RAJASTHAN ELECTRICITY REGULATORY COMMISSION, JAIPUR

Petition No. RERC 456/14, 457/14, 458/14, 442/14, 444/14 & 447/14

In the matter of Determination of Annual Revenue Requirement (ARR) & Retail Supply Tariff of Discoms for FY 2014-15 along with true-up of ARR for FY 2012-13 and Approval of Investment Plan for FY 2014-15.

Coram: **Shri Vishvanath Hiremath, Chairman**
Shri Vinod Pandya, Member

Petitioners**:** Jaipur Vidyut Vitran Nigam Ltd. Jaipur (456/14 & 442/14)
Ajmer Vidyut Vitran Nigam Ltd. Ajmer (457/14 & 444/14)
Jodhpur Vidyut Vitran Nigam Ltd. Jodhpur (458/14 & 447/14)

Date of hearing 10.09.2014 and 11.09.2014

Date of Order: **20.02.2015**

ORDER

Section-1: Background

1.1. The three distribution Companies namely, Jaipur Vidyut Vitran Nigam Ltd. (JVVNL), Ajmer Vidyut Vitran Nigam Ltd. (AVVNL) and Jodhpur Vidyut Vitran Nigam Ltd. (JdVVNL), collectively called Discoms or Petitioners, filed petitions for Determination of ARR & Revision of Retail Supply Tariff for the FY 2014-15 u/s 62 and 64 of the Electricity Act 2003 read with Regulation 5 and 11 of RERC (Terms & Conditions of Determination of Tariff) Regulations, 2014 (hereinafter referred to as 'Tariff Regulations, 2014') along with true-up of ARR for FY 2012-13 on 06.06.2014.

1.2. JVVNL, AVVNL and JdVVNL have also filed petitions for approval of Investment Plan for FY 2014-15 before the Commission on 18.03.14(petition no. 442/14), 25.03.2014(petition no. 444/14) & 31.03.2014(petition no. 447/14) respectively.

1.3. As approval of investment plan has a direct bearing on ARR & tariff, Commission deemed it appropriate to publish the notices of above petitions along with tariff petitions and decide them together.

1.4. On scrutiny of petitions, detailed data gaps were also sent to Discoms on 02.07.2014. In response to data gaps JVVNL, AVVNL and JdVVNL have submitted their replies to the Commission.

1.5. The Commission on 18.06.2014 directed the Discoms that a brief summary of the above petitions should be published in news papers for inviting comments/suggestions of general public.

1.6. Accordingly, Public notices with salient features of the petitions, inviting objections/comments/suggestions from persons desirous of submitting the same, were published in the following newspapers on the dates shown against each and the petitions were also placed on the websites of the Commission and Discoms:

Sr. No.	Name of News Paper	JVVNL	AVVNL	JdVVNL
(i)	Rajasthan Patrika	22.06.2014	22.06.2014	22.06.2014
(ii)	Dainik Bhaskar	22.06.2014	22.06.2014	22.06.2014
(iii)	Times of India	22.06.2014	22.06.2014	22.06.2014
(iv)	Danik Nav Jyoti	-	22.06.2014	-
(v)	Rastradoot	-	22.06.2014	-

1.7. In all, comments/suggestions from 36 persons were received on JVVNL's petition, from 23 persons on AVVNL's petition and from 20 persons on JdVVNL's petition.

1.8. A List of persons/organizations who filed their comments/suggestions on the petitions is placed at Annexure-1of this order.

1.9. The Commission forwarded the suggestions/comments submitted by the stakeholders to the respective Discoms for giving reply. Discoms have sent their replies to them under intimation to the Commission.

1.10. The public hearing was held on the petitions on 10.09.2014 and 11.09.2014 at Jaipur. A list of persons who attended the public hearing is placed at Annexure-2.

1.11. During hearing MD, Ajmer Discom on behalf of all Discoms made submissions on the proposals of Discoms as contained in the petitions. He also responded to the issues raised by the stakeholders, during the course of hearing.

1.12. The Commission has considered the reply given by the Discoms to the queries of the Commission, suggestions/comments received from general public, replies furnished by the Discoms to the suggestions/comments and oral submissions made by the Petitioners and stakeholders during the hearing and also perused all the relevant records while finalizing this order. The Commission has received several comments, which were not directly related to determination of tariff. The Commission has, therefore, discussed only those comments which have been considered appropriate to be incorporated in this order.

1.13. As issues arising in these petitions are common for all three Discoms and the stakeholders have also made common submissions on all the petitions and a common hearing was held in the matter, the Commission has decided to consider all the petitions together and dispose them through this common order.

1.14. The projections approved in this order for Generation and Transmission are for the purpose of estimating the aggregate revenue requirements of the petitioners. It shall not be construed as formal approval of the Commission for any investment or tariff for transmission or generating plant etc.

1.15. For ready reference, a list of abbreviations used in this order is placed at Annexure – 3 of this order.

1.16. All energy unit figures used in this order, unless stated otherwise, are in Million Units (MU).

1.17. For the purpose of representation, figures given in the table are shown as rounded off. However, for calculation purpose, actual figures have been considered.

1.18. This order has been structured in seven sections as given under:

(i) Section 1 - Background discussed in this part.
(ii) Section 2 - Comments/suggestions of stakeholders, Petitioners' response and the Commission's directives/observation thereon
(iii) Section 3 - True-up of ARR for FY 2012-13 of three Discoms.
(iv) Section 4 - Investment Plan for FY 14-15 of the three Discoms
(v) Section 5 - Annual Revenue Requirement (ARR)
(vi) Section 6 - Tariff proposals and orders thereon of the Commission.
(vii) Section 7- Directives.

Section – 2 Stakeholders comments/suggestions, petitioners' response and the Commission's Views:

The issue wise submissions of the objectors & petitioners are discussed in six parts as under:

(1) Part I - General issues/comments related to true-up of FY 2012-13
(2) Part II – Issues/comments related to True up of ARR of FY 2012-13
(3) Part III - Issues/comments related to Investment Plan of FY 2014-15
(4) Part IV - General issues/comments related to ARR & Tariff of FY 2014-15
(5) Part V - ARR related issues/comments
(6) Part VI - Tariff related suggestions/observations.

Part I – General issues/comments related to true-up of FY 2012-13

2.1. Incomplete and inaccurate formats

2.1.1. Stakeholders' Suggestions/Comments:

It was submitted that various formats to be furnished with true up petition are either incomplete or not fully furnished.

2.1.2. Petitioners' Response:

In response to the above, Discoms have submitted that they have made available the information which is being maintained by the Discoms to the Commission.

2.1.3. Commission's view:

Commission directs that Discoms shall furnish formats as per the requirement of Regulations framed by the Commission, in conformity with audited accounts of Discoms. Discoms shall fill up all columns in the forms prescribed and no form shall be left blank. Otherwise Discoms shall record in a note in each form the reasons for leaving the columns blank.

2.2. Reconciliation of audited figures

2.2.1. Stakeholders' Suggestions/Comments:

Stakeholders sought the reconciliation of figures, appearing in the Tables of petition and appearing in P&L accounts & other schedules of audited accounts.

2.2.2. Petitioners' Response:

In response to the above, the Discoms submitted that the required details have been provided in the replies to the comments of stakeholders.

2.2.3. Commission's view:

The Commission has noted that the Discoms have provided the information sought by the stakeholders.

2.3. Mismatch in petition and accounts

2.3.1. Stakeholders' Suggestions/Comments:

It was submitted that as per energy balance table in the petition, inter and intra state losses are not matching with the figures given in balance sheet.

2.3.2. Petitioners' Response:

In response to the above, Discoms have submitted that they have corrected the figures.

2.3.3. Commission's view:

The Commission has noted that the Discoms have corrected the errors found in the petitions and directs to take care that such mistakes are not made in future.

2.4. Computation of flat rate consumption

2.4.1. Stakeholders' Suggestions/Comments:

Stakeholders sought the detailed calculation for consumption by flat rate consumers showing number of consumers, number of consumers converted, connected load and specific consumption.

2.4.2. Petitioners' Response:

In response to the above, the Discoms submitted that the required details have been provided in the replies to the comments of stakeholders.

2.4.3. Commission's view:

The Commission has noted that the Discoms have provided the information sought by the stakeholders.

2.5. Auditors adverse view on Accounts

2.5.1. Stakeholders' Suggestions/Comments:

1. It was submitted that as per the audited accounts of 2012-13 of Discoms, financial statements do not give a true and fair view in conformity with the accounting principles generally accepted in India.

2. Adverse comments shown in the auditor's report of Discoms are of very serious nature and Discoms and Commission must show special attention on it. The adverse position is continuing for years together.

2.5.2. Petitioners' Response:

1. With reference to the Statutory Auditor's report on Annual Accounts for FY 2012-13 wherein the auditors have qualified the accounts stating that the financial statements do not give true and fair view in conformity with the accounting principles generally accepted in India, Discoms stated that there are two main reasons which may have made such significant impact on financial statements and based on which the auditors have qualified their report.

   (a) The first reason is the revenue gap pertaining to the period upto 2009 which has been shown as receivable from the state govt. instead of accumulated losses. It is submitted that the management contention on this issue is that as per the Accounting Standard-12 "The govt. grants should be recognized as income when there is a reasonable assurance as to its receipt". The assurance/commitment of the GoR for providing subvention against the revenue gap has been reiterated again and again over the period. An agreement has also been signed on 26.10.2009 with the Discom to liquidate the revenue gap pertaining to period upto 2009. The state govt. is liquidating such revenue gap on regular basis as per commitment and keeping in view the above facts and certainty of receipt; the management has decided to consider this revenue gap as receivable from the GoR in the same year of deficit which is also in consonance with the AS. Detailed reply of management on this issue has also been made available along with the financial statement.

   (b) The second reason is the non-availability of Fixed Assets Register. It is stated that work for preparation of Fixed Assets Register has been outsourced to a chartered accountant firm and the work is under progress. Further the work of physical verification of assets is also covered under R-APDRP Part-A and the same is also under progress. It is the duty of the Discom to provide distribution services to the consumers in fair and just manner and it is trying its best to carry out the same.

   Apart from these two issues, other observations are of routine nature and do not have much financial weight as compare to the size (turnover) of the business and activities being carried out by the Discoms. However, continuous efforts are being made by the Discoms to remove these shortcomings also and improving year to year basis.

2. The Petitioners submitted that the accounts have been duly verified and audited by the statutory auditors. Accordingly the True-up Petition for FY 2012-13 has been prepared, based on the RERC Tariff Regulations-2009, audited annual accounts and other information available with the Petitioner. Regarding the various adverse comments mentioned by the stakeholder related to accounts, it is submitted that the reply by the Management in this regard, given in the annual audited accounts justifies the stand of the Discom. Further the justification on same has been made by the Discoms in point no. ii above. The Petitioner would again like to stress on the fact that the no misleading facts or figures have been presented in the Accounts or in the Petitions as filed before the Hon'ble Commission.

2.5.3. Commission's view:

With regard to observation of the auditors as appearing in the audited accounts, Commission directs Discoms to take note of the same and to improve their accounting system in accordance to accounting standards. As Discoms have furnished the tariff petition based on these audited accounts statements, same have been considered. However, while truing up, Commission has ensured that any inefficiency of Discoms is not passed on to the consumers and has allowed the expenditure only as per the norms laid in the Regulations.

2.6. Approved Vs Actual Sales

2.6.1. Stakeholders' Suggestions/Comments:

It was submitted that the all three Discoms have shown manipulated figures of energy sold which is evident from the fact that per unit revenue realization for most of the categories are less than; that has been estimated by the Commission for FY 2012-13. It has been stated that Discoms are avoiding energy audit to hide realistic losses.

2.6.2. Petitioners' Response:

Discoms submitted that the energy sales data as submitted in the true-up Petition for FY 2012-13 is on actual basis and there has been no manipulation in the figures of energy sales. The revenue audit part is also now outsourced to CA firms and other entities and the work is under progress. The revenue as approved by the Hon'ble Commission is for full year but as the tariff revision took place after the Commission's order dated 8.08.2012. Therefore it is evident that the revenue realized on the revised tariff rates is only for part year, so the per unit realization will somewhat reflect a decrease in the categories.

2.6.3. Commission's view:

Commission noted the explanation given by Discoms. However to bring clarity, the Commission directs that in future petitions, the Discoms should also indicate the sales and revenue figures at both existing and revised tariff separately.

Part II – Issues/comments related to True up of ARR of FY 2012-13

2.7. Revenue

2.7.1. Stakeholders' Suggestions/Comments:

1. It was submitted that in the Truing up of ARR for the year 2012-13, against approved revenue provision of Rs. 7380 Crore, Jaipur Discom received revenue of Rs. 6784.20 Crore with a decline in revenue to the extent of Rs. 595.80 Crore, which needs suitable clarification.

2. Form no. 7.3 relating to category wise collection efficiency, which is required to show the assessment realization and actuals (audited), has been left blank and total efficiency has been shown as 100% by JVVNL. Does that mean that amount as assessed/billed has been recovered in full and no outstanding of the period has been there.

2.7.2. Petitioners' Response:

1. In response to the above, Discoms have submitted that there is fall in consumption due to large industrial category opting for open access. Besides, Discoms also submitted that sale in agriculture sector has increased in which revenue receipt is less as compared to other categories which has affected the revenue realization of the Discoms.

2. JVVNL stated that there is an inadvertent error in the petition and submitted that the collection efficiency for FY 2012-13 was 97.75% and not 100%.

2.8. Distribution Losses

2.8.1. Stakeholders' Suggestions/Comments:

It was submitted that there has been a significant increase in the distribution losses during 2012-13 as compared to that of previous year 2011-12. Rather than bringing the losses to the level of 18% targeted by RERC, from 18.63%, they have increased to 19.09% in case of JVVNL, which is quite serious.

2.8.2. Petitioners' Response:

In response to the above, Discom submitted that the marginal increase in loss level in FY 2012-13 is due to the fact that sale to agriculture consumers has increased during FY 2012-13 as compared to that in FY 2011-12. It is further submitted that considering the large distribution area of Discom and sparse distribution of load centres and significant increase in number of agricultural connections, there is a marginal increase in loss levels. Therefore, it is submitted that the Commission may allow the marginal increase in distribution losses. Discom further submitted that the capital investment plans and on-going capital works will enable them to achieve the distribution loss trajectory as set forth by the Commission

2.9. Interest and Finance Charges

2.9.1. Stakeholders' Suggestions/Comments:

1. It was submitted that there has been very high increase in the interest & finance charges as compared to approved figures. The same does not appear to be justified.

2. It was also submitted that, the Commission may allow the interest and finance charges on the same principle as has been mentioned in true up order date 04.12.2013.

3. No short-term loan other than working capital loan may be considered for the purpose of allowing interest and finance charges.

2.9.2. Petitioners' Response:

In response to the above, the Discoms submitted that there has been increase in the overall interest and finance charges for FY 2012-13 on account of higher short-term borrowing by the Discoms. It is also submitted that due to the accrued revenue gap of the previous years, short term borrowings had to be resorted to in order to meet the revenue expenditure and thus the interest liability of the Discoms has increased.

2.10.Subsidy

2.10.1. Stakeholders' Suggestions/Comments:

A stakeholder, in case of JVVNL, sought the detail of amount of subsidy received from the Government on account of lower tariff allowed to Agriculture, BPL and small domestic consumers.

2.10.2. Petitioners' Response:

In response to the above, the JVVNL has provided the information.

2.11. Agriculture category

2.11.1. Stakeholders' Suggestions/Comments:

1. It was also submitted that for the purpose of computation of sales of the agriculture category, the consumer numbers should be the average of opening numbers and closing balance.

2. Average rate of metered supply consumers getting supply more than block hours is Rs. 1.41/kWh, whereas in flat rate of such consumers the average rate is Rs. 1.4/kWh. In such circumstances, why the flat rate consumers will like to go in for metered supply.

2.11.2. Petitioners' Response:

1. Discoms submitted that the number of consumers cannot be averaged and the effect of newly added/reduced consumers has been taken for six months in agriculture metered as well as flat rate category, as the newly added/reduced consumers are added or reduced continuously during the year. Therefore, sale of such consumers cannot be taken of the year as a whole.

2. Discoms submitted that in the petition for FY 2014-15 they have proposed to discontinue the subsidy for the agriculture flat rate consumers and this step is proposed to be taken to improve such a position.

2.12. Power purchase

2.12.1. Stakeholders' Suggestions/Comments:

1. Actual power purchase expenditure is higher than that was approved by the Commission, which Discoms need to clarify.
2. Information of power purchase in MUs as per true up petition and data made available by RRVPNL are not matching for FY 2012-13.
3. It was submitted that the Form 3.1 does not have information of plant wise RVPN and PGCIL losses.
4. Transmission charges claimed by Discoms are higher than the transmission charges approved by the Commission.

2.12.2. Petitioners' Response:

1. In response to the above, Discoms submitted that deviation in actual and approved power purchase expense is on account of several factors including lower availability of cheaper power from central generating

stations, higher quantum of purchase of expensive power by way of bilateral transaction and through exchange. Increase in the UI rates, which are looked upon as economic signal for such transaction has also resulted in short term power procurement. Further, the overall average cost of power has increased significantly due to increase in average rate of power purchase from central power generating stations and also on the account of higher rates prevailing in the market.

2. The figures provided by the Public Information Officer, RRVPNL are under reconciliation and hence there is a variation in the figures submitted by them and those submitted by the Discoms. Once the reconciliation is complete from RRVPNL's end, the figures will match.

3. With regard to form 3.1, Discoms have submitted that the station-wise details of the power purchased from RVUN stations have been provided along with reply to the stakeholder.

4. With regard to the transmission charges, Discoms submitted that the transmission charges are paid by the Discoms as per the actual contracted capacity put to use by the Discoms whereas the Commission approves the charges on estimated basis.

2.13.O&M Expenses

2.13.1. Stakeholders' Suggestions/Comments:

1. O & M expenses should be allowed on a normative basis as per regulation. No additional expenses may be allowed, as it is a controllable factor.
2. It was also submitted that as regard terminal benefits, order dated 08.08.2012 has allowed certain amount i.e. Rs. 207 Crore to JVVNL, Rs. 181 Crore to AVVNL and Rs. 105 Crore to JdVVNL but before admitting the claim in true up, these Discoms have to state the amount which has been actually paid to the respective fund with date of payment.

2.13.2. Petitioners' Response:

Discoms have submitted that according to the RERC Tariff Regulations, the True-up is done on the basis of audited accounts and the actual data pertaining to O&M costs and terminal benefit has been submitted by the them. The total liability towards superannuation and gratuity includes impact on account of actuarial valuation against gratuity and superannuation, leave encashment on retirement and other benefits. These have been booked under the head of terminal benefit, which is mainly on the account of cost incurred for retired employees. Since the additional cost on account of superannuation and gratuity liability is not under the control of the Discoms, the Discoms request the Commission to consider this as a pass-through item.

2.14.Depreciation

2.14.1. Stakeholders' Suggestions/Comments:

1. It was submitted that Annual accounts for 2012-13 of JVVNL, which state that since the identification /determination of inventory to be consumed for other than capital purpose is not possible at this stage, the whole inventory of stores and spares has been classified as "Inventory for Capital Works". Looking to this, the corresponding depreciation, and interest should be disallowed.

2. It was also submitted that the full amount of service line charges as recovered by the Discoms during the year may be considered and not the 1/25th thereof as has been submitted by the Discoms.

3. Stakeholder sought the year wise information from FY 2003-04 to date of the cost of assets created for supply of electricity to all category of consumers i.e. related to service line drawn for giving supply for consumers.

2.14.2. Petitioners' Response:

In response to the above, the Discoms have submitted that inventory is not a part of capital assets. As regards accounting of consumer contribution and other grants, the Discoms submitted that it is being made broadly as per Account Standard-12.

2.15.Outstanding

2.15.1. Stakeholders' Suggestions/Comments:

Stakeholders sought the information of category wise outstanding of dues of electricity charges in respect of PDC consumers and other than the PDC consumers as on 31.03.2012 and as on 31.03.2013.

2.15.2. Petitioners' Response:

In response to the above, the Discoms have submitted the required information of category-wise dues of electricity charges.

2.15.3. Commission's view on all the above comments/suggestions:

Commission while passing this order has taken note of all the comments of the stakeholders and Petitioners' response to them summarised as above. While allowing the expenses, the Commission has considered the comments of stakeholders and Petitioners' responses as well as the norms prescribed in the RERC (Terms and conditions of Tariff) Regulations, 2009 dealing with ARR of licensees.

2.16. Reversal of Subvention against Revenue Gap

2.16.1. Stakeholders' submission

The Chairman's report of Discoms has an item under the head of Reversal of subvention against revenue gap. Such act cannot be accepted as when certain concessions are being provided on the direction of State Government, the State Government must bear the cost of such concessions/subsidized tariff/subsidized capital expenditure/ extra power purchases etc. Such expenses cannot be loaded to the general electricity consumers.

2.16.2. Petitioners' Response

Discoms submitted that as per the Accounting Standards, the revenue should be recognized only when there is a reasonable certainty about it and accordingly Rs 7128.37 Cr. for Rajasthan Discoms which is not certain as per schedule of liquidation decided in the State cabinet has been treated as loss and corresponding receivable from the Government of Rajasthan has been reduced to that extent. This accounting treatment is in consonance with FRP and is also duly approved by the State Govt. as well as RERC. Discoms submitted that this amount is not approved by the Commission as loss and hence the related expenses are not loaded onto the general electricity consumers. As and when the amount will be received from the Government, the same will be reflected in the accounts.

2.16.3. Commission's Views:

Commission has noted the comments of the stakeholder and response of the Discom in this regard and considered the same while carrying out true up. Only gap recognized in the Commission's True up orders is been considered for the determination of Tariff.

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Part III - Issues/comments related to Investment Plan of FY 2014-15

2.17. Separate Investment plan

2.17.1. Stakeholders' suggestions/comments:

It was submitted that the investment plan should not be filed with ARR and Retail Tariff petitions by all the three Discoms and it should be filed separately.

2.17.2. Petitioners' Response:

In response to the above, Petitioner submitted that the Investment Plan Petition was not filed as a part of the ARR and Retail Tariff Revision Petitions. The Investment Plan Petition was filed separately.

2.18. Project feasibility reports

2.18.1. Stakeholders' suggestions/comments:

1. Stakeholders have sought the following information:

(i) Whether the project feasibility reports of the schemes to be undertaken under the present investment plan, have been prepared.

(ii) Whether such reports have been approved by the Board of Directors of licensee and if so copy of approval of BOD may be furnished and

(iii) whether such reports have been sent to the Commission for prudence check. (Refer Reg. 3(1) of Investment Approval Regulations, 2008).

2.18.2. Petitioners' Response:

In response to the above, petitioners submitted that all the supporting and required documents and reports have been submitted along with the Investment Plan.

2.19. Cost benefit analysis

2.19.1. Stakeholders' suggestions/comments:

It was submitted that the petition does not have the cost benefit ratio of such investment. The same may be supplied.

2.19.2. Petitioners' Response:

In response to the above, petitioners stated that the cost benefit ratio and other related reports have been submitted in the Investment Plan Petition.

2.20. Justification of work

2.20.1. Stakeholders' suggestions/comments:

It is observed that Investment Plan Petition has been prepared on the basis of allocation approved by the Planning Department of Govt. of Rajasthan but the petition does not specifically indicate the justification for requirement of the works.

2.20.2. Petitioners' Response:

Petitioners submitted that all the relevant and supporting documents and reports relating to the Investment Plan Petition for FY 2014-15 have been submitted. Also, the revised formats have been submitted and are attached with the reply.

2.21.Supply Code Regulation

2.21.1. Stakeholders' suggestions/comments:

It was submitted that for release of new connections, certain charges are prescribed under supply code, therefore, the incidence of such expenditure should be excluded from the present proposals.

2.21.2. Petitioners' Response:

In response to the above, petitioner submitted that the Investment Plan has been prepared after due planning and deliberation. All the aspects and funding have been looked upon and the amount allocated for each work has been worked out as per the works to be undertaken during the year in the respective head. The details pertaining to the works and the budget allocated to RGGVY and RE have been shown in the petition and the revised formats.

2.22.Voltage wise cost of supply

2.22.1. Stakeholders' suggestions/comments:

It was submitted that in the Investment Plan Petition, Discoms have indicated the cost of supply, the Discoms should also furnish the calculations for voltage wise cost of supply made by them in this respect.

2.22.2. Petitioners' Response:

In response to the above, the petitioner submitted that it is not able to calculate the voltage wise cost of supply at this moment, but the average cost of supply has been worked out in the Investment Plan formats.

2.23.Domestic connection in rural areas

2.23.1. Stakeholders' suggestions/comments:

Details may be submitted with respect to allocation basis of release of domestic connections in rural area alone. How many cases are pending as on date. Details may be submitted circle wise.

2.23.2. Petitioners' Response:

In response to the above, petitioner submitted the requisite details.

2.24. RGGVY

2.24.1. Stakeholders' suggestions/comments:

It was submitted that the RGGVY scheme is fully funded/contributed by the Govt. and thus it can be said as deposit contribution work. Such works may be carried out as per amount received from the concerned agency and it should not be covered under investment plan. It is also seen that expenditure on RE works are not matching with sources of finance.

2.24.2. Petitioners' Response:

In response to the above, petitioners submitted that the Investment Plan has been prepared after due planning and deliberation. All the aspects and funding have been looked upon and the amount allocated for each work has been worked out as per the works to be undertaken during the year in the respective head. The details pertaining to the works and the budget allocated to RGGVY and RE have been shown in the petition and the revised formats.

2.24.3. Commission's View:

The Commission has taken note of all the comments of the stakeholders and Petitioners' response to them, as summarised above. While allowing the investments, the Commission has considered the comments of stakeholders and petitioners' responses as well as the norms prescribed in the RERC (Investment Approval) Regulation, 2006 while dealing with investment plan of licensees.

Part IV - General issues/comments related to ARR & Tariff of FY 2014-15

2.25. Review of FY 2013-14 should be rejected

2.25.1. Stakeholders' suggestions/comments:

It was submitted that since petitions have been filed in June 2014, the data for FY 2013-14 must be actual instead of estimated. Further, ARR for FY 2013-14 has already been approved by the Commission vide its order dated 06.06.2013. Any second application for review of ARR is not covered under any regulations. Hence may be rejected.

2.25.2. Petitioners' Response:

In response to the above, Discoms submitted that the final true-up petition for the FY 2013-14 will be submitted once the audited accounts are available. For the purpose of projections of ARR and tariff for FY 2014-15, the actual data for the 9 months of the FY 2013-14 have been used and audited accounts of FY 2012-13 have been filed with the petitions.

2.25.3. Commission's views:

1. As per Regulation 8 (3) of RERC Tariff Regulations, 2009, Annual Performance Review is a comparison of the audited performance of the applicant for the previous financial year with the approved forecast for such previous financial year and truing up of expenses and revenue subject to prudent check including pass through of impact of uncontrollable factors.
2. In reply to data gaps, it has been clarified by the Discoms, that for the purpose of ARR projection for FY 2014-15, provisional figures of FY 2013-14 have been used. In any case, Regulations do not contemplate provisional true-up or review of ARR already approved. Therefore, the Commission has considered the petition only for True-up of FY 2012-13 and determination of ARR & Tariff for FY 2014-15.

2.26.Incomplete forms and information

2.26.1. Stakeholders' suggestions/comments:

1. State Commission has to ensure completeness of the petitions, the formats and scrutinize the petitions before admitting them for hearing and then authorizing the Discoms for publication of the salient aspects of the petitions with invitation of public comments/objections.
2. All the documents including the Chairman's report and the Auditor's report along with the audited accounts are not provided to the Stakeholders for furnishing their comments.
3. Commission has violated Section 86(3) of the Electricity Act by not posting the complete petitions on the website and by inviting public comments without fully scrutinizing the petitions and making good the deficiencies by the petitioners.
4. During public hearing it was also raised that audited accounts are not available on the website of Discoms.

2.26.2. Petitioners' Response:

Discoms have submitted that ARR and tariff petitions have been filed as per the RERC Tariff Regulations, 2014 and true up petitions as per RERC Tariff Regulations 2009 along with the related formats and the supporting documents required. Further, the petitions along with the audited accounts were made available on the website of the Discoms. Commission did scrutiny of the ARR and Tariff Petition for FY 2014-15 as submitted by Discoms. The Commission vide its letter dated 12 July 2014 sent the discrepancy/observation note to the Discoms for submitting their reply and subsequently the Discoms submitted their reply. Hence, it would be incorrect to say that the Commission did not carry out the scrunitization of the ARR and Tariff Petition for FY 2014-15 as submitted by the Discom.

