 are detailed in the following paragraphs.

### Employee Expenses

5.20. The employee expenses include the expenses incurred towards employees' salaries, allowances, medical reimbursements, etc. During FY 2021-22, LPDD has estimated expenses of Rs.32.86 Crore towards salary and wages of employees.

### Administrative and General (A&G) Expenses

5.21. Administrative expenses mainly comprise rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, electricity expenses, vehicle running expenses and other office-related expenses. During FY 2021-22, LPDD has projected an expense of Rs.20.34 Crore towards administrative and general expenses, details of which are tabulated as follows:

Table 27: Administrative and General Expenses for FY 2021-22 (in Rs. Lacs)

| Sr. No. | Particulars     | Amount (in Rs. Lacs) |
|---------|-----------------|----------------------|
| 1       | Travel Expenses | 4.72                 |



| Sr. No. | Particulars                                 | Amount (in Rs. Lacs) |
|---------|---|----------------------|
| 2       | Office Expenses                             | 56.95                |
| 3       | RRT   | 5.66                 |
| 4       | Other Adm. Expenses                         | 5.28                 |
| 5       | Adv. & Publicity                            | 0.74                 |
| 6       | Professional Services                       | 294.87               |
| 7       | Other charges                               | 1665.47              |
|         | <b>Total A&amp;G Expenses (in Rs. Lacs)</b> | <b>2033.69</b>       |

### Repair and Maintenance (R&M) Expenses

5.22. Repairs and Maintenance expenses include regular expenditure incurred for improvement of system reliability and quality of power supply. Also, these expenses are important in view of system maintenance and loss reduction within the distribution network. For FY 2021-22, LPDD has estimated an expense of Rs.5.26 Crore towards repair and maintenance activities of lines and cable networks, plant and machinery, and furniture and fixtures. The Commission has been requested to approve the said repair and maintenance expenses of LPDD for FY 2021-22.

5.23. In line with the above, the total O&M expenses incurred by LPDD during FY 2021-22 is tabulated as follows:

Table 28: Operation and Maintenance Expenses for FY 2021-22, projected by LPDD (in Rs. Crore)

| Sr. No. | Particulars                                     | Amount       |
|---------|---|--------------|
| 1       | Employee Expenses                               | 32.86        |
| 2       | Administrative and General Expenses             | 20.34        |
| 3       | Repairs and Maintenance Expenses                | 5.26         |
|         | <b>Total Operation and Maintenance Expenses</b> | <b>58.46</b> |

### Commission's Analysis

5.24. The Commission has noted that the Petitioner submitted the O&M expenses for FY 2021-22 as Rs.58.46 Crore. Further, Regulation 51.2 and Regulation 60.2 of MYT Regulations provide that the O&M expenses should comprise of employee expenses, A&G expenses and R&M expenses. Some details of those expenses are also submitted by the Petitioner. It has been informed by the petitioner that the corresponding financial accounts is already compiled, and actual expenses will be available after completion of audit activity. Hence, the Commission shall review the same after receipt of audited accounts and the Commission directs the Petitioner to submit the true-up Petition along with the audited accounts. Only after receipt of the same, the Commission can view the components of O&M expenses.

### Capital Expenditure, Capitalization and CWIP

5.25. The Petitioner has not submitted any details of capex and capitalization. It is presumed that the capital expenditure is being funded through grants alone and LPDD may not have taken any capital loan and/or infused equity to create assets. Accordingly, the Commission has not considered any capital expenditure for FY 2021-22. Correspondingly, as no capital expenditure and capitalization is considered, other components which are associated with capitalization



like depreciation, interest on loan and return on equity, are also not considered for FY 2021-22.

#### Interest on Security Deposits

5.26. The Petitioner has not submitted any details regarding security deposit. After unbundling, LPDD should have a record of the security deposit of the consumers in its area of operation. LPDD is directed to submit the status of security deposits, which should have been transferred from the erstwhile JKPDD as a result of Transfer Scheme 2020.

#### Non-tariff Income

5.27. Non-tariff income consists of all incomes from the business of wheeling and retail supply of power excluding income earned from sale of power. Non-tariff income includes income from delayed payment charges (surcharge), rentals for meters and other equipment, miscellaneous charges from consumers (comprising of services rendered to consumers like reconnection/disconnection, fuse off calls, etc.). The Petitioner has not submitted any information regarding non-tariff income in its Petition. LPDD is directed to submit the details in the True-up petition if they have received any income in this matter.

#### Aggregate Revenue Requirement (ARR) for FY 2021-22

5.28. Based on the various components as discussed above, the summary of ARR for FY 2021-22 as submitted by the Petitioner has been summarized in the following table. The Commission directs LPDD to submit the audited account in its True-up petition as only then the Commission can take a view on the expenses claimed.

Table 29: Summary of ARR for FY 2021-22, as submitted by LPDD (Rs. Crore)

| Aggregate Revenue Requirement        | Amount estimated for FY 2021-22 |
|--------------------------------------|---------------------------------|
| <b>Costs</b>                         |                                 |
| Power Purchase Cost                  | 107.11                          |
| Operation and Maintenance Cost       | 58.46                           |
| Interest                             | -                               |
| Depreciation                         | -                               |
| Interest on Working Capital          | -                               |
| Return on Equity                     | -                               |
| Provision for Bad and Doubtful Debts | -                               |
| Gross Aggregate Revenue Requirement  | 165.58                          |
| Less: Non- Tariff Income             | -                               |
| Net Aggregate Revenue Requirement    | 165.58                          |

5.29. Further, as per Regulation 48.1 of MYT Regulations, the above mentioned expenses of LPDD can be segregated into expenses towards distribution wire business and retail supply business for FY 2021-22. However, the Petitioner has not submitted the same.



## Revenue from Sale of Power at Existing Tariffs

### Petitioner's Submission

5.30. The Petitioner estimated a total revenue collection of Rs.60.43 Crore from sale of power of 147.73 MU to its consumers during FY 2021-22. However, revenue billed amount, as submitted by LPDD, is Rs.70.09 Crore (after deduction of electricity duty). Details of category-wise revenue is tabulated as follows:

Table 30: Revenue Collected by LPDD from Sale of Power during FY 2021-22 (in Rs. Crore)

| Sr. No. | Categories                     | Amount for FY 2021-22* |
|---------|--------------------------------|------------------------|
| 1       | Domestic                       | 16.74                  |
| 2       | Non-domestic/Commercial        | 16.77                  |
| 3       | State/Central Govt. Department | 29.81                  |
| 4       | Agriculture                    | -                      |
| 5       | Public Street Lighting         | -                      |
| 6       | LT Public water works          | -                      |
| 7       | HT Public water works          | -                      |
| 8       | LT Industrial supply           | 0.44                   |
| 9       | HT Industrial supply           | 0.54                   |
| 10      | General Purpose Bulk           | 1.57                   |
|         | <b>Total Revenue</b>           | <b>65.86</b>           |

\*Including Electricity Duty of Rs.5.42 Crore.

### Commission's Analysis

5.31. The Commission has noted the submission. After receipt of the annual audited accounts, the revenue amount will be reviewed by the Commission. LPDD should submit the information for all sub-categories and slab-wise consumption information.

## Revenue Gap

### Petitioner's Submission

5.32. Based on the estimates of ARR for FY 2021-22, the Petitioner has estimated revenue gap at existing tariffs for FY 2021-22 as Rs.105.14 Crore. The details are given below.

Table 31: Net Revenue Gap/(Surplus) for FY 2021-22, as submitted by LPDD (Rs. Crore)

| Particulars                                     | Amount |
|---|--------|
| Estimated Net Aggregate Revenue Requirement (A) | 165.58 |
| Estimated Revenue realization (B)               | 60.44  |
| Net Revenue Gap/ (Excess) (C = A-B)             | 105.14 |

### Commission's Analysis

5.33. As observed above, the Commission can decide about the revenue gap only after receipt of the audited accounts for FY 2021-22. The Commission notes that although the Petitioner has submitted the revenue as billed and collected/realization basis, while calculating the revenue gap LPDD has considered the revenue on the basis of realization. The collection efficiency for FY 2021-22 is 86.23%, which is marginally higher than collection efficiency submitted for FY



2020-21. No significant improvement has been seen. The Petitioner is directed to make efforts to improve its collection efficiency and submit the efforts taken by it to improve its performance.

■ ■ ■



## Chapter 6: Aggregate Revenue Requirement for FY 2022-23

- 6.1. The Petitioner (LPDD) submitted Aggregate Revenue Requirement (ARR) forecast for FY 2022-23 as part of its Petition in line with provisions of Regulation 11 of the prevailing MYT Regulations adopted by the Commission. Relevant excerpts of the Regulation are reproduced here as follows:

***"11. Annual Performance Review, Truing-up and tariff determination during the Control Period***

*11.1 The Generating Company, Transmission Licensee and Distribution Licensee shall be subject to annual performance review and truing up of expenses and revenue during the Control Period in accordance with these Regulations.*

*11.2 The Generating Company, Transmission Licensee and Distribution Licensee shall file an application for the annual performance review of the current year, truing up of the previous Year or the Year for which the audited accounts are available and determination of tariff for the ensuing Year on or before 30th November of each Year, in formats specified by the Commission from time to time:*

*Provided that the Generating Company, Transmission Licensee or Distribution Licensee, as the case may be, shall submit to the Commission information in such form as may be specified by the Commission, together with the audited accounts, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of Aggregate Revenue Requirement and Expected Revenue from Tariff and Charges.*

*11.3 The scope of the annual performance review, truing up and tariff determination shall be a comparison of the performance of the Generating Company, Transmission Licensee or Distribution Licensee with the approved forecast of Aggregate Revenue Requirement and Expected Revenue from Tariff and Charges and shall comprise of the following:*

*.....*

*Tariff determination for the ensuing Year of the Control Period based on the revised forecast of the Aggregate Revenue Requirement for the Year;*

*....."*

- 6.2. In this section, Aggregate Revenue Requirement (ARR) for FY 2022-23 forecasted/projected by the petitioner and Commission views on the same are discussed. Tariff proposed for FY 2022-23 is discussed in subsequent chapters of this Petition.

### Energy Sales

#### Petitioner's Submission

- 6.3. The Petitioner has conducted an analysis of past years' sales in order to project energy sales for FY 2022-23. For projection of energy sales for FY 2022-23, a 3-year consumer category-wise Compound Annual Growth Rate (CAGR) in energy sales over the period FY 2019-20 to FY



2021-22 is considered. In cases where the CAGR is negative, actual growth in total sales (i.e., 22.49%) from FY 2019-20 to FY 2020-21 is considered for such consumer categories as a conservative estimate. The 3-year CAGR (growth rate) of energy sales is applied on the base energy sales of FY 2021-22, for every consumer category, to arrive at overall yearly energy sales for FY 2022-23. The projected sales for FY 2022-23 are 170.22 MU. Category-wise projected energy sales for FY 2022-23 is tabulated below:

Table 32: Category-wise energy sales for FY 2022-23, projected by LPDD (in MU)

| Consumer Category              | Estimated Energy Sales (in MU) |
|--------------------------------|--------------------------------|
| Domestic                       | 65.78                          |
| Non-domestic/Commercial        | 38.36                          |
| State/Central Govt. Department | 53.58                          |
| Agriculture                    | 0.86                           |
| Public Street Lighting         | 0.69                           |
| LT Public water works          | 0.21                           |
| HT Public water works          | 2.95                           |
| LT Industrial supply           | 3.41                           |
| HT Industrial supply           | 1.45                           |
| HT-PIU Industrial Supply       | 0.00                           |
| General Purpose Bulk           | 2.93                           |
| Total                          | 170.22                         |

- 6.4. The Petitioner requested the Commission to approve the above-mentioned estimated energy sales of LPDD for FY 2022-23.

#### Commission's Analysis

- 6.5. The Commission observed that the energy sales for FY 2022-23 had been projected based on historical sales data from FY 2019-20 to FY 2021-22. The Petitioner has derived consumer category-wise and slab-wise CAGR, which has been used for projection of sales. However, where CAGR is negative, 22.49% growth rate (based on growth rate of total sales) is considered. The details of CAGR, used for projecting the sales are given below.

Table 33: Category-wise Compound Annual Growth Rate (CAGR) for FY 2022-23

| S. No. | Consumer Category & Consumption Slab   | CAGR considered |
|--------|--|-----------------|
|        | METERED DOMESTIC UPTO 100 UNITS  | 7.08%           |
|        | METERED DOMESTIC 101-200 UNITS   | 10.15%          |
|        | METERED DOMESTIC 201-400 UNITS   | 13.40%          |
|        | METERED DOMESTIC ABOVE 400 UNITS   | 18.16%          |
|        | DOMESTIC UNMETERED UPTO 1/4 KW, DOMESTIC BETWEEN 1/4 TO 1/2 KW, DOMESTIC BETWEEN 1/2 TO 2/3 KW | 22.49%          |
|        | DOMESTIC UNMETERED BETWEEN 2/3 TO 1 KW   | 28.46%          |
|        | DOMESTIC UNMETERED BETWEEN 1KW TO 2 KW, DOMESTIC ABOVE 2 KW                                    | 22.49%          |
|        | METERED NON-DOMESTIC (NDC) SINGLE PHASE UPTO 100 UNITS   | 5.39%           |
|        | METERED NDC SINGLE PHASE 101-200 UNITS   | 5.95%           |
|        | METERED NDC SINGLE PHASE 201-300 UNITS   | 8.60%           |
|        | METERED NDC SINGLE PHASE ABOVE 300 UNITS   | 21.01%          |



| S. No. | Consumer Category & Consumption Slab         | CAGR considered |
|--------|--|-----------------|
|        | NDC UNMETERED SINGLE PHASE UPTO 1/4 KW       | 22.49%          |
|        | NDC SINGLE PHASE BETWEEN 1/4 TO 1/2 KW       | 22.49%          |
|        | NDC SINGLE PHASE BETWEEN 1/2 TO 1 KW         | 0.68%           |
|        | NDC SINGLE PHASE BETWEEN 2/3 TO 1 KW         | 22.49%          |
|        | NDC SINGLE PHASE ABOVE 1KW                   | 17.08%          |
|        | NDC METERED THREE PHASE                      | 3.61%           |
|        | NDC UNMETERED THREE PHASE                    | 22.49%          |
|        | STATE CENTRAL GOVT DEPARTMENT (SCGD) 11KV    | 17.02%          |
|        | SCGD 33KV                                    | 22.49%          |
|        | SCGD LT                                      | 27.46%          |
|        | AGRICULTURE METERED                          | 22.49%          |
|        | AGRICULTURE UNMETERED                        | 22.49%          |
|        | PUBLIC STREET LIGHT (PSL) METERED            | 22.49%          |
|        | PSL UNMETERED                                | 23.60%          |
|        | LT PUBLIC WATER WORKS (PWW) METERED          | 22.49%          |
|        | LTPWW UNMETERED                              | 22.49%          |
|        | HTPWW 11KV                                   | 10.25%          |
|        | HTPWW 33KV                                   | 22.49%          |
|        | LT INDUSTRY (LTI) UPTO 50KW                  | 26.17%          |
|        | LTI ABOVE 50KW                               | 0.48%           |
|        | HT INDUSTRY (HTI) 11KV                       | 21.71%          |
|        | HTI 33KV                                     | 22.49%          |
|        | GENERAL PURPOSE BULK SUPPLY (GPBS) 11KV/33KV | 22.49%          |

6.6. Based on the above growth rates, the consumer sales approved by the Commission for different categories for FY 2022-23 is given below.

Table 34: Category-wise Energy Sales for FY 2022-23, approved by the Commission (in MU)

| Consumer Category                  | Estimated Energy Sales (in MU) |
|------------------------------------|--------------------------------|
| Domestic                           | 65.78                          |
| <i>Metered</i>                     | <i>61.01</i>                   |
| <i>Un-metered</i>                  | <i>4.77</i>                    |
| Non-domestic/Commercial            | 38.36                          |
| <i>Metered</i>                     | <i>20.55</i>                   |
| <i>Un-metered</i>                  | <i>17.81</i>                   |
| State/Central Govt. Department     | 53.58                          |
| Agriculture                        | 0.86                           |
| Public Street Lighting (unmetered) | 0.69                           |
| LT Public water works              | 0.21                           |
| HT Public water works              | 2.95                           |
| LT Industrial supply               | 3.41                           |
| HT Industrial supply               | 1.45                           |
| HT-PIU Industrial Supply           | 0.00                           |
| General Purpose Bulk               | 2.93                           |
| <b>Total</b>                       | <b>170.22</b>                  |



## Number of Consumers

### Petitioner's Submission

- 6.7. The Petitioner has projected the total number of consumers for FY 2022-23 to be at 56,692. For projecting the number of consumers for FY 2022-23, a 3-year CAGR has been derived based on consumer numbers from FY 2019-20 to FY 2021-22. In cases where the CAGR is negative, 0% growth is considered for such consumer categories as a conservative estimate. Based on this methodology, LPDD has forecasted the number of consumers in FY 2022-23. The estimated consumer category-wise number of consumers in FY 2022-23 are as follows:

Table 35: Category-wise Number of Consumers in FY 2022-23, Projected by LPDD

| Consumer Category              | Estimated Number of Consumers |
|--------------------------------|-------------------------------|
| Domestic                       | 48629                         |
| Non-domestic/Commercial        | 7233                          |
| State/Central Govt. Department | 441                           |
| Agriculture                    | 1                             |
| Public Street Lighting         | 4                             |
| LT Public water works          | 8                             |
| HT Public water works          | 18                            |
| LT Industrial supply           | 344                           |
| HT Industrial supply           | 12                            |
| HT-PIU Industrial Supply       |                               |
| General Purpose Bulk           | 2                             |
| Total                          | 56,692                        |

### Commission's Analysis

- 6.8. The Commission has noted the submission. The Commission accepts the submission of projecting the consumer numbers on the basis of 3-year CAGR. Based on the same, the consumer number is approved as 56692 for FY 2022-23.

## Connected Load

### Petitioner's Submission

- 6.9. The Petitioner submitted the projections of sanctioned load for FY 2022-23 as 104.16 MW. For projecting the connected load for FY 2022-23, the consumer category-wise connected load for FY 2021-22 is considered as the base and a 3-year CAGR of connected load from FY 2019-20 to FY 2021-22 is considered. In cases, where the CAGR of connected load is negative, the same connected load from FY 2021-22 is continued in FY 2022-23. Based on this methodology, LPDD has forecasted the connected load for FY 2022-23. The consumer category-wise connected load in FY 2022-23, as per LPDD, is as follows:

Table 36: Category-wise Connected Load in FY 2022-23, submitted by LPDD (in MW)

| Consumer Category              | Estimated Connected Load |
|--------------------------------|--------------------------|
| Domestic                       | 63.32                    |
| Non-domestic/Commercial        | 18.98                    |
| State/Central Govt. Department | 18.36                    |



| Consumer Category        | Estimated Connected Load |
|--------------------------|--------------------------|
| Agriculture              | 0.30                     |
| Public Street Lighting   | 0.13                     |
| LT Public water works    | 0.20                     |
| HT Public water works    | 1.35                     |
| LT Industrial supply     | 1.52                     |
| HT Industrial supply     | 0.00                     |
| HT-PIU Industrial Supply |                          |
| General Purpose Bulk     | 0.00                     |
| <b>Total</b>             | <b>104.16</b>            |

### Commission's Analysis

6.10. The Commission observed that LPDD has considered consumer category-wise CAGR of connected load based on the last three years' data. In case of negative growth, no increase in load is considered by LPDD for FY 2022-23. The Commission accepts the methodology proposed by the Petitioner. However, it was observed that for General Purpose Bulk Supply (GPBS) category, the load shown in above table and in the format attached with the petition differ from each other. The Commission considered the load of GPBS as 0.24 MW. After revision, the connected load approved as 105.41 MW.

### AT&C Losses

#### Petitioner's Submission

6.11. The Petitioner submitted that based on the estimates of AT&C losses for FY 2021-22, the AT&C loss levels for FY 2022-23 are projected as follows.

Table 37: Projected AT&C Losses for FY 2022-23

| Energy Input (including Wheeling Units) | Total Output/ Energy Billed (MU) | Total Losses (MU) | Billing Efficiency | Revenue Billed (Rs. lacs) | Revenue Realized (Rs. lacs) | Collection Efficiency | AT&C losses |
|---|----------------------------------|-------------------|--------------------|---------------------------|-----------------------------|-----------------------|-------------|
| 260                                     | 170.22                           | 89.78             | 65.46%             | 8596.57                   | 7497.73                     | 87.22%                | 42.90%      |

### Commission's Analysis

6.12. The Commission noted that the projected distribution loss of 34.54% for FY 2022-23 is 5% lower than the loss level reported by the petitioner for FY 2021-22. The Commission noted that the Ministry of Power under the RDSS scheme recommended an aggressive loss reduction trajectory to reach to the level of 15% by FY 2024-25. The Commission feel that the petitioner has to take more efforts to curb the loss level so as to get the benefits of RDSS scheme. The Commission therefore specify the following distribution loss reduction trajectory for the petitioner over FY 2021-22 to FY 2024-25

| FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 |
|------------|------------|------------|------------|
| 41%        | 32%        | 24%        | 15%        |



The Commission directs the petitioner to take all necessary steps to arrest the losses as per the loss reduction trajectory specified by the Commission.

## Power Purchase Quantum and Cost

### Petitioner's Submission

6.13. As per Government Order No. 191-PDD of 2019 dated 23<sup>rd</sup> October 2019, the Jammu and Kashmir Power Corporation Limited (JKPCL) is authorised to procure power from long term, short term, and other alternative sources to meet the day-to-day energy requirement of the distribution licensees in the UT. LPDD submitted that it procures power from JKPDD/JKPCL and also meets the remaining requirement from internal power generating sources consisting of diesel, small hydro and solar power projects.

