

Jharkhand State Electricity Regulatory Commission



Order on
True-up for FY 2019-20,
Annual Performance Review for FY 2020-21 and
Approval of Business Plan and MYT for the Control Period
from FY 2021-22 to FY 2025-26
and
Tariff Determination for FY 2021-22
for
Jharkhand Bijli Vitran Nigam Limited (JBVNL)

Ranchi
May 31, 2023



CONTENTS

A 1 INTRODUCTION.....	12
Jharkhand State Electricity Regulatory Commission.....	12
The Petitioner - Jharkhand Bijli Vitran Nigam Limited	14
The Petitioner's Prayers	15
Scope of the Present Order.....	16
A 2 PROCEDURAL HISTORY	17
Background	17
Inviting Public Comments/Suggestions	18
Meeting of the State Advisory Committee.....	19
Submission of Comments/Suggestions and Conduct of Public Hearing	20
A 3 BRIEF FACTS OF THE PETITION.....	21
True-up for FY 2019-20.....	21
Annual Performance Review for FY 2020-21	21
MYT Business Plan for Control Period from FY 2021-22 to FY 2025-26.....	22
MYT for Control Period from FY 2021-22 to FY 2025-26.....	23
A 4 PUBLIC CONSULTATION PROCESS	26
Power Purchase Cost.....	26
Projections in MYT period FY 2021-22 to FY 2025-26.....	27
UI Charges.....	27
Transmission charges	28
Fixed Cost of Power Stations.....	29
Waiver to Fixed Charge	29
Other Additional Charges.....	30
AT&C Loss	31
Capital Expenditure.....	32
Interest on Consumer Security	33
Interest on Working Capital	34
Non-Tariff Income	34
Resource Gap Funding.....	35
Subsidy.....	36
Implementation of HTSS category.....	36
Tariff hike.....	37



Terms and Conditions of Supply	38
One State One Tariff	39
Comparative Tariff with other Licensee	40
Increase in Demand Charge	41
Load Factor Rebate	42
Prompt Payment and Online payment Rebate.....	42
Audit of Financial Accounts	43
Directives	43
Renewable and Green Energy	44
Power Theft	45
Benefits to Consumer	46
Grievance Redressal	46
A 5 TRUE-UP FOR FY 2019-20.....	47
Energy Sales	47
Power Purchase Quantum and Cost	48
Energy Requirement and Energy Availability	49
Transmission Charges	51
Capital Expenditure and Capitalisation	53
Consumer Contribution, Grants and Subsidies	55
Operation & Maintenance Expenses	57
Depreciation	58
Interest on Loan.....	59
Interest on Consumer Security Deposit.....	61
Interest on Working Capital (IoWC).....	61
Return on Equity	63
Non-Tariff Income (NTI)	64
Disallowances on account of Excessive AT&C Losses.....	66
Resource Gap Funding (RGF).....	69
Penalty for Non-Compliance of Directives	70
Summary of ARR for FY 2019-20.....	71
Summary of Standalone Gap/(Surplus)	72
A 6 ANNUAL PERFORMANCE REVIEW FOR FY 2020-21	73
A 7 APPROVAL OF BUSINESS PLAN FOR CONTROL PERIOD FROM FY 2021-22 TO FY 2025-26	74
Demand and Sale Forecast	76



Distribution Loss	78
Power Purchase Plan	79
<i>Energy Balance</i>	79
Power Purchase Quantum and Cost	82
Transmission Charges	87
Capital Investment Plan and Capitalisation	87
Consumer Contribution, Grants and Subsidies	94
Human Resource Plan	96
A 8 DETERMINATION OF TARIFF FOR THE MYT CONTROL PERIOD FROM FY 2021-22 TO FY 2025-26.....	98
Operation & Maintenance Expenses	98
Depreciation	104
Interest and Finance Charges	107
Interest on Consumer Security Deposit.....	110
Interest on Working Capital (IoWC).....	111
Return on Equity	113
Non-Tariff Income (NTI)	115
Summary of ARR for the MYT Control Period from FY 2021-22 to FY 2025-26.....	117
Revenue at Existing Tariff	119
Summary of ARR and Gap/(Surplus) at Existing Tariff.....	119
A 9 REVENUE GAP AND ITS TREATMENT.....	120
Treatment of Revenue Gap/(Surplus)	120
Revenue Gap/(Surplus)	120
A 10 DETERMINATION OF WHEELING CHARGE, WHEELING LOSSES AND CROSS SUBSIDY SURCHARGE FOR FY 2021-22	125
Wheeling Charges	125
Voltage-wise Cost of Supply	130
Cross Subsidy Surcharge.....	134
A 11 TARIFF PHILOSOPHY	136
Unmetered Category	136
Simplification and Rationalisation of Tariff	136
A 12 APPROVED RETAIL TARIFF FOR FY 2021-22.....	138
A 13 SCHEDULE OF CHARGES	139
A 14 TARIFF SCHEDULE FOR FY 2021-22.....	142
Consumer Tariff	142



Tariff to be paid by the Licensee for Gross/Net Metering of rooftop Solar PV projects.....	155
Schedule for Miscellaneous Charges	156
A 15 TERMS AND CONDITIONS OF SUPPLY.....	158
<i>Clause I: Penalty for exceeding Billing/ Contract Demand.....</i>	<i>158</i>
<i>Clause II: Jharkhand Electricity Duty.....</i>	<i>158</i>
<i>Clause III: Delayed Payment Surcharge.....</i>	<i>158</i>
<i>Clause IV: Voltage Rebate</i>	<i>158</i>
<i>Clause V: Load Factor Rebate</i>	<i>159</i>
<i>Clause VI: Installation of Shunt Capacitors.....</i>	<i>159</i>
<i>Clause VII: ToD Tariff</i>	<i>159</i>
<i>Clause VIII: Prompt Payment Rebate and Rebate for Online Payment.....</i>	<i>160</i>
<i>Clause IX: Rebate for Prepaid Metering.....</i>	<i>160</i>
<i>Clause X: Rebate for Delayed Billing</i>	<i>160</i>
<i>Clause XI: Other Terms and Conditions</i>	<i>160</i>
A 16 STATUS OF EARLIER DIRECTIVES	164
A 17 DIRECTIVES.....	175
Fixed Asset Register.....	175
Segregation into Retail & wheeling supply of business.....	175
Voltage Wise-Cost of Supply.....	175
Employee Performance Appraisal.....	175
Conversion of UDAY Loan into Grant/Equity	176
Computation of SAIDI, CAIFI and SAIFI.....	176
Consumer Awareness Programmes.....	176
Submission of impact analysis and requisite data along with proposal for introduction of ToD Tariff.....	176
Reduction in Fixed Charges	176
Testing of Pre-Paid Meters from third party meter testing labs	176
ANNEXURES.....	178
Annexure-1: List of participating members of public in the public hearing	178
Annexure-2: Minutes of Meeting (MOM) of the SAC Meeting.....	194