

PUBLIC NOTICE
JHARKHAND BIJLI VITRAN NIGAM LIMITED

Objections/Comments invited from various Stakeholders on the petition submitted by JBVNL for True-up for FY 2018-19, Annual Performance Review for FY 2019-20 & determination of Aggregate Revenue Requirement and Tariff for FY 2020-21

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 True-up for FY 2018-19, Annual Performance Review for FY 2019-20 and determination of Aggregate Revenue Requirement and Tariff for FY 2020-21.

The Commission has directed JBVNL to publish a public notice for inviting objections/comments from various Stakeholders.

Some of the highlights of tariff proposal are given below. The complete petition including Terms and Conditions of Supply along with discrepancies raised by the Commission and reply submitted by JBVNL is available on the website of the Commission (at www.jserc.org/jbvnln.aspx) as well as JBVNL (at www.jbvnln.co.in).

1. TARIFF REVISION PROPOSAL FOR FY 2020-21

Table-1: Tariff Proposal by the Petitioner for FY 2020-21

Category/ Sub-Category	Sub-Category	Existing Tariff (FY 2019-20)		Proposed Tariff (FY 2020-21)	
		Energy Charges	Fixed Charges	Energy Charges	Fixed Charges
Domestic	Rural	5.75/kWh	20/Conn./Month	7.00/kWh	75/Conn./Month
	Urban	6.25/kWh	75/Conn./Month	7.50/kWh	150/Conn./Month
	HT	6.00/kVAh	100/kVA/Month	5.00/kVAh	300/kVA/Month
Commercial	Less than 5kW (Rural)	6.00/kWh	40/Conn./Month	7.00/kWh	75/Conn./Month
	Less than 5kW (Urban)			7.50/kWh	150/Conn./Month
	Urban (More than 5kW)	6.25/kWh	150/Conn./Month	7.50/kWh	300/kWh/Month
Irrigation & Agriculture		5.00/kWh	20/HP/Month	6.50/kWh	20/HP/Month
Industrial	Low Tension Industrial Supply	5.75/kVAh	100/kVA/Month	6.50/kVAh	300/kVA/Month
	High Tension Industrial Supply	5.50/kVAh	350/kVA/Month	5.00/kVAh	500/kVA/Month
	High Tension Special Service	5.50/kVAh	350/kVA/Month	4.25/kVAh	500/kVA/Month
Institutional	Streetlight Service	6.25/kWh	100/kWh/Month	7.00/kWh	100/kWh/Month
	Railway Traction Services	5.50/kVAh	350/kVA/Month	4.25/kVAh	500/kVA/Month
	Military Engineering Services	5.50/kVAh	350/kVA/Month	4.25/kVAh	500/kVA/Month
	Other Distribution Licensee	5.50/kVAh	350/kVA/Month	5.00/kVAh	500/kVA/Month

2. AGGREGATE REVENUE REQUIREMENT

The summary of Aggregate Revenue Requirement for FY 2018-19 to FY 2020-21 as submitted by the Petitioner has been tabulated below:

Table-2: ARR as submitted by the Petitioner (Rs. Crore)

Particular	FY 2018-19		FY 2019-20		FY 2020-21	
	Approved	Petition	Approved	Petition	Approved	Petition
Power Purchase Cost	5020.25	4871.65	5396.25	5506.58	6618.57	5573.91
Transmission Charge (Inter & Intra)	397.74	343.69	478.69	349.62	310.77	399.71
Add. REC Purchase to meet RPO	108.16	-	128.65	-	-	-
O&M Expenses	443.14	450.92	526.31	660.31	591.87	816.54
Depreciation	160.64	258.2	254.12	442.98	236.32	570.54
Interest on Loan	155.81	201.66	229.05	398.38	202.62	524.48
Return on Equity	170.51	214.25	219.54	346.78	186.99	446.63
Interest on Working Capital	14.92	16.92	19.44	42.81	-	52.2
Interest on Security Deposit	49.72	51.99	57.61	55.67	111.83	54.58
Provision for doubtful debts	-	-	-	274.3	-	133.21
Non-Tariff Income	140.84	217.48	145.46	171.15	163.24	187.02
Annual Revenue Requirement	6380.05	6191.81	7164.22	7906.28	8095.74	8384.78
Penalties	127.60	127.60	-	-	-	-
ARR Recoverable	6252.44	6064.21	7164.22	7906.28	-	8384.78

Table-3: Treatment of Revenue Gap for FY 2020-21

Particular	Amount (Rs. Cr.)
ARR required for FY 2020-21	8,384.78
Revenue Gap till FY 2018-19	4,012.19
Carrying Cost of Revenue Gap till FY 2018-19	503.53
Revenue Gap for FY 2019-20 (Incl. revenue Gap with carrying cost till FY 2018-19)	12,900.51
Revenue at Current Tariff	6,660.72
Gap at Current Tariff	6,239.79
Revenue at Proposed Tariff	8,129.21
Revenue from tariff Increase	1,468.49
Balance Gap	4,771.30

*The Petitioner has proposed the revenue gap of Rs. 4,771.30 Crore till FY 2020-21 to be allowed in subsequent tariff Order.