2.26.3. Commission's view

The Commission directs the Discoms to ensure submission of complete information in prescribed formats along with the ARR/Tariff petition at all times and this needs no emphasis. As regards incompleteness of the information, Commission is of the view that the publication of petition need not be withheld on that account as the same can be simultaneously obtained and considered before passing the order. Discoms have published the abridged form of the tariff petitions in the newspapers as per Section 64 (2) of the Act wherein one months' time was given to file comments/suggestions on the tariff petitions of Discoms. As regards availability of audited accounts on website, Discoms have clarified the position that audited accounts with petitions were available on the website of Discoms. Moreover, the petitions and audited accounts were also available at the designated offices of the Discoms as well as the Commission for perusal and sale.

2.27.Code of conduct

2.27.1. Stakeholders' suggestions/comments:

Since the Discoms are the commercial organizations, they must file the petitions on time. The Discoms would have filed the petitions in Jan-2014 itself.

2.27.2. Petitioners' Response:

Discoms submitted that it was not possible for them to file petitions in January, 2014 as RERC Tariff Regulations were notified only in Feb'14 and finally published only in June, 2014.

2.27.3. Commission's view:

The Commission has noted the comments of the stakeholder and reply of the Discoms to the same.

2.28.Flat Rate Consumers

2.28.1. Stakeholders' suggestions/comments:

1. The State Commission has ordered that all the flat rate consumers should be converted to metered category by March-2014 then why there are flat rate consumers in the projection for 2014-15.

2. In respect of JVVNL, intimate the number of agriculture flat rate consumers in rural & urban areas and also inform the further plan to convert these connections into metered category.

2.28.2. Petitioners' Response:

1. The Discoms submitted that due to resistance from the flat rate agriculture consumers, all flat rate consumers could not be converted into metered category by March 2014. Therefore, the remaining consumers are projected for FY 2014-15. Further, to promote early conversion, Discoms have proposed elimination of Government subsidy to flat rate consumers after six months from the date of issue of this tariff order.

2. JVVNL submitted that as on March'14 there are 2930 and 53060 flat rate consumers in urban and rural areas respectively (including PDC consumers) and JVVNL is making all possible efforts to convert the flat rate consumers in to agriculture metered category. It is planned to convert 10000 flat rate consumers into metered category in FY 2014-15.

2.28.3. Commission's view:

The Commission has noted the concern of stakeholders and submission of the Discoms. The Commission observes that there are no reasons for not converting the urban agriculture flat rate consumers to metered . Discoms shall take action to get these consumers converted into metered category in next 2 months and submit a report on the same within a month thereafter.

2.29.Hindi petition

2.29.1. Stakeholders' suggestions/comments:

The Discoms have failed to file Hindi version of the petitions in time and also failed to comply with Commission's directives.

2.29.2. Petitioners' Response:

Initially the petition is prepared in English and then it is translated into Hindi, and therefore there is a time lag in submitting the Hindi version of the petition.

2.29.3. Commission's view:

The Commission directs the Discoms that hereafter the Hindi version of petition must be filed along with the English version of the petition.

2.30.Assessment of T&D and AT&C Losses

2.30.1. Stakeholder's objections/comments:

1. Despite Commission's directives, Discoms have failed to prepare an action plan along with methodology and time frame for implementation of energy audit and segregation of technical and commercial losses.

2. Stakeholders raised concern about reliability of T&D loss figures on account of non-segregation of commercial losses and non-disclosure of methodology of assessment of energy consumption in case of defective meters and flat rate consumers.

3. The measure of distribution losses is the AT&C losses. The Discoms are not taking AT&C losses into account. One of the stakeholders has referred to the Hon'ble APTEL order in Appeal of 204/10 in this regard.

4. Hiding of the AT&C losses and manipulating of the energy sale data by not disclosing the actual energy billed data and actual billed amount is an unfair practice.

5. Looking to past performance of the Discoms, the proposed target for loss reduction (without manipulation) appears very difficult to be achieved. Actual losses of Discoms are more than what are being filed by the petitioners and ARR/Tariff petitions should not be decided on the wrong/manipulated figures.

2.30.2. Petitioners' Response:

1. With regard to segregation of technical and commercial losses, Discoms in compliance to Commission's directives stated that a project enabling DT metering for computing energy audit and programme for net work analysis and distribution losses is going on under R-APDRP for urban areas of 30000 or more population. Discoms further stated that exact technical losses at various voltage levels would be possible only after the completion of metering of the incoming side of 33/11 KV sub stations. The analysis for segregation of losses is expected to come after the installation of DT metering and metering on the incoming side of all the 33/11 KV sub-stations.

2. Since the losses could not be calculated category-wise, only average losses for each Discoms have been considered for calculating total energy requirement.

3. Discoms submitted that the distribution losses shown by the Discoms include the commercial losses also.

4. The Discoms submitted that they are not hiding the losses or manipulating the energy sale data as alleged by the stakeholders.

5. The loss reduction programs are not difficult to achieve and the Discoms have achieved the distribution losses less than 20% as compared to the beginning when distribution losses were around 37-38%. The Petitioners submitted that the Distribution Losses as submitted in the True-up Petition are as per the

audited accounts of the Discom. The distribution loss for FY 2012-13 is 19.09% which is marginally more than the losses for FY 2011-12. The Distribution Loss target is specified by the Hon'ble Commission and the Petitioner has achieved significant loss reduction over the years. Also efforts are being done by the Discom to further reduce the Distribution losses to the target specified in the coming years. The Distributions losses are considered by the Commission and a specified loss reduction target has also been fixed by the Hon'ble Commission and the Discoms are trying their level best to bring down the losses to the level as specified by the Commission.

2.30.3. Commission's views:

1. The Commission in its earlier Tariff order stated that Discoms should take energy audit seriously. The Commission vide its order dated 6.6.13 had directed Discoms to prepare an action plan in this regard, however, in the current petition also the Discoms, instead of preparing an action plan, simply indicated factual position in the matter. As such the Commission again directs the Discoms to come out with an action plan along with methodology and time frame for implementation of energy audit and segregation of technical and commercial losses within a period of two months from the date of the order.

2. The Commission desires to point out that as part of investment plan, it has allowed expenditure for various purposes including RAPDRP and improvement of sub transmission and distribution works. However, it is observed that effective outcome of such expenditure is not provided in the reports of Discoms. The Discoms have not attempted to segregate the technical and commercial losses and focus on areas with higher losses. This is required to be done on priority basis so that losses will get reduced.

3. The Discoms have stated that they have taken up RAPDRP program where IT system is being established in towns having population of more than 30000 and installation of SCADA in selected towns having population of more than 4 lakh, and actual input energy of 350 MUs & Discoms as part B of RADRP have also taken up works for maintaining reliability of supply and reduction of AT&C losses through strengthening & up-gradation of sub transmission and distribution work. As such, the Commission directs that Discoms should separately report losses of urban areas / towns where RAPDRP program has been taken up.

4. Commission observes that Discoms have failed to provide meters on all 33/11 KV substations and are not furnishing analysis of losses. The Discoms have not

furnished the analysis of losses even for the substations where meters have been provided. The Commission therefore, directs that in future no new feeders / substations should be sanctioned/constructed without putting proper metering in place. The work of metering of pending feeders /substations shall be taken up on top priority in order to measure consumption on the feeders/ substations. The Discoms should start monitoring and reporting losses for the feeders/ substations where meters are placed so that further corrective measures can be taken up.

5. With regard to calculation of energy balance, T&D and AT&C Losses, the Commission has already taken a view that T&D losses can be used for tariff determination instead of AT&C losses vide its order dated 24.12.2012. As such while calculating the energy requirement, the Commission has considered distribution losses instead of AT&C losses. The Hon'ble APTEL in the order quoted by the petitioner has held that

   "Though AT&C loss indicates the performance and collection efficiency of the distribution licensee, it is not a pre-requisite for determination of the ARR and tariff of the licensee. For ARR and tariff of the licensee we require the distribution losses. The State Commission has determined the ARR with benchmark distribution losses of 23%. Thus, we hold that on account of deficiency in determination of AT&C loss the ARR and tariff determination does not become invalid."

   Therefore, non-consideration of AT&C losses will have no bearing on the ARR and Tariff determination in this order. It is stated that there is no violation of Hon'ble APTEL order, referred by the stakeholder. Though some of the objectors mentioned that the actual losses of Discoms are higher but the Commission, based on the material produced, has accepted the reduced losses as filed by the Discoms. It may be observed that adoption of higher loss level would result in corresponding increase in ARR as well as in per unit cost of supply with adverse impact on consumer tariff and the Commission does not wish to pass the burden of inefficiency of the Discom to the consumers.

2.31.Renewable Power Purchase obligation

2.31.1. Stakeholders' suggestions/comments:

It was submitted that the Commission should direct the distribution companies to furnish the data regarding RPO compliance and review the actual performance of RPO compliance. This will give encouragement to the renewable energy sources within the State of Rajasthan. It will also give a strong positive signal to private investors about serious commitment of the policymakers and regulators towards active development of renewable energy capacity in accordance with the targets as specified in various plans/missions.

2.31.2. Petitioners' Response:

The Discoms submitted that the state of Rajasthan is one of the leading states in the country in terms of procuring power from renewable sources. The Discoms further submitted that all efforts are being made to meet the Renewable Purchase Obligation (RPO) targets as specified by the Commission from time to time.

2.31.3. Commission's Views:

With regard to compliance, the Commission has noted the objection of the stakeholders and reply of the Discoms and will monitor the RPO compliance separately.

2.32.Electricity Duty/Urban Cess/Water Cess

2.32.1. Stakeholders' suggestions/comments:

1. Some Industrial Consumers have made capital Investment in the Share Capital of CPP (Captive Power Plants) which are located at a place away from Industry's premises. Such cases are fulfilling definitions of CPP as per RERC'S Regulations. The State Govt. vide notification has exempted units drawn by industry from its CPP from levy of 'Electricity Duty/Urban Cess/Water Cess', still Jaipur Discom is recovering Electricity Duty/Water Cess/Urban Cess from Industries in respect of Units drawn by Industry from distant CPP. The Commission is requested to direct Jaipur Discom for not recovering Electricity Duty/Urban Cess/Water Cess for Units drawn from Distant CPP.

2. The Discoms are collecting water conservation cess and urban cess under the orders of the Govt. but has neither obtained any permission of the Commission under Section 51 of the Electricity Act 2003 nor demanded the collection charges of the same from the Govt. The Discoms be asked that whether they have not incurred any extra expenditure on collection and accounting of these levies through the electricity bills and if they are incurring some extra expenditure then that should be claimed from the GOR and burden on this account should not be passed on to the consumers.

2.32.2. Petitioners' Response:

1. JVVNL submitted that if any generating company qualifies as a CPP as per Electricity Rules 2005, then exemption is given in respect of Electricity Duty/Urban Cess/Water Cess. Therefore it is wrong to say that Jaipur Discom is recovering Electricity Duty/Water Cess/Urban Cess from Industries in respect of Units drawn by Industry from distant CPP.

2. Discoms submitted that the water conservation cess is recovered on monthly/bi-monthly basis whereas the same is deposited with the state government on quarterly basis. As such the amount collected remains with the Discoms.

2.32.3. Commission's Views:

The Commission has noted the objection of stakeholders and reply of Discoms but clarifies that it has no role to play in levy or collection of tax.

2.33.Defective meter and transformer

2.33.1. Stakeholders' suggestions/comments:

1. The transformer failure rate in 2013-14 is very high which is quite serious and petitioner should make efforts to bring it down to about 12% for single phase transformers and 8% for 3 phase transformers during 14-15. The failure rate of power transformers may also be given.

2. The protection provided on transformer is inadequate & simply aluminum fuse wires are seen on LT sides of Distribution Transformers at most of the locations in urban/rural areas, which is the main cause for failures. The failure rates are increasing & there seems to be no reduction as contemplated. History Sheet of transformers is not maintained.

3. Discoms are installing meters outside the premises on open wall facing to the sun, which results in non- display of parameters & these meters are not changed timely, which in turn affects the health of the Discoms/Consumers. Further, the rebate on account of defective metering is not passed on to the consumer account despite directions of the Commission. In some cases there is a delay in issuance of first bill on account of defective meters.

4. The percentage of defective meters is quite alarming and is one of the causes of loss of revenue. The Discoms should bring this to 10% in case of three phase meters during 2014-15.

5. Loss of revenue from agricultural category has been stated to be due to defective meters also. This applies to other consumers also. Discoms may kindly be requested to indicate the steps taken to reduce the period of replacement of defective meters (in number and %) and also ensure no procurement of meters from the suppliers whose meters become defective much before their life expectancy.

2.33.2. Petitioners' Response

1. Discoms submitted that they will make efforts to reduce the burning of single and three phase transformers.
2. Discoms submitted that the protection on LT & HT side of DTs is being done through appropriate rated fuse wire only. In urban areas on LT side the protection is ensured through pillar boxes where HRC fuses/ fuse wires of required ratings are used.
3. Discoms submitted that the meters procured by them are those meeting the required technical specifications specifying the operational environment in which they are to be actually used. Further these meters are also tested as per norms of the specification & relevant IS. The meters are installed outside the premises so as to minimize the chances of tampering with meter & for easy accessibility of meter reading. The meters so installed are enclosed in push fit type meter box. As per the specification/purchase order, the maximum limit of temperature for proper recording of consumption & functioning of digital meter is "Maximum temperature attainable by the meter exposed to sun = 60 degree C", which specifies that the meters are quite compatible for operating in actual conditions. Thus the petitioner is putting all out efforts in replacing the defective meters
4. Discoms replace the stopped/defective meters as soon as these get detected; however Discoms will make efforts to reduce the percentage of stopped and defective meters.
5. Discoms submitted that substantial steps have been taken by them by purchasing new meters to replace the defective meters and the Discoms have also increased the vigilance to keep a check on the same. It is further submitted that large number of ITI's under CLRC's are being hired to speed up the replacement.

2.33.3. Commissions' View:

1. The Commission has noted the objection of stakeholder and reply of Discoms.
2. The Commission directs that first bill should be issued on time. There should be no delay on that account. It is the duty of the field officers to ensure that no connection is energised without installing a correct meter. In case meters are reported faulty from day one and not replaced within two months of such detection as specified at regulation 3.2 of RERC (Standards of Performance for Distribution Licensees) Regulation, 2014, action must be

taken against defaulting officers. Discoms should effectively monitor the issue of first bill and placement of correct meters on new connection.

3. The Commission vide its order dt. 15.7.14 issued in the matter of true up of ARR, directed the Discoms to maintain history sheet of all the transformers, which will help in their proper maintenance. It was also stressed that failure rate may be brought down which in turn will reduce purchase of new transformers and to ensure quality checking in purchase of all materials. The Commission would again like to stress that by taking such small measures the Discoms may not only save huge expenditure on purchases but also improve customer satisfaction level.
4. The Commission also directs the Discoms to develop the mechanism for carrying out scheduled maintenance of power as well as distribution transformers, which would enhance the life of transformers and bring down the failure rate.
5. The Discoms are also directed to arrange regular maintenance of their 33kV, 11 kV and LT lines to reduce the number of faults on these lines resulting in uninterrupted power supply to consumers. Such efforts will also reduce the stress on and consequent failure of upstream transformers.
6. The Discoms should continuously check the load on the transformers for overloading as well as unbalanced loads. Unbalanced loads should invariably be tested on transformers supplying single phase loads.
7. The Commission also directs the Discoms to implement the scheme of providing protection and circuit breakers on power transformers and HT feeders.

2.34.Theft of Electricity

2.34.1. Stakeholders' suggestions/comments:

During the last public hearing it was brought to the notice of the Commission that direct supply has been taken in the temples situated in the public parks or otherwise and it was assured that all such unauthorized theft will be detected with in a period of 8-9 months. It was also submitted that the Discom(s) should ensure that proper metering exists in the premises of Police Stations/Police chowkies and Police lines, road lights in cities/towns besides residential colonies/quarters situated at Sub stations including offices of the Discom(s) and no theft is occurring in such establishments. No tangible efforts have been made so far except this reply that vigilance checking is being done. In Vigilance Wing, the officers and the staff are on deputation from Police Deptt. and it is generally expected that they will watch the interest of their parent department and colleagues rather than of Discoms. The Commission is therefore requested to kindly obtain a certificate from the Discoms that there does not exists any theft of electricity at all in the premises of the above consumers so that burden of losses on this account is not passed on to the general consumers.

2.34.2. Petitioners' Response

Special vigilance campaign is being launched by the Discoms in recent times considering the theft of electricity. Proper metering is being done on temples situated in public parks, police stations etc. Instructions have already been given and implemented at most of the places.

2.34.3. Commission's View:

The petitioners are advised to strengthen their Vigilance Wing and take up frequent checking of theft prone areas. The comments of the stakeholders regarding lower revenue realisation in case of theft cases should be examined by the petitioners and appropriate steps be taken to improve revenue collection in relation to revenue assessed. Discoms are also directed to furnish the information regarding number of checking, theft detected, amount assessed, amount realised, no. of complaints/FIRs lodged, arrest made and persons convicted for the last three year. After receipt of the information, the Commission would like to review the matter with the Vigilance Wing of the Discoms.

2.35.Public Street Light

2.35.1. Stakeholders' suggestions/comments:

1. It was submitted that the Public Street lights are invariably run without the proper installation of the time switches or any other sensor installed in a proper mode. The public street lights are often found in ON position even during day hours. It was also suggested that the quarterly verification report of JEN of the Discoms area be taken while allowing any rebate for installation of timers under PSL connections.

2. It was also submitted that the road light wires are not provided in urban/rural area, but the lights are run without metering, thereby causing loss of revenue to the Nigam. In view of the above conditions, it is suggested that the Discoms should lay the line with the extension of Road light wire in urban/rural area & such cost may be got adjusted /reimbursed from the deposits made under URBAN CESS.

3. In the case of road light in Jaipur itself no metering exists in outside colonies and it appears that another field of unmetered supply is being created by the petitioner .The petitioner at para 1.11.2(2) of Commission's order dt. 6.6.13 submitted that metering for street lights is done with timer switches and procedure for correct assessment of unmetered road light is followed .The Commission at para 1.11.3(2) directed that such unmetered road light points must get metered at the earliest but no compliance has been made as yet. It is expected that the Commission will take appropriate action in the matter.

4. Jaipur Discom may clarify that how the energy and fixed charges are assessed each month for unmetered lamp points existing in the outside colonies of Jaipur city. Further it may also be clarified that how much number of lamp points are allowed on one service connection to examine the justification of proposed fixed charges.

5. The concept of LED in street light has not ripened yet. There is lot of wastage in street light and again this cannot be controlled under the present setup of the Petitioners.

2.35.2. Petitioners' Response:

1. It is submitted that the operation & maintenance of public street lights comes under jurisdiction of respective Municipal Bodies/Gram Panchayats. The rebate on PSL connection is allowed after verifying from the field regarding installation of timer switches on respective PSL connection. As stated above the PSL installation, operation & maintenance is being carried out by Municipal Bodies and the road light wire extension is carried out by them and if by Nigam then as deposit work where cost is chargeable from the respective Municipal Body in urban area & Gram Panchayat in rural area. However, nowadays solar based PSLs are being used in rural as well as in urban areas with the aim of energy conservation.

2. Ajmer Discom submitted that in the last three years, the vigilance wing officers of the petitioner have prepared VCR cases of 148 PSL connections in which assessment of Rs. 30.33 lakhs was made and Rs 29.29 lakhs have been realized.

3. Jaipur Discom submitted that only metered connections are being released under street light nowadays and no un-metered connections have been released under this category. Also, energy of direct streetlight points are

accounted on the basis of joint survey conducted with local body yearly. The charging of such unmetered public street light connections are billed at par with the connections where switches have not been installed by taking 20 hours per day consumption. There is no such criterion of number of lamp points on one service connection to be allowed.

4. The Urban Cess is neither a part of Petitioners' tariff nor a part of his revenue. The petitioner is only a collecting and depositing agency for the Rajasthan Government as per their guidelines / notifications. The Discoms also informed that the Urban Cess is recovered on monthly/bi-monthly basis from the consumer and the collected amount is first adjusted against PSL bills of Municipal Bodies and remaining amount if any is paid after a considerable time.

5. After the installation of LED on the street light connections, the situation has comparatively improved.

2.35.3. Commission's View:

The Commission has noted the objection of stakeholders and reply of Discoms. However, it is a matter of concern that there are still unmetered points in this category. The Discoms are directed to carry out vigilance campaign for checking direct light points and assessment should be made in accordance with provisions of Supply Code Regulations.

2.36.Voltage Wise cost of Supply

2.36.1. Stakeholders' suggestions/comments:

1. Despite Commission's Direction in 6.6.2013 order and APTEL Judgment dated 7.1.2014 in Appeal no. 249 of 2012 for computation of voltage wise cost of supply, Discoms have failed to obey the direction and are not giving due attention to the matter.

2. It was submitted that unless there is compliance of the directions of the APTEL/RERC/Forum of Regulators for determination of voltage wise cost of supply, no tariff order be passed for FY 2014- 15 for any increase in any industrial category.

3. Discoms have made a request to the Commission for allowing a period of one year to comply with above directions. Any time extension for implementing the directions of Hon'ble APTEL is out of purview of the Commission.

2.36.2. Petitioners' Response:

1. Discoms submitted that they are making all efforts for determination of voltage-wise cost of supply. They are carrying out field studies at representative feeders which is a time consuming activity. In order to conduct such studies, the first step is to identify data requirement and finalization of representative sample of assets on each voltage level for monitoring and collection of such data. The Discoms have already begun the process of determination of cost of supply by identifying the data requirement and sample assets to be monitored. However it is a fact that the data collection regarding the same has to be carried out over a period of time and in spite of all efforts by the Discoms towards the same, it was not possible to collect the required data before finalization of this Petition.

2. The Discoms are also facing certain issues with respect to reconciliation of certain data as some consumers may be temporarily being billed on average billing due to their meters being defective and consumption on certain lines may be varying due to interruptions by natural elements etc.

3. It was also submitted by the Discoms that the Commission, as per the powers under Regulation 86(6) of the RERC Tariff Regulations 2014, can extend the period by one year for determination of voltage wise cost of supply. Thus, in view of above, it is prayed that the Commission extends the period for determination of voltage wise cost of supply by one year.

2.36.3. Commission's Views:

The Commission has taken a note of the steps taken by the Discoms to calculate voltage-wise cost of supply but observes that the attempts made by Discoms are not materializing into results. The Discoms have stated that they have already begun the process of determination of cost of supply by identifying the data requirement and sample assets to be monitored and requested to extend the period for filing the voltage wise assets allocation and losses and in turn voltage wise cost of supply for one year. Calculation of voltage wise cost of supply needs no emphasis again. In the earlier order also, Commission had directed the Discoms to calculate and propose voltage wise cost of supply. Even the Hon'ble APTEL had also held so. Despite this, Discoms have again sought time to do the needful. Commission, therefore, directs the Discoms to furnish voltage wise cost of supply while filing next tariff petition positively.

2.37.Comments on Commission's Directives:

2.37.1. Stakeholders' suggestions/comments:

1. With regard to 5% rebate on defective meters, the compliance as reported has not been passed on to the consumers till date.

2. Action plan for energy audit: Technical, Commercial losses are not being worked out correctly and in fact, the losses are more than as indicated. Discoms must take necessary steps to implement the same at consumer end, in line with Gujarat pattern.

3. CEA's Regulations are not complied with by Discoms. The safety of electricity for short circuit, earth fault and earth leakages protection are nowhere provided in general in the distribution system. The provision of E.L.C.B. installation are neither watched at consumer end, despite mandatory provision under IE Rules 61, 72 & 83, nor installed anywhere in LT system of Discoms. The earthing of lines & s/s results if checked will be found beyond permissible values. Proper protection must be provided on HT/LT installation and periodic checking of protection system must be done. Discoms have abolished the post of Chief Engineer (Protection) which must be recreated.

4. Security deposited and interest paid: The rate of interest paid on said deposit has not been indicated. As per Discoms' orders, the security was to be paid @ 6% prior to 2012-13 and @ 9.5 % thereafter. The interest on security deposits in respect of LT Consumers is not being paid.

2.37.2. Petitioners' Response

1. Discoms submitted that at present the details in respect of said rebate allowed is not being maintained separately. However, the referred software is under preparation and on completion of the same the rebate will be automatically passed on to the eligible consumers.

2. The losses are on actual basis only. The measures taken by the petitioner have already been briefed.

3. Discoms submitted that they are committed for complying with the regulatory framework of State/ Central Commission/Authority. All possible steps are taken for ensuring compliance of CEA's Regulations. The distribution infrastructure is equipped with the safety tools to the extent possible to prevent any mishappening. Further, field officers are regularly being advised to strictly adhere to the guidelines in this regard.

4. The rate of interest for FY 11-12 is 6% & for FY 12-13 is 9.5%. The interest on available consumer's security deposit in record has been given to all categories of consumers.

2.37.3. Commission's Views:

The Commission has noted the objection of stakeholders and reply of Discoms.

PART – V: ARR Related Issues/Comments

2.38.True up process and their impact on finances:

2.38.1. Stakeholders' suggestions/comments:

True-ups have not been done for many years for the distribution utilities as well as the transmission and generation utilities of the state. Lack of regular true-ups implies a lack of clarity regarding actual level of losses. This in turn could imply a significant tariff shock to the consumers, whenever the losses are finally acknowledged. The accumulated approved revenue gap (till 2011-12) for the three distribution companies amounts to Rs. 22,137 crores. This amount would be much higher if the revenue gaps for 2012-13 and 2013-14 were added to it. Moreover, the purpose of performance evaluation is lost if true-up is done years after the financial year in question is completed. Therefore, the burden of accumulated losses and the potential carrying cost which comes with it should not be passed onto the consumers as they are result of failure in regulatory compliance.

2.38.2. Petitioners' Response

In the past, true up petitions have been filed by the Discoms as per the prevalent Regulations and the revenue gap is not due to non-determination of true up of the Discoms. The Discoms submitted that in the State of Rajasthan, the tariff revision has been given only in the years 2001, 2004 and in 2011 and thereafter the regular tariff hikes have been allowed. Because of the fact that no tariff revision took place in other years, the revenue gap has widened alarmingly which has affected the financial position of the Discoms.

2.38.3. Commission's Views:

The Commission has noted the reply of Discoms. It is a fact that earlier there was a delay in filing true up petitions due to non finalization of accounts but now Discoms are regularly filing petitions for truing up. The Commission has also carried out truing up exercise for RVPN and RVUN which has resulted in considerable surplus with them. The Commission has dealt with the same in ARR section of this order and accounted the same in the ARR of Discoms. Resultantly the ARR of Discoms stands reduced upto that extent.

2.39.Sales Forecast:

2.39.1. Stakeholders' suggestions/comments:

1. While projecting the sales, the Discoms in their petitions have adopted different procedure/methodology in each category of consumers and also revised the sales of FY 2013-14 which does not match with the methodology adopted by the Commission.

2. The Commission may decide the energy sales for various consumers on the basis of 3 year CAGR for domestic consumers and 5 year CAGR for others.

3. Discoms may clarify as to whether the sales figure as shown in petition in respect of agriculture metered supply, are inclusive of assessment of defective meters or excluding the same.

2.39.2. Petitioners' response:

The Discoms submitted that the projections for FY 2014-15 are based on the Tariff Regulations, 2014. The annual accounts of Discoms of the previous year i.e. FY 2013-14 are in the process of being finalized. The Discoms further submit that the projections for sales have been done according to the guidelines laid down by the Commission and based on the projected sales, the quantum of the power to be purchased is determined. The methodology adopted by the Discoms for estimation of sales is explained in detail in section 5 of the Petitions.

2.39.3. Commission's Views:

The Commission has noted the clarifications given by the Discoms to various objections raised by stakeholders.

2.40.Power Purchase

2.40.1. Stakeholders' suggestions/comments:

1. The figures of energy generated during FY 14-15 within the state are about 38% higher than that of last year. The Petitioner may check these figures again. Further, in form no. 3.1 Jaipur Discom has not shown the availability from each stations of RVUN. They should furnish the same. The power purchases and cost of power purchase, needs review in consideration to RVUN's petition.