6.14. LPDD projected that 260 MU is to be procured at a total cost of Rs.110.61 Crore. Details of source-wise power purchase for FY 2022-23 is tabulated as follows:

Table 38: Power Purchase Quantum and Cost for FY 2022-23, as Projected by LPDD

| Source (Power Station)                      | Power Purchased (MU) | Cost of Power Purchase (Rs Crore) |
|---|----------------------|-----------------------------------|
| Long term / Medium term Sources             |                      |                                   |
| State Owned Plants                          |                      |                                   |
| PDD   |                      |                                   |
| Diesel                                      |                      |                                   |
| Saubhagya Nos/KVA                           | 6.95                 | 24.31                             |
| Saubhagya Nos/MVA                           | 0.16                 | 0.55                              |
| DG MVA                                      | 0.09                 | 0.31                              |
| Hydel                                       |                      |                                   |
| Bazgo MHP                                   | 1.05                 | 0.35                              |
| Haftal                                      | 2.06                 | 0.59                              |
| Hunder MHP                                  | 1.34                 | 0.35                              |
| Igo-Mercellong                              | 4.50                 | 1.34                              |
| Iqbal MHP Kargil                            | 8.54                 | 1.58                              |
| Marpachoo HEP                               | 0.95                 | 0.28                              |
| Sanjak                                      | 0.58                 | 0.21                              |
| Sumoor                                      | 0.27                 | 0.10                              |
| Chamshem                                    | 0.36                 | 0.07                              |
| Turtuk                                      | 0.11                 | 0.02                              |
| Stakna                                      |                      | -                                 |
| Power from JKPDD                            | 225.62               | 78.97                             |
| Renewable Energy                            |                      |                                   |
| Ground-mounted solar                        | 7.78                 | 1.56                              |
| Rooftop                                     | 0.13                 | 0.03                              |
| Power Purchase share of LPDD for FY 2022-23 | 260.47               | 110.61                            |

6.15. Average power purchase cost of LPDD is projected at Rs.4.25 per unit for FY 2022-23.



**Commission's Analysis**

- 6.16.** The Commission has considered the approved energy sales and approved distribution losses for determining the energy to be purchased by LPDD for FY 2022-23. LPDD submitted that it is procuring power from JKPDD/JKPCL and other internal generating sources. From the list of generating stations submitted by LPDD for internal sources, it has been observed that some small hydro power projects located in Ladakh region belong to Jammu and Kashmir Power Development Corporation Limited (JKPDCL). After reorganisation and unbundling, these plants are supposed to be handed over to LPDD however, JKPCL is currently maintaining those plants, although they are injecting power into the LPDD grid.
- 6.17.** JKPCL in its Petition submitted that in so far as the generation sector is concerned, JKPCL looks after generation of power in UT of J&K, but in view of the request by the UT of Ladakh, the services regarding (i) inspection, (ii) generation and (iii) power purchase in respect of Ladakh are currently looked after by J&K as common services until Ladakh builds its own infrastructure.
- 6.18.** Further, LPDD vide letter No. CE/GEN/T/217-21 dated 30.05.2021 has submitted that JKPCL was requested to file tariff petition before the Commission in respect of power plants located in Ladakh region.
- 6.19.** As JKPCL is the sole authority for power procurement, it is noted that JKPCL is purchasing power from all JKPCL plants (including those situated in Ladakh). The Commission therefore decided to consider the generating plant not owned by JKPCL as an internal generation sources of the petitioner. Based on the same, the energy balance and the quantum of power purchase from JKPCL at DISCOM periphery and energy available from internal generation for FY 2022-23 has been approved by the Commission as is given below.

Table 39: Energy Balance and Power Purchase Quantum for FY 2022-23, as approved by the Commission

| Sales  | Distribution loss | Energy required at DISCOM level | Energy available from projects other than JKPCL (internal sources) | Energy required at DISCOM periphery from JKPCL |
|--------|-------------------|---------------------------------|--|--|
| 170.22 | 32.00%            | 250.32                          | 15.58  | 234.75   |

- 6.20.** The cost of internal generation, except for JKPCL plants, has been approved as submitted by the Petitioner. The details are given below.

Table 40: Approved Power Purchase Cost and Quantum of Internal Generation Sources of LPDD

| Source of Power (Station-wise) | Installed Capacity (MW) | Utility share (%) | Utility share (MW) | Energy Received (MU) | Total Cost of Energy purchased (Rs Crore) | Per Unit Cost of energy purchased (Rs/kWh) |
|--------------------------------|-------------------------|-------------------|--------------------|----------------------|---|--|
| Long term / Medium term        |                         |                   |                    |                      |   |  |
| PDD                            |                         |                   |                    |                      |   |  |
| Diesel                         |                         |                   |                    |                      |   |  |
| Saubhagya Nos/KVA              | 0.18                    | 100%              | 0.18               | 6.95                 | 24.31                                     | 35.00                                      |
| Saubhagya Nos/MVA              | 0.10                    | 100%              | 0.10               | 0.16                 | 0.55                                      | 35.00                                      |



| Source of Power<br>(Station-wise) | Installed<br>Capacity<br>(MW) | Utility<br>share<br>(%) | Utility<br>share<br>(MW) | Energy<br>Received<br>(MU) | Total Cost of<br>Energy<br>purchased (Rs<br>Crore) | Per Unit Cost of<br>energy<br>purchased<br>(Rs/kWh) |
|-----------------------------------|-------------------------------|-------------------------|--------------------------|----------------------------|--|---|
| DG MVA                            | 37.87                         | 100%                    | 37.87                    | 0.09                       | 0.31   | 35.00   |
| Hydel                             |                               |                         |                          |                            |  |   |
| Chamshem                          | 0.3                           | 100%                    | 0.30                     | 0.36                       | 0.0722   | 2.00  |
| Turtuk                            | 0.1                           | 100%                    | 0.10                     | 0.11                       | 0.0224   | 2.00  |
| Renewable Energy                  |                               |                         |                          |                            |  |   |
| Ground mounted<br>solar           | 3.7                           |                         |                          | 7.78                       | 1.5558   | 2.00  |
| Rooftop                           | 0.10                          |                         |                          | 0.13                       | 0.0263   | 2.00  |
| Total                             |                               |                         |                          | 15.58                      | 26.86  | 17.24   |

6.21. It has been observed that LPDD has considered the cost of power from Chamshem, Turtuk Power projects (developed by LREDA / KREDA) at Rs.2/unit. This is as per the Administration of the UT of Ladakh Order No. 54(PDD)/UTL of 2021 dated 04.02.2021. In the said Order it is mentioned that the rate is determined subject to JERC's fixed the final tariff. As no tariff determination proposal has been submitted by LREDA/ KREDA with the Commission till date, the Commission has considered the rate as fixed in the said government order dated 04.02.2021. The Commission directs the nodal agencies LREDA/ KREDA to approach the Commission for determination of tariff for the SHPs referred above. The average cost of power for JKPCCL is explained below.

#### Power Purchase Cost of JKPCCL

6.22. The Commission has considered 13396.22 MU of power requirement at the distribution level based on approved sales and distribution losses of the distribution licensees namely JPDCL, KPDCL and LPDD. Further, considering intra-state transmission losses, the power to be procured by JKPCCL at the state-level is 13839.07 MU. JKPCCL submitted that after considering the power procurement from JPDCL and other sources within the UT, the energy requirement from outside (Central generating sources and others) stands at 10158.05 MU at the UT level and 10537.40 MU at the generator level, after considering an inter-state transmission loss of 3.6%. The inter-state transmission loss is taken as per data available on the National Load Despatch Centre<sup>1</sup> website for inter-state transmission losses. The Central Electricity Regulatory Commission (CERC) has notified CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 on 4<sup>th</sup> May, 2020; w.e.f. 1<sup>st</sup> November, 2020. As per clause (10) of these regulations, transmission losses for Inter State Transmission System (ISTS) shall be calculated on an all India average basis for each week, from Monday to Sunday. The all India transmission loss would be based upon the average loss computed from the Special Energy Meter (SEM) data of the previous week. Based on the above, the energy balance has been derived as given below.

<sup>1</sup> <https://posoco.in/side-menu-pages/applicable-transmission-losses/>



Table 41: Energy Balance for FY 2022-23, as Approved by the Commission

| Energy required at DISCOM level (MU) | Intra-State Transmission loss | Energy required at UT level from JKPCCL (MU) | Supply by JKPCCL and others within UT | Remaining Supply by CGS and others _UT level | Inter-State Transmission loss | Supply by CGS and others (generator level) |
|--------------------------------------|-------------------------------|--|---------------------------------------|--|-------------------------------|--|
| 13396.22                             | 3.2%                          | 13839.07                                     | 3681.03                               | 10158.05                                     | 3.6%                          | 10537.40                                   |

6.23. Further, the Commission has considered supply from different power plants as per the merit order despatch principle after considering the supply from hydro, renewable and nuclear as 'must-run'. The energy availability data has been obtained from JKPCCL. The projects identified as 'must-run' projects and under merit order are given below.

Table 42: Must-Run Plants and Plants under Merit Order, as Approved by the Commission

| S.No.          | SOURCE                          | FUEL TYPE | Must run / merit order |
|----------------|---------------------------------|-----------|------------------------|
| <b>A. NHPC</b> |                                 |           |                        |
| 1              | SALAL                           | HYDRO     | Must-run               |
| 2              | TANAKPUR                        | HYDRO     | Must-run               |
| 3              | CHAMERA-I                       | HYDRO     | Must-run               |
| 4              | CHAMERA-II                      | HYDRO     | Must-run               |
| 5              | CHAMERA-III                     | HYDRO     | Must-run               |
| 6              | URI                             | HYDRO     | Must-run               |
| 7              | DAULIGANGA                      | HYDRO     | Must-run               |
| 8              | DULHASTI                        | HYDRO     | Must-run               |
| 9              | SEWA-II                         | HYDRO     | Must-run               |
| 10             | NIMOO-BAZGO                     | HYDRO     | Must-run               |
| 11             | CHUTAK                          | HYDRO     | Must-run               |
| 12             | URI-II                          | HYDRO     | Must-run               |
| 13             | PARBATI-III                     | HYDRO     | Must-run               |
| 14             | KISHANGANGA                     | HYDRO     | Must-run               |
| <b>B. NTPC</b> |                                 |           |                        |
| 1              | ANTA                            | GAS       | Merit Order            |
| 2              | AURIYA                          | GAS       | Merit Order            |
| 3              | DADRI                           | GAS       | Merit Order            |
| 4              | Unchahar-I (Feroz Gandhi-I)     | COAL      | Merit Order            |
| 5              | Unchahar-II (Feroz Gandhi-II)   | COAL      | Merit Order            |
| 6              | Unchahar-III (Feroz Gandhi-III) | COAL      | Merit Order            |
| 7              | Unchahar-IV (Feroz Gandhi-IV)   | COAL      | Merit Order            |
| 8              | FARAKKA                         | COAL      | Merit Order            |
| 9              | GARDWARA                        | COAL      | Merit Order            |
| 10             | JHANOR GANDHAR                  | COAL      | Merit Order            |
| 11             | KHARGONE                        | COAL      | Merit Order            |
| 12             | KAHALGAON-I                     | COAL      | Merit Order            |
| 13             | KAHALGAON-II                    | COAL      | Merit Order            |
| 14             | KOLDAM                          | HYDRO     | Must-run               |
| 15             | KORBA-1                         | COAL      | Merit Order            |
| 16             | KORBA-3                         | COAL      | Merit Order            |
| 17             | KAWAS 4                         | GAS       | Merit Order            |



| S.No.      | SOURCE                | FUEL TYPE | Must run / merit order |
|------------|-----------------------|-----------|------------------------|
| 18         | LARA                  | COAL      | Merit Order            |
| 19         | MOUDA 1               | COAL      | Merit Order            |
| 20         | MOUDA 2               | COAL      | Merit Order            |
| 21         | NCTP-2                | COAL      | Merit Order            |
| 22         | RIHAND-I              | COAL      | Merit Order            |
| 23         | RIHAND-II             | COAL      | Merit Order            |
| 24         | RIHAND-III            | COAL      | Merit Order            |
| 25         | SOLAPUR               | COAL      | Merit Order            |
| 26         | SIPAT-1               | COAL      | Merit Order            |
| 27         | SIPAT-2               | COAL      | Merit Order            |
| 28         | SINGRAULI HYDRO       | HYDRO     | Must-run               |
| 29         | SINGRAULI THERMAL     | COAL      | Merit Order            |
| 30         | TANDA                 | COAL      | Merit Order            |
| 31         | VINDHYACHAL-1         | COAL      | Merit Order            |
| 32         | VINDHYACHAL-2         | COAL      | Merit Order            |
| 33         | VINDHYACHAL-3         | COAL      | Merit Order            |
| 34         | VINDHYACHAL-4         | COAL      | Merit Order            |
| 35         | VINDHYACHAL-5         | COAL      | Merit Order            |
| C. Nuclear |                       |           |                        |
| 1.         | NAPPS                 | NUCLEAR   | Must-run               |
| 2.         | RAPS 3&4              | NUCLEAR   | Must-run               |
| 3.         | RAPS 5&6              | NUCLEAR   | Must-run               |
| 4.         | KAPPS                 | NUCLEAR   | Must-run               |
| 5.         | TAPPS                 | NUCLEAR   | Must-run               |
| 6.         | SJVNL NJ              | HYDRO     | Must-run               |
| 7.         | SJVNL RAMPUR          | HYDRO     | Must-run               |
| 8.         | THDC                  | HYDRO     | Must-run               |
| 9.         | THDC KOTESHWAR        | HYDRO     | Must-run               |
| 10.        | APCPL (JHAJJAR)       | COAL      | Merit Order            |
| 11.        | MEJA                  | COAL      | Merit Order            |
| 12.        | PTC India Ltd. (TALA) | HYDRO     | Must-run               |
| 13.        | Short term Charges    |           |                        |
| 14.        | PTC (IEX)             |           | Merit Order            |
| 15.        | JKPDCL                | HYDRO     | Must-run               |

6.24. Considering the above, the energy available from 'must-run' plants is 7908.56 MU and the remaining 2628.84 MU is procured from merit-order based plants. For arranging the plant as per merit order, the energy charge rate (ECR) for power plant as submitted by JKPCCL have been considered by the Commission. Further, the fixed cost and other cost for the power plant not own by JKPDCL has been considered as per the submission made by JKPDCL.

6.25. For the HEPs owned by JKPDCL, the capacity charge and energy charges for FY 2022-23, as approved by the Commission under JKPDCL tariff order for FY 2022-23 has been considered. Similarly, inter-state transmission charges of Power Grid Corporation of India (PGCIL)/CTU as submitted by JKPCCL and transmission charges to be paid to intra-state transmission licensee - Jammu and Kashmir Power Transmission Corporation Limited (JKPTCL), as approved by the Commission in the transmission tariff order for FY 2022-23 has been considered by the Commission. Additionally, JKPCCL's trading margin of 2 paisa/unit is considered, as requested



by JKPCIL in its Petition filed with the Commission. After taking into account all the above costs, the total power purchase cost of JKPCIL is derived, as given below. The average power purchase cost in terms of energy required at DISCOM level is determined as Rs 3.98 per unit.

Table 43: Total Power Purchase Cost for FY 2022-23, as Approved by the Commission

| S.No.              | SOURCE                          | FUEL TYPE | INSTALLED CAPACITY IN MW | ALLOCATION FROM MOP (IN MW) |        | ENERGY RECEIVED (in MU's) | CHARGES (In Crs)                    |                            |                            |                                  |                         |                 | Cost Per Unit energy purchased |
|--------------------|---------------------------------|-----------|--------------------------|-----------------------------|--------|---------------------------|-------------------------------------|----------------------------|----------------------------|----------------------------------|-------------------------|-----------------|--------------------------------|
|                    |                                 |           |                          | SUMMER                      | WINTER |                           | TOTAL Annual Fixed charges (in Crs) | CAPACITY CHARGES (in Crs.) | VARIABLE CHARGES (in Crs.) | VARIABLE COST PER UNIT (Rs./kWh) | OTHER CHARGES (in Crs.) | TOTAL (in Crs.) |                                |
|                    |                                 |           |                          |                             |        | 1                         | 2                                   | 3                          | 4                          | 5                                | 6                       | 7 = 3+4+5+6     |                                |
| NHPC POWER HOUSES  |                                 |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| 1                  | SALAL                           | HYDRO     | 690                      | 237                         | 237    | 1124.914                  |                                     | 58.996                     | 44.430                     | 0.395                            | 0.081                   | 103.51          | 0.920                          |
| 2                  | TANAKPUR                        | HYDRO     | 94                       | 7                           | 7      | 32.209                    |                                     | 6.628                      | 5.220                      | 1.621                            | 0.004                   | 11.85           | 3.680                          |
| 3                  | CHAMERA-I                       | HYDRO     | 540                      | 21                          | 21     | 72.887                    |                                     | 7.303                      | 8.316                      | 1.141                            | -0.008                  | 15.61           | 2.142                          |
| 4                  | CHAMERA-II                      | HYDRO     | 300                      | 36                          | 54     | 175.609                   |                                     | 23.524                     | 17.649                     | 1.005                            | 0.028                   | 41.20           | 2.346                          |
| 5                  | CHAMERA-III                     | HYDRO     | 231                      | 27                          | 39     | 124.569                   |                                     | 34.464                     | 24.540                     | 1.970                            | 0.020                   | 59.02           | 4.738                          |
| 6                  | URI                             | HYDRO     | 480                      | 163                         | 163    | 970.392                   |                                     | 59.357                     | 50.822                     | 0.524                            | -0.001                  | 110.18          | 1.135                          |
| 7                  | DAULIGANGA                      | HYDRO     | 280                      | 30                          | 45     | 144.099                   |                                     | 22.872                     | 17.493                     | 1.214                            | -0.029                  | 40.34           | 2.799                          |
| 8                  | DULHASTI                        | HYDRO     | 390                      | 101                         | 121    | 569.117                   |                                     | 93.919                     | 80.474                     | 1.414                            | 0.068                   | 174.46          | 3.065                          |
| 9                  | SEWA-II                         | HYDRO     | 120                      | 29                          | 35     | 17.164                    |                                     | 1.590                      | 2.415                      | 1.407                            | 0.020                   | 4.02            | 2.345                          |
| 10                 | NIMOO-BAZGO                     | HYDRO     | 45                       | 45                          | 45     | 225.892                   |                                     | 112.861                    | 87.715                     | 3.883                            | 0.000                   | 200.58          | 8.879                          |
| 11                 | CHUTAK                          | HYDRO     | 44                       | 44                          | 44     | 165.666                   |                                     | 87.724                     | 57.920                     | 3.496                            | 0.000                   | 145.64          | 8.791                          |
| 12                 | URI-II                          | HYDRO     | 240                      | 60                          | 85     | 449.556                   |                                     | 53.541                     | 42.605                     | 0.948                            | -0.028                  | 96.12           | 2.138                          |
| 13                 | PARBATHI-III                    | HYDRO     | 520                      | 60                          | 87     | 74.732                    |                                     | 42.016                     | 11.501                     | 1.539                            | 0.045                   | 53.56           | 7.167                          |
| 14                 | KISHANGANGA                     | HYDRO     | 330                      | 58                          | 75     | 281.305                   |                                     | 23.338                     | 17.396                     | 0.618                            | 0.041                   | 40.778          | 1.449                          |
| A                  | TOTAL NHPC                      |           |                          |                             |        | 4428.110                  |                                     | 628.130                    | 468.497                    |                                  | 0.241                   | 1096.87         | 2.477                          |
| NTPC POWER HOUSES  |                                 |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| 1                  | ANTA                            | GAS       | 419                      | 49                          | 70     | 0.000                     | 215.200                             | 30.478                     | 0.000                      | 5.445                            | -0.184                  | 30.29           |                                |
| 2                  | AURIYA                          | GAS       | 663                      | 75                          | 109    | 0.000                     | 305.000                             | 42.057                     | 0.000                      | 6.467                            | 0.281                   | 42.34           |                                |
| 3                  | DADRI                           | GAS       | 830                      | 96                          | 141    | 0.000                     | 309.500                             | 46.052                     | 0.000                      | 8.100                            | 9.194                   | 55.25           |                                |
| 4                  | Unchahar-I (Feroz Gandhi-I)     | COAL      | 420                      | 4                           | 5      | 0.000                     | 308.000                             | 11.201                     | 0.000                      | 3.337                            | 0.000                   | 11.20           |                                |
| 5                  | Unchahar-II (Feroz Gandhi-II)   | COAL      | 420                      | 33                          | 36     | 0.000                     | 309.000                             | 23.672                     | 0.000                      | 3.227                            | 2.397                   | 26.07           |                                |
| 6                  | Unchahar-III (Feroz Gandhi-III) | COAL      | 210                      | 14                          | 16     | 0.000                     | 192.000                             | 13.708                     | 0.000                      | 3.320                            | 0.000                   | 13.71           |                                |
| 7                  | Unchahar-IV (Feroz Gandhi-IV)   | COAL      | 500                      | 59                          | 62     | 0.000                     | 578.000                             | 65.151                     | 0.000                      | 3.111                            | 1.747                   | 66.90           |                                |
| 8                  | FARAKKA                         | COAL      | 1600                     | 14                          | 14     | 0.000                     | 916.000                             | 7.668                      | 0.000                      | 2.873                            | 0.000                   | 7.67            |                                |
| 9                  | GARDWARA                        | COAL      | 1600                     | 9                           | 9      | 0.000                     | 2320.000                            | 13.194                     | 0.000                      | 3.082                            | -0.009                  | 13.19           |                                |
| 10                 | JHANOR GANDHAR                  | COAL      | 657                      | 0.04                        | 0.04   | 0.011                     | 504.200                             | 0.030                      | 0.002                      | 2.019                            | 0.000                   | 0.03            | 30.471                         |
| 11                 | KHARGONE                        | COAL      | 1320                     | 8                           | 8      | 0.000                     |                                     | 9.601                      | 0.000                      | 2.927                            | 0.016                   | 9.62            |                                |
| 12                 | KAHALGAON-I                     | COAL      | 840                      | 31                          | 31     | 0.000                     | 596.000                             | 21.951                     | 0.000                      | 2.570                            | 0.023                   | 21.97           |                                |
| 13                 | KAHALGAON-II                    | COAL      | 1500                     | 83                          | 83     | 307.128                   | 1141.000                            | 63.404                     | 74.711                     | 2.433                            | 0.000                   | 138.12          | 4.497                          |
| 14                 | KOLDAM                          | HYDRO     | 800                      | 106                         | 125    | 417.450                   | 1290.000                            | 129.313                    | 102.313                    | 2.451                            | 0.000                   | 231.63          | 5.549                          |
| 15                 | KORBA-1                         | COAL      | 2100                     | 6                           | 6      | 47.158                    | 1079.000                            | 2.951                      | 6.480                      | 1.374                            | 0.217                   | 9.65            | 2.046                          |
| 16                 | KORBA-3                         | COAL      | 500                      | 3                           | 3      | 22.855                    | 471.000                             | 2.772                      | 3.083                      | 1.349                            | 0.539                   | 6.39            | 2.798                          |
| 17                 | KAWAS 4                         | GAS       | 656                      | 0.03                        | 0.03   | 0.000                     | 417.000                             | 0.020                      | 0.000                      | 3.118                            | 0.000                   | 0.02            |                                |
| 18                 | LARA                            | COAL      | 1600                     | 9                           | 9      | 65.454                    | 1869.000                            | 10.656                     | 13.668                     | 2.088                            | 0.021                   | 24.34           | 3.719                          |
| 19                 | MOUDA 1                         | COAL      | 1000                     | 6                           | 6      | 0.000                     | 1311.000                            | 7.519                      | 0.000                      | 3.342                            | 0.012                   | 7.53            |                                |
| 20                 | MOUDA 2                         | COAL      | 1320                     | 8                           | 8      | 0.000                     | 1368.000                            | 7.844                      | 0.000                      | 3.447                            | 0.000                   | 7.84            |                                |
| 21                 | NCTP-2                          | COAL      | 980                      | 6                           | 13     | 0.000                     | 988.000                             | 8.883                      | 0.000                      | 3.429                            | 0.052                   | 8.93            |                                |
| 22                 | RIHAND-I                        | COAL      | 1000                     | 76                          | 82     | 584.941                   | 578.000                             | 44.789                     | 83.340                     | 1.425                            | 2.949                   | 131.07          | 2.241                          |
| 23                 | RIHAND-II                       | COAL      | 1000                     | 100                         | 107    | 655.326                   | 536.000                             | 48.290                     | 93.653                     | 1.429                            | 1.015                   | 142.96          | 2.181                          |
| 24                 | RIHAND-III                      | COAL      | 1000                     | 73                          | 80     | 568.532                   | 1007.000                            | 75.952                     | 79.773                     | 1.403                            | 2.330                   | 158.06          | 2.780                          |
| 25                 | SOLAPUR                         | COAL      | 1320                     | 8                           | 8      | 0.000                     | 1585.000                            | 9.112                      | 0.000                      | 3.628                            | 0.051                   | 9.16            |                                |
| 26                 | SIPAT-1                         | COAL      | 1980                     | 11                          | 11     | 71.629                    | 1833.000                            | 9.645                      | 10.502                     | 1.466                            | 0.000                   | 20.15           | 2.813                          |
| 27                 | SIPAT-2                         | COAL      | 1000                     | 4                           | 4      | 31.270                    | 864.000                             | 3.408                      | 4.748                      | 1.518                            | 0.197                   | 8.35            | 2.671                          |
| 28                 | SINGRAULI HYDRO                 | HYDRO     | 8                        | 0                           | 1      | 1.452                     |                                     | 0.000                      | 0.732                      | 5.040                            | 0.000                   | 0.73            | 5.040                          |
| 29                 | SINGRAULI THERMAL               | COAL      | 2000                     | 12                          | 24     | 113.869                   | 906.000                             | 7.250                      | 17.324                     | 1.521                            | 0.029                   | 24.60           | 2.161                          |
| 30                 | TANDA                           | COAL      | 1320                     | 76                          | 82     | 0.000                     | 1361.000                            | 71.967                     | 0.000                      | 2.748                            | 0.000                   | 71.97           |                                |
| 31                 | VINDHYACHAL-1                   | COAL      | 1260                     | 5                           | 5      | 38.886                    | 664.000                             | 3.140                      | 6.292                      | 1.618                            | 0.508                   | 9.94            | 2.556                          |
| 32                 | VINDHYACHAL-2                   | COAL      | 1000                     | 4                           | 4      | 28.760                    | 765.000                             | 2.008                      | 4.467                      | 1.553                            | 0.010                   | 6.48            | 2.255                          |
| 33                 | VINDHYACHAL-3                   | COAL      | 1000                     | 4                           | 4      | 29.928                    | 485.000                             | 3.022                      | 4.616                      | 1.542                            | 0.059                   | 7.70            | 2.572                          |
| 34                 | VINDHYACHAL-4                   | COAL      | 1000                     | 6                           | 6      | 42.543                    | 1093.000                            | 6.279                      | 6.349                      | 1.492                            | 0.122                   | 12.75           | 2.997                          |
| 35                 | VINDHYACHAL-5                   | COAL      | 500                      | 3                           | 3      | 20.547                    | 577.000                             | 3.318                      | 3.244                      | 1.579                            | 0.045                   | 6.61            | 3.216                          |
| B                  | TOTAL NTPC                      |           |                          |                             |        | 3047.737                  |                                     | 806.304                    | 515.294                    | 2.291                            | 21.619                  | 1343.22         | 4.407                          |
| NPCIL POWER HOUSES |                                 |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| 1                  | NAPPS                           | NUCLEAR   | 440                      | 53                          | 75     | 471.395                   |                                     | 0.000                      | 141.357                    | 2.999                            | 0.000                   | 141.36          | 2.999                          |



