Jharkhand Bijli Vitran Nigam Limited (JBVNL), Ranchi

**PUBLIC NOTICE- FIXATION OF ELECTRICITY TARIFF**

**Objections / Comments invited from various stakeholders on the Petition submitted by JBVNL for Annual Performance Review for FY 2016-17 and determination of Revised Aggregate Revenue Requirement and Tariff for
FY 2017-18 and FY 2018-19**

Jharkhand Bijli Vitran Nigam Limited (JBVNL) is a Distribution Licensee under the provisions of the Electricity Act, 2003 having license to supply electricity in the State of Jharkhand.

In accordance with the provisions the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations,2015 and other relevant Acts/ Regulations/ Policies, JBVNL has filed the Petition for Annual Performance Review for FY 2016-17 and determination of Revised Aggregate Revenue Requirement and Tariff for FY 2017-18 and FY 2018-19.

The Commission has scrutinized and accepted the Petition and has directed JBVNL to publish a public notice for inviting objections/comments from various stakeholders.

Key highlights of tariff proposal are given below. A detailed summary of the Petition along with the copy of the entire Petition is available on the website of the Commission (at [www.jserc.org/jbvnl2017](http://www.jserc.org/jbvnl2017).aspx) as well as JBVNL (at [www.jbvnl.co.in](http://www.jbvnl.co.in)).

1. **TARIFF REVISION PROPOSAL FOR FY 2017-18 AND FY 2018-19**

Table 1: Tariff Proposal by the Petitioner for FY 18 and FY 19

|  |  |  |  |
| --- | --- | --- | --- |
| **Category** | **EXISTING TARIFF (FY 2016-17)** |  | **PROPOSED TARIFF (FY 2017-18 & FY 2018-19)** |
| **Slabs** | **Energy Charges (Rs.)** | **Fixed Charges (Rs.)** | **Slabs** | **Energy Charges (Rs.)** | **Fixed Charges****(Rs.)** |
| **Domestic** | - | - | - | Primitive Tribal Group | 5.25/kWh | 40/kW |
| DS- I (a), Kutir Jyoti (0-50 units) | 1.25/kWh | 16/conn | Domestic Supply- Rural | Metered | 6.25/kWh | 60/kW |
| DS- I (a), Kutir Jyoti (51-100 units)  | 1.25/kWh | 16/conn |
| DS-I (b), (0-200 units) | 1.6/kWh | 30/conn |
| DS-I (b), (above 200 units) | 1.7/kWh | 30/conn |
| DS-I (a), | NIL | 60/conn | Unmetered(Upto December 2018) | NIL | 700/kW |
| DS-I (b),  | NIL | 170/conn |
| DS-II (0-200 units) | 3/kWh | 50/conn | Domestic Supply- Urban | 7.00/kWh | 80/kW |
| DS-II (201 & above units) | 3.6/kWh | 80/conn |
| **Commercial** | 0-100 Units  | 2.2/kWh | 45/conn | Commercial Supply-Rural | Metered | 6.50/kWh | 100/kW |
| Above 100 Units  | 2.25/kWh | 45/conn |
| Unmetered | NIL | 250/kW | Unmetered(Upto December 2018) | NIL | 700/kW |
| NDS-II | 6.0kWh | 225/kW | Commercial Supply- Urban | 6.50/kWh | 225/kW |
| NDS-III | 6.8/kWh | 200/conn |
| **Industrial** | LTIS- Demand based | 5.50/kWh | 275/kVA | Low Tension Industrial Supply | Demand Based | 5.50/ kVAh | 275/kVA |
| LTIS- Installation based | 5.50 / kWh | 160/HP/Month | Installation Based | 6.50 /kWh | 200/HP/Month |
| HTS - 11KV | 6.25/kWh | 300/kVA | High Tension Industrial Supply | 6.00/ kVAh | 300/kVA |
| HTS - 33KV | 6.25/kWh | 300/kVA |
| HTS - 132KV | 6.25/kWh | 300/kVA |
| HTSS - 11KV | 4.00/kWh | 490/kVA |
| HTSS - 33KV | 4.00/kWh | 490/kVA |
| **Irrigation and Agriculture** | IAS - I Metered | 0.70/kWh | - | For private tubewells & lift irrigation schemes | Metered | 5.25/kWh | 30/HP |
| IAS - I Unmetered | - | 100/HP | Unmetered(upto December 2018) | - | 650/HP |
| IAS - II Metered | 1.20/kWh | - | For state tubewells & lift irrigation schemes | Metered | 6.00/kWh | 100/HP |
| IAS - II Unmetered | - | 375/HP | Unmetered(upto December 2018) | - | 650/HP |
| **Institutional**  | Metered | 5.25/kWh | 55/conn | Institutional- I (Street Light Service) | Metered | 6.50/kWh | 100/kW |
| Un-metered | NIL | Rs 250 per 100 watt/ monthand Rs 55 for every additional 50 Watt | Unmetered(upto December 2018) | NIL | Rs 650 per 100 watt/ monthand Rs 100 for every additional 50 Watt |
| RTS | 6.00/kWh | 235/kVA | Institutional- II (Railway Traction Service & Military Engineering Service) | 4.80/kVAh | 400/kVA |
| MES | 4.60/kWh | 260/kVA |
| DS (HT) | 3.50/kWh | 110/kVA | Institutional- III (Domestic connection for housing colonies for single point metered supply) | 5.25/kWh | 200/kVA |