2. As per form 3.1 of three Discoms, availability from Rajwest power station has been considered as approx. 3600 MUs. However, Rajwest in its petition for FY 2014-15 has shown energy sent out as 6294.59 MU. Discoms may kindly clarify as to how they have shown lesser availability from this station.

3. In form No. 3.1 the energy received from various sources has been shown by the Jaipur Discom as 21877.92 MU, whereas in the petition at table number 35 it works out to be 27549.52 MU. Jaipur Discom has to clarify the position about such variance.

4. For MMH station, as per Reg. 58 of Tariff Reg. 2014, the rate is fixed as Rs. 3.78/per unit, whereas Discoms have taken it as Rs. 3.96/3.97 kWh. Further, rate of charges in case of Rajwest plant has been taken as Rs.5.01/kWh whereas as per RWPL petition it works out as Rs 4.69/kWh

5. For the energy from Chambal-Satpura stations, the rates of charges have been shown as zero.

6. Various columns in form no 3.1 have been left blank. Reasons for the same may be given. It would be preferable that a revised form duly filled in all respect is supplied.

7. The power purchase cost during FY 2014-15 is about Rs. 4 per unit, therefore efforts should be made to sell surplus power at a rate of above Rs. 4 per unit. Merit Order should also be considered while scheduling the power.

8. Short term rate of sale of surplus energy of 826.88 MUs has been considered @ Rs.2.21 per unit by JVNNL, 1021 MUs by AVVNL and 2166 MUs by JdVNNL. This rate may be less than energy/ variable charges of some power stations. Sale needs to be effected at a rate higher than energy / variable charges of thermal generation and if not feasible reduction in hydro and open cycle gas generation to be effected to zero and thermal generation reduced to level not requiring oil support (i.e. to 30% of rated capacity) or to effect backing down of thermal generation.

9. The cost of extra power purchase (in addition to approved one), whether by the petitioners at their will or on the direction of the GoR must go to the GoR's account, in no way as cost on the normal distribution business.

2.40.2. Petitioners' Response

1. The station wise details of purchase from RVUN stations has been provided in the data gap replies.

2. Discoms submitted that the estimates as proposed by RVUN in its ARR and

Tariff Petition for FY 2014-15 were not available with the Discoms while preparing its petition.

3. Discoms submitted that the purchase of energy estimated for Rajwest power plants is based on the provisional energy purchase figures available for FY 2013-14.

4. The Jaipur Discom requested to ignore the inadvertent error and consider 27549.52 MUs as the correct figure.

5. In respect of MMH and Rajwest plant, Discoms submitted that the power purchase cost for FY 2014-15 has been escalated based on the provisional power purchase cost during FY 2013-14.

6. In the context of Chambal/Satpura, Discoms submitted that the cost for Chambal/Satpura is being considered in BBMB. Discoms further submitted that the cost element of BBMB and Chambal/Satpura is bifurcated and therefore separate cost for both BBMB and Chambal/Satpura will be available along with the actuals for FY 2014-15.

7. The Discoms submitted that the revised form 3.1 has been provided with the data gap reply to the stakeholder.

8. Regarding surplus power, the Discoms submitted that the suggestion has been noted and efforts will be made to sell the surplus power at the rate more than the average power purchase cost.

9. The extra power purchase is generally made on the directions of State Govt. for agriculture sector for which Govt. provides cash support and interest free loans to the Discoms.

2.40.3. Commission's Views:

The Commission has noted that Discoms have provided the information sought by the stakeholders. The Commission has considered the approved rate i.e. Rs. 3.78 per unit for MMH and has considered the comments of stakeholders while deciding power purchase cost, under section 5 of this order.

2.41.Transmission and SLDC Charges

2.41.1. Stakeholders' suggestions/comments:

1. Transmission charges and SLDC charges should be allowed as per the petition of RVPN. Further, Discoms have to intimate the contracted capacity for Transmission for FY 2014-15 also.

2. Transmission charges for FY 2014-15 are not matching with the petition filed by RVPN.

2.41.2. Petitioners' Response

1. The Discoms submitted that the contracted capacity for transmission has been provided with the data gap reply to the stakeholder.

2. The Discoms submitted that there may be a difference in transmission charges as RVPN submitted the petition after the submission by the Discoms.

2.41.3. Commission's views:

The Commission has noted that Discoms have provided the information sought by the stakeholders and has considered the comments of stakeholders while considering the transmission charges, under section 5 of this order.

2.42.Depreciation

2.42.1. Stakeholders' suggestions/comments:

1. Principles applied in the true up order dated 15.07.2014 may also be applied in the present petition.

2. Cost of assets of transformers and meters replaced in place of such burnt articles may not be capitalized and depreciation may also not be allowed on such replacement.

3. The Statutory Auditors of the company have observed that charging of depreciation on consolidated block may result in 100% depreciation on the value of some of the assets and excess depreciation on other assets when the individual asset is depreciated in full. In absence of the relevant records, details (Useful life), they have shown their inability to ascertain the impact of the same on the amount of fixed assets, depreciation and loss of the company. Since the fixed Assets Register with complete details with regard to the year in which the asset was put in use is not available, the depreciation so worked out cannot be regarded as correct. The C.A. has also observed that in absence of the proper records and incorrect method adopted to transfer the amount from CWIP to fixed assets monthly on average basis without mentioning the actual date of completion of the assets, the correct position cannot be determined. It was earlier intimated that the work of completion of details of fixed assets was entrusted to some Company but it is not known that whether the same has been completed or not.

2.42.2. Petitioners' Response:

1. Discoms submitted that the Commission may take an appropriate view in regard to Depreciation.

2. Discoms submitted that the replacements of burnt/damaged transformers with new transformers are capitalized and depreciation on these newly replaced transformers is charged as per GAAP (Generally Accepted Accounting Principles). Further, if burnt / damaged transformers are repairable then repairing charges are treated as R&M Expenses and issued to another work without value. Thus, it can be said that only new transformers are capitalized which is as per accounting principles.

3. The depreciation for FY 2012-13 on fixed assets is charged on straight line method and allocated over the useful life of the asset. The fixed assets are depreciated up to 90% of the original cost. Depreciation on addition/deduction from fixed assets during the year is charged on pro rata basis from next/up to the month in which the asset is available for use/disposal. Similarly, the same approach is followed in FY 2013-14 and 2014-15 while calculating depreciation. The work of preparation of fixed assets register is under process

2.42.3. Commission's views:

1. For truing up the Commission has adopted the same methodology as adopted in order dated 15.07.2014. For taking a view in the matter for the purpose of ARR determination, detailed information as regards number of such assets and their net capital cost, the number of assets repaired and re-installed and number of assets with their depreciated value de-capitalised etc. would be required. Considering this and the fact that the asset base being considered by the Commission in this order is lower than the asset base indicated by the Discoms, the Commission is of the view that the adjustment, if any, required in the matter could be undertaken during true-up of ARR.

2. The Discoms are directed to furnish factual report on the work of preparation of fixed asset register allotted by them and also furnish a cut off date by which they would be able to complete the asset register.

2.43.Interest on Loan and Carrying Cost

2.43.1. Stakeholders' suggestions/comments:

1. Principles applied in the true up order dated 15.07.2014 may also be applied in the present petition for long term loan.

2. Accumulated losses are due to lack of regular tariff revision in the past, increased quantum of high cost short term power purchase and lack of regular subsidy payments by the State Government. Therefore, consumers are not responsible for the accumulated losses and even if they are expected to bear part of the burden, it is unfair to subject them to carrying cost or interest payments on the losses. Just as the petitioners have foregone Return on Equity due to the financial position, they and their financiers (who share the responsibility for accumulated losses) should forego any expectation of carrying cost.

3. No revenue gap for the period upto 31-03-2009 is to be considered. Further, even for the period FY 2009-10 to 2011-12, no revenue gap is to be considered as per MOU dated 2-7-2012.

4. Non-furnishing of category-wise amount of security deposit and interest paid thereon is not tenable as security deposit is shown on each bill and interest on security deposit is allowed as a separate item in the bill to consumer and with computerized billing these can be summed up category-wise. The State Commission must ensure that the due interest is credited to all eligible consumers.

5. Loan taken to bridge the GoR liabilities & the interest on that, need to be separated out from normal distribution business of the Discoms and be shown as receivables from GoR. All treatment of interest on Long term loans and financial charges is to be made after such separation.

6. No short term loan is to be considered other than the normative working capital loan, as per decision so far being taken by the Commission.

2.43.2. Petitioners' Response:

1. Discoms submitted that the Commission may take an appropriate view in regard to interest on term loan.

2. It was submitted that the revenue gap of previous years has not been amortized through a cost reflective tariff. The Discoms in view of the revenue gap has considered funding of the gap through debt. Therefore the interest cost of the un-funded gap has been considered as legitimate expenses for the FY 2013-14 and accordingly proposed in aggregate revenue requirement of FY 2014-15. It is further submitted that the Commission in its Tariff Order for FY 2013-14 had approved the past unfunded gap and accordingly allowed carrying cost on the same.

3. Further in the context of unfunded revenue gap, Discoms submitted that as per the Central FRP scheme notified by the MoP on 5th October 2012, the Rajasthan FRP was revised and the GoR committed additional support to the Discoms by committing to take over 50% of the short term liabilities of the Discoms as on 31st March 2012. This has been duly incorporated in the ARR petition filed by the Discoms.

4. Discoms submitted that they are paying the interest on the security deposit of the consumers which is passed on through bills automatically by the billing agency. However, in the current scenario, the details are not being maintained as prescribed. Further, Discoms stated that they welcome the suggestion to bifurcate category-wise amount of security deposit and interest paid thereon and submit that efforts shall be made for bifurcation of interest amount being paid to the consumers.

5. The Discoms submitted that due to accrued revenue gap of previous years, they had to resort to short term borrowing in order to meet the revenue gap and thus the interest liability of the Discoms has increased. Discoms also stated that the short term borrowings were utilized for the bonafide purposes and to meet revenue gap and hence the interest thereof is a legitimate expense.

2.43.3. Commission's views:

The Commission has considered the objection of stakeholders and reply of Discoms and dealt with the same under section 5 of this Order.

2.44.Interest on Working Capital

2.44.1. Stakeholders' suggestions/comments

It was submitted that interest on working capital is to be allowed as per RERC Regulations. However, while calculating working Capital, the component of Maintenance spare @ 15% of O&M expenses may not be allowed.

2.44.2. Petitioners' Response:

The Petitioners submitted that inventory is not a part of capital assets. Thus, while calculating working capital requirement, 15% of O&M expenses should be taken as maintenance spares and accordingly interest should be allowed on such working capital.

2.44.3. Commission's View:

The Commission has computed working capital as per relevant provision of RERC Tariff Regulation 2014.

2.45.Insurance charges

2.45.1. Stakeholders' suggestions/comments

With regard to insurance charges, Discoms must certify that its assets shall be insured subject to truing up.

2.45.2. Petitioners' Response:

The Discoms submitted that the necessary steps will be taken by them to insure all requisite assets to avail the benefit provided by the Commission.

2.45.3. Commission's View:

The Commission has noted the comments of stakeholders and submission of the Discoms. Further, regulation 25 of RERC Tariff regulation 2014, provides that the actual insurance expenses incurred by the generating company or licensee shall be allowed separately, subject to a ceiling of 0.2% of average Net Fixed Assets for the year . As such while doing true up these charges shall be allowed only if these are actually paid by the Discoms.

2.46.Operation & Maintenance and terminal benefit Expenses

2.46.1. Stakeholders' suggestions/comments

1. Employee expenses as per regulations are the net expenses available to Discoms for their O&M. These are not subject to reduction on account of capitalization. This reduction should be omitted. Terminal benefit requirement should be revised as current terminal benefit is the part of employee expenses.
2. The employee cost in terms of per square Km of geographical area in Rajasthan is Rs. 0.30 lakh which is much lower than that of neighbouring states and should be raised to at least Rs. 0.45 lakh/Sq. Km. While comparing the approved employee cost as a percentage of normative gross fixed assets, again Rajasthan is at the lowest which is 5%. This should be raised to 7%.
3. For terminal benefits, Discoms have not given the bifurcation of employees prior to un-bundling of RSEB i.e. as of 19.07.2000 and those appointed after this date. Discoms have to work out the terminal benefit accordingly and furnish the same.
4. The State Commission should devise a mechanism to ensure that the past, present and future amount collected in the name of terminal benefit must go to the respective Funds and in no way be used by the Discoms for any other purpose.

2.46.2. Petitioners' Response:

1. Discoms submitted that the employee expenses as derived by them are based on the norms approved by the Commission. It is further submitted that the terminal benefits are liabilities towards superannuation and gratuity, which is part of the employee expenses as per the standard accounting principles.

2. The Discoms appreciated the suggestion to increase employees cost looking to neighbouring states.

3. The Discoms submitted that the obligation of Pension and Gratuity trusts towards retirement benefits as on 19.07.2000 of the employees of successor companies of RSEB and existing pensioners as notified in the Transfer scheme dated 18.01.2002 issued by GoR was Rs. 1769 crore (as per the actuarial valuation) out of which, liability of active employees of all companies was Rs. 1444 crore.

4. The JVVNL, AVVNL and JdVVNL submitted that they have contributed Rs. 82.50 crore, Rs. 181 crore and Rs.105 crore in FY 2012-13 and Rs. 411.50 crore, Rs.181 crore and Rs. 105 Crore in FY 2013-14 respectively against the terminal benefit liability allowed by the Commission vide its Order for FY 2011-12. Discoms requested that the Commission may allow to continue recovering the terminal benefit liabilities as borne by them.

5. Discoms submitted that they are complying with the Commission's directives and are transferring the amount collected in the name of terminal benefits to the respective funds.

2.46.3. Commission's View:

1. The Commission has computed the Operation and Maintenance expenses as per RERC Tariff Regulation 2014.
2. Since the Discoms have transferred the funds to the designated fund in the FY 2012-13 and FY 2013-14, therefore, the Commission for FY 2014-15 has considered the terminal benefit liability claimed by the Discoms. However, in the true up for FY 2014-15, the same shall be allowed only to the extent the funds are actually transferred to the designated fund for terminal benefit.

2.47.Return on Equity

2.47.1. Stakeholders' suggestions/comments

It was submitted that not proposing, "Return on Equity", when the Discoms are in high financial losses, is beyond any understandable logic.

2.47.2. Petitioners' Response:

The petitioner has given no response.

2.47.3. Commission's View:

Return on equity amount would lead to corresponding increase in ARR and as revenue gap is persisting, the gap would get enhanced by that amount. Since, Discoms have not sought Return on Equity, so as to restrict the revenue gap and to avoid additional burden on consumers, the Commission has also not considered Return on Equity.

PART – VI : Tariff Related issues/comments

2.48. National Tariff Policy/ Cross Subsidy

2.48.1. Stakeholders' suggestions/comments:

1. The tariff proposed for the year 2014-15 for agriculture consumers and others is not in accordance with National Tariff Policy provision i.e. not within the of range +/- 20% of average cost of supply.

2. A uniform tariff should not be determined for all the 3 Discoms due to the varying geographical conditions, losses etc.

2.48.2. Petitioners' Response:

1. The National Tariff Policy states that tariff should be within the range of +/- 20% of the average cost of supply. But due to higher amount of subsidy provided to agriculture and greater difference in average cost of supply for some consumer categories, the process of bringing the tariff in line with the National Tariff Policy has to be done in a phased manner which otherwise may lead to tariff shock for those consumers.

2. The Discoms submitted that the analysis of each component of the ARR is independent for all the 3 Discoms. However, the tariff for all the 3 Discoms has been proposed at the same level to maintain uniformity among the consumers across the state.

2.48.3. Commission's Views :

1. The Commission has kept in view the comments of stakeholders while deciding tariff for various categories.

2. As mentioned in earlier orders also, the Commission would like to maintain uniformity in tariff of different Discoms as has been contemplated in the FRP and the practice being followed in the State in the past.

2.49.Tariff Increase

2.49.1. Stakeholders' suggestions/comments

1. Impact of tariff proposal needs to be considered in sales and revenue anticipated with tariff revision. Any tariff increase will lead to slight reduction in consumption for some period due to conservation and malpractices. Tariff changes may also lead to migration of consumers from one category to other. Impact of these and of incentives (e.g. discounted off peak tariff, prompt payments, single point connections etc) has not been considered as sales in form 5.3 FY14-15 (with existing tariff) and form 5.4 (with proposed tariff) are the same. On account of this, there is overstatement of revenue with proposed tariff.

2. It was submitted that the petition does not account for revised tariff to be effective for less than 12 months.

2.49.2. Petitioners' Response

1. Discoms submitted that the tariff hike has been proposed in its ARR and Tariff petition for FY 2014-15 due to increase in cost of supply (CoS) which has compelled the Discoms to propose tariff hike to bridge the gap between average cost of supply and average realization. Discoms also submitted that the proposals are in the initial stage and their financial impact can be implied only with the prompt usage of these incentivized services by the consumers as proposed by the Discoms in the ARR and Tariff Petition for FY 2014-15.
2. Discoms submitted that in its ARR and Tariff Petition for FY 2014-15, they have proposed the tariff hike for FY 2014-15, however the duration of actual effectiveness will be determined by the Commission.

2.49.3. Commission View:

The Commission has kept in view the comments of stakeholders and submission of the Discoms, while deciding the tariff in this order.

2.50.Solar Rebate

2.50.1. Stakeholders' suggestions/comments:

1. Existing solar rebate of 25 paisa per unit along with Max. of Rs. 300 per month is not justified in view of the capital expenditure involved in installing the solar water heaters and therefore Commission may consider the earlier tariff rebate of 05 paisa per unit without a ceiling of the amount and as a consequence, the energy saving by use of solar heater will reduce the Discoms' losses.

2. The existing solar rebate of 25 paisa is required to be increased to higher level.

2.50.2. Petitioners' Response:

The Commission may take a view on the above.

2.50.3. Commission's views:

The Commission has examined the points raised by stakeholders and Commission finds that present rebate needs no modification. Installation of solar water heaters also benefits the consumers by way of reduced electricity charges.

2.51.Group Housing Societies

2.51.1. Stakeholders' suggestions/comments:

It was submitted that Discoms have proposed concessional tariff for single point connection scheme for domestic and non-domestic. However, concessional tariff, Terms, Conditions and impact thereof have not been detailed.

2.51.2. Petitioners' Response:

Discoms submitted that they have made proposal to provide single point connections to Group Housing Societies (GHS) and malls in an effort to improve the collection efficiency and to facilitate the consumers. The Discoms further submitted that the impact for the same can only be provided once the single point connections are being released in the licensee area.

2.51.3. Commission's Views:

The Commission has noted the objection of stakeholder and reply of Discoms and dealt with the same in section 5 of this order.

2.52.Pre-paid Meters

2.52.1. Stakeholders' suggestions/comments:

1. To start with, the Discoms should introduce such meters in government offices and share the experience. Thereafter, it may be made compulsory to other consumers.

2. The proposed rebate of 10P / unit for use of prepaid meters in place of traditional meters is an appreciable proposal but the proposed rebate of 10 p / unit should be doubled as the cost / security of prepaid meters shall be

borne by consumers and Discoms are relieved of meter reading and Bill distribution work.

2.52.2. Petitioners' Response:

1. Regarding installation of prepaid meters, Discoms submitted that they are taking steps to introduce such meters in Govt. offices and subsequently for other category of consumers.

2. Discoms submitted that the proposal has been made by the Discoms in order to promote pre-paid metering in the state. The financial impact can only be worked out once the consumers start installing the pre-paid meters and accordingly, the quantum of rebate can be finalized.

2.52.3. Commission's view:

The Commission has noted the objection of the stakeholders and reply of Discoms and dealt with the same in section 6 of this order

2.53.Online payment

2.53.1. Stakeholders' suggestions/comments:

1. Online payment should be encouraged. There is no online transaction charge to consumers in case of telephone bill payments and railway ticket purchase. In fact, on-line payment reduces significant administrative expenses. Therefore, proposal of any transaction charges is not a rational proposal.

2. The Discoms would be saving the expenses on collection agency & staff. This is a facility being extended to the consumers and no such charge should be levied.

2.53.2. Petitioners' Response:

1. Discoms submitted that the proposal has been made specifically for payment made by the consumers from credit/debit cards only. However, for online payment of electricity bills, no charges are payable or being paid by the consumers, provided the bills are paid through net banking, ECS, EBPP and mobile banking etc. and entire commission charges on such transactions are borne by the Discoms.

2. In case of payment through cash cards or debit/credit cards, charges payable to the service providers (card issuing company, banks and service providing agency) are based on certain percentage (0.5% to 1%, excluding service tax) of the bill amount. Since amount of electricity bills may vary from certain thousands to crores, it would be hardly feasible and justified for the

Discoms to bear such huge financial obligations without any restrictions. Therefore, Discoms requested the Commission to reconsider its earlier directions and prescribe certain monetary ceiling for the payment transactions through debit/credit cards so that this facility may also be extended to consumers without any fee.

2.53.3. Commission's view:

The Commission has noted the objection of the stakeholders and reply of Discoms and dealt with the same in section 6 of this order

2.54.Incentive on prompt payment

2.54.1. Stakeholders' suggestions/comments:

It was submitted that for such scheme to be fruitful to Discoms as well as consumers, it is necessary that bills are delivered to consumers at least 10 to 15 working days before the due date.

2.54.2. Petitioners' Response:

The Discoms submitted that the bills to the consumers are released at the earliest which gives the consumer ample time to make the payment against the bill received. Further, with implementation of online system the consumer can avail the benefit of viewing online bills and accordingly can make the payments at the earliest.

2.54.3. Commission's view:

The Commission has noted the objection of the stakeholder and reply of Discoms and dealt with the same in section 6 of this order.

2.55.Seasonal factories

2.55.1. Stakeholders' suggestions/comments:

1. Earlier it was submitted that in the definition of seasonal factories, the words appearing as "as may be approved by the Managing Director" may be replaced with the words "as may be approved by the Board of Directors" Discoms in their reply had mentioned that the matter would be examined and corrections would be made if necessary. Discoms have not brought out as to whether any examination has been done by them and if so what are the results.

2. Discoms have proposed charging of fixed charges from seasonal industries at the rate of 75% of normal fixed charges during off-seasonal period. Relevant general conditions of tariffs for supply of electricity ,applicable to seasonal

industries, are as under:-

> "*(20)(iii)During the off seasonal period for a minimum of four months in a year, Fixed Charges shall be charged at 25 % of normal rate of Fixed Charges while Energy Charges shall be charged on actual consumption basis. (iv) consumption during any month in the off-seasonal period shall not exceed 25 % of the average monthly consumption of preceding seasonal period. In case it exceeds such limit during any month of the off-seasonal period then the total energy consumption during that month shall be charged at one and a half times of the normal rate of energy charges in addition to off seasonal fixed charge*".

In view of condition (iv), seasonal industries have demanded restriction during off seasonal period. Fixed charges @75% of normal fixed charges in their case is required to be clarified to be based on billing demand determined on the basis of actual demand or 25% of the contract demand, whichever is higher.

2.55.2. Petitioners' Response:

1. The Discoms submitted that the Commission may take an appropriate decision in this regard.
2. Discoms submitted that earlier there was a provision of minimum billing wherein 25% of the charges were levied for 4 months of off-seasonal period from the seasonal industry consumers. Subsequently the minimum billing was abolished and fixed charges were put into existence in place of minimum charges. As the fixed charges are very less as compared to the minimum charges, therefore, provision of 25% has been increased to 75% in the tariff proposal by the Discoms so that the equivalent charges as levied earlier can be recovered from such consumers.

2.55.3. Commission's view:

The Commission has noted the objection of the stakeholders and reply of Discoms and dealt with the same in section 6 of this order.

2.56.Discounted Tariff for off peak hours for the consumers

2.56.1. Stakeholders' suggestions/comments:

1. It is utmost necessary for Discoms to keep the industries in its domain by giving 20% rebate in energy rate(s) during 10 PM to 6 AM without imposing any condition that the electricity consumption during 6 AM to 10 PM should not

exceed 25 % of the night hour's consumption. Imposing such condition would not be useful for running industries in three shifts or two shifts.

2. Such discount should also be allowed to other category of consumers like domestic, non domestic etc.
3. The proposal is very good but does not appear to be practical. In place of 20%, a discount of 10% may be allowed to all H.T. consumers on the consumption made during the period 11:00 PM to 5:00 AM.
4. TOD (Time of Day) presently given in HT-TVM as suggested in this petition are different then the existing TOD in HT-TVM. As such what procedure will be adopted to calculate the consumption in the night hours i.e. 10PM to 6AM for discounted tariff.

2.56.2. Petitioners' Response:

1. The Discoms submitted that discounted tariff for off peak hours for HT consumers was proposed to encourage consumption in off peak hours and also help in reducing the migration of industrial consumers to open access.
2. Discoms submitted that the condition of 25% consumption during daytime has been kept to make the load curve flat. Otherwise there may be a steep dip in the load curve of Discoms during daytime. The drifting of large industrial consumers might be due to the discrepancies in the Open Access Regulations to procure electricity from IEX which has not kept the interest of Discoms in view, for which Discoms will take needful action to remove these discrepancies.
3. The proposal is in the initiation stage and with this the Discoms would encourage the HT consumer to install ToD, meters as after the installation of ToD meters, the consumption can be tracked and thus the discounted tariff can be provided to the consumers.
4. Discoms submitted that there is no specific procedure for the calculation of consumption in night hours. The ToD meters are so designed for this purpose only to note the consumption reading and may be reconfigured as per the timings given in the petition.

2.56.3. Commission's view:

The Commission has noted the objection of the stakeholders and reply of Discoms and dealt with the same in section 6 of this order.

2.57.Power Factor Rebate:

2.57.1. Stakeholders' suggestions/comments:

1. Rebate on the bill amount is given to consumers to maintain the power factor above 0.95. The proposal of the petitioner to revise the incentive on improved power factor from 0.95 to 0.97 will be a target which is practically unachievable for consumers.

2. To maintain the power factor, the consumer is incurring expenditure in installing and in periodic regular maintenance on APFC panels. It is very difficult to maintain P.F. above .97, because it needs continuous monitoring of APFC system. Discoms are saving on account of consumer expenditure.

3. In present tariff there is a gap of .05 in between surcharge and rebate. It will increase to .07 as per proposed revision, keeping the same gap, the limit for power factor surcharge should also be increased to 0.92.

4. Raising the level of power factor above 0.95 may result in lesser outgo on incentive but will lead to reduced installation of capacitors by industries and corresponding increase in installation of capacitors by RVPN and for Rajasthan power sector as a whole it may not be cost effective and may increase transmission tariff. Further any shortfall in installation will result in lower voltage profile. It was submitted that present level for incentive should not be raised.

5. The Tariff Schedules prescribed by the Commission are subject to the Terms and Conditions of Supply and as per sub clause 17 of clause 55 of the said conditions, the Power Factor clause applies only when the connected load of the consumer exceeds 25 HP. It was submitted earlier also that Power Factor clause has been kept under all the Tariff schedules except Street light and Agriculture tariff (metered and flat) and so it was suggested that instead of putting a note below each tariff schedule, a note regarding Power Factor can be inserted in the General Conditions of Application of tariff which will save stationary and printing cost. The petitioners, if do not agree to the above submission, may be advised to check the Power Factor Clause of the relevant tariff and correct the same as per TCS.

2.57.2. Petitioners' Response:

1. The Discoms submitted that the proposal of increasing the power factor from 0.95 to 0.97 was submitted to grab power factor incentive (which will still remain good i.e. upto 3% of energy charges). Industries having power factor below 0.97 will try to maintain power factor above 0.97 and objective of

inserting capacitors in the system will be fulfilled. Discoms also submitted that as mentioned earlier, the KVAH based tariff will also be examined upon by the Discoms. Discoms submitted that in view of advanced technology it is not difficult to achieve the power factor of more than 0.97. The Discoms requested the Commission to accept the proposal of the Discoms which is a balanced approach for industrial consumers as well as Discoms.

2. As regards putting a general note for power factor clause the Discoms submitted that a consumer generally refers the tariff schedule of its respective tariff and it might be the case that the respective power factor details could be missed if the same are to be provided at the end of the schedule. In order to avoid such confusions, the current practice of mentioning power factor rebate at the end of the respective tariff category is required and needs to be continued.

2.57.3. Commission's view:

The Commission has noted the objection of the stakeholders and reply of Discoms and dealt with the same in section 6 of this order

2.58.Shunt Capacitor Surcharge:

2.58.1. Stakeholders' suggestions/comments:

The shunt capacitor charges are levied by AVVNL on the electricity consumed and fixed charges which should be levied on electricity consumed only and not on fixed charges. Shunt capacitor charges may be removed for the reason that the connections to the consumers are given without any shunt capacitor on the connection point.