LPDD True-up for FY 19-20 and FY 20-21, APR for FY 21-22 and ARR for FY 22-23

| S.No.                           | SOURCE                | FUEL TYPE | INSTALLED CAPACITY IN MW | ALLOCATION FROM MOP( IN MW) |        | ENERGY RECEIVED (in MU's) | CHARGES (In Crs)                    |                            |                            |                                  |                         |                 | Cost Per Unit energy purchased |
|---------------------------------|-----------------------|-----------|--------------------------|-----------------------------|--------|---------------------------|-------------------------------------|----------------------------|----------------------------|----------------------------------|-------------------------|-----------------|--------------------------------|
|                                 |                       |           |                          | SUMMER                      | WINTER |                           | TOTAL Annual Fixed charges (In Crs) | CAPACITY CHARGES (In Crs.) | VARIABLE CHARGES (In Crs.) | VARIABLE COST PER UNIT (Rs./kWh) | OTHER CHARGES (In Crs.) | TOTAL (in Crs.) |                                |
|                                 |                       |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| 2                               | RAPS 3&4              | NUCLEAR   | 440                      | 35                          | 35     | 215.008                   |                                     | 0.000                      | 71.453                     | 3.323                            | 0.000                   | 71.45           | 3.323                          |
| 3                               | RAPS 5&6              | NUCLEAR   | 440                      | 33                          | 84     | 414.782                   |                                     | 0.000                      | 161.425                    | 3.892                            | 0.000                   | 161.43          | 3.892                          |
| 4                               | KAPPS                 | NUCLEAR   | 440                      | 1                           | 1      | 10.630                    |                                     | 0.000                      | 2.430                      | 2.285                            | 0.000                   | 2.43            | 2.286                          |
| 5                               | TAPPS                 | NUCLEAR   | 1080                     | 5                           | 5      | 35.745                    |                                     | 0.000                      | 12.084                     | 3.381                            | 0.002                   | 12.09           | 3.381                          |
| C                               | TOTAL NPCIL           |           |                          |                             |        | 1147.560                  |                                     | 0.000                      | 388.749                    | 3.388                            | 0.002                   | 388.75          | 3.388                          |
| D                               | SJVNL NJ              | HYDRO     | 1500                     | 151.5                       | 202.65 | 816.925                   |                                     | 102.822                    | 86.976                     | 1.065                            | 0.107                   | 189.91          | 2.325                          |
| E                               | SJVNL RAMPUR          | HYDRO     | 412.02                   | 41.07                       | 54.01  | 211.921                   |                                     | 55.890                     | 43.357                     | 2.046                            | 0.029                   | 99.28           | 4.685                          |
| F                               | THDC                  | HYDRO     | 1000                     | 78.8                        | 113    | 296.712                   |                                     | 59.253                     | 58.820                     | 1.982                            | 0.059                   | 118.13          | 3.981                          |
| G                               | THDC KOTESHWAR        | HYDRO     | 400                      | 30.44                       | 44.08  | 107.428                   |                                     | 24.980                     | 24.709                     | 2.300                            | 0.023                   | 49.71           | 4.627                          |
| H                               | APCPL (JHAJJAR)       | COAL      | 1500                     | 35.55                       | 74.7   | 0.000                     |                                     | 61.877                     | 0.000                      | 3.529                            | -0.138                  | 61.74           |                                |
| I                               | MEJA                  | COAL      | 1320                     | 68.904                      | 102.96 | 0.000                     |                                     | 105.167                    | 0.000                      | 2.454                            | 0.000                   | 105.17          |                                |
| J                               | PTC India Ltd. (TALA) | HYDRO     | 1020                     | 18.054                      | 18.054 | 49.002                    |                                     | 0.000                      | 10.587                     | 2.161                            | 0.000                   | 10.59           | 2.161                          |
| K                               | Short term Charges    |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
|                                 | PTC (IEX)             |           |                          |                             |        | 0.000                     |                                     | 0.000                      | 0.000                      | 3.986                            | 0.000                   | 0.000           |                                |
| STATE OWNED POWER HOUSES        |                       |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| a                               | CHENANI HEP-I         |           | 23                       | 23                          | 23     | 61.295                    |                                     | 4.592                      | 2.590                      | 0.422                            | 0.000                   | 7.18            | 1.172                          |
| b                               | CHENANI HEP-II        |           | 2                        | 2                           | 2      | 3.915                     |                                     | 0.634                      | 0.209                      | 0.535                            | 0.000                   | 0.84            | 2.154                          |
| c                               | CHENANI HEP-III       |           | 7.5                      | 7.5                         | 7.5    | 0.000                     |                                     | 2.879                      | 0.000                      | 0.794                            | 0.000                   | 2.88            |                                |
| d                               | SEWA HEP-III          |           | 9.0                      | 9.0                         | 9.0    | 0.000                     |                                     | 3.731                      | 0.000                      | 1.143                            | 0.000                   | 3.73            |                                |
| e                               | BHADERWAH HEP         |           | 1.0                      | 1.0                         | 1.0    | 0.000                     |                                     | 0.384                      | 0.000                      | 0.412                            | 0.000                   | 0.38            |                                |
| f                               | PAHALGAM MHEP         |           | 3.0                      | 3.0                         | 3.0    | 6.615                     |                                     | 2.98                       | 1.15                       | 1.75                             | 0.000                   | 4.14            | 6.25                           |
| g                               | GANDERBAL HEP         |           | 15.0                     | 15.0                        | 15.0   | 11.555                    |                                     | 3.020                      | 0.392                      | 0.339                            | 0.000                   | 3.41            | 2.953                          |
| h                               | KARNAH HEP            |           | 2.0                      | 2.0                         | 2.0    | 8.125                     |                                     | 2.15                       | 1.56                       | 1.920                            | 0.000                   | 3.71            | 4.57                           |
| i                               | Lower Jehlum HEP      |           | 105.0                    | 105.0                       | 105.0  | 621.474                   |                                     | 19.690                     | 20.344                     | 0.327                            | 0.000                   | 40.03           | 0.644                          |
| j                               | USHP I SUMBAL         |           | 22.6                     | 22.6                        | 22.6   | 64.148                    |                                     | 4.424                      | 2.697                      | 0.420                            | 0.000                   | 7.12            | 1.110                          |
| k                               | USHP II KANGAN        |           | 105.0                    | 105.0                       | 105.0  | 254.431                   |                                     | 21.683                     | 12.494                     | 0.491                            | 0.000                   | 34.18           | 1.343                          |
| l                               | IGO MERCELLONG HEP    |           | 3.0                      | 3.0                         | 3.0    | 4.016                     |                                     | 1.106                      | 0.283                      | 0.705                            | 0.000                   | 1.39            | 3.459                          |
| m                               | MARPACHOO HEP         |           | 0.75                     | 0.75                        | 0.75   | 0.394                     |                                     | 0.519                      | 0.042                      | 1.077                            | 0.000                   | 0.56            | 14.262                         |
| n                               | HAFTAL HEP            |           | 1.0                      | 1.0                         | 1.0    | 0.648                     |                                     | 0.656                      | 0.088                      | 1.361                            | 0.000                   | 0.74            | 11.485                         |
| o                               | IQBAL HEP             |           | 3.75                     | 3.75                        | 3.75   | 0.695                     |                                     | 2.295                      | 0.076                      | 1.089                            | 0.000                   | 2.37            | 34.130                         |
| p                               | SUMMOOR               |           | 0.1                      | 0.1                         | 0.1    | 0.113                     |                                     | 0.090                      | 0.023                      | 2.025                            | 0.000                   | 0.11            | 10.000                         |
| q                               | HUNDER                |           | 0.4                      | 0.4                         | 0.4    | 0.554                     |                                     | 0.267                      | 0.084                      | 1.519                            | 0.000                   | 0.35            | 6.338                          |
| r                               | BAZGO                 |           | 0.3                      | 0.3                         | 0.3    | 0.268                     |                                     | 0.204                      | 0.051                      | 1.886                            | 0.000                   | 0.26            | 9.492                          |
| s                               | Stakna                |           | 4.0                      | 4.0                         | 4.0    | 0.000                     |                                     | 0.477                      | 0.000                      | 0.247                            | 0.000                   | 0.477           |                                |
| t                               | Sanjak                |           | 1.26                     | 1.26                        | 1.26   | 0.660                     |                                     | 0.843                      | 0.126                      | 1.915                            | 0.000                   | 0.97            | 14.687                         |
| u                               | BHEP-II               |           | 450.0                    | 180.0                       | 180.0  | 1033.939                  |                                     | 0.000                      | 269.858                    | 2.610                            | 0.000                   | 269.86          | 2.610                          |
| v                               | BHEP-1 HEP            |           | 450.0                    | 225.0                       | 225.0  | 1590.484                  |                                     | 118.58                     | 150.693                    | 0.947                            | 12.724                  | 281.99          | 1.773                          |
| L                               | TOTAL PDC & BHEP      |           |                          |                             |        | 3663.329                  |                                     | 191.21                     | 462.765                    |                                  | 12.724                  | 666.70          | 1.82                           |
| IPP                             |                       |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| M                               | Khari IPP             |           | 3.75                     | 3.75                        | 3.75   | 17.697                    |                                     |                            | 7.787                      | 4.400                            |                         | 7.79            | 4.400                          |
| Interstate Transmission charges |                       |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| N                               | PGCIL                 |           |                          |                             |        |                           |                                     |                            | 937.552                    |                                  |                         | 937.55          |                                |
| O                               |                       |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| NRLDC charges                   |                       |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| a                               | DSA                   |           |                          |                             |        |                           |                                     |                            | 0.000                      |                                  |                         | 0.000           |                                |
| b                               | RE (solar)            |           |                          |                             |        | 432.000                   |                                     |                            | 103.680                    | 2.400                            |                         | 103.68          |                                |
| c                               | POSOCO                |           |                          |                             |        |                           |                                     |                            | 1.267                      |                                  |                         | 1.27            |                                |
| OTHERS                          |                       |           |                          |                             |        |                           |                                     |                            |                            |                                  |                         |                 |                                |
| P                               | UPPTCL                |           |                          |                             |        |                           |                                     |                            | 10.955                     |                                  |                         | 10.96           |                                |
| Q                               | RE PSPCL              |           |                          |                             |        |                           |                                     |                            | 0.017                      |                                  |                         | 0.02            |                                |
| R                               | JKPTCL                |           |                          |                             |        |                           |                                     |                            | 139.65                     |                                  |                         | 139.65          |                                |
| S                               | JKPCL                 |           |                          |                             |        |                           |                                     |                            | 26.79                      |                                  |                         | 26.79           |                                |
| GRAND TOTAL                     |                       |           |                          |                             |        | 13786.421                 |                                     | 2035.635                   | 3287.45                    |                                  | 34.66                   | 5357.76         | 3.88                           |

6.26. Based on JKPCL's average cost of Rs 3.999 per unit (Rs 5357.76 Crore divided by 13396.22 MU energy purchased at Distribution periphery) and requirement of 234.75 MU by LPDD from JKPCL and internal generation cost of Rs 26.86 Crore, total cost of power purchase for LPDD is derived as Rs 120.74 Crore.



## Renewable Purchase Obligation (RPO)

6.27. JKPCL on behalf of the Distribution Licensees namely JPDCL, KPDCL and LPDD, purchases power. JKPCL decides the power source mix and accordingly sources the renewable energy and conventional energy to meet the requirements of the Distribution Licensees. The Commission vide letter reference no. JERC/Tech-32/2021/360-67 dated 13th July 2021 communicated that the Commission is in the process of framing Renewable Purchase Obligation and REC framework implementation Regulations for UT of J&K and UT of Ladakh. In the said letter, the Commission provided following RPO trajectory for the period from FY 2016-17 to FY 2021-22, which comprises of RPO target set by erstwhile JKSERC and target given by Ministry of Power.

Table 44: RPO Trajectory Communicated by the Commission

| RPO                  | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22* |
|----------------------|---------|---------|---------|---------|---------|----------|
| Solar RPO Target     | 1.00%   | 1.25%   | 1.50%   | 1.75%   | 2.00%   | 10.50%   |
| Non-Solar RPO Target | 6.50%   | 7.25%   | 8.00%   | 8.75%   | 9.50%   | 10.68%   |

\* as per Ministry of Power target

6.28. The Petitioner in the petition has not submitted any RPO compliance for FY 2022-23. However, considering the submission made by the Petitioner, the solar RPO compliance level worked out and same is given below. It may be noted that the total power purchase as given in the table below is inclusive of power supplied by JKPCL. However, LPDD has no control on purchase made by JKPCL. The Petitioner shall submit its RPO compliance level for FY 2022-23 at the time of True-up with all supporting details. The Commission shall take a suitable view on that matter.

Table 45: Solar RPO by LPDD in FY 2022-23

| Particulars                     |       | Energy in MU |
|---------------------------------|-------|--------------|
| Energy Sourced from Solar Power | A     | 7.91         |
| Total Power Purchase            | B     | 250.32       |
| Estimated of Solar RPO Met      | C=A/B | 3.16%        |

## Capital Expenditure, Capitalization and CWIP

6.29. The Petitioner has not submitted any information on capex and capitalization. It is presumed that capital expenditure is being funded through grants alone and LPDD has not planned to take any capital loan and/or infuse equity to create assets. Accordingly, the Commission has not considered any capital expenditure and capitalization for FY 2022-23. Consequently, depreciation, interest on loan and return on equity, which are linked with capitalization, have not been considered for FY 2022-23.

## Operations and Maintenance Expenses

### Petitioner's Submission

6.30. The Petitioner submitted that the Operation & Maintenance (O&M) expenses include employee expenses, repair and maintenance costs and administrative and general expenses. Further, employee expenses include the expenses incurred towards employees presently



employed with it. The cost of employees includes salary, dearness allowance and other allowances such as HRA, CEA, LTC, medical reimbursement, etc. Administrative and General (A&G) expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances and other debits. Repair and Maintenance (R&M) expenses include regular expenditure made for improvement of system reliability and quality of power supply. In view of system's maintenance and loss reduction within the distribution network these expenses are necessary. The total O&M expenses estimated by LPDD during FY 2022-23 are tabulated below.

Table 46: Estimate of Operation and Maintenance Expenses for FY 2022-23 (in Rs. Crore)

| Sr. No. | Particulars                                     | Amount       |
|---------|---|--------------|
| 1       | Employee Expenses                               | 34.89        |
| 2       | Administrative and General Expenses             | 21.59        |
| 3       | Repairs and Maintenance Expenses                | 5.36         |
|         | <b>Total Operation and Maintenance Expenses</b> | <b>61.85</b> |

6.31. The Petitioner has requested the Commission to approve the estimated operation and maintenance expenses for LPDD during FY 2022-23.

#### Commission's Analysis

6.32. The Commission has noted the expenses submitted by the Petitioner. However, the Petitioner has projected O&M expenses without providing any details in the Petition. The format attached with the Petition reveals that an escalation factor has been considered by the Petitioner for projecting the O&M expenses, but the same has not been mentioned anywhere in the Petition. Without having the relevant information, it is not possible for the Commission to comment on the submission made by the Petitioner.

6.33. The Commission observed that the expenses submitted by the Petitioner for the past three years have not been audited. Without an audited statement, the Commission cannot consider figures given for the present estimation.

6.34. The Commission notes that the O&M expenses for FY 2020-21 were approved by the erstwhile JKSERC for JKPDD (bundled utility) in its Order with respect to **Petition No: JKSERC/65 of 2016** dated 7 October 2016. The Commission has considered the same as a base O&M expenses. The base O&M expenses have been allocated between JPDCL, KPDCL, and LPDD based on their share of consumer numbers. Accordingly, LPDD's share was derived as Rs. 18.29 Crore in FY 2020-21.

6.35. The Commission derives the O&M expenses for FY 2021-22 and FY 2022-23 as per Regulation 51 and 60 of MYT Regulations. The O&M expenses comprise of: a) Employee expenses, i.e. salaries, wages, pension contribution and other employee costs; b) Administrative and General (A&G) expenses including insurance charges if any; and c) Repairs and Maintenance (R&M) expenses. Further, it has been mentioned that base year O&M expenses shall be approved by the Commission taking into account the latest available audited accounts, business plan, estimates of the actuals for the base year, prudence check and any other factors considered appropriate by the Commission. The relevant provisions of Regulation 51.3 of MYT Regulations, are reproduced below.



*"The Distribution Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the distribution Licensee, estimates of the actuals for the Base Year, prudence check and any other factors considered appropriate by the Commission."*

- 6.36. Further, Regulation 51.4 and 60.4 of MYT Regulations, states the methodology to be followed for estimation of O&M expenses during the control period. The same is reproduced below.