1. **AGGREGATE REVENUE REQUIREMENT**

The summary of Aggregate Revenue Requirement for FY 2016-17 to FY 2018-19as submitted by the Petitioner has been tabulated below:

Table 2 ARR (in Rs Cr) for the FY 2016-17 to FY 2018-19 as submitted by the Petitioner

| **Particulars** | **FY 2016-17** | **FY 2017-18** | **FY 2018-19** |
| --- | --- | --- | --- |
| **Approved in MYT Order** | **Revised Submission** | **Approved in MYT Order** | **Revised Submission** | **Approved in MYT Order** | **Revised Submission** |
| Power Purchase cost | 4,629.50 | 5,025.50 | 5,495.90 | 5,531.80 | 6,648.10 | 5,909.00 |
| Transmission charges | 141.2 | 185.4 | 185.5 | 160.4 | 243.5 | 181.4 |
| O&M expenses | 334.5 | 324.1 | 377.9 | 409.4 | 454.7 | 520.5 |
| Depreciation | 93.7 | 203.0 | 138.3 | 244.1 | 184.4 | 324.9 |
| Interest on Loan | 58.4 | 159.3 | 118.5 | 198.9 | 176.8 | 265.0 |
| Return on Equity | 66.2 | 143.9 | 111.7 | 175.0 | 152.5 | 222.7 |
| Interest on Working Capital | - | 24.2 | - | 20.7 | - | 13.4 |
| Interest on security deposit | 55.7 | 49.1 | 79.3 | 46.7 | 108.8 | 60.5 |
| Provision for doubtful debts |  | 196.9 |  |  |  |  |
| Less: Non-Tariff Income | -134.3 | -112.5 | -141 | -126.9 | -148.1 | -138.1 |
| **Gross ARR** | **5,244.90** | **6,199.0** | **6,366.10** | **6,660.0** | **7,820.80** | **7359.4** |
| Revenue realized from sale and inter-state Sales | 3339.64 | 2813.5 | **-** | 3,572.2 | **-** | 4,078.68 |
| **Revenue Gap** | **1905.22** | **3385.50** | **-** | **3,087.80** | **-** | **3,280.72** |
| Less: RGF Considered | 1200 | 805.9 | **-** | 2,321.40 | **-** | **-** |
| Add: Previous gap treatment\* | - | - | **-** | - | **-** | 2,336.1 |
| **Net Gap for the Year** | **705.22** | **2579.5** | **-** | **766.34** | **-** | **5,616.82** |
| **Average Cost of Supply (Rs/kWh)** | **6.06** | **7.11** | **5.73** | **7.01** | **5.51** | **6.82** |

*\*The Petitioner has proposed to meet the cumulative revenue gap of Rs. 8,317.8 Cr. till FY 2017-18 through the creation of Regulatory Asset. The Petitioner has proposed a period of 5 years to amortize the regulatory assets and pass on the same to consumers over the same period in equal tranches.*

1. **TARIFF PROPOSAL TO MEET THE TOTAL GAP FOR FY 2018-19**
2. **Tariff Rationalization and removal of cross subsidy**

JBVNL has proposed cost reflective tariff for each consumer category such that tariff for each category is within the band of ± 20% of average cost of supply for the Utility, in accordance with the National Tariff Policy, 2016. The average cost of supply has been proposed as Rs 7.01/kWh and Rs 6.82/kWh for FY 2017-18 and FY 2018-19 respectively.

1. **Direct subsidy from State Government**

The State Government had intimated that they would not provide any Resource Gap to JBVNL. The subsidy will directly be given to the consumer through electricity bill. Therefore, the proposal from JBVNL is without any contribution from the State Government and reflects the actual cost of supply of the Utility.

1. **Tariff Simplification**

The Petitioner, has proposed a simplified tariff structure with only 5 consumer categories and maximum of 3 slabs in each category.

1. **Migration from kWh to kVAh based billing**

For several categories, the Petitioner has proposed to migrate to kVAh based billing from existing kWh based billing.

1. **Removal of Installation based tariff for LTIS consumer**

The Petitioner has proposed to remove the installation based tariff for all LTIS consumers and to completely migrate the LTIS consumers to Demand Based Tariff. However, till the time JBVNL process the shifting of consumers having Non-MDI meters to MDI meters, the Petitioner shall provide an option for consumers having installation based tariff to come forward and declare their own load (in KVA).