2.58.2. Petitioners' Submission

The shunt capacitor charges are not being levied by AVVNL from the consumers who do not have motive load and have sanctioned connected load upto 25 HP (18.65KW). These charges are not being levied on the consumers who have installed shunt capacitors of adequate capacity and maintaining them in healthy conditions to maintain average power factor. Therefore, the charges are not for every consumer.

2.58.3. Commission's view:

The Commission has noted the objection of the stakeholders and reply of Discoms. Discoms should ensure installation of shunt capacitors, wherever applicable, prior to release of connection and periodically check the shunt capacitors thereafter.

2.59. H.T Tariff applicability

2.59.1. Stakeholders' submission

1. Tariff under this part is applicable to the consumers whose contract demand/ maximum demand is above 50 KVA or who wish to take supply on H.T. and opt for billing for demand basis." However, under the applicability schedule of DS/HT-1, NDS/HT-2, MP/HT-3 and ML/HT-4, it has been mentioned that "The consumers under this schedule however can keep his contract demand even below 50 KVA". Both the above provisions are contradictory to each other.
2. Similarly in the applicability of large industrial services (schedule HT-5) it has been mentioned that it is applicable for those consumers (as mentioned therein) having sanctioned connected load above 150 HP & for having contract demand above 125 KVA again under applicability schedule of this category, it has been mentioned that "the consumer under this schedule, however can keep his contract demand even below 125 KVA". Here also both the provisions are contradictory to each other.

2.59.2. Petitioners' Response:

The Discoms submitted that the Commission may take an appropriate decision in this regard.

2.59.3. Commission's Views:

The Commission has dealt the matter in section 6 of this order.

2.60.Wheeling Charges

2.60.1. Stakeholders' submission

For EHV /HV, open access wheeling charges are leviable. In the petition, wheeling charges have not been segregated consumer category wise and that for supply from conventional and RE generating stations.

2.60.2. Petitioners' Response:

Discoms provided the available details and submitted that the consumer category wise segregated details of wheeling charges, as sought by stakeholders, are not being maintained. Discoms also stated that in its ARR and Tariff Petition for FY 2014-15 they have submitted that to determine the consumer category wise details, a cost of supply study will be conducted by the Rajasthan Discoms and a report on the same will be submitted to the Commission within one year.

2.60.3. Commission's Views:

The Commission has taken note of the comments of the stakeholders and reply of Discoms.

2.61.Change and Separate Category

2.61.1. Stakeholders' submission

1. Separate category should be introduced for charitable institutes which run for charitable purpose, shift them from NDS to mixed load/social service category.

2. It was submitted that their nature of services includes social / spiritual services, which are free of any charge including the residential use of dedicated members. Thus, it was not practicable to separate the domestic load and spiritual social service load. In view of this, the Petitioner / Commission may kindly consider sympathetically such organizations under the Domestic Category, similar to that of Mother Teresa's Home.

3. Discoms have proposed (vide para 11.1(c)), separate tariffs for hostels for bonafide domestic use and hostels having no exclusive domestic use. However, definitions as proposed leave some hostels not covered by either of these two categories, e.g. hostels situated outside the educational institutions but run by educational institutions, hostels situated outside the premises of educational registered trust, etc. It is submitted that it will be appropriate to define one of the category say hostels for bonafide domestic use and to define ' hostels for no exclusive (or non) bonafide domestic use' as the hostels not covered by the category of bonafide domestic use.

4. The proposition regarding Hostels under DS/LT-1 should be "Hostels attached with the recognized educational institutions/registered trust and run by them in the same compact area not separated by public roads". Similarly in the proposition of hostels under NDS/LT-2, the word "/institution" may be added after private person.

5. It has been proposed to include "Nurseries" under the applicability of Agriculture Metered Supply stating that it was excluded in the past from Ag. category. The petitioners be asked to check up the position as to why it was earlier got excluded and now again the proposals have been given for inclusion.

6. Agriculture Tariff should also be applied to Tissue culture, Green Houses and Nurseries, irrespective of ownership.

2.61.2. Petitioners' Response:

1. Discoms submitted that though charitable institutions have been working for the noble cause but their incomes/ turnover are adequate / sufficient enough to bear the electricity charges. Further, the Discoms again reiterate that as charitable institutions are being used both for residential and other purposes, therefore, if they can separate their domestic load and take a separate connection, the domestic tariff will be charged.

2. Regarding categorization of hostels, Discoms have submitted their proposal after due-deliberations and discussions and regarding insertion of the word "institutions", Discoms submitted that the provision proposed implies the same as suggested by the stakeholder. However, for more elaboration, Commission may take a view on the suggestions.

3. The present proposal is regarding the nurseries run by state Govt. or the agencies of the State Govt. Earlier it was agriculture nursery category which was excluded from agriculture category.

4. Regarding inclusion of tissue culture and other activities under agriculture, JdVVNL intimated that it has already filed the Tariff Proposal and it is not possible to include the said proposal at this junction, as such Commission may take a view on the same.

2.61.3. Commission's Views:

The Commission has taken note of the objection by stakeholder and reply of Discoms thereto and has dealt the matter in section 6 of this order.

2.62.Subsidy Requirement

2.62.1. Stakeholders' suggestions/comments

1. The Discoms are allowing concessional rates to community kitchen connections, goushala/ jojoba and places of public worship, without obtaining subsidy from the Govt. Why the amount of difference in rates was not recovered in advance from the Govt. as per provisions of section 65 of the Electricity Act 2003.
2. The State Government has delayed payment of subsidies in the past and there is a lack of clarity on categories, which are provided subsidies as well as quantum of subsidy. Under Section 65 of the Electricity Act, the State Government has to pay subsidies in advance and the Regulatory Commission can direct the State Government to do so. There is lack of clarity among consumers about category wise subsidies accruing to different consumers and the regularity of payments to the distribution companies.

3. Discoms may supply a copy of communication of the Govt. where under commitment has been made for subsidy support to BPL, small domestic consumers, agriculture metered consumers and agriculture flat rate consumers.
4. The word "adequate subsidy support" is not clear. Discoms may clearly indicate the amount of subsidy of each category of consumers.

2.62.2. Petitioners' Response

1. Discoms submitted that rates being charged from community kitchens, goushalas, jojoba and place of public worship are as per the tariff approved by the Commission in previous years and deserve no consideration at present.
2. The State Government provides tariff subsidy to BPL consumers, small domestic consumers with consumption upto 50 units and to the agriculture consumers. The State Government at the start and during the year provides lump-sum amount in this regard and the over/under recovery of subsidy based on the actual assessment at the end of the year gets adjusted in the next year's subsidy proposal.
3. The Discoms submitted that the subsidy amount and the rates applicable would be decided by the State Govt. after the issuance of the Tariff Order. As such, there is no copy of communication available from the Govt in this regard. In the past years, the State Govt has been providing subsidy to the Discoms and keeping that in mind, the Discoms had projected the expected subsidy to be received.

2.62.3. Commission's View:

1. The Commission has noted that Discoms have provided the information sought by the stakeholders.
2. The Commission has noted the objection of stakeholders and reply of Discoms. In the present petition, no govt subsidy has been indicated and the Commission is determining the tariff without considering the impact of Govt. subsidy. The Commission is of the view that if the State Government intends to grant any subsidy to any consumer or class of consumers in the tariff determined by the Commission, the State Government should pay in advance the amount to compensate the Licensee/ person affected by the grant of subsidy in the manner specified in Regulation 13 of RERC (Terms and conditions of Tariff) Regulation, 2014. Discoms should effect subsidized tariff only after receipt of such advance amount.

2.63.Miscellaneous

2.63.1. Stakeholders' suggestions/comments:

1. Operational and Financial mis-management are leading to cost escalation at all levels.
2. A white paper should be prepared by RVPN, RVUN and all the Discoms since its formation, clarifying actual losses (tech. losses), losses due to theft, investments made in uneconomical creation of assets, etc.
3. The talk of 70,783 complaints redressed through chaupals by JVVNL work out to be less than one complaint redressed per chaupal if we calculate the total number of chaupals organized by it in 56 weeks of the year at nearly 2000, 33/11 KV substations, coming out to be 1,12,000 total. Similar is the position of AVVNL and JdVVNL. Discoms have not made efforts to create awareness regarding consumer grievance redressal mechanism as well as towards consumer education.
4. Every year, after filing the petition before the Commission, the Discoms make a presentation on ARR and Tariff petition. However, this year they have not made such presentation due to which various discrepancies in petition could not come out.
5. Discoms must promote energy efficient pumps, drip irrigation system and demand side management in buildings. The staff must also be motivated for loss reduction.
6. Stakeholders have also pointed out various general complaints regarding unreliable supply, non-attendance of complaints /non-replacement of meters in time etc.

2.63.2. Petitioners' Response

1. Discoms submitted that they have reduced the distribution losses and improved the consumer grievances redressal. As such it cannot be said that the Discoms have failed to take significant improvement measures.
2. The suggestion given by the stakeholders have been noted and the Discoms will not leave any flaw to ensure these improvements.
3. Discoms submitted that white paper is brought by the government if it is deemed appropriate by them. Therefore, the Discoms have no role in bringing out the white paper.

4. Discoms submitted that the chaupals are conducted on a weekly basis at 33KV substations as per a rotational policy. Therefore, the figure mentioned by stakeholder does not seem to be correct.

5. With regard to the presentation on ARR and tariff petition, Discoms submitted that they have published the brief of ARR and Tariff petition after receiving due instruction from the Commission. Consequently, various comments and suggestions were received from many stakeholders/objectors for which due replies have been submitted by the Discoms.

2.63.3. Commission's Views:

1. The Commission has noted the objection of the stakeholders and reply of Discoms.
2. It is observed that there is a requirement of consumer education/awareness campaign. For this purpose, the Commission allows an additional amount of Rs. 50 lakh per Discom, towards consumer awareness /consumers education. This provision has been specifically made by the Commission to enable Discoms to conduct consumer awareness campaign periodically and institutionalize a mechanism for having a dialogue with the consumers for educating them and addressing common problems.
3. DSM cell of Discoms may promote drip irrigation system and use of energy efficient pumpsets among farmers. DSM cell may coordinate with agriculture universities and Agriculture department to set up demonstration units of drip irrigation and conduct consumer's education programs for the agriculture consumers for showing benefit of use of energy efficient pump sets and drip irrigation. The Discoms are also directed to analyse the benefits of carrying DSM program for agriculture consumers and review the present incentive being given to agriculture consumers for use of energy efficient pump sets/ drip irrigation system and file proposal for cost reflective incentives, if need be.
4. To ensure reduction of consumption in buildings, the Discoms may propose a suitable rebate for energy efficient/green buildings.
5. Utilities may prepare a scheme for giving suitable incentive to staff & officers every year for achievement in loss reductions.
6. The Commission has issued Standards of Performance Regulations wherein the Commission has prescribed the guaranteed Standards of Performance regarding restoration of supply, quality of supply, meter complaints, release of new connections, billing complaints, disconnections and reliability etc.

The SoP Regulations have come into force w.e.f. 1.10.2014 and Discoms should develop a system to meet Standards of Performance as laid down in RERC (Standards of Performance) Regulations, 2014. This will ensure consumers satisfaction.

7. The SoP Regulations also envisage publication of manual for handling consumer complaints. The Discoms must ensure the publication of manual incorporating requisite details at an early date and establish call centers as stipulated in the Regulations. The Discoms must attempt to strengthen complaint handling machinery in line with the standard prescribed in SoP Regulations.

8. There has been a regular complaint regarding non-availability of facilities/ basic amenities for consumers at Discoms offices/bill collection centres. The Discoms are directed to ensure that there are proper facilities like seating, shade, drinking water and toilet etc. for use of consumers at offices of Discoms/bill collection centers.

Category wise comments on Tariff Structure

2.64.Domestic Category

2.64.1. Stakeholders' suggestions/comments:

1. The proposal of abolishing telescopic rate in slabs is causing heartburning amongst consumers whose monthly consumption falls in the high tariff slab.

2. The proposal of Discoms, not to allow benefit to all the lower slabs and only to allow benefit of immediate lower slab under domestic and non domestic category does not exist in other states. Benefit of all lower slabs is allowed, even in income tax slabs. Hence the proposal of Discoms without any proper justification cannot be accepted.

3. The proposal of reduction of slabs in Domestic category is agreeable but due to the change of methodology of calculation, the impact of increase will be quite high, which may be restricted to an increase of about 10%.

4. Last year, Discoms increased the slabs from 4 to 5, stating that it would be towards energy conservation with a view that consumers would become aware and intend to make effort towards energy conservation and avoid paying higher tariff for higher consumption. Now Discoms have proposed to reduce the slabs from 5 to 4, even without justifying the reason for the same.

5. The proposed tariff for domestic category has been made about 25% higher than the present tariff for which no proper justification has been given.

6. As regards the fixed charges for domestic, these cannot be consumption or slab based. The fixed charges were specified in lieu of meter rent and service charges and as such the present level itself is more than the two. Therefore, there should not be any change in the existing fixed charges.

7. The note (ix) below the Domestic Service (DS/LT-1) mentions that the consumption of common utilities shall be segregated in proportion to number of bona fide residential type of consumers and non residential type of consumers for application of domestic and non domestic tariff. In this regard there are two issues which need clarification; (i) whether the above segregation is practically possible and is being done under spot billing/ computerized system of billing and (ii) at what rate the fixed charges shall be billed.

2.64.2. Petitioners' Response

1. Discoms submitted that it has proposed to abolish the telescopic tariff after due deliberation and proposed that the benefit of only one slab lower will be provided to the consumers. Hence it is incorrect on the part of the objector to say that a single tariff rate for energy charges for total energy consumption of a consumer has been proposed because benefit of one lower slab has been proposed as mentioned by the Discoms.

2. Discoms submitted that the change in methodology of calculation has been proposed in view of the conservation of energy, as the consumers despite using excessive energy, avail the lower tariff benefit.

3. Discoms submitted that they have proposal to reduce one slab in domestic category and merge "50-150 units" and "150-300 units" to form a new slab of "50 to 300 units". The number of consumers getting affected by this change would be the consumers of slab of 50-150 units who will be merged with 150-300 units slab. The Discoms submitted that the proposal will help the Discoms to recover slightly higher revenue from the domestic consumers. Further, The Discoms submitted that slab wise consumer categories in the domestic category cannot be determined as of today as the consumers move within slabs, based on their consumption. Hence, to determine no. of consumers affected and subsequently the financial implications on account of that, is difficult to provide at this time.

4. Discoms submitted that the tariff hike has been proposed by the Discoms due to increase in cost of supply (CoS) which has compelled the Discoms to propose tariff hike to bridge the gap between average cost of supply and average realization. It is further submitted that as per the National Tariff Policy,

the tariff for all categories should be within +/-20% of the average cost of supply and the tariff as proposed by the Discoms is as per the guidelines laid down in the National Tariff Policy only.

5. The Discoms do not agree with the proposal of stakeholders regarding not charging the existing fixed charges on the basis of slabs.

6. Regarding consumption of common utilities, Discoms stated that such types of consumers are few in numbers within the licensee area of the distribution utility and proportionate load is taken into record at the time of release of connection of such consumers and under charges are debited manually through necessary advice to billing agency.

2.64.3. Commission's views:

The Commission has kept in view the comments of stakeholders and submission of the Discoms, while deciding the tariff in this order.

2.65.Non Domestic Category

2.65.1. Stakeholders' suggestions/comments:

1. The reduction of NDS sub-categories from four to three is rational but the range should be (i) 0 to 150, (ii) 151 to 400 and (iii) above 400.

2. The existing method of computation of energy charges for non-domestic categories is rational, i.e. telescopic tariff is okay.

3. There is no logic of formation of two groups in NDS, one upto 5kW sanctioned load and another above it. This categorization should be eliminated.

2.65.2. Petitioners' Response

Discoms submitted that the determination of fixed charges as proposed by them is as per the methodology approved by the Commission which is specified above by the stakeholders as well. However, for the computation of energy charges, it is submitted that the proposal to abolish the telescopic tariff has been made after due deliberations and the Discoms have proposed that the benefit of only one slab lower will be provided to the consumers.

2.65.3. Commission's Views:

The Commission has noted the comments of stakeholders and submission of the Discoms. These have been kept in view while deciding the tariff.

2.66.Agriculture Metered category

2.66.1. Stakeholders' suggestions/comments:

1. The energy charges of Rs. 0.20 per unit as proposed are quite low, these should be at least Rs. 0.50 per unit or more.
2. The Discoms shall have to check the actual connected load (HP) of the consumers every year and should obtain certificate from the field officers for correct billing which may create further disputes as consumers may tend to underreport the connected load.
3. Discoms are required to indicate the quantum of subsidy in proposed fixed charges and energy charges that Govt. would provide.
4. The proposal is not workable and almost a reversion to flat rate category. Rationale for proposed tariff redesigning may be explained.
5. In case of agriculture, tariff is very low. The tariff for Agriculture should be about Rs. 5.20 per unit which is 80% of the cost of supply likely to be approved by the Commission.
6. The energy efficient pumps/ devices be encouraged to save energy as is being done in the other states. The installation of LT capacitor type MPP non self healing should be made mandatory, rather than to use ISI marked capacitor. The present rates of ISI branded capacitor is about 5 times less than the MPP Non S.H. type. This issue itself will reduce the distribution losses.

2.66.2. Petitioners' Response:

1. The energy charges of Rs. 0.20 per unit have been proposed in view of redesigning of tariff of agriculture metered and flat rate category.
2. Discoms submitted that checking of the actual connected load is done presently which will also continue in future.
3. The Discoms submitted that the State Government has committed a subsidy of Rs.1984.29 Crore for BPL, small domestic and agriculture consumers during FY 2014-15 on existing tariff rates.
4. The tariff of agriculture metered and flat rate consumers has been redesigned in view of converting the flat rate consumers into metered category and also to prevent the tampering of meters by agricultural consumers.
5. The Commission may take an appropriate view in this regard.

6. For encouraging the use of energy efficient pumps, the Discoms are already providing an incentive of 10 paisa per unit in the 'Energy Charges' on use of 3 star & above energy efficient pumps as well as on use of sprinkler sets. Also, installation of shunt capacitor is mandatory in this category, failing which a surcharge is levied. Therefore, it is the onus of respective consumers for maintaining their shunt capacitors in working status.

2.66.3. Commission's Views:

The Commission has noted the comments of the stakeholders and submission of the Discoms. These have been kept in view while deciding the tariff.

2.67.Agriculture Flat category

2.67.1. Stakeholders' suggestions/comments:

1. The proposal of eliminating subsidy for flat rate agriculture consumers is a good proposal and a suitable date say 31.12.14 may be fixed for conversion to metered connections. Otherwise the Govt. subsidies be withdrawn, as proposed.

2. The energy charges should be Rs. 650/- and Rs. 750/- per HP per month in place of proposed Rs 600/- and Rs 720/- respectively. The charges should be so designed that the rates are higher than that of metered consumers.

3. The petitioner may indicate the reason for a large difference in average billing rate approved viz a viz actual in case of agriculture supply, metered as well as flat rate.

4. It has been proposed to do away with provision of subsidy to flat rate agricultural consumers after 6 months of tariff order. Agricultural metered tariff has been proposed with heavy fixed and low energy charges with both charges subject to reduction as per Govt. subsidy. Subsidy level / subsidized tariffs have not been indicated. Proposed tariff will be virtually flat rate supply and on account of fixed charges of metered agricultural supply– general category (getting supply in block hours), proposed as Rs. 585 per hp being less than total tariff of flat rate supply being Rs. 615 per h.p. In all probability such consumers will switch over to metered supply but it may not be so for other category of agricultural consumers getting supply (for more than block hours) and there may be resistance to switch over to metered supply unless fixed charges of tariff for metered supply with subsidy is less than fixed charges of flat rate supply (i.e. below say Rs.720 per h.p per month). It is suggested that Discoms may kindly be directed to notify tariffs with subsidy from Govt. within 6 months of tariff order.

5. Discoms have no powers, neither to discontinue nor to allow any subsidy to any category of consumers. Under Section 65 of Electricity Act. 2003, it is the State Government that can do so.

2.67.2. Petitioners' Response:

1. Discoms submitted that they have proposed to eliminate the subsidy of flat rate consumers after six months from the date of issue of tariff order. A suitable date as suggested to eliminate the subsidy may be decided by the Commission.

2. Discoms submitted that the proposal has been made to encourage the flat rate agriculture consumers to convert into metered category agriculture consumer in order to comply with the RERC directions to convert all remaining flat rate consumers into metered category. It is further submitted that although at present the tariff for agriculture flat rate general consumer category (for more than block hours) is less, however, the Discoms in its ARR and Tariff Petition have proposed to eliminate the tariff subsidy for flat rate consumers which will increase the tariff burden on them and subsequently will encourage them to move into metered category.

2.67.3. Commission's Views:

The Commission has noted the comments of stakeholders and submission of the Discoms. These have been kept in view while deciding the tariff.

2.68.Large Industries

2.68.1. Stakeholders' suggestions/comments:

1. The consumption of power by large industry is on lower trend and the matter requires immediate attention of Discom authorities as it is not an auspicious indicator for the progress of the state and financial health of the Distribution Companies

2. For the large industrial category, which is the backbone of Discoms' financial health, proposed charges are excessive. This would hit the large industries of the State and industrial growth would be hampered severely. A look at existing and proposed rate(s) is given here under:

Particulars	**Existing Rate**	**% hike**
Energy Charges	Rs. 5.50/unit	19.09%
Fixed Rate	Rs. 140/KVA/month	19.28%

3. For large industries with demand above 125 KVA, having SCL above 150 HP, the provision of connected load be removed.

4. The proposed hike of the app. 20% is too heavy and looking to precarious financial health of the industries in general, the hike in rate (s) should not be above 10%, otherwise industry growth would be hampered
5. Projections for large industries can be based on 2 year's projections of total consumption (equal to sales by Discoms plus energy drawn under open access assessed, based on wheeling charges paid to Discoms) and projected figures of total consumption is reduced by projected open access supply.

2.68.2. Petitioners' Response

1. Discoms submitted that the fall in consumption in industrial category can be attributed to the discrepancies in the existing Open Access Regulations, the benefit of which is being availed by the open access consumers. These discrepancies are against the interest of the Petitioner and in this regard the Petitioner will take appropriate action. Further, to prompt the industrial consumers towards the distribution companies of the state, the Petitioner has proposed lesser tariff hike for industrial consumers as compared to the tariff hike proposed in domestic and non-domestic categories.
2. Discoms submitted that they have proposed lesser hike in energy and fixed charges of the large industrial category as compared to other categories and has also proposed to provide discounted tariff of 20% for off peak hours for HT consumers to encourage consumption in off peak hours and also help in reducing the migration of industrial consumers to open access. It is also worth mentioning that there was no tariff hike in respect of large industrial category during FY 2012-13. Accordingly a hike of 19% is not too heavy.
3. Discoms submitted that they do not agree with the proposal of removing the provision of connected load in respect of large industrial consumers.
4. In respect of rate of energy and fixed charges, the Discoms requested the Commission to make a prudent check of the suggestion given by the stakeholders.
5. The Discoms submitted that the sales estimates for FY 2013-14 and projections for FY 2014-15 are being made, based on the actual data available upto December'13 and the past trends and Discoms have submitted all requisite information to the Commission for consideration.

2.68.3. Commission's Views:

The Commission has noted the comments of stakeholders and submission of the Discoms. These have been kept in view while deciding the tariff.

2.69.Jaipur Metro rail Corporation

2.69.1. Stakeholders' submission

1. A separate single tariff category for JMRC may be created on the basis of actual cost of supply at the 132 KV voltage level. Benefit of integrated maximum demand may also be given to the JMRC.
2. Till then, alternate tariff for JMRC under separate tariff category may be determined which may be at least 10% less than the Railway Traction load and the clause of separate billing for traction and non-traction for Jaipur Metro may be deleted and billing should be ordered to be made at single point of supply.
3. JMRC is billed under NDS/HT-2 category by JVVNL and paid under protest (to be billed under LP/HT-5) by JMRC as per JPR5-705 from 09.07.2013, where electricity was used for bonafide purpose of Metro Rail Services only (as revenue operation & commercial activities at Jaipur Metro is yet to commence) till date. Therefore, excess money recovered should be refunded with retrospective effect from 09.07.13.
4. In respect of commercial & other establishment, which are not integral part of running the metro services, if electricity is supplied, then that may be charged according to its category and in respect of which suitable billing adjustment may be permitted between the licensee and JMRC as is being done at Delhi Metro Rail Corporation (DMRC).

2.69.2. Petitioners' Response:

1. The RERC vide its tariff order dated 6.06.2013 has categorized the tariff of Metro at par with Railways and non-traction load of the Metro has been ordered in the respective category. Jaipur Discom is levying the tariff of Metro as per the directions of the Commission. There seems no such reason now to reconsider this decision of RERC, which was taken after conducting public hearing and seeking stakeholders' comments.
2. Discom requested the Commission to uphold its earlier decision vide its tariff order dated 6.06.2013.

2.69.3. Commission's Views:

1. The Commission has considered the plea of JMRC and response of Discom. The Commission vide its order dated 06.06.13 has already allowed a rebate of 10% on energy charges of LP/HT-5 for Metro Rail services in Rajasthan for a period of five years from the date of electrification and ordered that non traction load of Metro shall be billed under respective categories as applicable to that load. The Commission does not find any reason to

change that. This is also in line with what is there for Delhi Metro which JMRC quotes in support. However, JMRC has pointed out various issues pertaining to separation of traction and non-traction load and applicability of suitable tariff schedule to non traction load which must be looked into by the Discoms.

2. Accordingly, the Commission directs Jaipur Discom to look into the matter for making suitable arrangement/adjustments in metering and billing of traction/non-traction load in consultation with JMRC. Such exercise should be initiated within one month from date of order and Discom must submit its report to the Commission within three months of the order.

3. As regards the issue of integrated maximum demand is concerned, the Commission finds that stakeholders during proceedings of earlier tariff petitions pointed out that this provision is against the general principle of tariff applicability according to which tariffs are applicable to one point of supply and at other point of supply it is to be separately billed. The above procedure is not applicable to other consumers placed in similar position. The Commission had directed the Discom to examine the issue and come out with a proposal in the next tariff petition and if no change is required, give the reasons thereof. However no such reasoning was given by the Discom. As such the Commission again directs Discoms to examine the technical and financial implications of allowing such facility to Railways and furnish the reason why such facility shall not be extended to JMRC.

2.70.Railway Traction

2.70.1. Stakeholders' submission

1. The Railway is suffering due to losses incurred on account of social service obligation. In addition to such losses, the Railways is already paying huge amount for Railway traction to JVVNL on account of disproportionately higher tariffs being charged by the JVVNL as compared to other state traction tariff.

2. Capacity blockage charges have been proposed for Railway traction adopting methodology as per TPDD's tariff order for FY2013-14. Discoms have neither indicated the proposed charges nor adopting Rs.1200 x (2.97x contract/ maximum demand in MVA +5). The proposal, therefore, requires study for scheme of effecting supply to Jaipur Metro and blockage in capacity (based on envisaged unbalanced loading on transformer) and based on such study and present day transformer cost, proposed charges are to be worked out rather than charges based on very old prices.

3. The petitioner has requested for levy of capacity blockage charge for Railway Traction consumers on the same rates as is being charged by Discom

of Delhi. The Commission had directed the Discoms to examine the issue and submit a proposal along with the tariff petition. Since, no such proposal is available with the petition, it appears that the issue has not been examined/studied by the Discoms.

4. Discoms have submitted proposal for capacity blockage charges but they have not said anything about the integrated maximum demand as directed by the Commission in the earlier order. There should not be any provision for integrated maximum demand in the tariff schedules. As per this provision, the Railways are taking advantage by way of compensating the same with other point of supply.

5. As regard the proposal on Electric Traction, the supply is on 132KV lines and the phase rotation to ensuing GSS are such that the load balance is maintained. There should not be any proposal without study, which may result in shifting of the dedicated consumer to 'Open Access'. The analogy of Delhi may not be sufficient as in Delhi, it may not be multi point supply to balance the load. Study of some big states, where the traction supply is at multi-point, may be more appropriate.