*"O&M expenses for the  $n^{\text{th}}$  Year of the Control Period shall be approved based on the formula given below:*

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

*Where,*

$$R\&M_n = K \times GFA_{n-1} \times (WPI_{\text{inflation}})$$

$$EMP_n = (EMP_{n-1}) \times (1 + G_n) \times (CPI_{\text{inflation}})$$

$$A\&G_n = (A\&G_{n-1}) \times (CPI_{\text{inflation}})$$

*'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, bench marking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;*

*CPI<sub>inflation</sub> – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;*

*WPI<sub>inflation</sub> – is the average increase in the Wholesale Price Index (WPI) for immediately preceding three (3) Years before the base Year;*

*EMP<sub>n</sub> – Employee expenses of the Distribution Licensee for the  $n^{\text{th}}$  Year;*

*A&G<sub>n</sub> – Administrative and General expenses of the Distribution Licensee for the  $n^{\text{th}}$  Year;*

*R&M<sub>n</sub> – Repair and Maintenance expenses of the Distribution Licensee for the  $n^{\text{th}}$  Year;*

*GFA<sub>n-1</sub> – Gross Fixed Asset of the Distribution Licensee for the  $n-1^{\text{th}}$  Year;*

*X<sub>n</sub> is an efficiency factor for  $n^{\text{th}}$  Year. Value of X<sub>n</sub> shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking, approved cost by the Commission in past and any other factor the Commission feels appropriate;*

*G<sub>n</sub> is a growth factor for the  $n^{\text{th}}$  Year. Value of G<sub>n</sub> shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee's filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate:*

*Provided that in case the Distribution Licensee has been in operation for less than three (3) Years as on the date of effectiveness of these Regulations, O&M Expenses shall be determined on case to case basis."*

- 6.37. For deriving inflation factors, the Commission has considered the WPI and CPI index from FY 2018-19 to FY 2020-21. It has observed that the Labour Bureau, an attached office of the Ministry of Labour & Employment, Government of India, has released the new series of Consumer Price Index for Industrial Workers (CPI-IW) with base year 2016. The new series of CPI(IW) with base 2016=100 has replaced the existing series with base 2001=100. In the Press



Information Bureau (PIB) release dated 22 October 2020<sup>2</sup>, it was noted that 2.88 would be the linking factor vis-a-vis the new series with the old series. The relevant section is reproduced below.

*"Shri D.P.S.Negi, Director General, Labour Bureau said that the linking factor of new series 2016=100 to old series of CPI-IW (2001=100) is 2.88."*

6.38. The average of CPI and WPI inflation factor for the past three years is given in the table below.

Table 47: Derived CPI and WPI Inflation Factor

| Particulars  | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | Average |
|--|----------|----------|----------|----------|---------|
| Consumer Price Index (CPI)   | 300      | 323.0    | 333.0    | 356.1*   |         |
| CPI inflation  |          | 7.67%    | 3.10%    | 6.93%    | 5.90%   |
|  |          |          |          |          |         |
| Wholesale Price Index (WPI)  | 119.8    | 121.8    | 123.4    | 139.4    |         |
| WPI inflation  |          | 1.67%    | 1.31%    | 12.97%   | 5.32%   |
| * converted the values available in 2016 series to 2001 series by linking factor |          |          |          |          |         |

6.39. Considering the above inflation factor, as per Regulation 51.4 and 60.4 of MYT Regulations, employee expenses and A&G expenses have been escalated as per CPI inflation, and R&M expenses as per WPI inflation for FY 2022-23. On the basis of above exercise, the Commission now approves Rs.20.49 Crore as O&M expenses for FY 2022-23. The details of the approved values are given below.

Table 48: Approved O&M Expenses of LPDD for FY 2022-23

| Particulars  | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|--------------|------------|------------|------------|
| R&M          | 1.60       | 1.69       | 1.78       |
| Employee     | 15.77      | 16.70      | 17.69      |
| A&G          | 0.91       | 0.96       | 1.02       |
| O&M expenses | 18.29      | 19.4       | 20.49      |

### Interest on Security Deposits

6.40. LPDD has not submitted any information about security deposits. It should submit the details of consumer category-wise security deposit in its next Petition.

### Non-Tariff Income

6.41. Non-Tariff Income consists of all those incomes from the business of retail supply of power excluding the income earned from sale of power. Non-tariff income includes income from delayed payment charges (surcharge), rentals for meters and other equipment, miscellaneous charges from consumers (comprising of services rendered to consumers like reconnection/disconnection, fuse off calls, etc.). The Petitioner has not claimed any non-tariff income. However, if LPDD earns any non-tariff income, the same shall be submitted.

<sup>2</sup> <https://pib.gov.in/PressReleasePage.aspx?PRID=1666782>



**Aggregate Revenue Requirement (ARR) for FY 2022-23****Petitioner's Submission**

6.42. , Summary of expenses of the Petitioner during FY 2022-23 as per the MYT Regulations is tabulated as follows:

Table 49: ARR Forecast of LPDD for FY 2022-23 (in Rs. Crore)

| Sr. No. | Particulars  | Amount |
|---------|--|--------|
| 1       | Power Purchase Expenses including Transmission Charges and Water Usage Charges | 110.61 |
| 2       | Operation and Maintenance Expenses   | 61.85  |
| 3       | Depreciation   | -      |
| 4       | Interest and finance charges   | -      |
| 5       | Interest on Working Capital  | -      |
| 6       | Interest on Security Deposits  | -      |
| 7       | Return on Equity   | -      |
| 8       | Provision for bad and doubtful debts   | -      |
| 9       | Gross Aggregate Revenue Requirement  | 172.46 |
| 10      | Less: Non-Tariff Income  | -      |
| 11      | Net Aggregate Revenue Requirement  | 172.46 |

**Commission's Analysis**

6.43. Based on the observations made by the Commission in the preceding paragraphs, the approved ARR for FY 2022-23 is given below.

Table 50: ARR Approved for LPDD for FY 2022-23 (in Rs. Crore)

| Sr. No. | Particulars  | Amount |
|---------|--|--------|
| 1       | Power Purchase Expenses including Transmission Charges and Water Usage Charges | 120.74 |
| 2       | Operation and Maintenance Expenses   | 20.49  |
| 3       | Depreciation   | -      |
| 4       | Interest and finance charges   | -      |
| 5       | Interest on Working Capital  | -      |
| 6       | Interest on Security Deposits  | -      |
| 7       | Return on Equity   | -      |
| 8       | Provision for bad and doubtful debts   | -      |
| 9       | Gross Aggregate Revenue Requirement  | 141.23 |
| 10      | Less: Non-Tariff Income  | -      |
| 11      | Net Aggregate Revenue Requirement  | 141.23 |

**Revenue from Sale of Power at Existing Tariffs****Petitioner's Submission**

6.44. The Petitioner has submitted the revenue from sale of power for FY 2022-23 on the basis of estimates and projections of energy sales and existing tariff for various consumer categories.

6.45. The Petitioner submitted that it has projected revenue collection of Rs.65.39 Crore against the total revenue billed of Rs.74.97 Crore at existing tariff from sale of 170.22 MU of energy to its



consumers during FY 2022-23. Details of projected category-wise revenue is tabulated as follows:

Table 51: Revenue Estimate of LPDD from Sale of Power at Existing Tariff during FY 2022-23 (in Rs. Crore)

| Sr. No. | Categories                     | Amount       |
|---------|--------------------------------|--------------|
| 1       | Domestic                       | 19.20        |
| 2       | Non-domestic/Commercial        | 11.66        |
| 3       | State/Central Govt. department | 37.52        |
| 4       | Agriculture                    | 0.47         |
| 5       | Public Street Lighting         | 0.02         |
| 6       | LT Public water works          | 0.15         |
| 7       | HT Public water works          | 2.47         |
| 8       | LT Industrial supply           | 1.49         |
| 9       | HT Industrial supply           | 0.53         |
| 10      | HT-PIU Industrial Supply       | 0.00         |
| 11      | General Purpose Bulk           | 1.47         |
|         | <b>Total Revenue</b>           | <b>74.97</b> |

6.46. The Petitioner has requested the Commission to approve the above said estimate of revenue realization by LPDD for FY 2022-23.

#### Commission's Analysis

6.47. The Commission has noted that after issuance of Retail Supply Tariff Order for FY 2016-17, the erstwhile JKSERC has not issued any further tariff order, and therefore, the tariff applicable for FY 2016-17 is still being followed by the licensees. Based on approved category-wise consumer sales and existing tariff of FY 2016-17, the revenue at existing tariff is derived as Rs.74.04 Crore by the Commission.

#### Revenue Gap

#### Petitioner's Submission

6.48. The Petitioner submitted that based on the assessment of revenue realization, the revenue gap at the existing tariff for FY 2022-23 works out to be Rs.107.07 Cr. The corresponding details are given below.

Table 52: Estimate of Net Revenue Gap/(Excess) for FY 2022-23, at Existing Tariff (Rs. Crore)

| Particulars                                     | Amount at Existing Tariff |
|---|---------------------------|
| Estimated Net Aggregate Revenue Requirement (A) | 172.46                    |
| Estimated Revenue Realization (B)               | 65.39                     |
| Net Revenue Gap/ (Excess) (C = A-B)             | 107.07                    |

#### Commission's Analysis

6.49. As mentioned in earlier paragraphs, the revenue at existing tariff is Rs.74.04 Crore, as estimated by the Commission; hence, the approved revenue gap with existing tariff is Rs.67.19 Crore.



Table 53: Approved Revenue Gap/ (Excess) for FY 2022-23, at Existing Tariff (Rs. Crore)

| Particulars  | Amount at Existing Tariff (in Rs. crore) |
|--|--|
| Aggregate Revenue Requirement (A)                  | 141.23                                   |
| Revenue at existing tariff (B)                     | 74.04                                    |
| Revenue Gap/ (Excess) at existing tariff (C = A-B) | 67.19                                    |

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## Chapter 7: Treatment of Revenue Gap and Revised Tariff

- 7.1. As shown in the previous chapter of this Order, revenue from existing tariff leaves a revenue gap of Rs.67.19 Cr for FY 2022-23 for LPDD.

### Petitioner's Submission

- 7.2. The Petitioner in the present Petition has proposed a revision of tariff by proposing a hike in the tariff rate along with simplification of tariff structure and rationalisation of consumer categories and slabs to some extent. Details of the tariff structure and design proposed by the petitioner and Commission's view on the same are explained in the subsequent chapter.
- 7.3. As submitted by the petitioner, the estimated revenue billed in FY 2022-23, with existing tariff of FY 2016-17, is Rs 74.97 Cr. The estimated revenue billed in FY 2022-23 at proposed tariff for FY 2022-23 is around Rs 85.96 Cr. Thus, the proposed tariff for FY 2022-23 would lead to an increase in revenue by Rs. 9.58 Crore (Rs.85.96 Crore less Rs.74.97 Crore), which is around 14.65% increase over the FY 2016-17 tariff. However, while reviewing the format with detailed calculation submitted by the petitioner, some mistakes have been noticed by the Commission. After correcting those mistakes, the revenue billed amount with proposed tariff is derived as Rs.96.46 Crore. According to this estimate, the average tariff hike would be 28.66%, after necessary correction.
- 7.4. The proposed ARR, Revenue with proposed tariff and Revenue Gap for FY 2022-23 after corrections by the Commission is provided below:

Table 54: Proposed ARR, Revenue with proposed tariff and Revenue Gap for FY 2022-23,

| Particulars                                  |         | Amount (Cr) |
|--|---------|-------------|
| ARR for FY 2022-23                           | A       | 172.45      |
| Revenue with Existing Tariff of FY 2016-17   | B       | 74.97       |
| Revenue with Proposed Tariff FY 2022-23      | C       | 96.46       |
| Revenue Gap with Proposed Tariff FY 2022-23  | D = A-C | 75.99       |
| % Increase in Average Tariff over FY 2016-17 | C/B     | 28.6%       |

### Commission's Analysis

- 7.5. The Commission has reviewed the Tariff proposal of LPDD and noticed that even after allowing petitioner's proposed increase in tariff of nearly 28.66%, there would be still a revenue gap, i.e. proposed tariff hike would not meet entire revenue gap and there will be unmet revenue gap of 75.99 Cr. The Petitioner has not submitted any proposal to meet the unmet revenue gap in its tariff proposal.
- 7.6. After applying the prudent check, scrutiny of the ARR components & considering the normative A&T loss reduction trajectory so as to achieve the A&T loss reduction target specified by MoP at the end of FY 2024-25, the Commission has approved the ARR for FY 2022-23 as provided below:



Table 55: Approved ARR, Revenue with existing tariff and Revenue Gap for FY 2022-23

| Particulars  | Amount (Cr) |
|--|-------------|
| ARR for FY 2022-23 after prudent Check by Commission | 141.23      |
| Revenue with Existing Tariff FY 2016-17              | 74.04       |
| Revenue Gap with Existing Tariff FY 2016-17          | 67.19       |

- 7.7. The Commission has observed that if the unmet revenue gap of Rs 67.19 is to be met by increasing the tariff then there will be around 90% hike in present tariff which will be a tariff shock for all categories of the consumers in the UT of Ladakh.
- 7.8. The Commission noted that as per the Section 65 of The Act, If the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission then the state Government requires to pay the same in advance. The Commission has not received any communication from the UT of Ladakh government in this regard.
- 7.9. The Commission has noted that as per the Jammu and Kashmir Power Development Department (Re-organisation) First Transfer Scheme 2020", the Transferees shall be eligible for and shall continue to receive support from the Government in the form of revenue support, equity support, capital subsidies, loans, interest subsidies and such other monetary and financial assistance, whether under a Central or State scheme or otherwise, as may be necessary for the due and effective performance of their functions until the time Transferees achieve commercial viability on their own. The petitioner, LPDD is one of the transferee in the above scheme entrusted with overseeing the generation and distribution business in UT of Ladakh.
- 7.10. The Commission enquired with the UT of Ladakh government about the provision of such revenue / grant –in –aid support for the LPDD, in response the petitioner vides letter CE/PDD /T/ 1984-86 dated 16.09.2022 confirmed that UT government has made budgetary provision for LPDD under the Revenue Head during FY 2022-23.
- 7.11. The Commission has observed that the present retail supply tariff effective in the UT is the tariff determined by the erstwhile JKSERC during FY 2016-17 and since then there is no tariff revision in the UT from last 6 years. The Commission notes that restructuring and unbundling of Jammu and Kashmir Power Development Department into various power utilities to look after the Generation transmission and Distribution business in UT of J&K and UT of Ladakh is primarily aims towards initiating reform in the power sector to enable self-reliant and cost efficient operation of these corporations in generation, transmission and distribution business in the future. It is therefore imperative that the financial support / Grant –in - aid made available to such utilities during the initial stage needs to be gradually phased out over the period and the revenue requirement to run the business of these utilities shall be met through the tariff charged to the consumers.



**7.12.** It is pertinent to mention that the erstwhile JKSERC had adopted similar approach while determining the Retail Supply Tariff for JKPDD during FY 2016-17. The Revenue subsidy / grant in aid of declared by J&K Government was factor in by the JKSERC to reduce the revenue gap of JKPDD and reasonable tariff hike was approved for meeting the unmet revenue gap.

**7.13.** In view of above, the Commission decided to factor - in the budgetary provision made by the UT government of Ladakh to the tune of Rs 54.3 Cr as an assured grant-in-aid support to LPDD and construed it as tariff related revenue subsidy provided under Section 65 of the Act and approved the ARR, Revenue and moderate increase in tariff for FY 2022-23 to meet the unmet revenue gap as shown in table below:

Table 56: Approved ARR, Revenue and tariff increase for FY 2022-23,

| SNo | Particulars                                       | Amount (Cr) |
|-----|---|-------------|
| 1   | ARR for FY 2022-23                                | 141.23      |
| 2   | Revenue with Existing Tariff of FY 2016-17        | 74.04       |
| 3   | Revenue Gap                                       | 67.19       |
| 4   | State Government Grant –in –Aid ( assured grant ) | 54.30       |
| 5   | Net Un-met Gap to be met through tariff revision  | 12.89       |
| 6   | Revenue after revised tariff ( 2+ 5)              | 86.93       |
| 7   | % Increase in Average Tariff over FY 2016-17      | 17.4%       |

**7.14.** For clarity of stakeholders, the Commission decided to provide two tariff i.e. Full Cost Tariff (Table 57) without considering the grant –in –aid support from the UT of Ladakh Government and Subsidized tariff (as given in Chapter 10) after factoring in the grant-in-aid support provided by UT of Ladakh Government.

Table 57: Full Cost Tariff for LPDD

| S. No | Tariff Category  | Unit                         | Existing Tariff FY 2016-17 | Tariff Category  | Unit         | Full Cost Tariff FY 2022-23 |
|-------|--|------------------------------|----------------------------|--|--------------|-----------------------------|
| 1     | Domestic   |                              |                            |  |              |                             |
| a     | Below Poverty Line<br>(Consumption up to 30 units/month) |                              |                            | Below Poverty Line<br>(Consumption up to 30 units/month) |              |                             |
|       | Energy Charges   | Rs./kWh                      | 1.25                       | Energy Charges   | Rs./kWh      | 1.25                        |
|       | Fixed Charges  | Rs./kW or part thereof/month | 5.00                       | Fixed Charges  | Rs./kW/month | 5.00                        |
| b     | Metered  |                              |                            | Metered  |              |                             |
|       | Up to 100 units per month                                | Rs./kWh                      | 1.69                       | Up to 200 units per month                                | Rs./kWh      | 5.00                        |
|       | 101-200 units per month                                  | Rs./kWh                      | 2.20                       |  |              |                             |



| S. No | Tariff Category             | Unit                         | Existing Tariff FY 2016-17   | Tariff Category             | Unit          | Full Cost Tariff FY 2022-23                                       |
|-------|-----------------------------|------------------------------|--|-----------------------------|---------------|---|
|       | 201-400 units per month     | Rs./kWh                      | 3.30   | 201-400 units per month     | Rs./kWh       | 7.20  |
|       | >400 units per month        | Rs./kWh                      | 3.52   | >400 units per month        | Rs./kWh       | 8.00  |
|       | Fixed Charges               | Rs./kW or part thereof/month | 5.50   | Fixed Charges               | Rs./kW/month  | 10.00   |
| c     | Unmetered                   |                              |  | Unmetered                   |               |   |
|       | Up to 1/4 kW                | Rs./month                    | 99.00  | Up to 1/4 kW                | Rs./month     | 300.00  |
|       | Above 1/4 kW up to 1/2 kW   | Rs./month                    | 325.00   | Above 1/4 kW up to 1/2 kW   | Rs./month     | 600.00  |
|       | Above 1/2 kW up to 2/3 kW   | Rs./month                    | 495.00   | Above 1/2 kW up to 3/4 kW   | Rs./month     | 900.00  |
|       | Above 2/3 kW up to 1 kW     | Rs./month                    | 650.00   | Above 3/4 kW up to 1 kW     | Rs./month     | 1200.00   |
|       | Above 1 kW up to 2 kW       | Rs./month                    | 650 + 155 for every additional 1/4 kW or part thereof up to 2 kW   | Above 1 kW up to 2 kW       | Rs./month     | 1200 + 300 for every additional 1/4 kW or part thereof up to 2 kW |
|       | Above 2 kW                  | Rs./month                    | 1,270 + 510 for every additional 1/4 kW or part thereof above 2 kW | Above 2 kW                  | Rs./month     | 2400 + 500 for every additional 1/4 kW or part thereof above 2 kW |
| 2     | Non-Domestic/Commercial     |                              |  |                             |               |   |
| a     | Metered Connection          |                              |  | Metered Connection          |               |   |
|       | Single Phase                |                              |  | Single Phase                |               |   |
|       | Up to 100 units/month       | Rs./kWh                      | 2.81   | Up to 200 units/month       | Rs./kWh       | 5.10  |
|       | 101-200 units/month         | Rs./kWh                      | 2.97   |                             |               |   |
|       | 201-400 units/month         | Rs./kWh                      | 4.29   | 201-500 units/month         | Rs./kWh       | 6.50  |
|       | >400 units per month        | Rs./kWh                      | 4.62   | >400 units per month        | Rs./kWh       | 8.50  |
|       | Three phase - for all units | Rs./kWh                      | 5.01   | Three phase - For all units | Rs./kVAh      | 9.00  |
|       | Fixed Charges               |                              |  | Fixed Charges               |               |   |
|       | Single Phase                | Rs./kW/month                 | 44.00  | Single Phase                | Rs./kW/month  | 60.00   |
|       | Three phase                 | Rs./kW/month                 | 104.50   | Three phase                 | Rs./kVA/month | 130.00  |
| b     | Unmetered                   |                              |  | Unmetered                   |               |   |