1. **Abolishment of Unmetered category**

The Petitioner has proposed that the tariff for un-metered consumers would be applicable till December 2018, which has been set as target by the Petitioner to achieve 100% metering.

1. **Revision in Miscellaneous Charges**

The Petitioner has proposed revision in miscellaneous charges in line with the change in inflation and charges of other states. Revised charges proposed by the Petitioner are as follows:

Table 3Revised schedule of miscellaneous charges proposed by Petitioner for FY 2017-18 and FY 2018-19

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Types of Charges** | **Single phase** | **3 Phase****(whole-current)** | **3 Phase** **(CT operated)** | **Meter at 11kV** | **Meter at 33kV** | **132/220 kV** |
| New Connection application fees1 | 50 | 100 | 100 | 500 | 1000 | 1500 |
| Dis-connection charges (on consumer request) | Temporary | 100 | 200 | 500 | 1000 | 1500 | 1500 |
| Permanent2 | 200 | 400 | 1000 | 2000 | 5000 | 5000 |
| Re-connection charges | 100 | 200 | 500 | 1000 | 1500 | 1500 |
| **Consumer service for each incidence**(including, re-sealing, fuse replacement, modification in connection layout/ meter shifting, meter fixing/ removal, service line replacement, name change, load modification, subsequent installation testing, Replacement of Defective or Burnt meters3) | 100 | 500 | 700 | 1,000 | 2,000 | 5,000 |
| Meter Testing (including combined metering unit)4 | 100 | 200 | 1,800 | 6,800 | 6,800 | 9,800 |
| Meter Rent/ meter/ month | 20 | 50 | 250 | 400 | 2500 | 15,000 |
| Transformer Rent- if provided by JBVNL on request of consumer  | NA | Rs. 100/kVA/month of transformer capacity |

 *Other charges related to new connection shall be applicable as per the cost estimate prepared and for consumers covered under any Central or State Government sponsored scheme, the charges will be applicable as per the scheme*

*2 Charges are inclusive of meter removal and other allied materials*

*3 The charges shall not be applicable if the meter gets defective after 5 years from the date of installation and in case of burnt meters the penalty (to the tune of actual cost of meter) shall be applicable in addition to above*

*4 In case the consumer opts for meter testing through a third party/ external agency, the charges of external agency shall be borne by the consumer itself, in addition to the above applicable charges*

**Comments/Suggestions from stakeholders**

1. The Commission has directed JBVNL to invite comments/suggestions from the public on the above Petition through this Notice.
2. A detailed summary of the Petition is available on the website of the Commission (at [www.jserc.org/jbvnl2017](http://www.jserc.org/jbvnl2017).aspx) as well as JBVNL (at [www.jbvnl.co.in](http://www.jbvnl.co.in) ).
3. The copy of the entire petition can be obtained on written request from the offices of JBVNL on payment of Rs. 100/- (Rupees one hundred) only payable by Cash/ Demand Draft/ Pay in favour of Senior Manager(F&A), JBVNL payable at Ranchi.

***Complete Address for obtaining Petition:***

**The Chief Engineer (C&R),**

**Jharkhand Bijli Vitran Nigam Limited (JBVNL),**

**Engineering Building, H.E.C., Dhurwa, Ranchi – 834004.**

**Mobile No- 9431708984**

**Fax-0651-2400799**

**Email- coml.rev@rediffmail.com**

1. The copy of the petition can also be downloaded from the website of JBVNL ([www.jbvnl.co.in](http://www.jbvnl.co.in)) and from the website of the Commission at www.jserc.org/jbvnl2017.aspx.
2. Suggestions/comments may be sent to the office of JBVNL at the address mentioned above by 13/02/2018. A copy of the suggestions/ comments may also be sent to Secretary, Jharkhand State Electricity Regulatory Commission at the address given below:

**The Secretary,**

**Jharkhand Electricity Regulatory Commission,**

**2nd Floor, Rajendra Jawan Bhawan cum Sainik Bazar,**

**Main Road, Ranchi – 834 001, Jharkhand.**

**Telephone: 0651 2330838, Fax: 0651 2330924**

**Email id –** **info@jserc.org**

1. The objections can submitted in English or in Hindi. The sender should clearly specify his/ her full name, postal address, e-mail id and telephone number. It should also be indicated if the objection is being filed on behalf of any organization, consumer or consumer group. It is to be noted that if the sender wants to be heard in person, the opportunity would be given by the Commission at the Public Hearing, for which date and place shall be announced by the Commission separately.
2. JBVNL shall reply to each of the objections/comments/ suggestions received within seven days of the receipt of the same but not later than 20/02/2018 for all the objections and comments/suggestions received till 13/02/2018. Stakeholders can submit their rejoinders on replies provided by JBVNL either during the public hearing or latest by 27/02/2018.

(S. K. Thakur)

 Chief Engineer(C&R)