2.70.2. Petitioners' Response:

1. JVVNL submitted that it has projected average cost of supply for 2014-15 as Rs 7.38 per unit and while the tariff of Railway Traction has been proposed as Rs. 6.55 per unit which is less than the average cost of supply. As the Railways have social service obligation, similarly Discoms also have social service obligation to provide electricity at affordable tariff for weaker sections and agriculture sector, therefore, this aspect of the railways cannot be considered while proposing the tariff.
2. With regard to levy of capacity blockage charge, Discoms submitted that the Commission may take an appropriate decision.
3. In the context of proposal for electric traction, JVVNL has proposed it after due deliberations and studying the order of DERC. It is further submitted that the blockage charges are being determined based on the present day cost structure and the suggestion made by the stakeholder to study other big cities has been noted and necessary action will be taken in this matter.

2.70.3. Commission's Views:

The Commission has taken note of the suggestions. The Commission has dealt with this issue in the section 6 of this Order.

Section 3: Analysis of True up of Discoms for FY 2012-13

3. True Up for FY 2012-13

3.1. Discoms have submitted petition for truing up of ARR on the basis of audited accounts for the following years:

(i) JdVVNL - FY 2012-13
(ii) JVVNL - FY 2012-13
(iii) AVVNL - FY 2012-13

Analysis of True up of ARR for FY 2012-13 – JDVVNL

Sale of Energy

3.2. The Discom has indicated total sale of 13615.15 MU including 1388.26 MU sales to flat rate category. It has been observed that at the beginning of the year, connected load was 668666 kW and due to conversion of flat rate consumers to metered category the closing connected load became 685203 kW. The Commission has worked out the sales on the basis of average connected load of 676935 kW and by considering the normative specific consumption i.e. 1945 kWh/kW/year, the sales to flat rate category shall be 1316.64 MU. Based on the revised sales to flat rate consumers, the total allowed sales of energy is 13543.53 MU. Based on allowed sales of 13543.53 MU the distribution loss comes out to be 18.56% as against 18.13 % indicated by the Discom.

Power Purchase Cost

3.3. Power purchase cost approved by Commission for FY 2012-13 was Rs. 5632 crores vide ARR order dated 08.08.12. For the purpose of truing up, JDVVNL has claimed Rs. 6645.10 crores as power purchase cost (including short term power purchases and Transmission & SLDC charges).

3.4. The Discom has petitioned that they have purchased 17624.59 MU. Commission has worked out the power purchase requirement based on the approved distribution losses, actual percentage of intra state and interstate transmission losses and sales in accordance with approved methodology.

3.5. Details of gross energy requirement on the basis of sales as indicated in foregoing para is given below in table:

Table 1: Gross Energy Requirement of JDVVNL for 2012-13 (MUs)

Particulars	Approved as per Order Dated	Actual/Audited	restated level	Normative calculation
Gross Energy Requirement	15986.83	17624.59	17624.59	17505.28
Inter - State Transmission Loss (%)	3.71%	3.50%	3.50%	3.50%
Inter - State Transmission Loss(MUs)	207.00	262.88	262.88	262.88
Energy Availability at RVPN (MU) – Total	15779.83	17361.71	17361.71	17242.40
Intra - State Transmission Loss (%)	4.20%	4.21%	4.21%	4.21%
Intra State Transmission Loss (MUs)	662.75	730.93	730.93	725.91
Energy Requirement at Distribution Periphery (MU)	15117.00	16630.78	16630.78	16516.50
Distribution Loss (%)	18.00%	18.13%	18.56%	18.00%
Distribution Loss (MUs)	2721.07	3015.63	3087.25	2972.97
Energy Sales (MUs)	12396.00	13615.15	13543.53	13543.53

3.6. It is observed that the Discom has purchased 119.31 MU energy in excess due to increase in distribution loss over the target given by the Commission. As per Reg. 113 (5) of RERC Tariff regulations, the loss on account of distribution losses is to be shared in the ratio of 50:50 as such Commission disallows 50% of such excess purchase i.e. 59.65 MU from actual purchase of 17624.59 MU and accordingly energy allowed shall be 17564.94 MU.

3.7. As mentioned above, the gross energy requirement corresponding to the allowed sales is 17564.94 MU out of which 16685.52 MU is allowed from the approved sources resulting in a short term power purchase requirement of 879.42 MU. Details of power purchase cost as submitted by Discom is given below in table:

Table 2: Power Purchase Cost of JDVVNL for 2012-13 (Rs in crores)

Particulars	Units (MU)	Amount in Crores	Average Rate
Energy petitioned by Discom			
Total Energy Purchased by Discom	17624.59	5869.49	3.33
Less: Purchase From Short term sources	939.07	334.90	3.57
Balance Energy from approved Sources	16685.52	5534.59	3.32

3.8. As per regulation 115 (5) of the RERC Tariff Regulations, 2009, in case of short term power shortage, the distribution licensee may procure electricity from any source at an average tariff not exceeding the highest rate approved by the Commission.

3.9. Accordingly, purchase of energy from other sources has to be allowed at the highest rate of Rs. 5.78 per unit as per order dated 08.08.2012. As actual rate of short term sources is much less than the approved rate, hence it is allowed as per actual i.e. @ Rs. 3.57 per unit.

3.10. Details of power purchase cost allowed are stated in the table below:

Table 3: Power Purchase Cost of JDVVNL for 2012-13 -Approved by Commission

Particulars	Units (MU)	Amount in Crores	Average Rate
Energy approved by Commission:			
From approved sources	16685.52	5534.59	**3.32**
Add: Purchase of energy from other Sources to be allowed at the average rate of short term sources being lower than highest rate approved in the order dated 08.08.2012	879.42	313.63	**3.57**
Power Purchase Cost Allowed	**17564.94**	**5848.22**	

3.11. Discom has submitted Rs. 775.61 crores as Transmission and SLDC charges which have been allowed as per actual by the Commission. Accordingly, the total power purchase cost including transmission and SLDC charges for FY 2012-13 approved is Rs. 6623.83 crores.

Operations and Maintenance (O&M) Expenses

3.12. The O&M expenses approved by Commission for FY 2012-13 were Rs. 618 crores including terminal liability of Rs.105 crore vide Tariff order dated 08.08.2012. For the purpose of true up, JDVVNL has claimed Rs. 1080.82 crores as O&M expenses (including staff terminal benefits based on actuarial valuation of Rs. 709.29 crores).

3.13. Regulation 119 of RERC (Terms & Conditions of Determination of Tariff) Regulations, 2009 provides for O&M expenses as under:

a) Employees expenses: 26 paise per unit of sale

b) A&G Expenses: 03 paise per unit of sale

c) R&M Expenses: 06 paise per unit of sale

3.14. O&M expenses are allowed as per the above norms specified in the Tariff Regulation 2009 for base year 2009-10. The normative charges for FY 2009-10 have been escalated by WPI inflation index as per Regulation 25 (4) of the RERC Tariff Regulations, 2009. The Normative charges of FY 2011-12 have been escalated @ 7.36% based on WPI index for FY 2012-13.

3.15. The Commission had approved Rs. 105 crore towards terminal benefit liability in their tariff order dated 08.08.2012 and JDVVNL submitted that they deposited a sum of Rs. 105 crore towards terminal benefit liability. Accordingly, the terminal benefit liability as claimed by JDVVNL has been considered by Commission.

3.16. Details of normative O&M expenses are given in table below:

Table 4: O&M Expenses of JDVVNL for 2012-13 (Rs in crores)

Particular	Amount in crores
Energy Sales approved by Commission (in MU)	13543.53
Normative Employee cost for FY 2012-13 (Rs. 0.333/unit)	451.22
Normative A &G expenses (Rs. 0.0384/unit)	52.06
Normative R&M expenses (Rs. 0.0769/unit)	104.13
Less: Proportionate Employee Cost Capitalized	134.71
Less: Proportionate A &G cost capitalized (A&G)	10.30
Total O&M Expenses Allowed after True Up	**462.40**

Depreciation

3.17. The depreciation approved by Commission for FY 2012-13 was Rs. 257 crores vide Tariff order dated 08.08.2012 and Discom has claimed Rs. 211.37 crores as depreciation.

3.18. The Commission has worked out Depreciation as under:

a) The closing balance of depreciable assets for the previous year approved by the Commission in the true up order for 2011-12 has been considered as the opening balance for FY 2012-13.

b) Addition to capitalization for current year has been considered as per Audited Accounts.

c) Consumer Contribution and Grants have been considered based on Audited Accounts.

d) Average Depreciation rate has been taken as per Discom's submissions.

3.19. Details of depreciation charges allowed for FY 2012-13 is given in table below:

Table 5: Depreciation Charges of JDVVNL for 2012-13 (Rs in crores)

Particular	Amount in crores
Depreciable assets at the beginning of the year (closing balance of FY 2011-12)	4773.77
Capitalization during the year	1086.75
Less: Capital Outlay financed by Consumer Contribution and Grant	285.25
Depreciable assets added during the year	801.50
Closing balance of GFA	5575.27
Average depreciable assets during the year	5174.52
Average depreciation rate	3.21%
Depreciation Allowed after True UP	**166.21**

Interest and Finance Charges and Interest on Working Capital

3.20. The interest & finance charges approved by Commission for FY 2012-13 was Rs. 1061 crores including interest on working capital as per the ARR order dated 08.08.2012. For the purpose of true up, JDVVNL has claimed Rs. 2307.21 crores as interest and finance charges including interest on working capital.

3.21. As per RERC Tariff Regulations, 2009, no short term loans except for working capital can be allowed. Commission has carried out a prudent check of loan details and the interest and finance charges have been worked out by considering the following:

a) The closing balance of long-term loans for previous year approved by the Commission in its order dated 15.07.2014 has been considered as opening balance of long-term loans for FY 2012-13.

   Addition to long term loans during the year has been worked out by reducing the total capitalization by the amount of consumer contribution, capital grants and equity received during the year.

b) Subsequently, an average of opening and closing balance of long term loans has been worked out and thereafter previous year's unfunded losses as mentioned below in following para upto FY 2011-12 have been considered for calculating the interest charges on long term loans.

c) Repayment has been treated equal to the depreciation allowed for FY 2012-13.

d) Equity, consumer contribution and grants have been considered on the basis of actual as submitted in audited accounts. However, equity addition has been capped at 30% of capitalization during the year, if equity infusion during the year is exceeding 30% of capitalization.

e) Finance Charges and interest on security deposit of consumers are allowed as per audited accounts.

3.22. <u>Treatment of Unfunded Gap:</u>

Approved Gap

a) While doing the true up for earlier years the Commission had considered the gap upto FY 2008-09 as receivable from State Govt and did not carry forward the gap upto 2008-09 for doing truing up of 2009-10 and onwards.

b) Position of gap of 2009-10 as determined by the Commission vide order dt. 4.12.13 and 2010-11 and 11-12 as determined by the Commission vide order dt. 15.7.14 is as under:

Table 6: Approved Gap from FY 2009-10 to FY 2011-12 (Rs in crore)

Particular	JVVNL	AVVNL	JDVVNL	Total
FY 2009-10	2,467	2,186	2,312	6,965
FY 2010-11	2,348	2,081	2,728	7,157
FY 2011-12	3,102	2,575	2,338	8,015
Total Losses	**7,917**	**6,842**	**7,378**	**22,137**

Actual Gap

c) The actual losses of three Discoms taken together upto FY 2008-09 were of Rs 16373 crore. However, after considering the impact of reversal of subvention the total losses upto 2008-09 as shown in audited accounts of JVVNL, AVVNL & JDVVNL for FY 2011-12, the unfunded gap for three Discoms is Rs. 1543 cr., Rs. 3282 cr. and Rs. 2303 cr. respectively totalling to Rs. 7128 crore as detailed hereunder.

Table 7: Unfunded Gap upto FY 2008-09 (Rs in Crore)

Particular	JVVNL	AVVNL	JDVVNL	Total
	Audited	**Audited**	**Audited**	**Audited**
Upto FY 2008-09	1,543	3,282	2,303	7128

d) The actual losses from FY 2009-10 to FY 2011-12 are Rs. 33814 crore, which means the total losses of Discoms upto FY 2011-12 are Rs. 40942 crore.

Matter under Consideration and Impact of Central FRP.

e) Discoms have requested to consider the gap of prior years as determined by the Commission vide order dt. 4.12.13 i.e. FY 2007-08 and FY 2008-09 for AVVNL and 2008-09 for JVVNL and JdVVNL for considering the brought forward gap for computation of carrying cost i.e. Rs 845 crore for FY 2007-08 and Rs. 4419 crore for 2008-09 as detailed hereunder.

Table 8: Approved gap for FY 2007-08 and FY 2008-09 (Rs in Crore)

Particular	**Gap approved in Commission order dt. 4.12.13 but not carried forward and now Claimed by Discom**			
	JVVNL	**AVVNL**	**JdVVNL**	**Total**
FY 2007-08	-	845.05	-	845
FY 2008-09	1,316	1,737	1,366	4419

f) If losses as per submission are considered for FY 2007-08 and FY 2008-09, the total approved losses upto FY 2011-12 would be Rs. 27401 crore against the actual losses upto FY 2011-12 of Rs. 40942 crore.

g) During the last few years the Discoms have revised their financial restructuring plan many times and kept entering into agreement with the Govt. for cash support and takeover of losses. During various hearings conducted for tariff and true up of earlier years stakeholders referred to MOUs/ agreement executed with Govt. of Rajasthan. Earlier the GoR signed a Memorandum of Understanding (MoU) with the Discoms to allow coverage of losses till FY 2008-09, as cash support to Discoms. Subsequently vide agreement dt. 02.07.2012 State Govt. has taken the sole responsibility to liquidate the total liability of revenue loss of the Discoms up to the end of FY 2011-12. However the Discoms kept revising their FRP and subsequently they revised their accounts i.e. the unfunded gap upto FY 2008-09 amounting to Rs. 7128 crore was reflected in the FY 2011-12 and losses of FY 2009-10 amounting to Rs. 10763.5 crore were reinstated and reflected in FY 2010-11.

h) Moreover the Discoms have now taken up financial restructuring plan as per which the State Government shall takeover 50% of outstanding short term liabilities (short term loans and power purchase payables) of Discoms corresponding to the accumulated loss as on 31.03.2012.

i) As per the central FRP scheme, the outstanding STL including short term borrowings from commercial banks and payables for power purchase outstanding for more than 60 days as on March 31, 2012 are Rs. 36,038 Cr. As per provision of scheme 50 % of outstanding loan balance i.e. Rs. 18019 crore be first converted into bond and shall be taken over by GOR in phased manner by March 2017. The stakeholders have requested for non consideration of total gap as on 31.3.12. The Discoms have modified their accounts and if we reduce this amount from outstanding losses of Discoms as on 31.3.2012 the following picture emerges:

Table 9: Unfunded gap of Discom after considering the impact of FRP (Rs in crore)

	JVVNL	AVVNL	JdVVNL	Total
Losses Upto FY 2011-12	13,432	14,503	13,006	40,942
Less: taken over by GoR as per FRP	5,691	6,697	5,631	18,019
Unfunded Revenue Gap After considering the FRP impact	7,741	7,806	7,375	22,923

j) Though the bonds issued by the Discoms will be taken over by the State Government in a phased manner but as per FRP the interest liability at the prevailing interest rates is assumed to be taken over by the State Government from 1st April 2012 onwards.

k) Considering the impact of FRP as above, the gap up to 31st March 2012 after short term loan taken over by GOR shall be Rs. 22923 crore, which is lower than the losses of Rs 27401 crore, therefore the Commission has considered the unfunded gap at the end of 2011-12 as under for the purpose of true-up of FY 2012-13 and future years:

Table 10: Unfunded gap for FY 2012-13 and future Years (Rs in Crore)

	JVVNL	AVVNL	JdVVNL	Total
Unfunded Revenue Gap After considering the FRP impact	7,741	7,806	7,375	22,923

l) Having taken a view on the request of Discoms as regards gap of the period 2007-08 and 2008-09 as filed by Discoms in the current petition, the review petition filed by AVVNL (438/14) for review of Commission's order dt. 4.12.13 in the matter of true up of ARR for the FY 2007-08 and FY 2008-09, raising same issues, also stands disposed of accordingly.

3.23. Commission has allowed interest and finance charges as per the methodology explained above. The details are given in table below:

Table 11: Interest and Finance Charges of JDVVNL for 2012-13 (Rs in crores)

Particular	Amount in crores
Opening balance of Long term Loan (LTL) (closing balance of FY 2011-12)	2155.13
Add: Capitalization during the year	1086.75
Less: Capital Outlay financed by Equity (capped at 30% of capitalization during the year)	326.03
Less: Capital Outlay financed by Consumer Contribution and grant	285.25
Addition to LTL for Capital Outlay	475.48
Less: Repayments equal to depreciation	166.21
Closing balance of LTL	2464.40
Average LTL	2309.76
Add: Revenue Gap recognized for the period FY 2011-12	7375.17
Total Long Term Loan Balance to be considered for allowing interest for FY 2012-13	9684.94
Average Interest rate of LTL as petitioned	11.85%
Interest Charges on LTL	1147.57
Interest on security deposit from consumers - As per actual	33.46
Finance Charges-As per actual	75.79
Total Interest and Finance Charges Allowed after True UP (10+11+12)	**1256.82**

3.24. Commission has approved the interest on working capital as per Regulation 28 of RERC Tariff Regulations, 2009. Interest rate has been considered on normative basis as provided in RERC Tariff Regulations, 2009. In accordance with regulation 28 of RERC Tariff Regulations, 2009, for the calculation of gain or loss on account of variation in interest rate the Commission has considered the difference on account of interest rate submitted by Discom and normative interest rate allowed by the Commission. The details are given below:

a) O&M expenses for FY 2012-13 have been considered based on the normative figures, for the purpose of calculation of working capital requirement.

b) Receivables have been considered based on the ARR after the true up of FY 2012-13.

c) The rate of interest on WLC has been taken equal to the short-term Prime Lending Rate of State Bank of India as on April 1 of the relevant year till 24 Sept. 2012 and thereafter 250 basis points higher than the average Base Rate of State Bank of India prevalent during first six months of the previous year as per fifth amendment made in regulation 28 of RERC Regulations, 2009.

d) Amount of security deposit as submitted by Discom has been accepted.

3.25. Details of Interest on working capital are given in table below:

Table 12: Interest on Working Capital of JDVVNL for 2012-13 (Rs in crores)

Particular	Amount considering normative interest rate	Amount considering interest rate submitted by Discom
O&M expenses of one month	38.53	38.53
Maintenance spares @ 15% of operation and maintenance expenses specified in regulation 119;	69.36	69.36
Receivables equivalent to one and a half (1½) months billing of consumers	1073.89	1073.89
Security deposit from consumers	392.82	392.82
Total working capital requirement(1+2+3-4)	788.97	788.97
Rate of Interest (SBI PLR Rate)	13.23%	12.68%
Interest on working capital allowed after true-up	104.37	100.01
Less : 50% Gain arising from variation in Interest rate as per regulation 28 of RERC Tariff Regulations, 2009	2.18	
Net interest on working capital	**102.19**	

3.26. It is seen that gain on account of variation in interest rate is Rs. 4.36 crores. As per regulation 28 read with regulation 10 of RERC Tariff Regulations, 50% of such gain is to be passed as a rebate in tariff and the licensee is allowed to retain only 50% of such gain. Accordingly, 50% of the gain has been reduced from the amount of interest on working capital worked out on the basis of normative interest rate.

3.27. Other income, non tariff income, prior period income, prior period expenses other debits and fringe benefits tax, if any, as petitioned by Discom have been accepted.

3.28. Based on above discussions and data provided by JDVVNL, truing up for FY 2012-13 has been summarized in table below:

Table 13: Summary of True up of JDVVNL for FY 2012-13 (Rs in crores)

Particulars	As per order dated 08.08.2012	As per petition	Approved After truing up
Revenue			
Sale of power	4623.00	5012.53	5012.53
Non-tariff income	85.00	134.93	134.93
Other income		47.27	47.27
Deferred Revenue Income		88.71	
Prior period income		43.94	43.94
Total Revenue, A	**4708.00**	**5327.38**	**5238.67**
Expenditure			
Power purchase cost	5632	6645.10	6623.83
O & M Expenses			
Employee cost	296.00	236.42	316.51
A&G expenses	44.00	50.26	41.77
R&M expenses	88.00	84.85	104.13
Terminal Benefits	105.00	709.29	105.00
Depreciation	257.00	211.37	166.21
Interest & finance charges	972.00	2307.21	1256.82
Interest on working capital	89.00		102.19
Other debits & prior period expenses		9.61	9.61
Total Expenditure, B	**7483.00**	**10254.12**	**8726.06**
Surplus/deficit, C = (A-B)	(2,775.00)	(4,926.73)	(3,487.39)
Revenue subsidies received from State Government	428.00	641.47	641.47
Revenue gap for FY 2012-13, D	(2,347.00)	(4,285.26)	(2,845.92)
Carry forward of Gap FY 2011-12 as discussed in foregoing paras, E		(13,006.17)*	(7,375.17)
Cumulative Revenue Gap to be carried forward, D+E		(17,291.44)*	(10,221.09)

As per Balance Sheet

Analysis of True up of ARR for FY 2012-13 – JVVNL

Sale of Energy

3.29. The Discom has indicated total sale of 16682.40 MU including 724.39 MU sales to flat rate category. It has been observed that at the beginning of the year, connected load was 356124 kW and due to conversion of flat rate consumers to metered category the closing connected load became 321063 kW. The Commission has worked out the sales on the basis of average connected load of 338594 kW and by considering the normative specific consumption i.e. 1945 kWh/kW/year, the sales to flat rate category shall be 658.56 MU. Based on the revised sales to flat rate consumer, the total allowed sales of energy is 16616.57 MU. Based on allowed sales of 16616.57 MU the distribution loss comes out to be 19.41% as against 19.09 % indicated by the Discom.

Power Purchase Cost

3.30. Power purchase cost approved by Commission for FY 2012-13 was Rs. 7390 crores vide ARR order dated 08.08.2012. For the purpose of truing up, JVVNL has claimed Rs. 8032.62 crores as power purchase cost (including short term power purchases and Transmission & SLDC charges).

3.31. The Discom has petitioned that they have purchased 21877.91 MU out of which they have sold 31.05 MU through exchange. Commission has worked out the power purchase requirement based on the approved distribution losses, actual percentage of intra state and interstate transmission losses and sales in accordance with approved methodology.

Table 14: Gross Energy Requirement of JVVNL for 2012-13 (MUs)

Particulars	Approved as per Order Dated	Actual/ Audited	Restated Level	Normative Calculation
Gross Energy Requirements	20841.21	21877.91	21877.91	21508.62
Less:- Sale of Energy through power exchange	0.00	31.05	31.05	31.05
Net Energy Requirement	20841.21	21846.86	21846.86	21477.57
Inter State Loss (%)	3.71%	3.50%	3.50%	3.50%
Inter State Loss (MU)	303.00	344.90	344.90	344.90
Energy Availability at RVPN (MU) – Total	20538.21	21501.96	21501.96	21132.67
Intra - State Transmission Loss (%)	4.20%	4.11%	4.11%	4.11%
Intra State Transmission Loss (MUs)	862.61	882.91	882.91	868.55

Particulars	Approved as per Order Dated	Actual/ Audited	Restated Level	Normative Calculation
Energy Requirement at Distribution Periphery (MU)	19675.61	20619.05	20619.05	20264.12
Distribution Loss (%)	18.00%	19.09%	19.41%	18.00%
Distribution Loss (MUs)	3541.61	3936.65	4002.48	3647.54
Energy Sales (MUs)	16134.00	16682.40	16616.57	16616.57

3.32. It is observed that the Discom has purchased 369.29 MU in excess due to increase in distribution loss over the target given by the Commission. As per Reg. 113 (5) of RERC Tariff Regulations, 2009 the loss on account of distribution losses is to be shared in the ratio of 50:50 as such Commission disallows 50% of such excess purchase i.e. 184.64 MU from actual purchase of 21877.91 MU and accordingly energy allowed shall be 21693.26 MU.

3.33. As mentioned above, the gross energy requirement corresponding to the allowed sales is 21693.26 MU out of which 18842.34 MU is allowed from the approved sources resulting in a short term power purchase requirement of 2850.92 MU. Details of power purchase cost as submitted by Discom is given in below table:

Table 15: Power Purchase Cost of JVVNL for 2012-13 (Rs in crores)

Particulars	Units (MU)	Amount in Crores	Average Rate
Energy petitioned by Discom			
Total Energy Purchased by Discom	21877.91	7086.44	3.24
Less: Purchase From Short term sources	3035.57	1005.13	3.31
Balance Energy from approved Sources	18842.34	6081.31	3.23

3.34. As per regulation 115 (5) of the RERC Tariff Regulations, 2009, in case of short term power shortage, the distribution licensee may procure electricity from any source at an average tariff not exceeding the highest rate approved by the Commission.

3.35. Accordingly, purchase of energy from other sources has to be allowed at the highest rate of Rs. 5.78 per unit as per order dated 08.08.2012. As actual rate of short term sources is much less than the approved rate, hence it is allowed as per actual i.e. @ Rs. 3.31 per unit.

3.36. Details of power purchase cost allowed are stated in the table below:

Table 16: Power Purchase Cost of JVVNL for 2012-13 -Approved by Commission

Particulars	Units (MU)	Amount in Crores	Average Rate
Energy approved by Commission:			
From approved sources	18842.34	6081.31	3.23
Add: Purchase of energy from other Sources to be allowed at the average rate of short term sources being lower than highest rate approved in the order dated 08.08.2012	2850.92	943.99	**3.31**
Power Purchase Cost Allowed	**21693.26**	**7025.30**	

3.37. Discom has submitted Rs. 946.19 crores as Transmission and SLDC charges which have been allowed as per actual by the Commission. Accordingly, the total power purchase cost including transmission and SLDC charges for FY 2012-13 approved is Rs. 7971.49 crores.

Operations and Maintenance (O&M) Expenses

3.38. The O&M expenses approved by Commission for FY 2012-13 were Rs. 763 crores including terminal liability of Rs. 207 crore vide Tariff order dated 08.08.2012. For the purpose of true up, JVVNL has claimed Rs. 1265.03 crores as O&M expenses (including staff terminal benefits based on actuarial valuation of Rs. 782.97 crores).

3.39. Commission has worked out the normative O&M expenses as per the methodology explained in earlier part of this order. The normative charges for FY 2012-13 have been escalated @ 7.36% based on WPI as per Regulation 25 (4) of the RERC Tariff Regulations, 2009.

3.40. The Commission had approved Rs. 207 crore towards terminal benefit liability in their tariff order dated 08.08.2012. JVVNL submitted that they deposited a sum of Rs. 82.50 crore towards terminal benefit liability. Accordingly, the terminal benefit liability as claimed by JVVNL of Rs. 82.50 crore has been considered by Commission.

3.41. Details of normative O&M expenses are given in table below:

Table 17: O&M Expenses of JVVNL for 2012-13 (Rs in crores)

Particular	Amount in crores
Energy Sales approved by Commission (in MU)	16616.57
Normative Employee cost for FY 2012-13 (Rs. 0.33314/unit)	553.60
Normative A &G expenses (Rs. 0.03843/unit)	63.88
Normative R&M expenses (Rs. 0.07687/unit)	127.75
Less: Proportionate Employee Cost Capitalized	172.77
Less: Proportionate A &G cost capitalized (A&G)	16.67
Total O&M Expenses Allowed after True Up	**555.80**

Depreciation

3.42. The depreciation approved by Commission for FY 2012-13 was Rs. 372 crores vide Tariff order dated 08.08.2012 and Discom has claimed Rs. 340.44 crores as depreciation.

3.43. Details of depreciation charges allowed for FY 2012-13 is given in table below:

Table 18: Depreciation Charges of JVVNL for 2012-13 (Rs in crores)

Particular	Amount in crores
Depreciable assets at the beginning of the year (closing balance of FY 2011-12)	7592.17
Capitalization during the year	1323.15
Less: Capital Outlay financed by Consumer Contribution and grant	264.80
Depreciable assets added during the year	1058.35
Closing balance of GFA	8650.52
Average depreciation assets during the year	8121.35
Average depreciation rate	3.57%
Depreciation Allowed after True UP	**289.72**

Interest and Finance Charges and Interest on Working Capital

3.44. The interest & finance charges approved by Commission for FY 2012-13 was Rs. 879 crores including interest on working capital as per the ARR order dated 08.08.2012. For the purpose of true up, JVVNL has claimed Rs. 2308.69 crores as interest and finance charges including interest on working capital.