LPDD True-up for FY 19-20 and FY 20-21, APR for FY 21-22 and ARR for FY 22-23

| S. No | Tariff Category                                     | Unit         | Existing Tariff FY 2016-17 | Tariff Category                  | Unit                             | Full Cost Tariff FY 2022-23                                     |
|-------|---|--------------|----------------------------|----------------------------------|----------------------------------|---|
|       | Up to 1/4 kW  | Rs./month    | 310.00                     | Up to 1/4 kW                     | Rs./month                        | 600.00  |
|       | >1/4-1/2 kW   | Rs./month    | 800.00                     | >1/4-1/2 kW                      | Rs./month                        | 1200.00   |
|       | >1/2-2/3 kW   | Rs./month    | 1587.00                    | >1/2-2/3 kW                      | Rs./month                        | 1800.00   |
|       | >2/3-1kW  | Rs./month    | 1587.00                    | >2/3 -1kW                        | Rs./month                        | 2400.00   |
|       | Above 1 kW and part thereof for every kW above 1 kW | Rs./month    | 2136.00                    | Above 1 kW                       | Rs./month                        | 2400 + 600 for every additional ¼ kW or part thereof above 1 kW |
| 3     | State/Central Govt Department                       |              |                            |                                  |                                  |   |
|       | Energy Charges                                      |              |                            | Energy Charges                   |                                  |   |
|       | LT  | Rs./kWh      | 6.88                       | LT                               | Rs./kVAh                         | 10.90   |
|       | 11 KV* supply                                       | Rs./kWh      | 6.88                       | 11 kV* supply                    | Rs./kVAh                         | 10.90   |
|       | 33 kV** supply and above                            | Rs./kWh      | 6.88                       | 33 kV** supply and above         |                                  | 10.90   |
|       | Fixed Charges                                       |              |                            | Fixed Charges                    |                                  |   |
|       | For metered consumers                               | Rs./kW/month | 30.00                      | For metered consumers            | Rs./kVA/month                    | 40.00   |
|       | *2.5% rebate on energy charges.                     |              |                            | -                                | *2.5% rebate on energy charges.  |   |
|       | **5.0% rebate on energy charges.                    |              |                            |                                  | **5.0% rebate on energy charges. |   |
| 4     | Agriculture   |              |                            |                                  |                                  |   |
| a     | Metered   |              |                            | Metered                          |                                  |   |
|       | Energy Charges                                      |              |                            | Energy Charges                   |                                  |   |
|       | 0-10 HP   | Rs./kWh      | 0.66                       | 0-10 HP                          | Rs./kWh                          | 1.70  |
|       | 11-20 HP  | Rs./kWh      | 0.72                       | 11-20 HP                         | Rs./kWh                          | 2.00  |
|       | Above 20 HP   | Rs./kWh      | 5.23                       | Above 20 HP                      | Rs./kWh                          | 7.00  |
|       | Fixed Charges for connected load                    |              |                            | Fixed Charges for connected load |                                  |   |
|       | 0-10 HP   | Rs./HP/month | 15.00                      | 0-10 HP                          | Rs./HP/month                     | 40.00   |
|       | 11-20 HP  | Rs./HP/month | 20.00                      | 11-20 HP                         |                                  |   |
|       | Above 20 HP   | Rs./HP/month | 40.00                      | Above 20 HP                      |                                  |   |
| b     | Unmetered   |              |                            | Unmetered                        |                                  |   |
|       | 0-10 HP   | Rs./HP/month | 205.35                     | 0-10 HP                          | Rs./HP/month                     | 350.00  |
|       | 11-20 HP  | Rs./HP/month | 222.00                     | 11-20 HP                         | Rs./HP/month                     | 375.00  |



| S. No | Tariff Category   | Unit                         | Existing Tariff FY 2016-17 | Tariff Category   | Unit                         | Full Cost Tariff FY 2022-23 |
|-------|---|------------------------------|----------------------------|---|------------------------------|-----------------------------|
|       | Above 20 HP   | Rs./HP/month                 | 1415.25                    | Above 20 HP   | Rs./HP/month                 | 1600.00                     |
| 5     | Public Street Lighting  |                              |                            |   |                              |                             |
| a     | Metered Connection  |                              |                            | Metered Connection  |                              |                             |
|       | Energy Charge   | Rs./kWh                      | 7.10                       | Energy Charge   | Rs./kWh                      | 8.00                        |
|       | Fixed Charge  | Rs./kW                       | 55.00                      | Fixed Charge  | Rs./kW                       | 60.00                       |
| b     | Unmetered connection  | Rs./kW/month or part thereof | 3200.00                    | Unmetered connection  | Rs./kW/month or part thereof | 3500.00                     |
| 6     | LT Public Water Works   |                              |                            |   |                              |                             |
|       | Energy Charge   | Rs./kWh                      | 6.87                       | Energy Charge   | Rs./kWh                      | 8.00                        |
|       | Fixed Charge  | Rs./kW/month                 | 50.00                      | Fixed Charge  | Rs./kW/month                 | 60.00                       |
| 7     | HT Public Water Works   |                              |                            |   |                              |                             |
| a     | 11 KV supply  |                              |                            | 11 KV supply  |                              |                             |
|       | Energy Charge   | Rs./kVAh                     | 5.41                       | Energy Charge   | Rs./kVAh                     | 8.00                        |
|       | Demand Charge   | Rs./kVA/month                | 242.00                     | Demand Charge   | Rs./kVA/month                | 250.00                      |
| b     | 33 KV supply and above  |                              |                            | 33 KV supply and above  |                              |                             |
|       | Energy Charge   | Rs./kVAh                     | 5.14                       | Energy Charge   | Rs./kVAh                     | 7.90                        |
|       | Demand Charge   | Rs./kVA/month                | 231.00                     | Demand Charge   | Rs./kVA/month                | 250.00                      |
| 8     | LT Industrial Supply  |                              |                            |   |                              |                             |
| a     | LTIS - I (For all metered consumers except those covered under LTIS-II) |                              |                            | LTIS - I (For all metered consumers except those covered under LTIS-II) |                              |                             |
|       | For consumers with connected load < 50 kW                               |                              |                            | For consumers with connected load < 50 kW                               |                              |                             |
|       | Energy Charge   | Rs./kWh                      | 3.30                       | Energy Charge   | Rs./kVAh                     | 7.70                        |
|       | Fixed Charge  | Rs./kW/month                 | 50.00                      | Fixed Charge  | Rs./kVA/month                | 55.00                       |
|       | For consumers with connected load > 50 kW                               |                              |                            | For consumers with connected load > 50 kW                               |                              |                             |
|       | Energy Charge   | Rs./kVAh                     | 3.09                       | Energy Charge   | Rs./kVAh                     | 7.70                        |
|       | Fixed Charge  | Rs./kVA/month                | 47.00                      | Fixed Charge  | Rs./kVA/month                | 55.00                       |
| b     | LTIS - II (For all metered consumers and                                |                              |                            | LTIS - II (For all metered consumers and having load upto 15 HP)        |                              |                             |



| S. No | Tariff Category         | Unit          | Existing Tariff FY 2016-17 | Tariff Category                        | Unit                  | Full Cost Tariff FY 2022-23 |
|-------|-------------------------|---------------|----------------------------|--|-----------------------|-----------------------------|
|       | having load upto 15 HP) |               |                            |  |                       |                             |
|       | Energy Charge           | Rs./kWh       | 3.30                       | Energy Charge                          | Rs./kWh               | 7.70                        |
|       | Fixed Charge            | Rs./kW/month  | 21.00                      | Fixed Charge                           | Rs./kW/month          | 30.00                       |
| 9     | HT Industrial supply    |               |                            |  |                       |                             |
| a     | 11 KV supply            |               |                            | 11 KV supply                           |                       |                             |
|       | Energy Charge           | Rs./kVAh      | 2.95                       | Energy Charge                          | Rs./kVAh              | 7.50                        |
|       | Demand Charge           | Rs./kVA/month | 136.50                     | Demand Charge                          | Rs./kVA/month         | 175.00                      |
| b     | 33 KV supply and above. |               |                            | 33 KV supply and above.                |                       |                             |
|       | Energy Charge           | Rs./kVAh      | 2.86                       | Energy Charge                          | Rs./kVAh              | 7.40                        |
|       | Demand Charge           | Rs./kVA/month | 136.50                     | Demand Charge                          | Rs./kVA/month         | 175.00                      |
|       | ToD Tariff applicable   |               | Surcharge / rebate: 10%    | ToD Tariff                             | ToD Tariff applicable | Surcharge / rebate: 10%     |
| 10    | HT PIU                  |               |                            |  |                       |                             |
| a     | 11 KV supply            |               |                            | 11 KV supply                           |                       |                             |
|       | Energy Charge           | Rs./kVAh      | 3.60                       | Energy Charge                          | Rs./kVAh              | 7.90                        |
|       | Demand Charge           | Rs./kVA/month | 205.00                     | Demand Charge                          | Rs./kVA/month         | 225.00                      |
| b     | 33 KV supply            |               |                            | 33 KV supply                           |                       |                             |
|       | Energy Charge           | Rs./kVAh      | 3.34                       | Energy Charge                          | Rs./VAh               | 7.85                        |
|       | Demand Charge           | Rs./kVA/month | 200.00                     | Demand Charge                          | Rs./kVA/month         | 225.00                      |
|       | ToD Tariff applicable   |               | Surcharge / rebate: 10%    | ToD Tariff                             | ToD Tariff applicable | Surcharge / rebate: 10%     |
| 11    | Bulk supply             |               |                            |  |                       |                             |
| a     | 11 KV supply            |               |                            | 11 KV supply                           |                       |                             |
|       | Energy Charge           | Rs./kVAh      | 4.00                       | Energy Charge                          | Rs./kVAh              | 8.10                        |
|       | Demand Charge           | Rs./kVA/month | 193.00                     | Demand Charge                          | Rs./kVA/month         | 225.00                      |
| b     | 33 KV and above         |               |                            | 33 KV and above                        |                       |                             |
|       | Energy Charge           | Rs./kVAh      | 3.85                       | Energy Charge                          | Rs./kVAh              | 8.00                        |
|       | Demand Charge           | Rs./kVA/month | 187.00                     | Demand Charge                          | Rs./kVA/month         | 225.00                      |
|       | ToD Tariff applicable   |               | Surcharge / rebate: 10%    | ToD Tariff                             | ToD Tariff Applicable | Surcharge / rebate: 10%     |
| 12    |                         |               |                            | Electric Vehicle (EV) Charging Station |                       |                             |
| a     |                         |               |                            | LT supply                              |                       |                             |
|       |                         |               |                            | Energy Charge                          | Rs./kVAh              | 5.10                        |



| S. No | Tariff Category | Unit | Existing Tariff FY 2016-17 | Tariff Category           | Unit                  | Full Cost Tariff FY 2022-23 |
|-------|-----------------|------|----------------------------|---------------------------|-----------------------|-----------------------------|
|       |                 |      |                            | Demand Charge             | Rs./kVA/month         | 100                         |
| b     |                 |      |                            | 11 kV supply              |                       |                             |
|       |                 |      |                            | Energy Charge             | Rs./kVAh              | 5.00                        |
|       |                 |      |                            | Demand Charge             | Rs./kVA/month         | 175                         |
| c     |                 |      |                            | 33 kV supply              |                       |                             |
|       |                 |      |                            | Energy Charge             | Rs./kVAh              | 4.90                        |
|       |                 |      |                            | Demand Charge             | Rs./kVA/month         | 150                         |
|       |                 |      |                            | ToD Tariff                | ToD Tariff applicable | Surcharge / rebate: 10%     |
| 13    |                 |      |                            | Traction                  |                       |                             |
| a     |                 |      |                            | 11 kV / 33 kV supply      |                       |                             |
|       |                 |      |                            | Energy Charge             | Rs./kVAh              | 4.70                        |
|       |                 |      |                            | Demand Charge             | Rs./kVA/Month         | 300                         |
|       |                 |      |                            | ToD Tariff only for 33 kV | ToD Tariff Applicable | Surcharge / rebate: 10%     |

7.15. The Commission directs the LPDD to implement the subsidized tariffs to their consumers with effect from 1st October 2022 as per Subsidized Tariff Schedule provided at Chapter 10. The category wise detailed calculations of expected revenue from approved subsidized tariff are shown in Table 58 in this order for guidance and reference.

7.16. The consumer category-wise revenue estimated by the Commission with subsidized tariff is given below.

Table 58: Consumer category-wise Revenue for FY 2022-23 at Subsidized Tariff, approved by the Commission (Rs. Crore)

| Particulars                     | Proposed by Petitioner | Approved by Commission |
|---------------------------------|------------------------|------------------------|
| Domestic                        | 25.05                  | 20.58                  |
| Non-Domestic/Commercial         | 14.78                  | 13.57                  |
| State/ Central Govt. Department | 47.80                  | 44.47                  |
| Agriculture                     | 0.46                   | 0.49                   |
| Public Street Lighting          | 0.02                   | 0.55                   |
| LT Public Water Works           | 0.16                   | 0.18                   |
| HT Public Water Works           | 3.09                   | 3.07                   |
| LT Industrial Supply            | 2.36                   | 1.49                   |
| HT Industrial Supply            | 0.91                   | 0.84                   |
| HT-PIU Industrial Supply        |                        |                        |
| General Purpose Bulk            | 1.83                   | 1.68                   |
| Total                           | 96.46                  | 86.93                  |



## Chapter 8: Tariff Design

- 8.1** In determining the ARR and the retail supply tariff of LPDD for FY 2022-23, the Commission has been guided by the provisions of the EA 2003, National Electricity Policy (NEP), Tariff Policy, and the adopted JERC for the state of Goa and other UTs MYT Regulations, 2018.
- 8.2** Section 61 of the EA 2003 lays down the broad principles and guidelines for determination of retail supply tariffs. The basic principle is to ensure that tariff should progressively reflect the cost of supply of electricity and gradually reduce the cross subsidies between categories. The EA 2003 lays down special emphasis on safeguarding of consumers' interest and also requires that the costs should be recovered in a reasonable manner. The EA 2003 mandates that tariff determination should be guided by factors which "encourage competition, efficiency, economical uses of resources, good performance and optimum investment.
- 8.3** The EA 2003 provides that while determining the tariff, the Commission shall not show undue preference to any consumer of electricity but may differentiate according to the consumer's load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required.
- 8.4** The tariff policy mention that for achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within  $\pm 20\%$  of the average cost of supply
- 8.5** The Commission has considered the interest of industrial and commercial consumers and also maintained a balance between all categories of consumers. The below poverty level consumers' tariff is kept unchanged. A reasonable increase is approved in energy and demand/fixed charges. In case of energy charges, the Commission has made necessary increments for all consumer categories. It may be noted that the last tariff increase took place almost six years ago. So, even after considering the yearly inflation over six years, the tariff increase is moderate for all categories of consumer.
- 8.6** The Commission has computed the average cost of supply (ACoS) of Rs. /kWh based on the ARR approved for LPDD for FY 2022-23. The Commission has not reduced the grant in aid support provided by UT of Ladakh Government while calculating the ACoS, as the same has been considered under Revenue. The ACoS approved by the Commission for FY 2022-23 is shown below:

Table 59: Approved average cost of supply

| S.No | Particulars                           | Unit   | Value  |
|------|---------------------------------------|--------|--------|
| 1    | Approved ARR for FY 2022-23           | Cr     | 141.23 |
| 2    | Total Sales for FY 2022-23            | MU     | 170.22 |
| 3    | Average Cost of Supply for FY 2022-23 | Rs/kWh | 8.30   |

- 8.7** The comparison of ACoS and category wise Average Billing Rate (ABR) approved by the Commission for FY 2022-23 is provided in table below:



Table 60: Approved Average Cost of Supply and Average Billing Rate for FY 2022-23

| S.No. | Consumer category        | ACoS<br>Rs/kWh | ABR<br>Rs/kWh | Ratio of ABR<br>to ACoS (%) |
|-------|--------------------------|----------------|---------------|-----------------------------|
| 1     | Domestic                 | 8.30           | 3.13          | 37.72                       |
| 2     | Non- Domestic            | 8.30           | 3.54          | 42.64                       |
| 3     | State/Central Government | 8.30           | 8.30          | 100.00                      |
| 4     | Agricultural             | 8.30           | 5.67          | 68.29                       |
| 5     | Public Street light      | 8.30           | 7.93          | 95.59                       |
| 6     | LT water works           | 8.30           | 8.70          | 104.85                      |
| 7     | HT water works           | 8.30           | 10.40         | 125.36                      |
| 8     | LT industry              | 8.30           | 4.38          | 52.77                       |
| 9     | HT industry              | 8.30           | 5.80          | 69.91                       |
| 10    | HT PIU                   | -              | -             |                             |
| 11    | Bulk Supply              | 8.30           | 5.71          | 68.83                       |

**8.8** One of the submissions of the Petitioner was change in slab structure with rational that the complexity in the tariff structure needs to be reduced and accordingly efforts are required to simplify and rationalize the tariff structure, along with making the structure consumer friendly and easily understandable. Various Committee Reports of the Ministry of Power have suggested ways to reduce the tariff of consumer categories and simplify it. Commission accepts the proposal of the petitioner.

**8.9** The rational to incentivise customers to take power at a higher voltage category, thus giving them a lower energy rate, is continued in this Order. The Commission has adopted kVA and kVAh based tariff linked to the load, for a few consumer categories. New consumer categories like EV charging station and traction has been created as requested by the Petitioner. The proposal of the Petitioner and Commission's decision on tariff structure-related issues are narrated below.

#### Issue 1: Bundling/Unbundling of Tariff Slabs in Various Consumer Categories

**8.10** The Petitioner has proposed bundling/merging of various slabs in the Domestic and Non-domestic categories. This proposal for merging various slabs is indicated in below:

| Consumer Categories(Existing Slabs) | Consumer Categories(Proposed Slabs) |
|-------------------------------------|-------------------------------------|
| Domestic                            |                                     |
| Up to 100 units per month           | Up to 200 units per month           |
| 101-200 units per month             |                                     |
| Non-domestic/Commercial (Metered)   |                                     |
| Up to 100 units/month               | Up to 200 units per month           |
| 101-200 units/month                 |                                     |
| 201-300 units/month                 | 201-500 units/month                 |
| >300 units per month                | >500 units per month                |

**8.11** The proposal reveals that merging of slabs will reduce the number of slabs and simplify the tariff structure. The tariff structure should be simple and easy to understand by common consumers. Also, all the domestic consumers consuming up to 200 units per month now pay same energy charges. For non-domestic consumer category also, the highest energy charge is



applicable for high energy consuming consumers, consuming more than 500 units per month. The energy rate is comparatively less for non-domestic consumers consuming up to 200 units per month. The Commission accepts the proposal and has made the corresponding changes in the tariff schedule.

## Issue 2: Increase in Fixed/Demand Charges of all Consumer Categories

- 8.12** The Petitioner has proposed increase in fixed charges for all consumer categories. The increase is quite high in case of domestic consumer and state and central government department consumers. The Commission has not approved the fixed/demand charges submitted by the Petitioner. However, considering the present level of fixed/demand charges, the Commission has approved a moderate increase in fixed/demand charges for all consumer categories.
- 8.13** For HT consumers, having demand charges in terms of Rs./kVA, the charges are revised upward. No reduction in fixed/demand charges has been approved from the present level. Also, demand charges for 11 kV/33 kV supply is kept the same.
- 8.14** It is important to mention that income from fixed/demand charges at existing tariff is only Rs.5.3 Crore. On the other hand, the fixed cost liability of the licensee is huge considering the fixed charges to be paid to generators as well as O&M charges. Therefore, there is a need to increase the fixed/demand charges for all consumer categories. Therefore, while finalising the tariff, the Commission has increased the fixed/demand charges appropriately. However, the approved increase is very minimal.

## Issue 3: Simplification of Charges for Unmetered Consumers in Domestic and Non-domestic/Commercial Categories

- 8.15** The Petitioner has proposed to simplify the fixed charges applicable to unmetered consumers in the domestic and non-domestic/commercial category. The Petitioner has proposed a single rate of Rs.200 per 1/4 kW (0.25 kW) and in multiples thereof for domestic unmetered consumers. Similarly, the rate is Rs.500 per 1/4 kW (0.25 kW) and in multiples thereof for commercial consumers. It has been noticed that presently the charges are not fixed linearly. The increment in tariff for higher slabs in comparison with lower slab tariff (i.e. 1/4 kW to 1/2 kW with respect to below 1/4 kW, etc.,) is quite different. To simplify the same, the proposal of the Petitioner for re-structuring the tariff is accepted. The rate for unmetered consumers will be per 1/4 kW basis only. The rate per 1/4 kW basis has been approved by the Commission, the details of which are given in the tariff schedule.

## Issue 4: kVAh Tariff for Non-domestic/Commercial metered – three phase, State and Central Government Departments (11/33 kV), and LT Industrial (connected load < 50 kW):

- 8.16** The kVAh based tariff is already being applied to consumers with loads above 100 kW (HT supply) and LT Industrial consumers (connected load > 50 kW). The Petitioner has proposed to extend the kVAh tariff to other consumer categories as well (Non-domestic/Commercial metered – three phase, State and Central Government Departments (11/33 kV), and LT Industrial (connected load < 50 kW)).



- 8.17 The erstwhile Commission had earlier introduced kVAh tariff for consumers with load above 100 kW (HT consumers) and consumers with load above 50 kW in the Low Tension Industrial Supply category. Considering the submission made by the Petitioner (JKPDD), the erstwhile Commission approved the proposal.
- 8.18 The Commission now approves kVAh-based billing for non-domestic/Commercial metered – three phase, State and Central Government Departments (11/33 kV), and LT Industrial (connected load < 50 kW), as requested by LPDD. However, the Petitioner should keep in place the infrastructure required to bill the consumers on the basis of kVAh and kVA, as the Commission approves the proposal made by the Petitioner. There should not be any hindrance to execute the above decision, i.e. billing in terms of kVAh and kVA. Similarly, the demand charges should be calculated on the basis of kVA for those consumers, Non-domestic/Commercial metered – three phase, State and Central Government Department (11/33 kV), and LT Industrial (connected load < 50 kW).
- 8.19 The Commission directs the Utility to monitor the improvements in the system's efficiency and impact on the Utility's load curve and submit the same in the next tariff order.

#### Issue 5: Time of Day (ToD) Tariff

- 8.20 The Petitioner has not proposed any changes in the existing ToD tariff structure. The same was introduced by the erstwhile JKSERC as a Demand Side Management (DSM) measure as a means of incentivizing consumers to shift a portion of their loads from peak times to off-peak times, thereby improving the system's load factor, reducing the demand on the system during the peak period and relieving the system's capacity constraints.
- 8.21 The erstwhile JKSERC directed the bundled Utility (JKPDD) to monitor the impact of the ToD tariff on the load curve of the Utility on a month-on-month basis and submit a detailed impact analysis report to the Commission along with the next Tariff Petition. However, no tariff Petition was filed thereafter. The Commission directs LPDD to submit the load curve analysis report of its area. Presently, six hours have been considered as peak and off-peak hours. LPDD should submit its observations with respect to peak and off-peak hours as per its load curve. LPDD should also monitor its load with respect to available local generation and electricity to be purchased from JKPCL. LPDD should monitor the same with respect to upcoming renewable energy projects including battery energy storage projects, if any.
- 8.22 The Commission directs the Petitioner to continue with the existing mechanism of ToD tariff without any changes in applicability of ToD tariff and the corresponding ToD rate.

#### Issue 6: Discontinuation of Rebate given to State/Central Government Department Consumers:

- 8.23 The Petitioner proposed to discontinue the rebate given to the State/Central Government Department consumers who avail of supply at higher voltage levels (11 kV/33 kV). The erstwhile Commission had decided a single energy charge for this category with appropriate rebate and without specifying a separate rate for supply at higher voltage level. The proposal of charging the same tariff to LT and HT (11kV/33 kV) State/Central Government Department



consumers is not justified. The Electricity Act, 2003 specifies that tariff may vary according to load factor, power factor and voltage, among other things. The relevant extract of Section 62(3) of the Act is given below.

*"(3) The Appropriate Commission shall not, while determining the tariff under this Act, show undue preference to any consumer of electricity but may differentiate according to the consumer's load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required."*

- 8.24 Considering the above, the Commission decided to retain the rebate available to the State/Central Government Department consumers consuming energy at 11 kV/33 kV level. Higher voltage consumers have to pay less tariff as per the rebate applicable to them. The rebate would be continued as 2.5 % and 5% of energy charges for 11 kV and 33 kV consumers, respectively.