3. **HIGHLIGHTS OF TARIFF PROPOSAL**

Voltage Wise Cost of Supply

JBVNL has conducted study for voltage wise Cost of Supply. The voltage-wise cost of supply as per the report for FY 2017-18 and their re-appropriation for FY 2020-21 is tabulated below:

Table-4: Summary of Tariff Proposal

Voltage Level	Voltage wise Cost of Supply	
	2017-18 (Actual)	2020-21 (Proportionated)
33 kV	4.82	5.91
11 kV	4.97	6.09
LT	7.16	8.78
Average Cost of Supply	6.54	8.02

JBVNL has proposed tariff for various categories in line with cost of supply at their voltage level.

kW based Fixed Charge for Commercial Services

Currently commercial category consumer is being charged fixed cost in terms of 'per connection' basis. JBVNL has proposed to charge fixed cost of commercial category consumers in terms of 'Rs/kW/Month' where kW is connected load of the consumer.

Unmetered Category

JBVNL has proposed tariff for unmetered consumers as in Tariff Order dated 27th April, 2018.

Proposal for One State One Tariff

JBVNL has proposed the following mechanism for adoption of uniform Cost of Supply through-out the state of Jharkhand.

Estimation of single Cost of Supply for state as a whole by following formula:

$$\text{Uniform Cost of Supply} = \Sigma \text{ACOS}_i \times \text{SALES}_i$$

Where;

ACOS_i - Average Cost of Supply for ith Distribution Licensee as calculated for subsequent Financial Year including previous year gaps/surplus and regulatory assets.

Sales_i - Estimated sales for ith Distribution Licensee to all consumer categories in subsequent Financial Year.

Each distribution licensee will either receive or provide fund to a common pool depending whether its ACOS is greater than or less than Uniform Cost of supply for whole Jharkhand.

The amount would be calculated for each Discom of Jharkhand as per following formulae:

$(\text{Uniform Cost of Supply} - \text{ACOS}_i) \times \text{SALES}_i$ (Negative value imply that Distribution Licensee will receive fund from the pool and vice-versa). The above annual amount would be payable/receivable in 12 equal monthly installments in subsequent year.

4. Terms & Conditions of Supply

Penalty for exceeding Billing/Contract Demand

JBVNL has proposed demand charge at 1.5 times the normal tariff rate for exceeding 110% of the Contracted Demand. In case actual demand is higher than the contract demand for 3 continuous months, the maximum demand of the last three months shall be treated as the new contract demand for the purpose of billing of future months failing which the consumer will be charged @ 2 times of the demand charges as long as the consumer does not enter the agreement.

Delay Payment Surcharge

The delayed payment surcharge will be at the rate of 1.5% per month and part thereof.

Load Factor Rebate

JBVNL has proposed to remove the load factor rebate.

Voltage Rebate

JBVNL has proposed 2% voltage rebate on energy charge for consumers connected at 33/66kV, 3% on energy charge for consumers connected at 132kV.

Prompt Online Payment Rebate

JBVNL has proposed 0.50% rebate for timely payment of full amount of the bill.

5. Revision in Miscellaneous Charges

The Petitioner has proposed revision in miscellaneous charges in line with the inflation and present labour rates and applicable charges of other States.

Table-5: Revised schedule of Miscellaneous Charges proposed by Petitioner

Types of Charges	1-Phase	3-Phase	3 Phase (CT operated)	Meter at 11kV	Meter at 33kV	132/220 kV
New Connection Application Fee	100	100	100	500	1000	1500
Disconnection Charges (Consumer Request)	Temporary	200	200	500	1500	1500
	Permanent	200	400	1000	2000	5000
Re-connection charges	200	200	500	1500	1500	1500
Consumer Service for each incidence*	200	500	700	1,000	2,000	5,000
Meter Testing**	100	200	300/1,800 (Tri-vector Meter)	5,000	5,000	8,000
Meter Rent/ meter/ month	20	50	250	400	2500	15,000
Transformer Rent (provided by JBVNL on request of consumer)	NA	NA	Rs. 100/kVA/month of transformer capacity			

* 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 meters.

** including combined metering unit.

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. The Petition is available on the website of the Commission along with Commission queries and reply received from JBVNL on Commission queries (at www.jserc.org/jbvn.aspx) as well as JBVNL (at www.jbvn.co.in).
3. The copy of the entire petition can be obtained on written request from the office of JBVNL on payment of Rs. 100/- (Rupees one hundred) only payable by Cash/Demand Draft/ Pay in favor of Jharkhand Bijli Vitran Nigam Limited payable at Ranchi.

Complete Address for obtaining Petition:

Executive Director (C&R)

Jharkhand Bijli Vitran Nigam Limited (JBVNL)

Engineering Building, H.E.C., Dhurwa, Ranchi-834 004

Mobile No- 96618 42194

Email- cecr2018@gmail.com

4. Suggestions/comments may be sent to the office of JBVNL at the address mentioned above by 10th April, 2020. A copy of the suggestions/ comments may also be sent to Secretary, Jharkhand State Electricity Regulatory Commission at the address given below:

Secretary

Jharkhand State Electricity Regulatory Commission

New Police Line Road, Opposite to C.M. House

Kanke Road, Ranchi-834008

Telephone: 0651 2285906, Fax: 0651 2285907

Email id – info@jserc.org

5. The objections can be 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.
6. JBVNL shall reply to each of the objections/comments/ suggestions received within seven days of the receipt of the same but not later than 17th April, 2020 for all the objections and comments/suggestions received till 10th April, 2020 Stakeholders may submit their rejoinders on replies provided by JBVNL during the public hearing or latest by 21st April, 2020.

Sd/-
(K.K.Verma)
Executive Director (C&R)