3.45. Interest and finance charges have been calculated as per the methodology explained above. The details are given in table below:

Table 19: Interest and Finance Charges of JVVNL for 2012-13 (Rs in crores)

Particular	Amount in crores
Opening balance of Long term Loan (LTL) (closing balance of FY 2011-12)	4409.07
Add: Capitalization during the year	1323.15
Less: Capital Outlay financed by Equity (capped at 30% of capitalization during the year)	396.94
Less: Capital Outlay financed by Consumer Contribution and grant	264.80
Addition to LTL for Capital Outlay	661.41
Less: Repayments equal to depreciation	289.72
Closing balance of LTL	4780.75
Average LTL	4594.91

Particular	Amount in crores
Add: Revenue Gap recognized for the period upto FY 2011-12	7741.35
Total Long Term Loan Balance to be considered for allowing interest for FY 2012-13	12336.26
Average Interest rate of LTL as petitioned	11.47%
Interest Charges on LTL	1414.84
Interest on security deposit from consumers - As per actual	63.60
Finance Charges-As per actual	57.65
Total Interest and Finance Charges Allowed after True UP	**1536.09**

3.46. Commission has approved the interest on working capital as per Regulation 28 of RERC Tariff Regulations, 2009. The details are given in table below:

Table 20: Interest on Working Capital of JVVNL for 2012-13 (Rs in crores)

Particular	Amount considering normative interest rate	Amount considering interest rate submitted by Discom
O&M expenses of one month	46.32	46.32
Maintenance spares @ 15% of operation and maintenance expenses specified in regulation 119;	83.37	83.37
Receivables equivalent to one and a half (1½) months billing of consumers	1311.45	1311.45
Security deposit from consumers	687.30	687.30
Total working capital requirement(1+2+3-4)	753.84	753.84
Rate of Interest (SBI PLR Rate)	13.23%	12.97%
Interest on working capital allowed after true-up	99.72	97.79
Less: 50% Gain arising from variation in Interest rate as per regulation 28 0f RERC 2009	0.97	
Net interest on working capital	**98.75**	

3.47. It is seen that gain on account of variation in interest rate is Rs. 1.93 crores. As per regulation 28 read with regulation 10 of RERC tariff regulations, 50% of such gain is to be passed as a rebate in tariff and the licensee is allowed to retain only 50% of such gain. Accordingly, 50% of the gain has been reduced from the amount of interest on working capital worked out on the basis of normative interest rate.

3.48. Other Income, non tariff income, prior period income, prior period expenses other debits and fringe benefits tax, if any, as petitioned by Discom have been accepted.

3.49. Based on above discussions and data provided by JVVNL, truing up for FY 2012-13 has been summarized in Table below:

Table 21: Summary of True up of JVVNL for FY 2012-13 (Rs in crores)

Particulars	As per order dated 08.08.2012	As per petition	Approved After truing up
Revenue			
Sale of power	7380.00	6691.62	6691.62
Non-tariff income	209.00	157.97	157.97
Revenue through trading (inter Discom)	0.00	8.56	8.56
Deferred Revenue Income	0.00	95.75	
other Income	0.00	92.58	92.58
Total Revenue, A	**7589.00**	**7046.48**	**6950.74**
Expenditure			
Power purchase Cost	7390.00	8032.62	7971.49
O & M Expenses			
Employee cost	385	316.93	380.83
A&G expenses	57.00	74.39	47.21
R&M expenses	114.00	90.74	127.75
Terminal Benefits	207.00	782.97	82.50
Depreciation	372.00	340.44	289.72
Interest & finance charges	795.00	2308.69	1536.09
Interest on working capital	84.00		98.75
Other debits & prior period expenses	0.00	115.20	115.20
Total Expenditure, B	**9404.00**	**12061.98**	**10649.55**
Surplus/deficit, C = (A-B)	(1,815.00)	(5,015.50)	(3,698.81)
Revenue subsidies received from State Government	650.00	854.33	854.33
Revenue gap for FY 2012-13, D	(1,165.00)	(4,161.17)	(2,844.48)
Carry forward of Gap FY 2011-12 as discussed in foregoing paras, E		(13,432.35)	(7,741.35)
Cumulative Revenue Gap to be carried forward, D+E		(17,593.52)	(10,585.83)

**As per balance sheet*

Analysis of True up of ARR for FY 2012-13 – AVVNL

Sale of Energy

3.50. The Discom has indicated total sale of 11862.67 MU including Rs. 1324.02 MU sales to flat rate category. It has been observed that flat rate sales of 1330.69 MU are within the limit of normative specific consumption i.e. 1945 kWh/kW/year as specified by the Commission. As such, Commission accepts the sales of energy as submitted by Discom.

Power Purchase Cost

3.51. Power purchase cost approved by Commission for FY 2012-13 was Rs. 5250 crores vide ARR order dated 08.08.2012. For the purpose of truing up, AVVNL has claimed Rs. 6039.65 crores as power purchase cost (including short term power purchase cost and Transmission & SLDC charges).

3.52. Commission has worked out the power purchase requirement based on the approved distribution losses, actual percentage of intra state and interstate transmission losses and actual sales as petitioned by AVVNL. At targeted loss level, the actual energy requirement is 15736.34 MU instead of 15863.11 MU as petitioned by AVVNL.

3.53. For FY 2012-13 sharing of gains and losses is allowed as per regulation 113(5) of RERC tariff regulations 2009 whereby gains arising out of higher loss reduction than the target fixed for any year by the Commission and the losses on account of distribution licensees failure to achieve the target set by the Commission be shared in the ratio specified under Regulation 10 for sharing of gains and losses on account of controllable factors. Hence, 50% of excess energy purchased by Discom over and above as computed by the Commission at targeted loss level is considered for sharing of loss under regulation 113 (5). Details of gross energy requirement on the basis of actual sales is given below in table below:

Table 22: Gross Energy Requirement of AVVNL for 2012-13 (MUs)

Particulars	Approved as per Order Dated	Actual/Audited	Commission's Analysis
Gross Energy Requirement	14829.44	15863.11	15736.34
Less:- Sale Through Exchange		23.09	23.09
Net Energy Requirement	14829.44	15840.02	15713.25
Inter State Transmission Loss (%)	3.71%	3.50%	3.50%
Inter State Transmission Loss (MU)	200.00	236.43	236.43
Energy Availability at RVPN (MU) – Total	14629.44	15603.59	15476.82

Particulars	Approved as per Order Dated	Actual/Audited	Commission's Analysis
Intra State Transmission Loss (%)	4.20%	4.19%	4.19%
Intra State Transmission Loss(MU)	614.44	653.79	648.48
Energy Requirement at Distribution Periphery (MU)	14015.00	14949.80	14828.34
Distribution Loss (%)	20.00%	20.65%	20.00%
Distribution Loss (MUs)	2803	3087.13	2965.67
Energy Sales (MUs)	11212.00	11862.67	11862.67

3.54. It is observed that the Discom has purchased 126.77 MU in excess due to increase in distribution loss over the target given by the Commission. As per Reg. 113 (5) of RERC Tariff Regulations, 2009 the loss on account of distribution losses is to be shared in the ratio of 50:50 as such Commission disallows 50% of such excess purchase ,i.e., 63.39 MU from actual purchase of 15863.11 MU and accordingly energy allowed shall be 15799.72 MU.

3.55. As mentioned above, the gross energy requirement corresponding to the allowed sales is 15799.72 MU out of which 14409.23 MU is allowed from the approved sources resulting in a short-term power purchase requirement of 1390.49 MU.

3.56. Power purchase of Discom with cost as submitted by Discom is given in table below:

Table 23: Power Purchase Cost of AVVNL for 2012-13 (Rs in crores)

Particulars	Units (MU)	Amount in Crores	Average Rate
Energy petitioned by Discom			
Total Energy Purchased by Discom	15863.11	5336.98	3.36
Less: Purchase From Short term sources	1453.88	601.75	4.14
Balance Energy from approved Sources	**14409.23**	**4735.23**	**3.29**

3.57. As per regulation 115 (5) of the RERC Tariff Regulations, 2009, in case of short term power shortage, the distribution licensee may procure electricity from any source at an average tariff not exceeding the highest rate approved by the Commission.

3.58. Accordingly purchase of energy from other sources has to be allowed at the highest rate of Rs. 5.78 per unit as per order dated 08.08.2012. As actual rate of short term sources is much less than the approved rate, hence it is allowed as per actual i.e. @ Rs. 4.14 per unit.

3.59. Details of power purchase cost allowed are stated in the table below:

Table 24: Power Purchase Cost of AVVNL for 2012-13 -Approved by Commission

Particulars	Units (MU)	Amount in Crores	Average Rate
Energy approved by Commission:			
From approved sources	14409.23	4735.23	**3.29**
Add: Purchase of energy from other Sources to be allowed at the average rate of short term sources being lower than highest rate approved in the order dated 08.08.2012	1390.49	575.51	**4.14**
Power Purchase Cost Allowed	**15799.72**	**5310.75**	

3.60. Discom has submitted Rs. 702.67 crores as Transmission and SLDC charges which have been allowed as per actual by the Commission. Accordingly, the total power purchase cost including transmission and SLDC charges for FY 2012-13 approved is Rs. 6013.41 crores.

Operations and Maintenance (O&M) Expenses

3.61. The O&M expenses approved by Commission for FY 2012-13 were Rs. 567 crores including terminal liability of Rs. 181 crore vide ARR order dated 08.08.2012. For the purpose of true up, AVVNL has claimed Rs. 995.49 crores as O&M expenses (including staff terminal benefits of Rs. 458.04 crores).

3.62. The Commission has worked out the normative O&M expenses as per the methodology explained in earlier part of this order. The normative charges for FY 2012-13 have been escalated @ 7.36% based on WPI as per Regulation 25 (4) of the RERC Tariff Regulations, 2009.

3.63. The Commission had approved Rs. 181 crore towards terminal benefit liability in their tariff order dated 08.08.2012. AVVNL submitted that they deposited a sum of Rs. 181 crore towards terminal benefit liability. Accordingly, the terminal benefit liability as claimed by AVVNL has been considered by Commission.

3.64. Details of normative O&M expenses are given in table below:

Table 25: O&M Expenses of AVVNL for 2012-13 (Rs in crores)

Particular	Amount in crores
Energy Sales approved by Commission (in MU)	11862.67
Normative Employee cost for FY 2012-13 (Rs. 0.333/unit)	395.22
Normative A &G expenses (Rs. 0.0384/unit)	45.60
Normative R&M expenses (Rs. 0.0769/unit)	91.20
Less: Proportionate Employee Cost Capitalized	12.62
Less: Proportionate A &G cost capitalized (A&G)	4.20
Total O&M Expenses Allowed after True Up	**515.21**

Depreciation

3.65. The depreciation approved by Commission for FY 2012-13 was Rs. 290 crores vide ARR order dated 08.08.2012 and Discom has claimed Rs. 224.43 crores as depreciation charges for the purpose of true up.

3.66. Details of depreciation charges allowed for FY 2012-13 is given in table below:

Table 26: Depreciation Charges of AVVNL for 2012-13 (Rs in crores)

Particular	Amount in crores
Depreciable assets at the beginning of the year (closing balance of FY 2011-12)	5795.44
Capitalization during the year	634.80
Less: Capital Outlay financed by Consumer Contribution and grant	235.72
Depreciable assets added during the year	399.08
Closing balance of GFA	6194.52
Average depreciable assets during the year	5994.98
Average depreciation rate	3.17%
Depreciation Allowed after True UP	**189.82**

Interest and Finance Charges and Interest on Working Capital

3.67. The interest & finance charges approved by Commission for FY 2012-13 was Rs. 873 crores including interest on working capital as per the ARR order dated 08.08.2012. For the purpose of true up, AVVNL has claimed Rs. 2519.12 crores as interest and finance charges including interest on working capital.

3.68. Interest and finance charges have been calculated as per the methodology given below in table.

Table 27: Interest and Finance Charges of AVVNL for 2012-13 (Rs in crores)

Particular	Amount in crores
Opening balance of Long term Loan (LTL) (closing balance of FY 2011-12)	2816.67

Particular	Amount in crores
Add: Capitalization during the year	634.80
Less: Capital Outlay financed by Equity (capped at 30% of capitalization during the year)	190.44
Less: Capital Outlay financed by Consumer Contribution and grant	235.72
Addition to LTL for Capital Outlay	208.64
Less: Repayments equal to depreciation	189.82
Closing balance of LTL	2835.49
Average LTL	2826.08
Add: Revenue Gap recognized for the period upto FY 2011-12	7806.06
Total Long Term Loan Balance to be considered for allowing interest for FY 2012-13	10632.14
Average Interest rate of LTL as petitioned	12.14%
Interest Charges on LTL	1290.67
Interest on security deposit from consumers - As per actual	34.01
Finance Charges-As per actual	85.34
Total Interest and Finance Charges Allowed after True UP	**1410.02**

3.69. Commission has approved the interest on working capital as per Regulation 28 of RERC Tariff Regulations, 2009.

3.70. Details of Interest on working capital are given in table below.

Table 28: Interest on Working Capital of AVVNL for 2012-13 (Rs in crores)

Particular	Amount considering normative interest rate	Amount considering interest rate submitted by Discom
O&M expenses of one month	42.93	42.93
Maintenance spares @ 15% of operation and maintenance expenses specified in regulation 119;	77.28	77.28
Receivables equivalent to one and a half (1½) months billing of consumers	1033.20	1033.20
Security deposit from consumers	486.89	486.89
Total working capital requirement	666.53	666.53
Rate of Interest (SBI PLR Rate)	13.23%	12.66%
Interest on working capital allowed after true-up	88.17	84.39
Less : 50% Gain arising from variation in Interest rate as per regulation 28 0f RERC 2009	1.89	
Net Interest on working capital	**86.28**	

3.71. It is seen that gain on account of variation in interest rate is Rs. 3.78 crores. As per regulation 28 read with regulation 10 of RERC tariff regulations, 50% of such gain is to be passed as a rebate in tariff and the licensee is allowed to retain only 50% of such gain. Accordingly, 50% of the gain has been reduced from the amount of interest on working capital worked out on the basis of normative interest rate.

3.72. Other income, non tariff income, prior period Income, prior period expenses other debits and fringe benefits tax, if any, as petitioned by Discom have been accepted.

3.73. Based on above discussions and data provided by AVVNL, truing up for FY 2012-13 has been summarized in Table below:

Table 29: Summary of True up of AVVNL for FY 2012-13 (Rs in crores)

Particulars	As per order dated 08.08.2012	As per petition	Approved After truing up
Revenue			
Sale of power	4992.00	4826.32	4826.32
Non-tariff income	230.00	131.79	131.79
Revenue through trading (inter Discom)	0.00	6.37	6.37
Deferred Revenue Income	0.00	73.16	
Other Income	0.00	59.23	59.23
Prior Period Income	0.00	27.86	27.86
Total Revenue, A	**5222.00**	**5124.73**	**5051.57**
Expenditure			
Power purchase Cost	5250.00	6039.65	6013.41
O & M Expenses			
Employee cost	269	404.93	382.61
A&G expenses	40.00	72.31	41.40
R&M expenses	79.00	60.21	91.20
Terminal Benefits	181.00	458.04	181.00
Depreciation	290.00	224.43	189.82
Interest & finance charges	805.00	2519.12	1410.02
Interest on working capital	68.00		86.28
Other debits & prior period expenses	0.00	1.66	1.66
Total Expenditure, B	**6982.00**	**9780.35**	**8397.40**
Surplus/deficit, C = (A-B)	(1,760.00)	(4,655.62)	(3,345.83)
Revenue subsidies received from State Government	472.00	750.92	750.92
Revenue gap for FY 2012-13, D	(1,288.00)	(3,904.70)	(2,594.91)
Carry forward of Gap FY 2011-12 as discussed in foregoing paras, E		(14,503.06)*	(7,806.06)
Cumulative Revenue Gap to be carried forward, D+E		(18,407.76)*	(10,400.97)

**As per balance sheet*

Section 4: Analysis of Investment Plan of Discoms for FY 2014-15

4. Proposed investment plan, analysis and decisions of the Commission

Proposed investment plan for FY 2014-15

4.1. The petitioners have proposed investment under various projects/schemes to be executed along with the proposed targets in FY 2014-15 as detailed below:

Table 30: Proposed capital expenditure and mobilization of resources for FY 2014-15 (Rs. in crores)

Particulars	FY 2014-15	FY 2014-15	FY 2014-15	FY 2014-15
	JVVNL	AVVNL	JdVVNL	Total
Sub-Transmission & Distribution	300.00	210.00	140.00	650.00
Rural Electrification Works	275.00	233.00	538.00	1046.00
Rajiv Gandhi G.V. Yojana	100.00	10.00	25.00	135.00
R-APDRP-A	210.00	1.00	30.00	241.00
R-APDRP-B	519.40	131.60	120.00	771.00
Total	**1404.40**	**585.60**	**853.00**	**2843.00**

4.2. To execute the above work, the petitioners have proposed the funding from following sources:

Table 31: Source wise detail of funding for the proposed Capital Investment Plan (Rs in crore)

Particulars	FY2014-15	FY 2014-15	FY2014-15	FY 2014-15
	JVVNL	AVVNL	JdVVNL	Total
1) IEBR				
a) Rural Electrification Corporation				
- Normal RE works including release of new connections	189.50	184.40	419.00	892.90
- RGGVY	100.00			
b) R-APDRP	290.00	132.60	-	422.60
c) PFC/Commercial Banks/Others	351.90	75.00	144.00	570.90
TOTAL (1)	931.40	392.00	563.00	1886.40
2)Through State Govt.				
State Govt. Equity	473.00	193.60	290.00	956.60
Total (2)	473.00	193.60	290.00	956.60
Total (1+2)	**1404.40**	**585.60**	**853.00**	**2843.00**

4.3. As given in the table above, the petitioners have proposed a total investment of Rs. 650 crore in FY 2014-15 for sub transmission and distribution infrastructure works.

The Discom wise proposed investment and physical targets are provided below:

Table 32: Proposed investment and physical target for FY 2014-15

S.N.	Major Heads	Units	FY 2014-15 Targets (JVVNL)	FY 2014-15 Targets (AVVNL)	FY 2014-15 Targets (JdVVNL)
1.	**33/11 KV Substation**	MVA	320	240	240
		Nos.	80	60	60
2.	**33 KV Lines**	KMs	400	300	300

4.4. Discoms submitted that apart from above, the work also includes release of large no. of connections in urban areas. The petitioners have submitted that the above investments are required to strengthen the existing network. Accordingly, the system requires further improvement and strengthening so that the system becomes robust and improved and thereby is able to provide a quality and reliable supply to the consumer with less number of interruptions. The petitioners also submitted that schemes are also aimed to intensify electrification in the Discom area. The proposed schemes will ensure expansion of the distribution network.

4.5. Petitioners have proposed a total investment of Rs.1046 crore in FY 2014-15 for rural electrification works which includes electrification, providing electricity connections, improvement of sub transmission and distribution system and reduction of T&D losses in rural areas. The Discom wise proposed investment and physical targets are provided in table given below:

Table 33: Discom wise proposed investment and physical target for RE works in FY 2014-15

S.No.	Major Heads	Units	Proposed target JVVNL	Proposed target AVVNL	Proposed target JdVVNL
1	**Proposed investment**	Rs. Crore	275	233	538
2	**Domestic Connection Rural**	Nos	108725	70000	68500
3	**Energisation of Wells (Agriculture Connections)**	Nos	18275	10000	14779

4.6. JVVNL, AVVNL and JdVVNL have proposed investment of Rs. 100 crore, Rs. 10 crore and Rs. 25 crore in FY 2014-15 for electrification of hamlets with a population of greater than hundred people, implementation of RGGVY which includes creation of infrastructure required to electrify the identified villages, hamlets and provision of B.P.L connections. The petitioners also submitted that the scheme provides free of cost connection to all rural households living below poverty line.

4.7. Petitioners have proposed total investment of Rs. 1012 crore in FY 2014-15 under both RAPDRP-Part A and RAPDRP-Part B. JVVNL, AVVNL and JdVVNL have proposed investment of Rs. 210 crore, Rs. 1 crore and Rs. 30 crore respectively in FY 2014-15 under RAPDRP Part A, work has started and it is expected that execution of scheme under R-APDRP Part-A shall be completed shortly. Further JVVNL, AVVNL and JdVVNL have also proposed investment of Rs. 519.40 crore, Rs. 131.60 crore and Rs. 120 crore under RAPDRP Part B.

Analysis of the Commission and decisions:

4.8. While approving the last investment plan vide order dated 30.09.2012, the Commission has considered the APTEL judgment, wherein it was brought out that Regulatory Commission should confine itself to exercise prudent check on investment being made by licensee and should not delve in the area of micro management of utility. Suffice to say that any control by a Regulatory Commission on investment plan of a licensee beyond requirement of prudent check would not be in consonance with Electricity Act, 2003. The Act has not assigned distribution network planning function to the Regulatory Commission. In light of this, the Commission would be exercising only prudent check on the investment of the licensee and allow/disallow expenditure based on such prudent check instead of according project/scheme-wise approvals.

4.9. For exercising prudent check of the proposed investment plan, the Commission has kept in view the following:

(a) The ceiling limit on investment as per investment guidelines attached with RERC (Investment Approval) Regulations, 2006;

(b) The schemes and programme of Central Govt. like RGGVY and RAPDRP, which are formulated, approved and implemented as per guidelines of the Govt. of India;

(c) The nature of proposed investment and reasons thereof.

4.10. Para E of investment guidelines as attached with RERC (Investment Approval) Regulation, 2006 provides that the size of the annual investment plan (including deposit works of the other agency and consumer/user's contribution) shall not exceed the ceiling limit determined, based on growth of load/sales and annual inflation rate. For transmission and distribution licensees, it shall not exceed the following ceiling limits:

Annual plan=k*GFA *[(1+inflation rate)*(1+growth rate)-1]

Where k=constant to convert GFA at the end of previous year to current cost of assets. Till same is worked out it shall be taken as 1.30.

Inflation rate = ratio of WPI as on 1st April of previous year and current year.

Growth rate = growth of sales envisaged for current year over that of previous year.

4.11. Based on above formula, the ceiling limit works out to be as under:

Table 34: Ceiling Limit for investment plan for FY 2014-15 (Rs. in crores)

Sr. No.	Particulars	JVVNL	AVVNL	JdVVNL	Total
1	GFA closing figure of 13-14 (as per tariff petition)-Rs. Crore	11732	9261	8900	29893
2	K	1.30	1.30	1.30	1.30
3	Approved sale for FY 14(MU)	17173	11995	13150	42318
4	Approved sale for FY 15(MU)	21145	14487	16776	52408
5	Growth rate for sale (%)	23.13%	20.77%	27.58%	23.84%
6	Inflation (%)	6.14%	6.14%	6.14%	6.14%
7	Annual Plan ceiling -Rs. Crore	4680	3393	4096	12169

4.12. The Central Sector Schemes and programs launched by Govt. of India are formulated and implemented as per guidelines of the Central Govt. Funding under RGGVY as well as RAPDRP by the Central Govt. is based on scrutiny and examination of schemes at various levels and it would, therefore, be appropriate that investment under these schemes be allowed while undertaking prudent check.

4.13. The envisaged expenditure of FY 14-15 is much lower than the ceiling of expenditure worked out as per 2006 Regulations in respect of JVVNL, AVVNL and JdVVNL. The expenditure on schemes and activities other than Central Sector Schemes is proposed for strengthening of the system, efficiency improvement in quality and reliable supply to the consumer. As per the provisions of Electricity Act, 2003, the licensee is under obligation to provide electricity connection to consumers in his area and has to maintain quality of supply and meet standards of performance specified by the Commission. For ensuring this, appropriate investment is imperative. As such the Commission allows the proposed capital expenditure. However the actual impact of capital expenditure shall be reviewed while doing truing up. At the same time the Commission would like to advise management of Discoms to effectively monitor the capital expenditure so as to ensure that amount being spent is utilized optimally. The Commission directs the Discoms to carry out prudence check on five to ten schemes/works under each head of plan being carried out during the year and furnish a report indicating cost benefit analysis and effectiveness of the investment made, to the Commission by 30th June 2015.

Section-5: Annual Revenue Requirement

5. Annual Revenue Requirement for FY 2014-15:

5.1. Determination of ARR requires assessment of energy sales as well as cost of various elements like power purchase cost, O&M expenses, interest cost and depreciation etc. Projection of the petitioners with respect to various components of ARR, the Commission's analysis thereon and decision with respect to items given below are discussed in the following paras:

(1) Energy sales
(2) Losses, both transmission and distribution
(3) Power purchase cost, including transmission charges and SLDC charges
(4) Operation and maintenance expenses
(5) Interest and finance charges, including interest on working capital
(6) Depreciation
(7) Revenue from existing tariff
(8) Non-tariff and other income
(9) Revenue deficit based on existing tariff

5.2. Energy Sales

5.2.1. Discoms have worked out the energy sales on the basis of the revised estimates of FY 2013-14 as well as actual data for the past years. The consumer category wise sales projected by the three Discoms and the energy sales being approved now by the Commission have been discussed in the following sub-paras.

5.2.2. It may be mentioned that all consumers in the State, except Flat Rate Agriculture consumers, have metered energy supply and they fall within the metered category. Commission normally considers Compounded Annual Growth Rate (CAGR) of 3 or 5 previous years, as the case may be, in assessing energy requirement in a year. However, in case of Agriculture, connected load and specific consumption have been used for calculating sales as adopted in tariff order of FY 2013-14. This methodology is more appropriate rather than using CAGR of sales, as agricultural consumption varies considerably on year to year basis due to erratic nature of rainfall in the State. In addition, supply hours for agriculture in the past have varied considerably due to various reasons, which also lead to significant changes in consumption of power in agriculture. This methodology has been used in this order for estimating the energy sales of agriculture consumers (both metered and flat rate).

5.2.3. Commission has accordingly, separately analyzed the projections of energy sales for FY 2014-15 by Discoms in respect of the following consumer categories with respect to the different methodologies adopted to finalize energy of such categories:

(1) All consumer category, except Agriculture

(2) Agriculture consumers (Metered)

(3) Agriculture consumers (Flat Rate)

Petitioners' Submission

5.2.4. **Energy Sales for Metered Categories (except Agriculture)**

5.2.4.1. The Discoms have submitted that they have worked out energy sales for FY 2014-15 on the basis of historical sales data and revised estimates of sales of FY 2013-14 using the category wise CAGR as per methodology approved by Hon'ble Commission in the previous year's tariff order. The energy sales from FY 2006-07 to FY 2013-14 have been used for all categories except for agriculture category.

5.2.4.2. With regard to mixed load category, Discoms stated that decreasing trend has been observed which can be attributed to the shift in certain consumer groups, therefore for projecting the energy sales of mixed load category, JVVNL has used a nominal growth rate of 10% and AVVNL & JdVVNL have used growth rate of 5%.

5.2.4.3. JVVNL has considered growth of 7.35% on sales of FY 2013-14 i.e. 5 year CAGR in electric traction category and further added sales of 26.28 MU to Jaipur Metro Rail with proposed commencement from FY 2014-15.

5.2.4.4. The category wise sales projections are available in table - 41.

5.2.5. **Energy sales to Agriculture Metered (M) consumers**

5.2.5.1. The Discoms have projected the energy sales from metered agriculture consumers for FY 2013-14 and FY 2014-15 based on CAGR approach. The energy sales for agriculture consumers have been estimated after deducting the energy sales on account of defective meters. The impact of proposed planned addition and conversion from flat rate to metered category has also been taken into account in estimating sales.

5.2.5.2. The Discoms submitted that, they have considered the specific consumption of 2317 KWh/KW/year for JVVNL, 1986 KWh/KW/year for AVVNL and 2079 KWh/KW/year for JdVVNL.