#### Issue 7: New Consumer Category: Electric Vehicle Charging Stations (EV):

- 8.25 The Petitioner submitted that, many distribution utilities in India have notified a separate tariff for electric vehicle charging stations. In this context, LPDD conducted a study to benchmark the tariff charged by various distribution utilities in India for separate consumer category of Electric Vehicles (EV). The results of the Benchmarking study were submitted. As per this benchmarking study, the distribution utilities in India charge, on an average, Rs.5 to Rs.6 per unit as energy charge. Demand charges per month were around Rs.100/kW for LT and around Rs.200/kVA.
- 8.26 Further, as per amendment to para 7 of the "Charging Infrastructure for Electric Vehicles - Guidelines and Standards" issued by the Ministry of Power, Government of India, the tariff for supply of electricity to Electric Vehicle Public charging stations shall not be more than the average cost of supply plus 15%. The tariff proposed by LPDD follows this guideline.
- 8.27 Considering the fact that the Government has laid emphasis on the faster adoption of Electric Vehicles, the tariff for EVs needs to be reasonable. Hence, the proposal of LPDD is accepted. The rate as proposed is approved and correspondingly the same is reflected in the tariff schedule approved by the Commission.
- 8.28 The Petitioner shall submit the details of the EV charging stations installed in its area in its next tariff order.

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## Chapter 9: Directives

- 9 The Commission, based on its analysis of the Petition and the previous directives given by erstwhile JKSERC along with information and suggestions received during the public consultation process, directed the Petitioner to comply with the following directives:

| DIRECTIVE   |   |
|-------------|---|
| Directive 1 | <p><b>TIMELY FILING OF TARIFF PETITIONS</b></p> <p>After its establishment in 2020, the Commission had several correspondences with the Distribution Licensee for timely submission of tariff Petition. Even, after repeated reminders, the Licensee has failed to submit the same in time. The Commission was expecting to receive the Tariff Petition for FY 2021-22 earlier. However, the tariff petitions were submitted only in FY 2022-23. Therefore, the Commission could not issue the tariff order for FY 2022-23 in time and could not made applicable the tariff from the starting of the financial year. It is very disheartening to note that even after so much follow up from the Commission's side, the Licensees are not serious about filing the tariff petition on time. The Commission directs the Licensees to adhere to the timelines of Regulatory filings as stipulated in the relevant regulations. The process should be started well in advance at the Licensee level, so that submission can be made before the Commission on time. MYT application (for the next three years) with Business Plan Petition should be submitted by LPDD before 30<sup>th</sup> November, 2022, without any delay.</p> <p>The Commission directs the Petitioner to file the Petitions on time in the future. If the Petitioner fails to do so, the Commission shall be forced to initiate suo-motu proceedings for determination of tariff.</p> |
| Directive 2 | <p><b>SUBMISSION OF AUDITED ACCOUNT AND TRUE-UP PETITION</b></p> <p>The Petitioner has submitted the expenses for FY 2019-20 and FY 2020-21. However, the same is unaudited. The Commission directs the Petitioner to complete the audit activity as soon as possible and submit the annual accounts along with True-up Petition. Without the audited figures, the Commission cannot finalise the true-up exercise. While submitting the true-up Petition, the Petitioner should explain in detail the expenditure incurred with supporting documents. Submitting the amount without supporting documents should be avoided. Further, the Petitioner should submit all the necessary information in hard copy as mentioned in Conduct of Business Regulations. The necessary MYT format should invariably be submitted in hard copy with the Petition. It is to be understood that the format is an integral part of the Petition and without the same, the Petition cannot be accepted. The Petitioner should strictly follow the instructions mentioned above.</p>  |
| Directive 3 | <p><b>ACTION PLAN FOR METERING UNMETERED CONSUMERS</b></p> <p>It is observed that LPDD has unmetered consumers in domestic, commercial, public lighting, and public water works categories. It has been submitted by the licensee that the smart pre-paid meters are being installed in the license area. The same should be targeted to be implemented in unmetered consumer categories on a priority basis. As the consumer base is small for LPDD, the installation should not take much time to cover unmetered consumers. Further, there are only four consumers in public street lighting category who are unmetered. The Licensee should install meters and convert them all to metered category. The erstwhile JKSERC directed that: <i>"The Commission further directs that there would no tariff for unmetered consumers in Public Street Lights category after a period of one year from the date of issuance of this Tariff Order."</i> The direction was issued in 2016, however no progress has been noticed in this regard. The Licensee should do the metering on priority.</p> <p>Also, there is no provision for unmetered supply in public water works. The Licensee should explain how the unmetered supply is given in the public water works consumer category. Action Plan/roadmap for 100% consumer metering should be submitted within three months of the issuance of this Order.</p>   |
| Directive 4 | <p><b>PRE-PAYMENT METERS</b></p> <p>The Commission directs the Petitioner to prepare a roadmap for installation of prepaid smart meters in its area. If it is already prepared, the same should be submitted before the Commission. The priority for installation of meters, decided by the Licensee, should also be submitted.</p>   |



| DIRECTIVE   |   |
|-------------|---|
| Directive 5 | <p><b>CAPITAL INVESTMENT AND CAPITALIZATION PLAN ALONG WITH DETAILS OF SOURCE OF FUNDING</b></p> <p>The Commission has observed that the Petitioner has not submitted any details about capital expenditure and capitalization. The capital investment-related provisions as given in Regulation 8.5 of the MYT Regulations is given below.</p> <p><i>"a) The Capital Investment Plan to be submitted as part of Business Plan shall include details of New Projects planned during the Control Period, purpose of investment, capital structure, implementation schedule, quarter-wise capital expenditure and capitalisation schedule, financing plan, cost-benefit analysis, improvement in operational efficiency envisaged in the Control Period owing to proposed investment and such details for ongoing projects that will spill over into the Control Period under review along with justification.</i></p> <p><i>c) During the annual performance review, the Commission shall monitor the progress of the actual capital expenditure incurred by the Licensee vis-à-vis the approved capital expenditure. The Licensees shall submit the actual capital expenditure incurred along with the annual performance review, true-up and determination of tariff filing.</i></p> <p>The Petitioner should inform the Commission about the progress in this regard. For better monitoring of the capital investment plan drawn by the Petitioner, the Commission directs the Petitioner to submit the details of the physical and financial milestones/targets along with progress achieved vis-à-vis the action plan on strengthening of distribution infrastructure and reducing the AT&amp;C losses, on a quarterly basis.</p> |
| Directive 6 | <p><b>ENERGY ACCOUNTING AND DETERMINATION OF LOSS</b></p> <p>The Petitioner is receiving energy from internal generating sources and from JKPCCL as well. The energy accounting on the basis of energy injected (metered data) into its system should be submitted along with single line diagram showing the positions of interface meters. One-month data should be submitted on priority basis for review by the Commission.</p>   |
| Directive 7 | <p><b>FEEDER-WISE ACCOUNT OF LOSSES AND PERFORMANCE OF SUB-DIVISIONS</b></p> <p>The status of feeder-level metering should be submitted. The Commission directs the Utility to conduct feeder-wise energy audit and consumer indexing for estimating the AT&amp;C loss level. Subsequently, the Petitioner should identify feeders with high loss levels and develop a holistic loss reduction plan for reducing distribution losses on such feeders.</p> <p>Further, the distribution loss and collection efficiency of the sub-divisions for the last one year should be submitted to judge the performance of the sub-divisions. While doing so, the rational considered for determining consumption of unmetered consumers should be elaborated.</p>  |
| Directive 8 | <p><b>POWER PROCUREMENT</b></p> <p>The Commission has observed that the Licensee is procuring power from various internal generating stations and majorly from JKPCCL. They are greatly dependant on JKPCCL for power sourcing. After unbundling, LPDD should develop its own expertise and work independently in this regard. The Petitioner is directed to explore options for development of internal generating sources and should plan to meet the daily load accordingly.</p> <p>Further, the Licensee is directed to enter into Power Purchase Agreements (PPAs) with the generators and submit the same before the Commission for approval. Without approved PPA, the Commission may not approve the power purchase cost in future.</p> <p>Also, depending on projected demand and sources already tied-up, the Licensee may re-visit the PPAs in place, if required. The Licensee (in consultation with JKPCCL) should monitor the fixed cost being paid to generators who are not getting schedule continuously due to higher variable charges.</p> <p>The Commission also directs the Licensee that if there is any short term requirement of power over and above the tied-up power available from long term sources, as approved by the Commission, and such requirement is on account of any factor beyond the control of the Licensee such as shortage/non-availability of fuel, snow capping of hydro resources, unplanned/forced outages of power generating units etc., then the Licensee shall procure such short term requirement of power only through a transparent mechanism, i.e. through the re-bidding portal only (DEEP Portal), by the procurer(s)</p>  |



## DIRECTIVE

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|              | themselves or through authorised representatives with approval of the Commission as per provisions mentioned in Power Procurement Regulations.   |
| Directive 9  | <b>ONLINE BILLING AND E-PAYMENTS AGAINST BILLS</b><br>The Commission directs the Petitioner to explore more options regarding online bill information and downloading and payment of bills which could be in terms of e-payment through Net Banking, credit/debit cards, kiosks, mobile collection vans etc. A suitable mobile application can be developed by LPDD. The Licensee shall inform the Commission about initiatives undertaken to enhance customer outreach and awareness activities.  |
| Directive 10 | <b>ToD TARIFF</b><br>The Commission has introduced ToD tariff in the State for HT consumers with load above 1 MVA connected at 33KV level and above.<br>The Commission directs the Licensee to monitor the impact of the ToD tariff on the load curve of the Licensee on a month-on-month basis and submit a detailed impact analysis report to the Commission for the last three years along with the next Tariff Petition.   |
| Directive 11 | <b>kVAh TARIFF</b><br>The Commission has now introduced kVAh tariffs for consumers with load below 50 kW and three phase commercial consumers. The Commission directs the Licensee to monitor the improvements in system efficiency and impact on the Utility's load curve/reactive energy drawal. The status should be submitted in the next Petition.  |
| Directive 12 | <b>ESTABLISHMENT OF CGRF/ CUSTOMER CARE CENTRE</b><br>The Commission has published draft JERC for UT of J&K and UT of Ladakh, Consumer Grievances Redressal Forum(CGRF), Electricity Ombudsman and Consumer Advocacy Regulations, 2022. The same will be finalised soon. The Licensees should follow the provisions given in the Regulations and operationalise those forums in its true spirit. The Commission directs the Petitioner to submit a status report in this regard within three months of the issue of this Order.<br><br><u>Customer Care Centre</u><br>As per Supply code, the Licensee shall create call centre/complaint centre within a period of 6 months from the date of notification of these Regulations, in case not already created. The Licensee shall give wide publicity of this facility and conduct a consumer awareness programme regarding facilities available through this channel. The Commission directs the Petitioner to submit a status report regarding Centralised Customer Care Centre within three months of the issue of this Order. |
| Directive 13 | <b>Consumer Billing procedure</b><br>The Commission directs that Licensee to review its billing related processes, identify current limitations/gaps and areas for improvement and take corrective steps and monitor the implementation of necessary actions at the highest level. The Licensees shall produce a status report on billing through MRI/AMR reading to avoid manual interference, if implemented.  |
| Directive 14 | <b>RECOVERY OF ARREARS</b><br>The Petitioner has submitted that arrear amounts are negligible in its area and almost all dues are cleared, specially of Government consumers. The status of arrears, consumer category-wise, shall be submitted by the Licensee in its next Petition. Further, quarterly reports on arrears should be submitted regularly.   |
| Directive 15 | <b>SECURITY DEPOSIT</b><br>The Petitioner has not submitted any information on security deposits. With respect to security deposit, the provisions given in Supply Code Regulations should be followed by the Licensee. The status of security deposit should be submitted by the Licensee in its next Petition.   |
| Directive 16 | <b>RENEWABLE PURCHASE OBLIGATION (RPO)</b><br>The Commission directs the Petitioner to ensure that it meets its RPO targets by initiating timely action for procuring RE power or inviting competitive bids for procurement of solar/non-solar power or alternately purchase RECs. They have not submitted any concrete plan for RPO Compliance for FY 2022-23. The Commission directs that they should meet the RPO target and any kind of non-compliance will be dealt with as per provisions given in the RPO Regulations.  |



| DIRECTIVE    |  |
|--------------|--|
|              | The Commission will review the RPO compliance of the past years after receiving the same from the monitoring agency and the necessary Orders in this regard will be issued by the Commission separately. The Licensee should explore local RE generation possibilities and sign the necessary PPAs, as required. The scheme for implementation of rooftop solar projects and KUSUM Scheme should be implemented as per guidelines in force.  |
| Directive 17 | <b>GRANT IN AID / REVENUE SUBSIDIES TO BE PROVIDED BY THE GOVERNMENT</b><br>The Commission notes that as per Jammu and Kashmir Power Development Department (Re-organisation) First Transfer Scheme 2020" the petitioner is eligible for getting grant-in-aid / revenue subsidy till it achieves commercial viability at its own. The Commission directed the petitioner to furnish information of grant-in-aid / revenue subsidy or category wise subsidy in terms of Rs/kWh or Rs/KW as the case may be obtained from government in terms of Section 65 of the Act in advance. |

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## Chapter 10: Tariff Schedule for FY 2022-23 (Subsidized)

### Schedule 1: Domestic Supply

#### Applicability

**10.1** The Commission has fixed the applicability of the domestic tariff for supplies pertaining to domestic premises, religious institutions, group housing societies, orphanages, old-age and infirm homes, charitable institutions providing services free of cost or on nominal charges, post offices at residences of villagers and residential premises of architects, engineers, advocates, doctors, teachers, artists, weavers, stitching and embroidery workers occupying not more than 20% of built up area for respective professional purposes. This tariff category is applicable for electricity used for operating various appliances such as lighting, heating, cooling, cooking, washing/cleaning, entertainment/leisure, water pumping etc.

**10.2** In addition, a separate Below Poverty Line (BPL) consumer category has been created to provide relief to socio-economic backward consumers for consumption up to 30 units/month. It should be noted that only those consumers would be included in the BPL category who submit a BPL certificate from a competent authority of the State Government. In case consumption within this category exceeds beyond 30 units/month, the consumption over and above it would be charged as per the applicable rates for domestic (metered) category in accordance with the relevant consumption slab.

#### Character of Services

- (a) Alternating current (A.C.) 50 Hz, 230 volts, for single-phase up to and including a load of 5 kW.
- (b) A.C, 50 Hz, three phase, 400 volts for load above 5 kW up to 100 kW (110kVA).

#### Rate of Charge

##### Approved Tariff for Domestic Supply

| Description   | Approved Tariff for FY 2022-23 |
|---|--------------------------------|
| <b>Below Poverty Line (Consumption up to 30 units/month)</b>  |                                |
| Energy charges (Rs./kWh)  | 1.25                           |
| Fixed Charges (Rs./kW/month)  | 5.00                           |
| <b>Metered Consumers</b>  |                                |
| Energy Charges for Metered Connection (Rs./kWh)   |                                |
| Up to 200 units/month   | 2.00                           |
| 201 - 400 units/month   | 3.50                           |
| > 400 units/month   | 3.80                           |
| Fixed Charges for contracted load (Rs./kW/month)  |                                |
| Load (in kW) to be rounded off to the next 1/2 kW (0.5 kW) for the purpose of application of Fixed Charges. |                                |
| For all units   | 8.00                           |



| Description                | Approved Tariff for FY 2022-23  |
|----------------------------|---|
| <b>Unmetered Consumers</b> |   |
| Flat Rate (Rs./month)      |   |
| Up to 1/4 kW               | 175.00  |
| Above 1/4 kW up to 1/2 kW  | 350.00  |
| Above 1/2 kW up to 3/4 kW  | 525.00  |
| Above 3/4 kW up to 1 kW    | 700.00  |
| Above 1 kW up to 2 kW      | Rs.700 + Rs.175 for every additional 1/4 kW or part thereof up to 2 kW  |
| Above 2 kW                 | Rs.1400 + Rs.500 for every additional 1/4 kW or part thereof above 2 kW |

**Illustration for Computation of Electricity Charges:**

a) **Metered Connection:** Assuming connected load of 3.0 kW and monthly power consumption of 600 kWh

|       | Description                           | Electricity Rate (Rs./kWh) | No. of units (kWh) | Total Charge (Rs.) |
|-------|---------------------------------------|----------------------------|--------------------|--------------------|
|       | Energy Charges for Metered Connection |                            |                    |                    |
| (i)   | Upto 100 units/ month                 | 2.00                       | 100                | 200                |
| (ii)  | 101- 200 units /month                 | 2.00                       | 100                | 200                |
| (iii) | 201 - 400 units /month                | 3.50                       | 200                | 700                |
| (iv)  | > 400 units /month                    | 3.80                       | 200                | 760                |
| A     | TOTAL ENERGY CHARGES                  |                            | 600                | 1860               |
|       | Fixed Charges for Contracted Load     | (Rs./kW)                   | Load(kW)           | Total Charge(Rs.)  |
|       | For all units                         | 8.00                       | 3.0                | 24                 |
| B     | TOTAL FIXED CHARGES                   |                            | 3.0                | 24                 |
| C     | TOTAL CHARGES IN Rs. (A + B)          |                            |                    | 1884*              |

\*Note: This excludes Electricity Duty and any other cess levied by the State Government

b) **Unmetered Connection:** Assuming connected load of 3.0 kW

| Description          | Electricity Rate(Rs./month)   | Total Charge (Rs.)    |
|----------------------|---|-----------------------|
| Flat Rate Tariff     |   |                       |
| Above 2 kW           | Rs.1400 + Rs.500 for every additional 1/4 kW or part thereof above 2 kW | 1400+(500*4)<br>=3400 |
| TOTAL CHARGES IN Rs. |   | 3400*                 |

\*Note: This excludes Electricity Duty and any other cess levied by the State Government

**10.3** Group housing societies can avail single point power supply. The energy bill of a housing society shall be divided by the number of houses in it to determine the consumption in each house.

**10.4** If there are 10 houses in a society the consumption shall be charged in the following manner: The first 2000 (200 x 10) units would be charged at tariff of first 200 units; the next 2000 (200



x 10) units at tariff of 200-400 units and the remaining units at tariff of >400 units along with fixed charges for entire load at fixed charges per kW per month.

- 10.5 Any matter regarding supply to group housing societies should be as per the Regulations laid down in prevalent Supply Code Regulations.



**Schedule 2: Non-Domestic/Commercial Supply****Applicability**

**10.6** This tariff category shall be applicable to the following: shops, showrooms, business houses, offices, educational/technical institutions, clubs, meeting halls, places of public entertainment, hotels, cinemas, hospitals, dispensaries, clinics, nursing homes, X-ray units, diagnostic centres, pathological labs, fisheries, aqua-culture, sericulture, dairy, hatcheries, printing presses (other than those qualifying to be charged under the LT industrial supply category), milk chilling centres (other than those specifically mentioned under Agricultural Supply), poultry farms, cattle breeding farms, nurseries, plantations, mushroom growing, carpenters and furniture makers, juice centres, hoardings and advertisement services, typing institutes, internet cafes, STD/ISD PCOs, FAX/ photocopying shops, tailoring shops, photo studios and colour labs, laundries, cycle shops, compressors for filling air, restaurants, eating establishments, guest houses, marriage gardens, welding transformer and lathe machines for repair works and services, book binders, petrol pumps and service stations, lifts and other appliances in shopping centers and offices, tourist house-boats, and other similar establishments.

**10.7** In addition, any connection not covered under other categories shall be billed under this category. However, this would exclude connections pertaining to State/Central Government or Defence services, which have been included in a separate category.

**Character of Services**

- (a) AC, 50 Hz, 230 volts, single-phase up to and including a load of 5 kW.
- (b) AC, 50 Hz, three phase, 400 volts supply for load above 5 kW up to 100 kW(110 kVA).

**Rate of Charge****Approved Tariff for Non-Domestic/Commercial Supply**

| Particulars  | Approved Tariff for FY 2022-23 |
|--|--------------------------------|
| <b>Metered Non-Domestic Tariff</b>   |                                |
| <b>Energy Charges (Rs./kWh)</b>  |                                |
| <b>Single Phase</b>  |                                |
| Up to 100 units/month  | 3.10                           |
| 101 to 200 units/month   | 3.10                           |
| 201 to 500 units/month   | 4.70                           |
| Above 500 units/month  | 5.10                           |
| <b>Three Phase</b>   |                                |
| For all units (Rs./kVA)  | 5.10                           |
| <b>Fixed Charges/Demand Charges</b>  |                                |
| Single Phase (Rs./kW/month)<br>Load (in kW) to be rounded off to the next 1/2 kW (0.5 kW) for the purpose of application of Fixed Charges.(Example: 0.25 kW to be charged as 0.5 kW and 1.2 kW to be charged as 1.5 kW and so on.) | 50.00                          |
| Three Phase (Rs./kVA/month)<br>Or part thereof on Billing Demand   | 120.00                         |



| Particulars   | Approved Tariff for FY 2022-23  |
|---|---|
| <b>Unmetered Non-Domestic Tariff</b>                |   |
| <b>Flat Rate Charges (Rs./month)</b>                |   |
| Up to 1/4 kW  | 500.00  |
| Above 1/4 kW up to 1/2 kW                           | 1000.00   |
| Above 3/4 kW up to 1 kW                             | 1500.00   |
| Above 1/2 kW up to 1 kW                             | 2000.00   |
| Above 1 kW and part thereof for every kW above 1 kW | Rs.2000 + Rs.500 for every additional 1/4 kW or part thereof above 1 kW |

- 10.8** For connections with sanctioned load below 100 kW (110 kVA) supplied and metered on HT, 5% rebate on energy charges of Non-domestic/Commercial Tariff shall be allowed.
- 10.9** Any matter regarding supply to Commercial Complexes with single point delivery/supply should be as per the prevalent Supply Code Regulations.



**Schedule 3: State/Central Government Departments****Applicability**

- 10.10** The Commission has fixed the applicability of the State/Central Government department category to all connections including educational/technical institutions, taken by the departments of the State and Central Governments, defence and para-military forces excluding public sector enterprises/undertakings.
- 10.11** This shall not include connections taken for agricultural purposes, water pumping and street lighting by the Central/State Government Departments for which tariffs provided in the appropriate tariff schedules shall apply.