5.2.5.3. The Discoms have furnished the following information regarding no. of metered consumers, connected load and specific consumption in their petition:

Table 35: Agriculture (M) sales for FY 2014-15-JVVNL

Particulars	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing consumers	3,95,385	7.26	28,70,463	2,317	6,651
New Consumers	18,275	7.26	1,32,675	2,317	154
Add: converted from flat rate	10,000	8.37	83,727	2,317	97
Total	4,23,660	7.29	30,86,865	2,317	6,902

Table 36: Agriculture (M) sales for FY 2014-15- AVVNL

Particulars	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing consumers	3,34,885	6.95	23,28,125	1,986	4,623
New Consumers	10,000	6.95	69,520	1,986	69
Add: converted from flat rate	10,000	11.01	1,10,059	1,986	109
Total	3,54,885	7.07	25,07,704	1,986	4,801

Table 37: Agriculture (M) sales for FY 2014-15- JdVVNL

Particulars	Consumers (Number)	Connected load per consumer (kW)	Total connected load (kW)	Specific consumption (kWh/kW/year)	Consumption (sales) (MU)
Existing consumers	239,448	15.94	3,815,964	2,079	7,932
New Consumers	14,779	15.94	235,526	2,079	245
Add: converted from flat rate	10,000	18.54	185,370	2,079	193
Total	264,227	16.03	4,236,859	2,079	8,369

5.2.6. **Energy Sales for Agriculture Flat Rate (FR) Consumers**

5.2.6.1. For projecting the sales for agriculture (flat) category for FY 2014-15, Discoms have considered the specific consumption of 1945 KWh/KW/year as approved earlier by the Commission.

5.2.6.2. Discoms indicated the following details regarding the number of flat rate consumers, connected load and specific consumption:

Table 38: Agriculture (FR) Sales for FY 2014-15 – JVVNL

Particulars	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing consumers	32,277	8.37	2,70,246	1,945	526
Less: converted to meter	10,000	8.37	83,727	1,945	81
Total	22,277	8.37	1,86,519	1,945	444

Table 39: Agriculture (FR) Sales for FY 2014-15– AVVNL

Particulars	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing consumers	58,481	11.01	6,43,635	1,945	1,252
Less: converted to meter	10,000	11.01	1,10,059	1,945	107
Total	48,481	11.01	5,33,576	1,945	1,145

Table: 40-Agriculture (FR) Sales for FY 2014-15– JdVVNL

Particulars	Consumers (Number)	Connected load per consumer (kW)	Total connected load (kW)	Specific consumption (kWh/kW/year)	Consumption (sales) (MU)
Existing consumers	35,753	18.54	662,752	1,945	1,289
Less: converted to meter	10,000	18.54	185,370	1,945	180
Total	25,753	18.54	477,382	1,945	1,109

5.2.7. **Total energy sales projected by Discoms:**

5.2.7.1. The projection of energy sales of different consumer categories discussed in preceding sub-paras is given in the following table:

Table: 41- Total Energy Sales for FY 2014-15- Discoms' Projection (MU)

State	JVVNL FY 2014-15	AVVNL FY 2014-15	JdVVNL FY 2014-15	Rajasthan FY 2014-15
Domestic	4,715	3,146	2,833	10,694
Non-Domestic	2,221	989	1,173	4,383
Public Street Light	185	66	184	434
Agriculture (Metered)	6,902	4,801	8,369	20,072
Agriculture (Flat)	444	1,145	1,109	2,698
Small Industry	431	293	239	963
Medium Industry	753	745	745	2,242
Large Industry	4,391	2,758	1,059	8,209
Public Water Works (S)	219	223	230	672
Public Water Works (M)	34	37	106	177
Public Water Works (L)	223	164	363	749
Mixed Load / Bulk Supply	206	120	370	696
Electric Traction	489	0	0	489
Total	**21,213**	**14,487**	**16,779**	**52,478**

Commission's Analysis

5.2.8. **Energy Sales for Metered Categories (except Agriculture)**

5.2.8.1. In the Tariff Order dated 06.06.13 the Commission had considered 3-year CAGR for domestic categories and 5-year CAGR for remaining categories except agriculture for computation of energy sales. However, due to shift of large number of consumers from mixed load category to non domestic category 5 year CAGR for mixed load category is reflecting negative growth for three Discoms.

5.2.8.2. Therefore, the Commission has considered 5 % growth in mixed load category for projecting the sales for FY 2013-14.

5.2.8.3. Considering the last year Tariff Order approach, the Commission for FY 2014-15 has considered the energy sales on the basis of 5-year CAGR (from FY 2008-09 to FY 2013-14) for all categories (except Large Industry, Agriculture, Railway traction).

5.2.8.4. For large Industry, the Commission has considered the sales as projected by the Discoms. i.e. with growth of 8.63% for JVVNL, 6.83% for AVVNL and 1.73% for JdVVNL.

5.2.8.5. Commission has adopted the 5% growth rate in mixed load category as mentioned above for FY 2014-15.

5.2.8.6. Commission has considered 5-year CAGR for railway traction category and since the Jaipur metro has not started functioning; Commission has considered only 5 MUs sales to Jaipur metro against the 26 MUs project by the Jaipur Discoms for the full year.

5.2.8.7. The 3-year, 5-year and 7- Year CAGR for different consumer categories and the growth rate accordingly adopted by the Commission and the energy sales are as given in the tables below:

Table: 42-Growth rates and energy sales for FY 2014-15 – JVVNL

Consumer Category	Sales of 2013-14 as per Discom	3-Year CAGR	5-Year CAGR	7-Year CAGR	Growth Rate Adopted by Commission	Energy Sales (MU)
Domestic	4,125	10.81%	13.61%	14.29%	13.61%	4,687
Non-Domestic	1,887	23.72%	17.71%	16.52%	17.71%	2,221
Public Street Light	159	20.18%	16.23%	16.37%	16.23%	185
Small Industry	391	11.87%	10.28%	8.41%	10.28%	431
Medium Industry	708	4.57%	6.34%	7.63%	6.34%	753
Large Industry	4,042	4.72%	8.03%	10.03%	8.63%	4,391
PWW (S)	209	-1.98%	0.96%	2.99%	0.96%	211
PWW (M)	33	8.02%	2.58%	1.75%	2.58%	34
PWW (L)	195	22.08%	14.36%	11.66%	14.36%	223
Mixed Load	188	-24.16%	-5.60%	1.85%	5.00%	197
Electric Traction	431	9.35%	7.35%	6.30%	8.51%	468
Total	12,367					**13,799**

Table: 43-Growth rates and energy sales (MU) for 2014-15– AVVNL

Consumer Category	Sales of 2013-14 as per Discom	3-Year CAGR	5-Year CAGR	7-Year CAGR	Growth Rate Adopted by Commission	Energy Sales (MU)
Domestic	2,756	13.34%	14.17%	14.49%	14.17%	3,146
Non-Domestic	846	24.19%	16.90%	16.14%	16.90%	989
Public Street	61	9.15%	8.39%	6.99%	8.39%	66

Consumer Category	Sales of 2013-14 as per Discom	3-Year CAGR	5-Year CAGR	7-Year CAGR	Growth Rate Adopted by Commission	Energy Sales (MU)
Light						
Small Industry	277	5.96%	5.52%	5.63%	5.52%	293
Medium Industry	689	6.85%	8.03%	8.80%	8.03%	745
Large Industry	2,582	1.56%	5.12%	6.8300%	6.83%	2,758
PWW (S)	213	3.08%	4.43%	6.65%	4.43%	223
PWW (M)	36	4.75%	3.43%	2.13%	3.43%	37
PWW (L)	156	6.81%	4.68%	7.38%	4.68%	164
Mixed Load	115	-25.99%	-5.76%	0.84%	5.00%	120
Total	7,732					8,541

Table: 44-Growth rates and energy sales for FY 2014-15– JdVVNL

Consumer Category	Sales of 2013-14 as per Discom	3-Year CAGR	5-Year CAGR	7-Year CAGR	Growth Rate Adopted by Commission	Energy Sales (MU)
Domestic	2,523	11.69%	12.28%	13.02%	12.28%	2,833
Non-Domestic	984	29.24%	19.19%	17.78%	19.19%	1,173
Public Street Light	160	11.06%	14.80%	22.33%	14.80%	184
Small Industry	228	3.76%	3.98%	5.03%	3.98%	237
Medium Industry	660	15.00%	12.76%	11.67%	12.76%	745
Large Industry	1,041	-1.13%	1.73%	1.15%	1.73%	1,059
PWW (S)	223	-0.77%	2.90%	4.97%	2.90%	230
PWW (M)	105	-2.70%	1.06%	1.61%	1.06%	106
PWW (L)	349	3.08%	3.75%	5.14%	3.75%	363
Mixed Load	352	-12.91%	-0.38%	3.01%	5.00%	370
Total	6,626					7,298

5.2.9. **Agriculture Metered (M) consumers**

5.2.9.1. The Commission has accepted Discoms' submissions in respect to number of existing, new consumers and consumers to be converted from flat rate to metered category.

5.2.9.2. The Commission has observed that Discoms have projected the sale to agriculture flat rate category for FY 2014-15 as approved by the Commission in last year order, which is as follows.

> The new and converted consumers on the average could be taken to be in the metered category for 6 months. Accordingly, connected load and specific consumption as applicable for metered category have been considered for 6 months in case of new consumers and those converted from flat rate for working out their sales.

5.2.9.3. Accordingly, the connected load and estimated sales for FY 2014-15 as petitioned by Discoms have been approved by the Commission.

5.2.10. **Energy Sales for Agriculture Flat Rate (FR) Consumers**

Connected Load per Consumer & Specific Consumption for Flat Rate Consumers

5.2.10.1. The Commission has observed that the Discoms have considered the connected load per consumer of 8.37 KW for JVVNL, 11.1 KW for AVVNL and 18.54 KW for JdVVNL. The Commission has accepted connected load and number of consumers as filed by Discoms.

5.2.10.2. Further Commission has found that Discoms have filed the specific consumption for flat rate consumers as approved by Commission in the order dated 06.06.13 which is accepted by the Commission for FY 2014-15.

5.2.10.3. Accordingly, the connected load, specific consumption and estimated sales for FY 2014-15 as petitioned by Discoms have been approved by the Commission.

5.2.11. **Energy Sales as approved by the Commission for all categories**

5.2.11.1. Based on the adopted growth rates discussed in the preceding paragraphs and agriculture sales, as worked out on the basis of connected load and accepted specific consumption, the energy sales for Discoms are being approved as under:

Table: 45-Energy Sales approved by the Commission for Discoms for FY 2014-15(MU)

Particular	JVVNL	AVVNL	JdVVNL	Total
Domestic	4,687	3,146	2,833	10,666
Non-Domestic	2,221	989	1,173	4,383
Public Street Light	185	66	184	434
Agriculture (Metered)	6,902	4,801	8,369	20,072
Agriculture (Flat)	444	1,145	1,109	2,698
Small Indutsry	431	293	237	960
Medium Industry	753	745	745	2,242

Particular	JVVNL	AVVNL	JdVVNL	Total
Large Industry	4,391	2,758	1,059	8,209
Public Water Works (S)	211	223	230	664
Public Water Works (M)	34	37	106	177
Public Water Works (L)	223	164	363	749
Mixed Load / Bulk Supply	197	120	370	687
Electric Traction	468			468
Total	**21,145**	**14,487**	**16,776**	**52,409**

Transmission and Distribution losses

5.3. Distribution Loss

5.3.1. Petitioners' Submission

5.3.1.1. The Discoms have submitted that they have been continuously working towards the reduction in distribution losses and have been able to achieve significant loss reduction in past few years through a Feeder Renovation Program initiated in FY 2005-06. Further, Discoms have stated that investments being made under R-APDRP schemes are also expected to aid in the reduction of distribution loss and they are also considering the introduction of distribution franchisees in difficult rural areas with higher losses.

5.3.1.2. While projecting the loss reduction trajectory for the MYT period from FY 2014-15 to FY 2018-19, the Discoms have considered the incentive available under the Central Scheme for Financial Restructuring through matching grant for reduction in losses by at least 1.50% per annum till FY 2014-15 and thereafter on the basis of trend forecasted in Rajasthan FRP finalised during June 2013.

5.3.1.3. The distribution losses as proposed by the petitioners are provided in the table below and this includes technical as well as commercial losses other than those relating to collection efficiency:

Table: 46-Distribution Losses for MYT period 2014-15 – Petitioners' Submission

Particulars	FY 12-13 (As per true up petition)	FY14 (RE)	FY15	FY 16	FY17	FY18	FY 19
JVVNL	19.09%	17.59%	16.09%	14.59%	13.50%	13.50%	13.50%
AVVNL	20.65%	19.15%	17.65%	17.00%	16.40%	15.90%	15.50%
JdVVNL	18.13%	16.63%	15.13%	14.40%	13.80%	13.50%	13.50%

Commission's Analysis

5.3.1.4. For FY 2014-15, the Commission has accepted the distribution losses as proposed by Jaipur, Ajmer and Jodhpur Discom which are 1.5% less from the Revised estimated losses of FY 2013-14. Though some of the objectors mentioned that the actual losses of Discoms are higher but the Commission, based on the material produced, has accepted the reduced losses as filed by the Discoms. It may be observed that adoption of higher loss level would result in corresponding increase in ARR as well as in per unit cost of supply with adverse impact on consumer tariff.

5.3.1.5. The regulation 7 (1) of the RERC (Terms and Conditions for Determination of Tariff) Regulations, 2014' requires the Commission to approve a long term trajectory for the Control Period for certain variables like transmission losses, distribution losses and collection efficiency , having regard to the past performance.

5.3.1.6. Considering the above regulation and past performance of Discoms, the distribution loss target as approved by the Commission for FY 2014-15 and upto FY 2018-19 are as under:

Table: 47-Distribution Losses for FY 13-14 and 14-15

Name of Discom	Losses Approved by Commission for FY 13-14	Losses Proposed by Discoms for FY 14-15	Losses Approved by Commission for FY 14-15
JVVNL	17.00%	16.09%	16.09%
AVVNL	20.00%	17.65%	17.65%
JdVVNL	18.00%	15.13%	15.13%

Table 48: Long Term Distribution Losses Trajectory for the Control Period FY 2015-19

Particulars	FY15	FY 16	FY17	FY18	FY 19
JVVNL	16.09%	15.19%	14.30%	13.40%	12.50%
AVVNL	17.65%	16.36%	15.08%	13.79%	12.50%
JdVVNL	15.13%	14.47%	13.82%	13.16%	12.50%

5.4. Collection Efficiency

5.4.1. All Discoms have projected 100% collection efficiency for FY 2014-15, whereas in actual the collection efficiency in FY 2012-13 and FY 2013-14 was less than 100%. The Commission does not wish to pass the burden of

Discoms' inefficiency on the consumers by adopting a lower collection efficiency, especially when Discoms themselves are projecting 100% collection efficiency for FY 2014-15. Hence the target for collection efficiency has been approved to be the same as proposed.

5.5. Transmission Losses

5.5.1. The Discoms have considered the intra-state and Inter-state transmission loss level for FY 2014-15 based on the provisional loss level figures available for FY 2013-14. The intra-state transmission loss i.e. 4.2% by JVVNL and 4.25% by AVVNL and JdVVNL and Inter-state transmission loss 3.45% by three Discoms.

5.5.2. The levels of transmission loss as proposed by the Discoms have been shown in the following table:

Table: 49 - Levels of Transmission Loss

Particulars	Approved by Commission for FY 2013-14	Proposed for FY 2014-15
Intra-State Transmission Losses-JVVNL	4.20%	4.20%
Intra-State Transmission Losses-AVVNL	4.20%	4.25%
Intra-State Transmission Losses-JdVVNL	4.20%	4.25%
Inter-State Transmission Losses- Discoms	3.45%	3.45%

<u>Commission's Analysis</u>

5.5.2.1. With respect to intra-state transmission losses, the Commission has adopted transmission losses of 4.20%, which is the loss approved by the Commission in RVPN transmission tariff order dated 09.10.2014 for FY 2014-15. The Commission has taken the transmission loss outside the State (interstate losses) as average of past 52 weeks for Northern Region and 20 weeks average for Eastern Region as available at NRLDC and ERLDC website respectively.

5.6. Energy Requirement as approved vis-à-vis petitioners' submission

5.6.1.1. On the basis of the sales, distribution and transmission losses discussed above, the energy requirement proposed by Discoms and approved by the Commission for FY 2014-15 is given in the following table:

Table: 50- Energy Requirement for FY 2014-15 (MU)

	JVVNL		AVVNL		JdVVNL		Total	
Particulars	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved
Energy Sales to Consumers (MU)	21,213	21,145	14,487	14,487	16,779	16,776	52,478	52,409
Distribution Loss (%)	16.09%	16.09%	17.65%	17.65%	15.13%	15.13%	16.23%	16.23%
Add: Distribution Loss (MU)	4,068	4,055	3,105	3,105	2,991	2,991	10,164	10,150

Particulars	JVVNL		AVVNL		JdVVNL		Total	
	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved
Energy Required at Discoms periphery (MUs)	25,280	25,200	17,592	17,592	19,770	19,767	62,642	62,559
Intra-State Transmission Losses (%)	4.20%	4.20%	4.25%	4.20%	4.25%	4.20%	4.23%	4.20%
Add: Intra-State Transmission Losses (MU)	1,108	1,105	781	771	878	867	2,767	2,743
Energy Requirement at Transco periphery	26,388	26,305	18,373	18,363	20,647	20,634	65,409	65,302
Inter-State Transmission Losses (%)	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%
Add: Inter-States Transmission Loss	297	300	209	211	246	248	752	759
Gross Energy Requirement (MU)	**26686**	**26605**	**18582**	**18574**	**20893**	**20882**	**66161**	**66060**

5.7. Power Purchase Cost

Petitioners' Submission

5.7.1. Discoms have projected requirement of power purchase for FY 2014-15 considering the sales projection and loss projection, as submitted in their petition. The power requirement has been planned to be met through power purchase from state generating units, allocation from shared projects, purchase from renewable sources, latest allocation of power from the central generating stations and entitlement from new generating stations.

5.7.2. Discoms have submitted that they have made the following assumptions while projecting the power purchase cost for FY 2014-15:

- Availability of energy from all the power plants has been shared amongst JVVNL, AVVNL and JdVVNL in the ratio 39:28:33.
- The energy availability for FY 2014-15 is projected on the basis of estimated generation from State owned generation utility i.e. RVUN and the projected availability from central generating stations.
- For existing stations, the power purchase quantum has been considered same as that estimated during FY 2013-14.
- the purchase from hydro based existing generating stations has been taken on a lower side by reducing the quantum purchased during FY 2013-14 by 5% as it has been anticipated that monsoons during FY 2014-15 will be on a lower side
- The power purchase from new stations has been considered as per the percent of share allocated to the Rajasthan State. The assumption for PLF and Auxiliary Consumption for new stations is based on the

operating norms approved by the CERC for central generating stations and by RERC for state generating stations.

- The availability from RFF has been wholly allocated to JVVNL.
- The purchase from renewable energy sources has been projected as per the RPO Obligation approved by the Commission.
- For Coal and Gas based Power Plants, an escalation rate of 6.62% is considered over the per unit actual cost of FY 2013-14.
- For Hydro Power Stations, an escalation of only 5% is considered for estimation of costs for FY 2014-15.
- For Nuclear Power Plants, the tariff as per the DAE notifications is considered for FY 2014-15.

5.7.3. Summary of the power purchase quantum and cost as submitted by Discoms in their petitions are as under:

Table:51-Power Purchase (MU) and Cost (Rs. Cr.) for FY 2014-15 – submitted by Discoms

Stations	**JVVNL**		**AVVNL**		**JdVVNL**		**Total**	
	MUs	**Amount**	**MUs**	**Amount**	**MUs**	**Amount**	**MUs**	**Amount**
NTPC	2,335	752	1,676	540	1,976	636	5,987	1,928
NHPC	672	241	482	173	568	204	1,722	618
NVVNL	948	447	681	321	803	378	2,432	1,147
NPCIL	1,381	416	991	299	1,168	352	3,541	1,068
RVUN/ State Generation	13,504	5,635	9,695	4,046	11,427	4,768	34,626	14,450
Shared Projects	1,393	120	869	34	1,024	40	3,286	193
Others	193	73	138	52	163	62	494	187
Jhajjar+Mundra+ Adani+ Sasan+ SJVVNL+NVVN	5,227	1,884	3,753	1,352	4,423	1,594	13,402	4,830
Non-conventional Sources	1,897	862	1,362	619	1,605	729	4,864	2,209
Total	**27,550**	**10,430**	**19,648**	**7,436**	**23,157**	**8,764**	**70,354**	**26,629**
Sale of surplus energy	864	183	1066	226	2263	479	4194	887
Net power purchase cost	26686	10,247	18582	7,210	20893	8,285	66161	25,742

Commission's Analysis

5.7.4. While estimating energy availability and power purchase cost for 2014-15, the Commission has considered the generation from state generating units based on the projections mentioned in the petition. The latest position of allocation (as per CEA) as well as actual availability of previous year from Central Generating Stations has been taken into consideration. Likewise, the position as per latest tariff orders/interim order has been considered in working out power purchase cost, as discussed later in the order.

5.7.5. For estimating the power purchase cost, the Commission has considered availability from various sources for the state as a whole. For working out Discom wise availability and cost, the allocation of power to JVVNL, AVVNL and JdVVNL from all generating stations has been considered in the ratio of 39%, 28% and 33% respectively, except that100% allocation of RFF share has been considered for JVVNL.

5.8. Energy Availability and Cost for FY 2014-15

5.8.1. **RVUN Stations**

5.8.1.1. For existing RVUN generating stations, including KTPS-VII & STPS-VI, the Commission has considered the energy availability as per projection of Discoms as well as the past performance of plants.

5.8.1.2. The fixed charges and energy charges for the RVUN plants namely, KTPS, STPS, RGTPS, DCCPP and Mahi are as per RVUN Tariff order dated 09.10.2014 for FY 2014-15.

5.8.1.3. Energy charge of Mini-Micro (MMH) plants has been considered as per section 58 of RERC tariff Regulations, 2014.

5.8.1.4. The energy availability and cost from RVUN's generating stations as considered by the Commission have been shown in the table below:

Table: 52- Energy Availability (MU) and cost (Rs. Cr.)- RVUN stations for FY 2014-15

Station	Energy Availability	Cost
KTPS	8526	3213
STPS	9805	4152
RGTPS	491	141
Dholpur GTPP	933	342
Mahi Hydel Station (Mahi)	129	24
Mini and Micro including Mangrol& STPS Hydel Generating Stations (MMH)	10	4
Total	**19894**	**7876**

5.8.2. **Chabbra**

5.8.2.1. The availability from CTPP unit 1 and 2 have been considered as per the Discoms submission and for unit 3 the actual availability for 8 months has been extrapolated and considered for FY 2014-15. CTPP unit 4 has not achieved the COD so far, as such the normative availability of three month has been considered.

5.8.2.2. The per unit variable and fixed charges have been considered as per RVUN Tariff order dated 09.10.2014 for unit 1&2. For unit 3 interim order dated 04.07.2014 has been considered. For CTPP unit 4, the rate as approved for unit 3 has been considered.

5.8.2.3. The energy availability and total power purchase cost for Chabbra have been summarized in the table below:

Table 53: Energy Availability (MU) and cost (Rs. Cr.)- Chabbra plant for FY 2014-15

Station	Energy Availability	Total Cost
Chabbra – 1&2	2583	893
Chabbra – 3	803	259
Chabbra – 4	454	146
Total	**3841**	**1298**

5.8.3. **Kalisindh Unit 1 and RGTPP 160 MW**

5.8.3.1. For Kalisindh unit 1 the actual availability for 6 months has been extrapolated and has been considered for FY 2014-15. For RGTPP 160 MW the actual availability for 8 months has been extrapolated and has been considered for FY 2014-15.

5.8.3.2. For Kalisindh unit 1 and RGTPP 160 MW, the per unit variable and fixed charges are considered as per the interim tariff order dated 04.07.2014.

Table 54: Availability (MU) and cost (Rs. Cr.) - Kalisindh unit 1 & RGTPS 160 MW

Station	Energy Availability	Total Cost
Kalisindh unit 1	1565	528
RGTPP 160 MW	589	218
Total	**2154**	**746**

5.8.4. **Lignite based projects**

5.8.4.1. The lignite based projects include Giral Lignite Power Limited, Rajwest Limited and Barsingsar power project. The availability for Giral I and II has been considered as per Discoms' projection for FY 2014-15. The per unit charge for FY 2014-15 for Giral I and II have been considered as per the Commission's interim tariff order dated 28.06.2013 and 01.07.2013 respectively.

5.8.4.2. The availability as well as charges from Barsingsar project has been considered as per Discoms submission.

5.8.4.3. For Rajwest, availability has been considered for all the 8 units as per Rajwest tariff petition for FY 2014-15. The per unit charges have been considered as per the interim tariff order dated 30.05.2014.

5.8.4.4. The energy availability and total power purchase cost for Lignite based projects have been summarized in the table below:

Table 55: Energy Availability (MU) and cost (Rs. Cr.)- Lignite plants for FY 2014-15

Station	Energy Availability	Total Cost
Giral – 1&2	283	72
Rajwest	6295	2559
Barsingsar	1252	550
Total	**7830**	**3181**

5.8.5. Nuclear Power Corporation of India Ltd. (NPCIL)

5.8.5.1. The Commission has considered the actual availability of FY 2013-14 as submitted by the Discoms for FY 2014-15. The variable charge per unit for FY 2014-15 has been considered as per Department of Atomic Energy(DAE) notified rates, which are applicable till 30.06.2015.

5.8.5.2. The energy availability and total power purchase cost for NPCIL plants have been summarized in the table below:

Table 56: Energy Availability (MU) and cost (Rs. Cr.)- NPCIL for FY 2014-15

Station	Energy Availability	Total Cost
NPCIL	3541	1010

5.8.6. Partnership projects (PP)

5.8.6.1. Total power purchase quantum and power purchase cost for partnership projects have been considered as per Discoms submission for FY 2014-15.

5.8.6.2. Energy availability and total power purchase cost for partnership projects have been summarized in the table below:

Table 57: Energy Availability (MU) and cost (Rs. Cr.)- Partnership Projects for FY 2014-15

Station	Energy Availability	Total Cost
Partnership Project	3380	218

5.8.7. **NTPC, NHPC & Others**

5.8.7.1. The energy availability for NTPC & NHPC plants has been considered as per Discoms submission for FY 2014-15.

5.8.7.2. To account for cost escalation, 5% increase has been allowed in variable and fixed charges component of FY 2013-14 to estimate the likely power purchase cost from NTPC & NHPC stations for FY 2014-15.

5.8.7.3. The energy availability and per unit power purchase cost of Jhajjar, Mundra, Adani, Sasan, NVVN, SJVVNL, and others plants have been considered by the Commission as submitted by the Discoms in reply to data gaps.

5.8.7.4. The energy availability and total power purchase cost for NTPC, NHPC, Jhajjar, Mundra, Adani, Sasan, NVVN, SJVVNL, and other plants have been summarized in the table below:

Table 58: Energy Availability (MU) and cost (Rs. Cr.)- NTPC & NHPC and Other Generating Stations for FY 2014-15

Plants	Energy Availability	Total Cost
NTPC Stations	5987	1848
NHPC Stations	1,726	617
Jhajjar+Mundra+ Adani+ Sasan+ SJVVNL+NVVN	14557	5465
Tehri Hydro	355	141
Koteshwar	88	37
Tala	51	11
CPP	142	35
Total	**22905**	**8154**

5.8.8. **Non-Conventional Energy Sources**

5.8.8.1. The Commission has observed that the Discoms have submitted higher availability from non-conventional sources as compared to last year. On computation of availability of non-conventional sources based on RPO requirement it is found to be higher side than the Discoms' submission. The Commission has taken the availability from non-conventional energy sources to the extent of Discoms' submission.

Cost of Non-Conventional Sources

5.8.8.2. Solar including bundled power

The availability and cost have been considered as per Discoms' submission for FY 2014-15.

5.8.8.3.Wind

For projecting the charges for wind power plants for FY 2014-15, Discoms have escalated the actual per unit charges of FY 2013-14 by 3% i.e. Rs. 4.63. The same has been accepted.

5.8.8.4.Biomass

For projecting the charges for Biomass power plants for FY 2014-15, Discoms have escalated the actual per unit charges of FY 2013-14 by 3% i.e. Rs. 5.76. The same has been accepted. Accordingly, the total cost and availability for the three Discoms from non-conventional sources has been summarized in the table below:

Table 59: Energy Availability (MU) and cost (Rs. Cr.)-solar, wind & biomass for FY 2014-15

Plants	Energy Availability	Total Cost
Solar including bundled power	787	237
Wind	3569	1653
Bio mass	367	212
Total	**4723**	**2102**

5.8.8.5. Short term Sources

5.8.8.5.1. After considering the energy available to Discoms based on their respective allocated shares, the Commission has estimated a surplus in energy availability for all the 3 Discoms.