**Character of Services**

- (a) AC, 50 Hz, 230 volts; single-phase up to and including a load of 5 kW.
- (b) AC, 50 Hz, three phase; 400 volts supply for sanctioned load above 5 kW up to 100 kW (110 kVA).
- (c) AC, 50 Hz, three phase; 11 kV supply for sanctioned load above 100 kW(110 kVA) up to 1 MVA.
- (d) AC, 50 Hz, three phase; 33 kV and above supply for sanctioned load above 1 MVA.

**Rate of Charge****Approved Tariff for State/Central Government Departments**

| Particulars                          | Approved Tariff for FY 2022-23  |
|--------------------------------------|---------------------------------|
| <b>Energy Charges (Rs./kVAh)</b>     |                                 |
| 11 kV Supply*                        | 7.50                            |
| 33 kV and above Supply**             | 7.50                            |
|                                      | *2.5% rebate on energy charges  |
|                                      | **5.0% rebate on energy charges |
| <b>Fixed Charges (Rs./kVA/month)</b> |                                 |
| Or part thereof on Billing Demand    |                                 |
| For metered consumers                | 40.00                           |



## Schedule 4: Agricultural Supply

### Applicability

- 10.12** The Commission has fixed applicability of the agricultural tariff to agricultural loads and lift irrigation connections including threshers. This tariff is also applicable to State Govt. lift irrigation and pumping loads. It is also applicable to Goshala or Tabela, which involve milk collection only and not associated with industrial/commercial activity of milk processing or dairy/chilling plants, which are separately covered under Non-domestic/Commercial tariff.

### Character of Services

- (a) AC, 50 Hz, 230 volts, single-phase up to a load of 5 kW (6.70 HP).
- (b) AC, 50 Hz, three phase, 400 volts supply for sanctioned load up to 100 kW(134 HP).
- (c) AC, 50 Hz, three phase, 11kV supply for sanctioned load above 100 kW(134 HP) up to 1 MVA.
- (d) AC, 50 Hz, three phase, 33/66kV supply for sanctioned load above 1 MVA.

### Rate of Charge

#### Approved Tariff for Agriculture Supply

| Particulars  | Approved Tariff for FY 2022-23 |
|--|--------------------------------|
| <b>Metered Tariff</b>  |                                |
| Energy Charges (Rs./kWh) *   |                                |
| 0 to 10 HP   | 1.00                           |
| 11 to 20 HP  | 1.50                           |
| Above 20 HP  | 5.50                           |
| Fixed Charges for connected load (Rs./HP/month)**  |                                |
| 0 - 10 HP  | 40.00                          |
| 11 to 20 HP  | 40.00                          |
| Above 20 HP  | 40.00                          |
| <b>Flat Rate Unmetered connections for connected load (Rs./HP/month)**</b>                       |                                |
| 0 to 10 HP   | 250.00                         |
| 11 to 20 HP  | 275.00                         |
| Above 20 HP  | 1500.00                        |
| * 2.5% & 5% rebate on Energy Charges for connection at 11 kV and 33 kV and above respectively.   |                                |
| **to be rounded off to the next 1/2 HP (0.5 HP) for the purpose of application of Fixed Charges. |                                |



## Schedule 5: Public Street Lighting

### Applicability

**10.13** The tariffs for this category will be applicable to public street lighting established and maintained by Corporations, Municipalities, Town Area/Notified Area Committees, other local bodies and agencies authorized by the State Government to establish and maintain public street lighting.

### Character of Services

- (a) AC, 50 Hz, 230 volts, single-phase up to and including a load of 5 kW.
- (b) AC, 50 Hz, three phase, 400 volts supply for load above 5 kW.

### Rate of Charge

#### Approved Tariff for Public Street Lighting

| Particulars  | Approved Tariff for FY 2022-23 |
|--|--------------------------------|
| <b>Metered Tariff</b>  |                                |
| Energy Charge  |                                |
| Rs./kWh  | 8.00                           |
| Fixed Charge (Rs./kW/month)<br>Load (in kW) to be rounded off to the next whole number for the purpose of application of Fixed Charges | 60.00                          |
| <b>Unmetered Tariff</b>  |                                |
| Rs./kW/month or any part thereof   | 3500.00                        |



**Schedule 6: LT Public Water Works****Applicability**

**10.14** The tariffs for this consumer category shall apply to water works and sewerages/drainage installations established and maintained by Corporations, Municipalities, Town Area/Notified Area Committees, other local bodies and government agencies authorized by the State Government to establish and maintain public water works/sewerage installations.

**Character of Services**

- (a) AC, 50 Hz, 230 volts, single-phase up to and including a load of 5 kW.  
 (b) AC, 50 Hz, three phase, 400 volts supply for sanctioned load up to 100 kW.

**Rate of Charge****Approved Tariff for LT Public Water Works**

| Particulars  | Approved Tariff for FY 2022-23 |
|--|--------------------------------|
| <b>Metered Tariff</b>  |                                |
| <b>Energy Charge</b>   |                                |
| For all Units (Rs./kWh)  | 8.00                           |
| <b>Fixed Charges for metered consumers (Rs./kW/month)</b>  | 60.00                          |
| Load (in kW) to be rounded off to the next whole number for the purpose of application of Fixed Charges. |                                |



## Schedule 7: HT Public Water Works

## Applicability

**10.15** The tariffs for this consumer category shall apply to water works and sewerages/drainage installations established and maintained by Corporations, Municipalities, Town Area/Notified Area Committees, other local bodies and Government agencies authorized by the State Government to establish and maintain public water works/sewerage installations.

## Character of Services

- (a) AC, 50 Hz, three phase; 11 kV supply for load up to 1 MVA.  
 (b) AC, 50 Hz, three phase; 33 kV and above supply for sanctioned load above 1 MVA.

## Rate of Charge

## Approved Tariff for HT Public Water Works

| Particulars   | Approved Tariff for FY 2022-23 |
|---|--------------------------------|
| Metered Consumers   |                                |
| 11 kV Supply  |                                |
| Energy Charge (Rs./kVAh) *  | 8.00                           |
| Demand Charge (Rs./kVA/month) *^  | 250.00                         |
| * For Connections above 100 kW metered on LT, Additional 5% Surcharge on Demand and Energy Charges at 11 kV tariff shall be chargeable. |                                |
| ^ Or part thereof on billing demand.  |                                |
| 33 kV and above Supply  |                                |
| Energy Charge (Rs./kVAh)  | 7.90                           |
| Demand Charge (Rs./kVA/month) ^   | 250.00                         |
| ^ Or part thereof on billing demand   |                                |



## Schedule 8: LT Industrial Supply

## Applicability

**10.16** The Commission has decided that LT industrial supply shall be applicable to all units registered with the Industries & Commerce Department, Government of UT of J&K, and similar government departments of UT of Ladakh covered under the Factories Act. The list of entities covered shall include various industrial installations and workshops with manufacturing facilities where raw materials are converted to finished goods. This shall mean and include all energy consumed in factories, offices, stores, canteens, compound lighting, etc., and the consumption for residential use therein.

**10.17** LTIS-II shall be applicable to "Atta chakkis, rice huskers, oil expellers, cotton ginning" in the rural and unorganized sectors having load up to 15 HP (11.19 kW). LTIS-I would include all LT industrial consumers except those covered under LTIS-II.

## Character of Services

- (a) AC, 50 Hz, 230 volts, single-phase up to and including a load of 5 kW.  
 (b) AC, 50 Hz, three phase, 400 volts supply for sanctioned load up to 100 kW (110 kVA).

## Rate of Charge

## Approved Tariff for LT Industrial Category

| Particulars   | Approved Tariff for FY 2022-23 |
|---|--------------------------------|
| <b>LTIS-I</b><br>(for all metered consumers except those covered under LTIS-II)   |                                |
| <i>For consumers with load &lt;50 kW, kVAh tariff shall be applicable</i>   |                                |
| Energy Charges (Rs./kVAh)   | 3.65                           |
| Demand Charges (Rs./kVA/month) ^  | 55.00                          |
| <i>For consumers with load &gt;50 kW, kVAh tariff shall be applicable</i>   |                                |
| Energy Charges (Rs./kVAh)*  | 3.65                           |
| Demand Charges (Rs./kVA/month) ^  | 55.00                          |
| * For Connections with sanctioned load below 100 kW (110 kVA) supplied and metered on HT, 5% rebate on Energy Charges shall be allowed.<br>^ Or part thereof on billing demand.   |                                |
| <b>LTIS-II</b><br>(for all metered consumers and having load up to 15 HP)   |                                |
| Energy Charges (Rs./kWh)*   | 3.65                           |
| Fixed Charges (Rs./kW/month) ^  | 30.00                          |
| * For Connections with sanctioned load below 100 kW supplied and metered on HT, 5% rebate on Energy Charges shall be allowed.<br>^ Load (in kW) to be rounded off to the next whole number for the purpose of application of Fixed Charges. |                                |



**Schedule 9: HT Industrial Supply****Applicability**

**10.18** The Commission has decided that HT industrial supply shall be applicable to all units registered with the Industries Department, Government of UT of J&K, and similar government departments of UT of Ladakh and covered under the Factories Act. The list of entities covered shall include various industrial installations and workshops with manufacturing facilities where raw materials are converted to finished goods. This shall mean and include all energy consumed in factories, offices, stores, canteens, compound lighting, etc. and residential use therein, excluding power intensive industries.

**Character of Services**

- (a) AC, 3 phase; 50 Hz on 11 kV with sanctioned load above 100 kW (110 kVA) up to 1MVA.  
 (b) AC, 3 phase; 50 Hz, 33 kV and above for sanctioned load of 1 MVA and above.

**Rate of Charge****Approved Tariff for HT Industrial Category**

| Particulars  | Approved Tariff for FY 2022-23 |
|--|--------------------------------|
| <b>11 kV Supply</b>  |                                |
| Energy Charge (Rs./kVAh) *   | 3.60                           |
| Demand Charge (Rs./kVA/month) *^   | 175.00                         |
| * For Connections with sanctioned load above 100 kW metered on LT, additional 5% Surcharge on Demand & Energy Charges at 11 kV tariff shall be chargeable. |                                |
| ^ Or part thereof on Billing Demand.   |                                |
| <b>33 kV Supply#</b>   |                                |
| Energy Charge (Rs./ kVAh)**  | 3.50                           |
| Demand Charge (Rs./ kVA/ month) ^  | 175.00                         |
| #ToD tariff applicable.  |                                |
| ** Rebate to Connections at higher voltages: For 66 kV – 1.5% on the Energy Charge for 33 kV Supply.   |                                |
| ^ Or part thereof on Billing Demand.   |                                |



## Schedule 10: HT Industrial Supply for Power Intensive Industries

## Applicability

**10.19** The Commission has decided that HT Industrial supply for power intensive industries shall be applicable to all units registered with the Industries & Commerce Department, Government of UT of J&K, and similar government departments of UT of Ladakh and covered under the Factories Act. This category shall apply to HT consumers manufacturing any one of the following products and/or industries engaged in any one or more of the processes listed below and/or using induction/arc furnaces. This shall mean and include all energy consumed in factories, offices, stores, canteens, compound lighting, etc., and the consumption for residential use therein.

- (a) Calcium carbide
- (b) Caustic soda
- (c) Charge chrome
- (d) Ferro manganese
- (e) Ferro silicon
- (f) Ferro alloys
- (g) Potassium chlorate
- (h) Silicon carbide
- (i) Sodium chlorate
- (j) Sodium metal
- (k) Chlorates/per chlorates
- (l) Melting of metals and alloys
- (m) Industries engaged in electro-chemical/electro-thermal processes
- (n) Industries using induction/arc furnace
- (o) In other cases, where the cost of power is more than 25% of the cost of the product manufactured.

## Character of Services

- (a) AC, 3 phase; 50 Hz, 11 kV up to 1 MVA.
- (b) AC, 3 phase; 50 Hz, 33 kV and above for load of 1 MVA and above.

## Rate of Charge

## Approved Tariff for HT Industrial Supply for Power Intensive Industries

| Particulars  | Approved Tariff for FY 2022-23 |
|--|--------------------------------|
| 11 kV Supply   |                                |
| Energy Charge (Rs./kVAh)   | 4.35                           |
| Demand Charge (Rs./kVA/month) <sup>^</sup>   | 225.00                         |
| <sup>^</sup> Or part thereof on Billing Demand   |                                |
| 33 kV Supply <sup>#</sup>  |                                |
| Energy Charge (Rs./kVAh) <sup>*</sup>  | 4.30                           |
| Demand Charge (Rs./kVA/month) <sup>^</sup>   | 225.00                         |
| <sup>#</sup> ToD tariff applicable   |                                |
| <sup>*</sup> Rebate to Connections at higher voltages: For 66 kV – 1.5% on the Energy Charge for 33 kV Supply. <sup>^</sup> Or part thereof on Billing Demand. |                                |



**Schedule 11: General Purpose Bulk Supply****Applicability**

- 10.20** This category contains all non-industrial consumers having mixed type of load greater than 100 kW (110 kVA). This includes domestic consumers, offices, educational/technical institutions, religious institutions, residential colonies, commercial establishments and other similar consumers.
- 10.21** All connections having load of 100 kW or above and not covered in any other category shall be billed under tariffs applicable to this category. However, any such connections belonging to State/Central Governments, defence and para-military forces shall not be considered in this category.

**Character of Services**

- (a) AC, 3 phase; 50 Hz on 11 kV up to 1 MVA.
- (b) AC, 3 phase; 50 Hz on 33 kV and above for load of 1 MVA and above.

**Rate of Charge****Approved Tariff for General Purpose Bulk Supply**

| Particulars   | Approved Tariff for FY 2022-23 |
|---|--------------------------------|
| <b>11 kV Supply</b>   |                                |
| Energy Charge (Rs./kVAh) *  | 4.90                           |
| Demand Charge (Rs./kVA/month) *^  | 225.00                         |
| * For Connections above 100 kW metered on LT, additional 5% Surcharge on Demand and Energy Charges at 11 kV tariff shall be chargeable. |                                |
| ^ Or part thereof on Billing Demand.  |                                |
| <b>33 kV Supply#</b>  |                                |
| Energy Charge (Rs./kVAh)**  | 4.85                           |
| Demand Charge (Rs./kVA/month) ^   | 225.00                         |
| # ToD tariff applicable.  |                                |
| ** Rebate to Connections at higher voltages: For 66 kV – 1.5% on the Energy Charge for 33 kV Supply.                                    |                                |
| ^ Or part thereof on Billing Demand.  |                                |



## Schedule 12: LT and HT Temporary Connections

### Applicability

- 10.22** The Commission has fixed the applicability for this category to all loads of temporary nature, such as exhibitions, touring talkies, circuses, fairs, marriages, temporary agricultural loads, temporary supply for construction including civil works by Government departments and other similar purposes.

### Rate of Charge

- 10.23** The Commission has approved the tariff for temporary connections at 1.5 times the applicable rates (on fixed/demand and energy charges).

### Time Period for Temporary Connection

- 10.24** Temporary connections shall be granted for a period up to 12 months at a time. However, if the period of temporary connection is extended beyond 12 months, the tariff would be two times that of the applicable fixed/demand and energy charges.



**Schedule 13: Electric Vehicle (EV) Charging Station****Applicability**

**10.25** This tariff category is applicable to Electric Vehicle Charging Stations including battery swapping stations for Electric Vehicle.

**10.26** In case the consumer uses electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.

**Character of Services**

- (a) AC, 3 phase; 50 Hz: 400 volts supply for sanctioned load up to 100 kW (110 kVA).
- (b) AC, 3 phase; 50 Hz on 11 kV above 110 kVA and up to 1 MVA.
- (c) AC, 3 phase; 50 Hz on 33 kV and above for load of 1 MVA and above.

**Rate of Charge**

## Approved Tariff for EV charging station

| Particulars   | Approved Tariff for FY 2022-23 |
|---|--------------------------------|
| <b>LT Supply</b>  |                                |
| Energy Charge (Rs./kVAh)  | 5.10                           |
| Demand Charge (Rs./kVA/month) ^   | 100                            |
| <b>11 kV Supply</b>   |                                |
| Energy Charge (Rs./kVAh) *  | 5.00                           |
| Demand Charge (Rs./kVA/month) **  | 175                            |
| * For Connections above 100 kW metered on LT, additional 5% Surcharge on Demand and Energy Charges at 11 kV tariff shall be chargeable. |                                |
| <b>33 kV Supply#</b>  |                                |
| Energy Charge (Rs./kVAh)**  | 4.90                           |
| Demand Charge (Rs./kVA/month) ^   | 150                            |
| # ToD tariff applicable.  |                                |
| ** Rebate to Connections at higher voltages: For 66 kV – 1.5% on the Energy Charge for 33 kV Supply.                                    |                                |
| ^ Or part thereof on Billing Demand.  |                                |



**Schedule 14: Traction****Applicability**

**10.27** This tariff category is applicable to power supply at High Voltage for Railways, including stations and shops, workshops, yards, etc.

**Character of Services**

- (a) AC, 3 phase; 50 Hz on 11 kV up to 1 MVA.
- (b) AC, 3 phase; 50 Hz on 33 kV and above for load of 1 MVA and above.

**Rate of Charge****Approved Tariff for Traction**

| Particulars   | Approved Tariff for FY 2022-23 |
|---|--------------------------------|
| 11 kV / 33 kV Supply#   |                                |
| Energy Charge (Rs./kVAh) *  | 4.70                           |
| Demand Charge (Rs./kVA/month) *^  | 300                            |
| # ToD tariff applicable for 33 kV supply only.  |                                |
| * For Connections above 100 kW metered on LT, Additional 5% Surcharge on Demand and Energy Charges at 11 kV tariff shall be chargeable. |                                |
| ^ Or part thereof on Billing Demand.  |                                |

■ ■ ■



## Chapter 11: Terms and Conditions of Tariff/Definitions

- 11.1** The terms and conditions for application of tariff for FY 2022-23 as approved by the Commission are provided below.

### Terms and Conditions of Tariff

- 11.2** These tariffs supersede all tariffs thus far in force.
- 11.3** The tariffs are subject to revision and/or surcharge that may be levied by the Distribution Licensee from time to time as per the directives of the Commission.
- 11.4** The tariffs are subject to the provisions of the applicable Regulations and any directions that may be issued by the Commission from time to time.
- 11.5** The Fixed charges, Demand charges, and slabs of consumption of energy for Energy Charges mentioned shall not be subject to any adjustment on account of existence of any broken period within billing period arising from consumer supply being connected or disconnected any time within the duration of billing period for any reason.
- 11.6** The utility shall provide single-phase LT connections up to and including load of 5 kW, beyond which all connections shall be three phase in nature.
- 11.7** The Distribution Licensee may provide three phase connections to consumers with a load of less than 5 kW on request from the consumer accompanying justification for the same. Three phase tariff shall be applicable to all such connections.
- 11.8** Unless specifically stated to the contrary, the figures of Energy Charge are denominated in Rupees per unit (kWh or kVAh as the case may be) for the energy consumed during the month. The billing of energy charges will be done on complete one kilo-watt-hour (kWh) or kilo-volt-ampere-hour (kVAh).

### Points of Supply

- 11.9** The tariff will be applicable to one-point supply unless otherwise specified in the agreement between the Licensee and consumer.

### Minimum Agreement Period

- 11.10** The minimum period for which the Licensee shall provide a permanent connection for power supply to a consumer shall be six months (LT supply), one year (HT supply) and two years (EHT supply) starting from date of commencement of supply. The minimum period of agreement shall continue until the end of the billing cycle in which the end date of six months/one year/two years' period expires. Any consumer applying for permanent disconnection of supply before the expiry of the period as specified above, shall pay to the utility guaranteed charges/minimum charges/demand charges for unexpired period of the



agreement. However, this condition of paying minimum charges can be relaxed for domestic and agriculture consumers.

### Security Deposit

**11.11** All matters regarding Security Deposits will be as per provisions given in Supply Code Regulations and its amendments in force.

### Late Payment Surcharge

**11.12** The Licensee shall levy a late payment surcharge @ 1.5% per month on the unpaid (beyond due date) principal amount of energy charges, fixed/demand charges and/or minimum charges as may be the case for authorized connections.

*Example 1: In case no payment has been made before due date*

- Amount payable on account of energy and fixed/demand charges by due date = Rs. 1,000
- Due Date = 31<sup>st</sup> May.
- Actual paid by due date = Nil
- Amount payable after due date but by 30<sup>th</sup> June = Rs.1,015 (1000 + 15)
- Amount payable by 31<sup>st</sup> July = Rs.1,030 (1000 + 15 + 15) and so on (Note: Surcharge for the period beyond June would be computed on the unpaid principal amount only)

*Example 2: In case partial payment has been made before due date*

- Amount payable on account of energy and fixed/demand charges by due date = Rs. 1,000
- Due Date = 31<sup>st</sup> May
- Actual paid by due date = 500
- Unpaid Amount payable after due date but by 30<sup>th</sup> June = Rs.507.5(500 + 7.5)
- Amount payable by 31<sup>st</sup> July = Rs.515 (500 + 7.5 + 7.5) and so on (Note: Surcharge for the period beyond June would be computed on the unpaid principal amount only)

### Rebate for Pre-Paid Smart Meter

**11.13** Consumers with prepaid smart metered connections shall be entitled for rebate of 2% in the Energy Charge Rate applicable for that consumer category.

### Excess/Unauthorized Load

**11.14** Any consumer having energy meter with Maximum Demand Indicators (MDI) installed, found to have actual load drawn greater than the contracted demand shall be levied fixed/demand charges for the excess load at twice the normal rate. The energy charges for consumption proportionate to the excess demand shall also be billed at twice the normal rate. In cases where no MDI is installed, the excess load shall be billed as per provisions given in Supply Code Regulations and its amendments in force.

*Example:*

- (a) For consumers where fixed charges on the basis of contracted load/demand have been specified:



- Contracted load = 30 kW, Maximum Demand = 43 kW, Excess Demand = 13 kW (43-13)
  - Recorded consumption for month = 10,320 KWh
  - Consumption corresponding to contracted load =  $(10,320 / 43 * 30) = 7,200$  kWh
  - Consumption corresponding to excess demand =  $(10,320 - 7,200) = 3,120$  kWh
  - Normal Fixed Charge Rate = Rs.47/kW/month, Normal Energy Charge rate = Rs.3.00/kWh
  - Fixed Charges for contracted load =  $(30 * 47) = \text{Rs.}1,410$
  - Fixed Charges for excess load =  $(13 * 47 * 2) = \text{Rs.}1,222$
  - Total Fixed Charges =  $(1,410 + 1,222) = \text{Rs.}2,632$
  - Energy Charges for consumption corresponding to contracted load =  $(7,200 * 3) = \text{Rs.}21,600$ ;
  - Energy Charges for consumption corresponding to excess load =  $(3,120 * 3 * 2) = \text{Rs.}18,720$ ;
  - Total Energy Charges =  $(21,600 + 18,720) = \text{Rs.}40,320$
- (b) For industrial consumers billed on billable demand:
- Contracted demand = 500 kVA, Maximum Demand = 800 kVA, Excess Demand = 300 kVA (800-500)
  - Recorded consumption for month = 3,26,400 KVAh
  - Consumption corresponding to contracted demand =  $(3,26,400 * 500/800) = 2,04,000$  KVAh;
  - Consumption corresponding to excess demand =  $(3,26,400 - 2,04,000) = 1,22,400$  KVAh
  - Normal Demand Charge Rate = Rs. 130/kVA/month, Normal Energy Charge rate = Rs.2.60/KVAh
  - Fixed Charges for contracted demand =  $(500 * 130) = \text{Rs.}65,000$
  - Fixed Charges for excess demand =  $(300 * 130 * 2) = \text{Rs.}78,000$
  - Total Fixed Charges =  $(65,000 + 78,000) = \text{Rs.}1,43,000$
  - Energy Charges for consumption corresponding to contracted demand =  $(2,04,000 * 2.60) = \text{Rs.}5,30,400$ ;
  - Energy Charges for consumption corresponding to excess demand =  $(1,22,400 * 2.60 * 2) = \text{Rs.}6,36,480$ ;
  - Total Energy Charges =  $(5,30,400 + 6,36,480) = \text{Rs.}11,66,880$

### Electricity Duty

**11.15** The tariffs are exclusive of Electricity Duty (ED) or any other taxes levied by the Government. The ED and any other levy shall be charged extra and remitted to the Government separately based on the actual payment from consumers.

### Irregular Power Supply

**11.16** Wherever the utility is unable to supply power to the entire area/locality fed by a particular substation for a continuous period of 15 days or more, no electricity charges will be payable by the affected consumers for the period for which the power remains off continuously.



- 11.17** The areas where the power supply is less than 12 hours a day continuously for a period of thirty days, the minimum charges/fixed charges/demand charges shall be levied proportionately for the actual period of supply.

#### **Government Employees moving with Darbar**

- 11.18** Government employees moving between Jammu and Srinagar along with Darbar and occupying government accommodation shall be granted electric connection for a period of six months. On expiry of six months, the utility will disconnect the installation immediately and no charges will be levied for the period the installation remains disconnected. All such installations shall be deemed to be permanent connections for determination of tariff.

#### **Defective/Burnt/Stolen Meters**

- 11.19** In the case of a defective/stolen/burnt meter, the consumer shall be billed on the basis of the provisions given in the Supply Code Regulations and its amendments in force.

#### **Charges for Dishonoured Cheques**

- 11.20** A consumer whose cheque has been dishonoured shall have to make payments within 7 days either in cash or net banking. Other conditions shall be as per provisions given in Supply Code Regulations and its amendments in force.

#### **Resale of Energy**

- 11.21** Resale of power will be governed by the provisions given in the Supply Code Regulations and its amendments in force.

#### **Applicability of Tariff**

- 11.22** In case of dispute between the utility and the consumer regarding the applicability of tariff, the decision of the Commission shall be final.

#### **Contradiction to the Agreement**

- 11.23** All conditions prescribed herein shall be applicable to the consumer, notwithstanding, the provisions, if any, in the agreement entered by the consumer with the licensee being to the contrary.

#### **Time of Day (ToD) Tariff**

- 11.24** ToD tariff is applicable in addition to energy charges for HT consumers with load above 1 MVA getting supply at 33 kV level and above. For implementation of ToD tariff, peak hours will be considered as 0600-0800 Hrs and 1800-2200 Hrs (total 6 hours) and off-peak hours will be 2300-0500 Hrs (total 6 hours). During peak hours a 10% surcharge on energy charges will be applicable. During off-peak hours a 10% rebate on energy charges will be applicable.

#### **Rebate for Use of Solar Energy**

- 11.25** During the winter months the consumption of electricity is very high especially during the morning hours resulting in peaking of demand in addition to the normal peaking witnessed in the evening hours. Climatic conditions in the State are such that hot water is required by domestic as well as commercial consumers and it appears that one of the reasons for this



peaking demand in the morning during the winter months is the use of water heating appliances like geysers and immersion rods etc. These heating appliances are heavy guzzlers of electricity.

- 11.26** This requirement of consumers is real and cannot be curbed or discouraged beyond apoint. Therefore, for the sake of proper grid management it is essential that consumers should be nudged and encouraged to opt for alternative methods to meet ~~for~~ water heating and cooling requirements. Solar water heaters and/or solar cookers offer an excellent alternative to electrical water heating systems and can help in a big way in reducing the demand particularly during morning hours. The weather conditions in the State are conducive to tapping solar energy for this purpose. Responsible and progressive consumers are already using such devices to substantially reduce their energy bills. Use of solar heating is thus a win-win situation for consumers as well as the utility.
- 11.27** In order to encourage consumers to switch over to solar water heating systems, the Commission proposes a monthly rebate of Rs.150 for all metered consumers who have installed such solar heating systems with a minimum capacity of 100 litres for meeting their requirements of hot water. To avail this rebate, the consumer will be required to give documentary proof of having obtained JAKEDA or purchase from a registered dealer of such a system. He will also have to supply an affidavit to the effect that such a system has been installed on his premises and is being used regularly to meet such heating requirements.
- 11.28** This declaration will be verified by the Licensee's meter representative. In case such declaration is found to be false, the Licensee in addition to taking appropriate legal action against such consumer would also be entitled to recover the entire rebate allowed to such consumers with 100% penalty.

## Definitions

### Connected Load

- 11.29** "Connected load" expressed in kilo Watt (kW), kilo Volt Ampere (kVA) or Horse Power (HP), means aggregate of the manufacturer's rated capacities of all energy consuming devices or apparatus connected with the Distribution Licensee's service line on the consumer's premises, which can be simultaneously used and shall be determined as per the procedure laid down in the Supply Code. This shall be expressed in kW or kVA. If the rating is in kVA, the same shall be converted to kW by multiplying the kVA with a Power Factor of 0.9. If the same or any other apparatus is rated in HP, the HP shall be converted to kW by multiplying it by 0.746.
- 11.30** However, this shall not include the load of extension plug sockets, stand-by or spare energy consuming apparatus installed, through change over switch, which cannot be operated simultaneously and any other load exclusively meant for firefighting purposes.
- 11.31** In case of domestic consumers, higher of the cooling load (air conditioners, coolers, etc.) or heating load (excluding equipment used for cooking) only shall be taken for determination of total load.



- 11.32** Any equipment which is under installation and not connected electrically such as equipment stored in warehouses/showrooms either as spare or for sale will not be considered as part of the Connected Load.

#### **Sanctioned Load**

- 11.33** Sanctioned Load: Shall mean load (in kW, kVA or HP) for which the Licensee has agreed to supply from time to time subject to the governing terms and conditions in the absence of an agreement between the distribution licensee and the consumer.

#### **Contract Demand**

- 11.34** Contract demand means the maximum demand in kW, kVA or HP, agreed to be supplied by the Licensee and indicated in the agreement executed between the Licensee and the consumer. The contract demand cannot be reduced to less than 60% of the sanctioned connected demand.

#### **Maximum Demand**

- 11.35** Maximum Demand for any month shall mean the highest average load measured in kVA or kW (kilo volt amperes/kilo watt) during any consecutive 30 minute period of the month.

#### **Demand Charges**

- 11.36** Demand Charges shall mean the amount chargeable based upon the billing demand as defined in para 11.37 below.

#### **Average Power Factor**

- 11.37** Average Power Factor: Shall mean the average energy factor and shall be taken as the ratio of the kilo-watt-hour (kWh) to the kilo-volt-ampere-hour (kVAh) supplied during any period.

#### **Billing Demand**

- 11.38** The billing demand (for kVA-based billing) for any month shall be taken to be the higher of the actual maximum recorded demand or 75% of the Contract Demand.

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## Chapter 12: Schedule of Miscellaneous Charges

Table 61: Approved Schedule of Miscellaneous Charges for FY 2022-23

| Sl.No | Description   | Units             | Approved Charges for FY 2022-23       |
|-------|---|-------------------|---------------------------------------|
| 1     | For single-phase and three phase connection up to 5 kW  |                   |                                       |
| 1.a   | Changing Meter Board in same premises   | Rs.               | 80                                    |
| 1.b   | Changing Meter at Consumer's request on same premises   | Rs.               | 80                                    |
| 1.c   | Resealing PDDs cut-out in Consumer's premises   | Rs.               | 25                                    |
| 2     | Re-sealing of Meters, Maximum Demand Indicators in Consumers Premises                                   |                   |                                       |
| 2.a   | Single phase LT Connection.   | Rs.               | 100                                   |
| 2.b   | Three phase LT Connection   | Rs.               | 150                                   |
| 2.c   | HT Connection   | Rs.               | 850                                   |
| 3     | Meter Testing Charge at Consumer's Request  |                   |                                       |
| 3.a   | Single phase LT Meter   | Rs.               | 60                                    |
| 3.b   | Three phase 4W/3W Meter without CT  | Rs.               | 100                                   |
| 3.c   | Three phase 4W/3W Meter with CT   | Rs.               | 350                                   |
| 3.d   | LT CT Meter   | Rs.               | 200                                   |
| 3.e   | HT Meter along with metering equipment (CT/PT)  | Rs.               | 1200                                  |
| 4     | Special Meter Reading   |                   |                                       |
| 4.a   | LT Connection   | Rs.               | 30                                    |
| 4.b   | HT Connection   | Rs.               | 250                                   |
| 5     | Replacement of Burnt Meter (if burnt due to Consumer's fault)   | Rs.               | Cost of Meter+15% supervision charges |
| 6     | Fuse Off call charges-Replacement   |                   |                                       |
| 6.a   | PDD's cut out fuse  | Rs.               | 25                                    |
| 6.b   | LT Consumers fuse   | Rs.               | 25                                    |
| 7     | Replacement of Missing Meter Card   | Rs./Card          | 15                                    |
| 8     | Replacement of Broken Glass of Meter  | Rs./Glass         | 40                                    |
| 9     | Reconnection/Disconnection Charges  |                   |                                       |
| 9.a   | LT Consumers  | Rs.               | 50                                    |
| 9.b   | HT Consumers  | Rs.               | 250                                   |
| 10    | Rechecking of installation on request of Consumer   |                   |                                       |
| 10.a  | Single phase  | Rs.               | 100                                   |
| 10.b  | Three phase   | Rs.               | 250                                   |
| 11    | Re-rating of equipment  | Rs./Equipment     | 120                                   |
| 12    | Supervision charge for Service Connection(if service line laid by Consumer through licensed Contractor) |                   |                                       |
| 12.a  | Single phase LT connection  | Rs.               | 200                                   |
| 12.b  | Three phase LT connection   | Rs.               | 450                                   |
| 12.c  | Loop LT connection  | Rs.               | 120                                   |
| 13    | Parallel Operation charge for availing Grid support by CPP  | Rs./kVA per month | As per JERC Regulations               |



| Sl.No | Description   | Units                            | Approved Charges for FY 2022-23             |
|-------|---|----------------------------------|---|
|       |   | on the installed capacity of CPP |   |
| 14    | Shifting of Connection                                    | Rs.                              | Actual material cost+15% supervision charge |
| 15    | Hiring of Utility's plant and Equipment                   |                                  |   |
| 15.a  | For initial hire agreement period                         | Rs.                              | 1% pm on current schedule of rates          |
| 15.b  | For subsequent period of hire agreement                   | Rs.                              | Twice of 15.a                               |
| 15.c  | For LT consumers (more than 100 HP) converting to HT      | Rs.                              | Same as 15.a & 15.b                         |
| 16    | Transfer of Name  |                                  |   |
| 16.a  | LT  | Rs.                              | 120   |
| 16.b  | HT  | Rs.                              | 600   |
| 17    | Booklet for HT/LT Tariff                                  | Rs.                              | 25  |
| 18    | Connection/Disconnection Charges for Temporary Connection |                                  |   |
| 18.a  | LT temporary connection                                   | Rs.                              | 150   |
| 18.b  | HT temporary connection                                   | Rs.                              | 700   |

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## Annexure 1:

### List of participants in State Advisory Committee Meeting

| S.N.   | Name of the Member/Officers  | Department/Organization   |
|--|------------------------------|---|
| <b>OFFICERS OF JERC</b>  |                              |   |
| 1  | Shri. Lokesh D Jha           | Chairman, JERC  |
| 2  | Shri. Ajay Gupta             | Member Technical, JERC  |
| 3  | Shri. V K Dhar               | Secretary, JERC   |
| 4  | Shri. Rakesh Sharma          | Ex Engineer, JERC   |
| 5  | Shri. Surender Pimparkhedkar | Sr Fellow (WISE), Consultant, JERC                                  |
| 6  | Shri. Satadru Chakraborty    | Fellow (WISE), Consultant, JERC                                     |
| 7  | Shri. Utkarsh Gautam         | Consultant (WISE), JERC   |
| 8  | Shri. Abhimanyu Verma        | Sr. Asstt., JERC  |
| 9  | Shri. Gurpreet Singh         | Jr. Asstt., JERC  |
| <b>MEMBERS OF THE STATE ADVISORY COMMITTEE (SAC), JERC</b>           |                              |   |
| 10   | Dr. Sanjeev Anand            | Asst. Professor, Dept of Energy Management, SMVDU, Katra            |
| 11   | Shri. Jugal Kishore          | Addl. Secy, FCS&CA  |
| 12   | Shri. Shiv Kumar Sharma      | President, Jammu Kashmir Indian Trade Union Congress, Jammu.        |
| 13   | Dr. Ankit Dubey,             | Asst. Professor, IIT Jammu  |
| 14   | Shri. Tsering Mutup          | Director, FCS&CA (Rep. Secy. Ladakh)                                |
| 15   | Shri. Arun Gupta             | President, Chamber of Commerce & Industries, Jammu                  |
| 16   | Shri. Ashok Kumar            | General Secretary, Helpage Welfare Society, Transport Nagar, Jammu. |
| <b>OFFICERS/REPRESENTATIVES OF JKPC/L/JPDC/L/KPDCL/JKPTCL/JKPDCL</b> |                              |   |
| 17   | Shri. Shiv Anant Tayal       | MD, JPDCL   |
| 18   | Dr. Basharat Qayoom          | MD, KPDCL   |
| 19   | Shri. Raja Vaaqors Farooq    | MD, JKPDCL  |
| 20   | Shri. Bashir Ahmad Dar       | MD, JKPTCL  |
| 21   | Shri. Javed Dar              | CE, KPDCL   |
| 22   | Shri. Mohammad Yousuf Baba   | Sr. General Manager, JKPDCL   |
| 23   | Shri. Ghulam Ahmad Mir       | CE, PDD Ladakh  |
| 24   | Shri. AK Chibber             | Technical Officer to MD, JPDCL                                      |
| 25   | Shri. S.K. Gupta             | Technical Officer to MD, JKPTCL                                     |
| 26   | Shri. Rakesh Kumar Sood      | REC, Project Manager Hand holding, Ladakh                           |
| 27   | Shri. Amit Raj Gaur          | Sr. Manager, Tata Power   |

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## Annexure 2:

### List of Stakeholders who Responded to the Public Notice

| S.No. | Objector  |
|-------|---|
| 1.    | Shri Skarma Tsering Dehlex, President, All Ladakh Hotel and Guest House Association |
| 2.    | Shri Devendra Parihar, SE, Headquarters, Chief Engineer - Leh Zone, C/o 56 APO      |

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## Annexure 3:

### List of Stakeholders who Attended the Public Hearing

Date : 21<sup>ST</sup> JUNE, 2022

Venue: CONFERENCE HALL, D.C. OFFICE, LEH

| S. No.  | Name of the Member/Officers | Department/Organization                            |
|---|-----------------------------|--|
| <b>OFFICERS OF JERC</b>   |                             |  |
| 1.  | Shri. Lokesh D Jha          | Chairman, JERC                                     |
| 2.  | Shri. Ajay Gupta            | Member Technical, JERC                             |
| 3.  | Shri. V K Dhar              | Secretary, JERC                                    |
| 4.  | Shri. Ghulam Nabi Mir       | Additional Secretary Law, JERC.                    |
| 5.  | Shri. Utkarsh Gautam        | Consultant (WISE), JERC                            |
| <b>OFFICERS/REPRESENTATIVES OF LPDD AND OTHER ORGANISATIONS</b> |                             |  |
| 6.  | Shri. Ravinder Kumar, IAS   | Secretary, PDD, UT of Ladakh                       |
| 7.  | Shri. G Ahmed Mir           | Chief Engineer, LPDD                               |
| 8.  | Shri. Tsewang Puljoo        | Superintending Engineer, LPDD                      |
| 9.  | Shri. Tundeep Spahaj        | Ex Engineer, LPDD                                  |
| 10.   | Shri. Rinchin Wangoo        | Ex Engineer, LPDD                                  |
| 11.   | Shri. Mustafa               | AGE, PDD   |
| 12.   | Shri. Mohd Iqbal            | PDD  |
| 13.   | Shri. Anwar Hussain         | XEN, LPDD  |
| 14.   | Shri. Stanzin Dodjoo        | AE, TO to CE, LPDD                                 |
| 15.   | Shri. Tsering Sangdup       | AE, LPDD   |
| 16.   | Shri. Ali Mussa             | AE, LPDD   |
| 17.   | Shri. Avtar Singh           | AE, LPDD   |
| 18.   | Shri. Stanzin Naungial      | AE, PDC  |
| 19.   | Shri. Aga Syed Ahmed        | JE, PDC  |
| 20.   | Shri. Mohd Baqir            | JE, LPDD   |
| 21.   | Shri. Amit Gaur             | Sr Manager, TATA Power, LPDD                       |
| 22.   | Shri. Santo H Chousary      | TATA Power   |
| 23.   | Shri. Rakesh Kumar Sood     | REC-PDCL   |
| 24.   | Shri. Yogesh Kumar Luthra   | Sr Consultant, REC-PDCL                            |
| 25.   | Shri Devender Parihar       | Director, Indian Army                              |
| 26.   | Major P Rajesh              | IEM, Indian Army                                   |
| 27.   | Shri. Tsering Angeno        | Ward I Member, Ladakh Municipal Corporation        |
| 28.   | Smt. Rinchen Dolkar         | Elective Representative, Leh Municipal Corporation |
| 29.   | Shri. Stanzin Clurtar       | Senior Project Engineer, LREDA                     |
| 30.   | Shri. Arif Kakporj          | Senior Project Engineer, LREDA                     |
| 31.   | Shri. Stanzin Tsundus       | Contractor, LREDA                                  |
| 32.   | Shri. Nawang Jhinless       | Chairman, CII                                      |
| 33.   | Smt. Rigzin Lachic          | Vice-President-ALHAGNA                             |
| 34.   | Shri. S.T.Dehlex            | President-ALHAGNA                                  |



| S. No. | Name of the Member/Officers | Department/Organization                          |
|--------|-----------------------------|--|
| 35.    | Shri. Deldam Gawa Otsal     | Ward Member, Municipal Corporation Chamba        |
| 36.    | Dr Ishan Nemsyal            | President, Municipal Corporation Leh             |
| 37.    | Shri. Tsaring Anget         | Member, Hotel Union Ladakh                       |
| 38.    | Shri. Tsang Yanjpin         | Member, Hotel Union Ladakh                       |
| 39.    | Shri. Tashi Gyeshton Khacha | Chairman, Ladakh Chamber of Industries, ASOOCHAM |
| 40.    | Stanzin Yorlow              |  |
| 41.    | Shri. Konchok Yandeep       |  |



## Annexure 4:

### Detail of Power Purchase on behalf of JPDCL KPDCL and LPDD by JKPCCL

| Region  | 2018-19              |                           |   | 2019-20              |                           |   | 2020-21              |                           |   |
|---------|----------------------|---------------------------|---|----------------------|---------------------------|---|----------------------|---------------------------|---|
|         | Units Consumed in MU | Pure energy Cost Rs.in Cr | Energy Cost with Late payment Surcharge and Supplementary Bills etc. Rs.in Cr | Units Consumed in MU | Pure energy Cost Rs.in Cr | Energy Cost with Late payment Surcharge and Supplementary Bills etc. Rs.in Cr | Units Consumed in MU | Pure energy Cost Rs.in Cr | Energy Cost with Late payment Surcharge and Supplementary Bills etc. Rs.in Cr |
| JAMMU   | 7459.34              | 2631.24                   | 3112.72   | 7367.15              | 2619.25                   | 3362.01   | 7559.623             | 2639.77                   | 3279.05   |
| KASHMIR | 9286.37              | 3275.71                   | 3875.17   | 9252.58              | 3289.58                   | 4222.43   | 10162.137            | 3548.55                   | 4407.91   |
| LADAKH  | 430.1                | 151.72                    | 179.48  | 459.93               | 163.52                    | 209.89  | 369.625              | 129.07                    | 160.33  |
| TOTAL   | 17175.81             | 6058.67                   | 7167.37   | 17079.66             | 6072.35                   | 7794.33   | 18091.385            | 6317.39                   | 7847.29   |

| % age Av consumption last 3 years | JAMMU | KASHMIR | LADAKH |
|-----------------------------------|-------|---------|--------|
|                                   | 42.78 | 54.80   | 2.41   |

| Total Loan Under Atmanirbhar Bharat Abhiyan Rs 11024.47 Cr | JAMMU Rs. in Cr | KASHMIR Rs. in Cr | LADAKH Rs. in Cr |
|--|-----------------|-------------------|------------------|
|  | 4716.78         | 6041.88           | 265.79           |

*[Signature]*  
AE

*[Signature]*  
AEER

*[Signature]*  
KEN.

*[Signature]*  
To the chief Engineer  
JKPCCL