5.8.8.5.2. Discoms have proposed to sell the surplus power at the rate of Rs. 2.21 per unit. In this context, the Commission agrees with the stakeholders' concern that the Discoms must try to sell the surplus power at higher rate than the variable charges of thermal generation i.e. STPS of Rs. 3.58 per unit plus some margin. In light of above fact, the Commission has considered the surplus power to be sold at Rs. 4.00 per unit

5.8.8.5.3. However, there may still be a situation when Discoms have to purchase the short term power. In that situation Discoms may procure such power as per regulation 79 (6) of the RERC Tariff Regulation. The Regulation 79(6) (a) provides that the Commission shall indicate a tariff for procurement of short term power which shall be considered as approved ceiling tariff for short term power procurement under bidding guidelines. Accordingly, the Commission prescribes the ceiling rate as Rs. 4.00/unit. Any short term power purchase above the ceiling rate would require the prior approval of Commission.

5.9. Total Power Purchase Cost

5.9.1. Based on the above, the summary of source wise and Discom wise breakup of power purchase quantum and cost for 2014-15 as considered by the Commission for the 3 Discoms is given in the table below:

Table 60: Energy Availability (MU) and cost (Rs. Cr.) for FY 2014-15

Stations	JVVNL		AVVNL		JdVVNL		Total	
	Units	Cost	Units	Cost	Units	Cost	Units	Cost
NTPC	2335	721	1676	517	1976	610	5987	1848
NHPC	673	240	483	173	570	203	1726	617
NPCIL	1381	394	991	283	1168	333	3541	1010
RVUN/ State Generation	10207	3897	7328	2798	8637	3297	26172	9992
Shared Projects	1430	129	895	41	1055	48	3380	218
Others (Tehri+Koteshwar+Tala)	193	74	138	53	163	62	494	189
Lignite Based Power Plants	2943	1212	2113	870	2490	1026	7547	3109
Jhajjar+Mundra+ Adani+ Sasan+ SJVVNL+NVVN	5732	2145	4116	1540	4850	1815	14698	5501
Non-conventional	1842	820	1322	589	1559	694	4723	2102
Gross Power Purchase	**26736**	**9633**	**19064**	**6863**	**22468**	**8089**	**68267**	**24585**
Less: Surplus Power	-131	-52	-490	-196	-1586	-634	-2207	-883
Net Power Purchase	26605	9580	18574	6667	20882	7455	66060	23702

5.10. Transmission Charges

Petitioners' Submission

5.10.1. The Discoms have submitted that the PGCIL, RVPN and the SLDC charges have been considered as per the provisional data available for FY 2013-14. For FY 2014-15, the Discoms have considered an escalation of 10% over transmission charges and NRLDC charges as payable during FY 2013-14. The details of the transmission and SLDC charges submitted by Discoms have been summarized in the table below:

Table 61: Transmission Charges & SLDC Charges for 2014-15 (Rs.Crore)

Particulars	Discoms' submission			Total
	JVVNL	AVVNL	JdVVNL	
PGCIL Charges	314	227	267	808
RVPN Charges	1009	724	854	2587
SLDC Charges	17	12	15	44
Total Transmission Charges	1341	963	1135	3439

Commission's Analysis

5.10.2. The Commission has considered the RVPN and SLDC charges for FY 2014-15 as per the RVPN and SLDC tariff order dated 09.10.2014 for FY 2014-15.

5.10.3. For PGCIL charges for FY 2014-15, the Commission has considered 5% escalation in the PGCIL charges of FY 2013-14 as proposed by Discoms.

5.10.4. Commission has considered allocation of these charges in the ratio of 39:28:33 for Jaipur, Ajmer and Jodhpur Discoms respectively. The transmission & SLDC charges, accordingly, approved by the Commission for FY 2014-15 are as under:

Table 62: Transmission Charges approved by the Commission for FY 2014-15 (Rs.Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
PGCIL Charges	258	185	218	661
RVPN Charges	768	551	650	1969
SLDC Charges	11	8	9	28
Total Transmission Charges	1037	744	877	2658

5.11. Operation and Maintenance Expenses

Petitioners' Submission

5.11.1. Discoms have estimated O&M expenses based on the O&M norms specified in RERC Tariff Regulations, 2014.

5.11.2. The O&M expenses projected by Discoms for FY 2014-15 have been summarized below:

Table 63: Operation and Maintenance Expenses for FY 2014-15 (Rs.Crore)

Particulars	JVVNL's submission	AVVNL's submission	JdVVNL's submission	Total
Employee Costs	806	551	638	1994
Administrative & General Costs	85	58	67	210
Repairs & Maintenance Costs	170	116	134	420
Total O&M Costs	1061	724	839	2624
Less:Expenses to be Capitalized	275	23	204	502
Net O&M Costs charged to revenue	**785**	**701**	**635**	**2122**

Commission's Analysis

5.11.3. Commission has allowed O&M expenses in accordance with Regulation 83 of RERC Tariff Regulations, 2014.

5.11.4. The per unit norms for each component for first year of the control period FY 2014-15 are as follows:

- Employee expenses-Rs 0.38/kWh
- A&G expenses-Rs 0.04/kWh
- R&M Expenses -Rs 0.08/kWh

5.11.5. Commission has considered the sales allowed for FY 2014-15 for projecting normative O&M expenses. Capitalized O&M expenses have been considered in the same ratio as projected by Discoms. O&M expenses approved by the Commission for Discoms for FY 2014-15 have been summarized below:

Table 64: Operation and Maintenance Expenses for FY 2014-15 (Rs.Crore)

Particulars	Approved JVVNL	Approved AVVNL	Approved JdVNL	Total
Employee Costs	804	551	637	1992
Administrative & General Costs	85	58	67	210
Repairs & Maintenance Costs	169	116	134	419
Total O&M Costs	1057	724	839	2620
Expenses to be Capitalized	274	23	204	501
Net O&M Costs charged to revenue	**783**	**701**	**635**	**2120**

5.12. Insurance Expenses

Petitioners' Submission

5.12.1. Discoms have estimated the Insurance expenses for FY 2014-15 on the basis of net fixed assets subject to the ceiling specified in Regulation 25 of the RERC Tariff Regulations, 2014.

Table 65: Insurance Expenses- Discoms submission for FY 2014-15 (Rs in Crore)

Particulars	JVVNL's submission	AVVNL's submission	JdVVNL's submission	Total
Insurance charges	20.55	15.20	15.56	51.31

Commission's Analysis

5.12.2. Commission has allowed Insurance expenses in accordance with Regulation 25 of RERC Tariff Regulations, 2014.

Table 66: Insurance Expenses Approved for FY 2014-15 (Rs in Crore)

Particulars	Approved JVVNL	Approved AVVNL	Approved JdVNL	Total
Insurance charges	19.07	13.74	12.50	45.31

5.13. Terminal Benefit

Petitioners' Submission

5.13.1. The Discoms have considered terminal benefit in accordance with the actual cost incurred during FY 2012-13 and estimated it as a percentage of gross employee expenses. This ratio is then applied to projected gross employee expenses for FY 2014-15 for estimating the terminal benefit liability for FY 2014-15.

5.13.2. The terminal benefit liability submitted by the Discoms for FY 2014-15 has been tabulated below:

Table 67: Terminal Benefit for FY 2014-15 (Rs. crore)

Particulars	JVVNL's submission	AVVNL's submission	JdVVNL's submission	Total
Terminal benefit Expenses	418	381	394	1193

Commission's Analysis

5.13.3. Commission in the earlier ARR and Tariff order and true-up orders has clarified that terminal benefit to the extent of actual payment made by Discoms to the designated fund toward the actuarial valuation liability, determined by the valuer ,only shall be allowed. Further, while doing true up for FY 2012-13, it is observed that Discoms have started making payment toward actuarial liability; therefore, the Commission has considered terminal benefit expenses for FY 2014-15 as submitted by Discoms. However, the Commission shall allow the payment made towards actuarial valuation liability in the true up of FY 2014-15 only to the extent of funds transferred to the designated fund.

5.14. Capitalization

Petitioners' Submission

5.14.1. The capital investment and capitalization proposed by Discoms are shown in the table below:

Table 68: Capital Expenditure and Capitalization proposed (Rs. crores)

Particulars	JVVNL	AVVNL	JdVVNL
	2014-15	2014-15	2014-15
	Projected	Projected	Projected
Capital Expenditure	1404	586	853
Capitalization	1434	840	1071

Commission's Analysis

5.14.2. The Commission is considering capitalization for FY 2013-14 as approved in order dt. 06.06.2013 and for FY 2014-15 only 80% of the proposed capitalization has been considered in this ARR order.

Table 69: Projected capitalization approved by the Commission for FY 2014-15 (Rs.Crore)

Particulars	2014-15	2014-15	2014-15
	Approved	Approved	Approved
	JVVNL	AVVNL	JdVVNL
Capitalization	1147	672	857

5.15. Interest on loans, Lease Rentals and Finance charges

Petitioners' Submission

5.15.1. To compute the interest on loan, Discoms have considered opening normative loan as on 1st April 2013 after deducting normative equity @ 30% of the closing Gross fixed assets (GFA) for FY 2012-13 and actual consumer contribution during FY 2012-13 from net fixed assets for FY 2013-14. The loan repayment has been considered in accordance with Regulation 21 of the RERC Tariff Regulations 2014 which caps deemed repayments to the depreciation charged for the year. The closing normative loan is considered after deducting normative equity and consumer contribution for FY 2013-14.

5.15.2. The Discoms have projected interest on security deposit on the basis of average of actual security deposit in the previous two years as per audited accounts and the projected growth in number of consumers. The interest rate has been considered as per the applicable bank rate as applicable during first half of FY 2012-13 i.e. 9.70%.

5.15.3. Discoms have projected the finance charges and other borrowing cost to be increased by 5% per annum from actual for FY 2012-13 as per audited accounts.

5.15.4. The revenue deficit and interest thereon for FY 2013-14 has been separately shown by the Discoms.

5.15.5. The interest charges and finance charges for FY 2014-15 have been summarized in the table below:

Table 70: Interest and Financing charges for FY 2014-15 (Rs. Crore)

Description	**JVVNL's submission**	**AVVNL's Submission**	**JdVVNL's submission**	**Total**
Opening balance of LTL	5613	4271	4156	14040
Capitalisation	1434	840	1071	3345
Capital expenditure financed by Equity	209	179	50	438
Capital expenditure financed by Consumer Contribution and grants	229	76	280	585
Receipt of LTL for Capital expenditure	996	586	740	2322
Principal Repayment	444	341	305	1090
Closing balance of LTL	6165	4515	4591	15272
Average LTL	5889	4393	4374	14656
Average Interest rate of LTL (%)	11.47%	11.41%	11.85%	
Interest Charges on LTL	675	501	518	1695
Interest on Security Deposit	77	54	43	174
Finance Charges & Lease Rental	64	94	84	241
Gross Interest Charges	**816**	**649**	**645**	**2110**
Interest Expenses Capitalized	146	77	45	269
Total Interest & Financing Charges	**670**	**572**	**600**	**1841**
Carry Forward Gap upto FY 2012-13	14531	**14494**	13587	42613
Average ROI (as approved by Commission vide Tariff Order dated 6/6/2013)	12.61%	10.12%	11.51%	
Interest liability on unfunded gap	1832	1467	1564	4863
Total Interest & Financing Charges	2502	2039	2164	6704

Commission's Analysis

5.15.6. The interest and finance charges with respect to the assets capitalized have been calculated by the Commission considering the following:

a) The closing balance of long-term loans for FY 2012-13 allowed in the true-up of FY 2012-13, has been considered by the Commission as the opening balance of FY 2013-14.

b) The capitalization, capital expenditure financed by equity, capital expenditure financed by consumer contribution and grants, receipt of long term loan for capital expenditure and principal repayment for FY 2013-14 have been considered as per order dated 06.06.2013 to arrive at the opening balance of loan of FY 2014-15.

c) The long-term loans required for capitalization during the FY 2014-15 have been reduced by the amount of consumer contribution, capital grants and equity received during the year.

d) Repayment for FY 2014-15 has been pegged at the depreciation allowed by the Commission for FY 2014-15 as prescribed in the RERC Tariff Regulations, 2014.

e) Capitalization for FY 2014-15 has been considered as discussed in foregoing paragraphs.

f) Since only 80% capitalization has been allowed by the Commission, the equity, consumer contribution and grants have also been taken to the extent of 80% of the total projection by the Discoms.

g) Unfunded Gap- For computing the carrying cost the unfunded gap of the true up order of FY 2012-13 and gap as per ARR and Tariff order for FY 2013-14 have been considered.

h) The weighted average interest rate projected by JVVNL, AVVNL and JdVVNL is 11.47%, 11.41% and 11.85% respectively and the same has been accepted by the Commission.

i) Finance charges have been allowed as sought by the three Discoms.

j) Security deposit and interest thereon has been considered as submitted by Discoms.

k) Based on the above, the approved interest and finance charges (with respect to the assets capitalized) approved for FY 2014-15 for the three Discoms have been summarized in the tables below:

Table 71: Interest and Finance Charges approved by the Commission for FY 2014-15

(Rs.Crore)

Particulars	Approved JVVNL	Approved AVVNL	Approved JdVVNL	Total
Opening balance of LTL	4664	2782	2437	9884
Capitalization	1147	672	857	2676
Capital expenditure financed by Equity	167	143	40	351

Particulars	Approved	Approve	Approved	Total
Capital expenditure financed by Consumer Contribution and grants	183	61	224	468
Receipt of LTL for Capital expenditure	797	469	592	1858
Principal Repayment	340	242	202	784
Closing balance of LTL	5121	3009	2828	10957
Average LTL	4892	2896	2632	10420
Average Interest rate of LTL (%)	11.47%	11.41%	11.85%	
Interest Charges on LTL	561	330	312	1203
Interest on Security Deposit	77	54	43	174
Finance Charges & Lease Rental	64	94	84	241
Gross Interest Charges	**702**	**478**	**439**	**1619**
Interest Expenses Capitalized	126	57	31	213
Total Interest & Financing Charges	**576**	**422**	**408**	**1405**
Carry Forward Gap upto FY 2012-13 as per true up Order for FY 2012-13	**10586**	**10401**	**10221**	**31208**
Carry Forward Gap of FY 2013-14 as per Commission tariff Order dated 06.06.2013	**205**	**579**	**967**	**1751**
Interest on Carry Forward Revenue Gap	**1238**	**1253**	**1326**	**3816**
Total Interest & Finance Charges including interest on carry forward Gap	**1814**	**1674**	**1734**	**5222**

5.16. Interest on Working Capital

Petitioners' Submission

5.16.1. Discoms estimated their working capital requirement for FY 2014-15 as per the RERC Tariff Regulations, 2014 and the same has been tabulated below:

Table: 72- Interest on Working Capital for FY 2014-15 (Rs. Crore)

Description	**JVVNL's submission**	**AVVNL's Submission**	**JdVVNL's submission**	**Total**
O&M expenses (as per norms)	65	90	86	241
Maintenance Spare (as per norms)	181	162	154	497
Receivables (as per norms)	1957	1445	1729	5131
Less:				
Security deposit of Consumers	793	554	446	1794
Total Working Capital	1410	1143	1522	4075
Interest Rate (%)	12.20%	12.20%	12.20%	
Interest on Working Capital	**172**	**139**	**186**	**497**

5.16.2. The Petitioner has further submitted that it has considered the base rate of State Bank of India prevalent during first six months of previous year plus 250 basis points as per the Tariff Regulations, 2014 for the purpose of interest on working capital. Accordingly, the Discoms have considered the interest rate i.e. base rate plus 250 basis point of 12.20% for FY 14-15.

Commission's Analysis

5.16.3. The normative working capital requirement along with interest there-on has been calculated by the Commission considering the following:

- For the purpose of calculating interest on working capital, the Commission has considered SBI base rate of 9.70% prevalent during first six months of the previous year plus 250 basis points as per 'RERC (Terms and Conditions for determination of Tariff) (Fifth Amendment) Regulations, 2012. The rate of interest thus works out to 12.20%.
- O&M expenses approved by the Commission for FY 2014-15, have been considered for the purpose of calculation of working capital requirement.
- Receivables have been considered based on ARR approved by the Commission for FY 2014-15.
- Security deposit submitted by Discoms has been considered by the Commission for FY 2014-15.

5.16.4. Accordingly, the interest on working capital considered by the Commission is as under:

Table: 73-Interest on Working Capital approved by the Commission for FY 2014-15

(Rs.Crore)

Description	Approved	Approved	Approved	Total
	JVVNL	AVVNL	JdVVNL	
O&M expenses (as per norms)	65	58	53	177
Maintenance Spare (as per norms)	117	105	95	318
Receivables (as per norms)	1732	1288	1399	4419
Less:				
Security deposit of Consumers	793	554	446	1794
Total Working Capital	1121	897	1101	3120
Interest Rate (%)	12.20%	12.20%	12.20%	
Interest on Working Capital	**137**	**109**	**134**	**381**

5.17. Depreciation

Petitioners' Submission

5.17.1. The Discoms have submitted that they have considered the specified rates as provided in the RERC Tariff Regulations, 2014 in Appendix-I based on Straight Line Method (SLM).

5.17.2. The submission of the three Discoms with respect to depreciation has been tabulated below:

Table: 74-Depreciation for FY 2014-15 (Rs. crore)

Particulars	JVVNL's submission	AVVNL's submission	JdVVNL's submission	Total
Depreciation	443.97	341.47	304.79	1090.23

Commission's Analysis

5.17.3. Commission has allowed depreciation based on the following consideration:

- The closing balance of depreciable assets for FY 2012-13 allowed in the True-up Order for FY 2012-13 has been considered by the Commission as the opening balance for FY 2013-14.
- The capitalization during the year, capital expenditure financed by consumer contribution & grants and depreciable assets added during the Year for FY 2013-14 has been considered as per order dated 06.06.2013 to arrive at the opening balance of loan of FY 2014-15.
- For FY 2014-15, capitalization has been considered as discussed earlier.
- Depreciable assets for FY 2014-15 have been reduced by the amount of consumer contribution and capital grants projected for the year.
- Consumer contribution and grant submitted by the three Discoms respectively, for FY 2014-15 has been considered.
- Average depreciation rate has been calculated as a percentage of depreciation during the year on the average of opening and closing GFA, submitted by the three Discoms for FY 2014-15.

5.17.4. Deprecation allowed by the Commission for each of the three Discoms has been tabulated below:

Table: 75-Depreciation allowed by the Commission for FY 2014-15 (Rs. Crore)

Particulars	Approved JVVNL	Approved AVVNL	Approved JdVVNL	Total
Depreciable Assets at the beginning of the Year	9052	6564	5936	21551
Capitalization during the year	1147	672	857	2676
less Consumer Contribution and Capital Grants during the year	183	61	224	468
Depreciable Assets added during the Year	964	611	632	2208
Depreciable Assets at the end of the Year	10016	7175	6569	23760
Average Depreciable Assets during the Year	9534	6869	6252	22655
Average Depreciation Rate	3.57%	3.53%	3.23%	
Depreciation	**340**	**242**	**202**	**784**

5.18. Return on Equity

Petitioners' Submission

5.18.1. Discoms have submitted that they are incurring heavy financial losses, therefore no return on equity has been proposed for FY 14-15.

Commission's Observation

5.18.2. It may be mentioned that return on equity amount would lead to corresponding increase in ARR and since revenue gap is persisting, the gap would get enhanced by that amount. Since, Discoms have not sought Return on Equity, so as to restrict the revenue gap, the Commission has also not considered Return on Equity and this would be in the interest of consumers by minimizing the impact on tariff.

5.19. Non-tariff Income and Wheeling Charges

Petitioners' Submission

5.19.1. Discoms have projected Non-Tariff Income for FY 2014-15 including interest on loan from staff/supplier, interest on fixed deposit, rent, gain on sale of fixed assets, sale of scrap, delayed payment surcharge, rebate for prompt payment, miscellaneous receipts etc. and wheeling charges as given below:

Table: 76-Non-Tariff Income for FY 2014-15 (Rs.Crore)

Particulars	JVVNL's Approved	AVVNL's Approved	JdVVNL's Approved	Total
Non-Tariff Income	260	226	247	732
Income from Wheeling Charges	13	5	2	20
Total	**273**	**231**	**248**	**752**

5.19.2. The Discoms have further submitted that they have considered the non-tariff income for the FY 12-13 as per the audited accounts for FY 12-13 and projected the same for the FY 13-14 and FY 14-15 by considering a growth rate of 5% for each year.

Commission's Analysis

5.19.3. Commission observes that non-tariff income and wheeling charges cannot be accurately estimated. Therefore, the Commission has considered the non-tariff income and wheeling charges for FY 2014-15 as projected by Discoms. The same, therefore, is being allowed.

5.20. Aggregate Revenue Requirement

Petitioners' Submission

5.20.1. The Annual Revenue Requirement for FY 2014-15 proposed by the three Discoms has been given in the table below:

Table: 77-Summary of ARR for FY 2014-15 – Discoms' submission (Rs.Crore)

	Particulars	JVVNL	AVVNL	JdVVNL	Total
		Submission			
		FY 2014-15			
1	Power Purchase Cost	10247	7210	9242	26699
2	Transmission Charges	0	0	0	0
	PGCIL	314	227	267	808
	RVPN	1009	724	854	2587
	SLDC	17	12	15	44
3	Operation & Maintenance Expenses	785	701	635	2122
4	Terminal Benefit	418	381	394	1193
5	Interest and Finance Charges	670	572	600	1841
6	Interest on unfunded gap	1832	1467	1564	4863
6	Interest on working Capital	172	139	186	497
7	Depreciation	444	341	305	1090
8	Insurance charges	21	15	16	51
9	Other charges	0	0	0	0
10	**Aggregate Revenue Requirement**	**15930**	**11790**	**14076**	**41796**
11	Less: Non-Tariff Income & Other income	260	226	247	732
12	Income from Wheeling Charges	13	5	2	20
13	**Net Aggregate Revenue Requirement**	**15657**	**11559**	**13828**	**41044**

Commission's Approval

5.20.2. Commission has approved the ARR for FY 2014-15 based on the items of expenditure discussed in the preceding sections and the same has been summarized in the table below:

Table: 78 Summary of ARR for all the three Discoms for FY 2014-15 – Approved by Commission (Rs.Crore)

Sr. No.	Particulars	JVVNL	AVVNL	JdVVNL	Total
		Approved			
		FY 2014-15			
1	Power Purchase Cost	9580	6667	7455	23702
2	Transmission Charges				
	PGCIL	258	185	218	661
	RVPN	768	551	650	1969
	SLDC	11	8	9	28
3	Operation & Maintenance Expenses	783	701	635	2120
4	Terminal Benefit	418	381	394	1193
5	Interest and Finance Charges	576	422	408	1405
6	Interest on unfunded gap	1238	1253	1326	3816
6	Interest on working Capital	137	109	134	381
7	Depreciation	340	242	202	784
8	Insurance charges	19	14	13	45
9	Consumer education	0.50	0.50	0.50	1.50
10	Aggregate Revenue Requirement	14128	10534	11444	36105
11	Less: Non-Tariff Income & Other income	260	226	247	732
12	Income from Wheeling Charges	13	5	2	20
13	**Net Aggregate Revenue Requirement**	**13855**	**10303**	**11195**	**35353**

5.21. Revenue and Revenue deficit based on existing tariff

Petitioners' Submission

5.22. Revenue on existing tariff

5.22.1. Discoms have projected the revenue from sale of power based on the projected energy sales for different consumer categories. The revenue for each category has been calculated on the basis of retail tariff approved by the Commission vide order dt. 06.06.13.

5.23. Electricity Duty, Cash Support and Interest Subvention

5.23.1. Discoms have shown electricity duty, transitional cash support and interest subvention and interest on World Bank loan for FY 2014-15 as under:

Table: 79–Electricity Duty and Cash support for FY 2014-15 (Rs.Crore)

Particular	JVVNL	AVVNL	JdVVNL	Total
	Submission			
	FY 2014-15			
Differential Interest Subvention on World Bank Loan	4	4	4	12
Subvention from State Govt. against ED/stamp duty	480	380	390	1250
Cash Support from State Govt.	169	139	133	441
Subsidy against interest	472	555	462	1489
Total Subsidy Amount	**1125**	**1078**	**989**	**3192**

5.23.2. The revenue in FY 2014-15 from existing tariff as per Discoms' submission are as under:

Table: 80- Revenue from existing tariff for FY 2014-15– Discoms' submission (Rs.Crore)

Particular	JVVNL	AVVNL	JdVVNL	Total
	FY 2014-15			
Domestic Service	2,463	1,747	1,521	5,730
Non-Domestic Service	1,432	660	785	2,877
Public Street Light	96	34	92	222
Agriculture Metered Supply	2,862	1,997	3,379	8,237
Agriculture Flat Rate Supply	158	444	392	993
Small Industrial Service	235	167	136	537
Medium Industrial Service	464	462	449	1,375
Large Industrial Service	2,676	1,738	755	5,170
P.W.W. & S. Pumping –Small	111	115	113	339
P.W.W. & S. Pumping –Medium	19	21	60	101
P.W.W. & S. Pumping –Large	129	97	211	438
Mixed Load / Bulk Supply	118	72	209	399
Electric Traction	282	-		282
Total	**11,045**	**7,553**	**8,102**	**26,700**

5.24. Revenue Deficit

5.24.1. The revenue deficits submitted by Discoms for FY 2014-15 at the existing tariff have been provided in the table below:

Table: 81-Revenue deficit/Surplus at existing tariff for FY 2014-15 (Rs.Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
	Submission			
	FY 2014-15			
Net Aggregate Revenue Requirement	15,657	11,559	13,828	**41,044**
Revenue from Existing tariff	11,045	7,553	8,102	**26,700**
Differential Interest Subvention on World Bank Loan	4	4	4	**12**
Subvention from State Govt. against ED/stamp duty	480	380	390	**1,250**
Cash Support from State Govt.	169	139	133	**441**
Subsidy against interest	472	555	462	**1,489**
Deficit for FY 2014-15 including Carrying cost	**3,488**	**2,928**	**4,737**	**11,152**

Commission's Analysis :

5.24.2. Commission has calculated the revenue from existing tariff on the basis of consumer category wise energy sales approved by the Commission and retail tariff as approved by the Commission vide order dt. 06.06.13. The Commission has worked out revenue at the tariff determined by it i.e. at revenue based on full tariff. The estimated revenue at existing tariff for different consumer categories for all the three Discoms for FY 2014-15 has been summarized in the tables below:

Table: 82- Revenue from existing Tariff for FY 2014-15- Approved by the Commission (Rs.Crore)

Particular	JVVNL	AVVNL	JdVVNL	Total
	Approved			
	FY 2014-15			
Domestic Service	2449	1747	1521	5,716
Non-Domestic Service	1432	658	785	2,874
Public Street Light	102	38	96	235
Agriculture Metered Supply	2862	1997	3379	8,237
Agriculture Flat Rate Supply	158	444	392	994
Small Industrial Service	235	167	134	536
Medium Industrial Service	461	457	445	1,363
Large Industrial Service	2662	1726	746	5,133
P.W.W. & S. Pumping –Small	107	115	113	335
P.W.W. & S. Pumping –Medium	19	22	61	101
P.W.W. & S. Pumping –Large	130	98	213	442
Mixed Load / Bulk Supply	113	73	209	395
Electric Traction	268	0	0	268
Other Income				
Total	**10,998**	**7,540**	**8,094**	**26,631**

5.24.3. Considering the ARR and Revenue at existing tariff as determined by the

Commission and subsidy from Government, Transitional support and interest subvention as shown by Discoms in their petition, the revenue gap for all the three Discoms for FY 2014-15 at the existing tariff has been worked out. Commission has carried true up of RVPN of 2011-12 and 2012-13 and true up of RVUN for 2010-11 and 2011-12 wherein certain amount has been considered as recoverable by Discoms. Recovery of this amount will be done in 2014-15. While finalizing the gap the Commission has also considered the impact of true up of RVUN and RVPN as shown in table given below:

Table: 83-Revenue deficit/Surplus at existing tariff for FY 2014-15 – Approved by the Commission (Rs.Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
	Approved			
	FY 2014-15			
Net Aggregate Revenue Requirement	13,855	10,303	11,195	**35,353**
Revenue from Existing tariff	10,998	7,540	8,094	**26,631**
Differential Interest Subvention on World Bank Loan	4	4	4	**12**
Subvention from State Govt. against ED/stamp duty	480	380	390	**1,250**
Cash Support from State Govt.	169	139	133	**441**
Subsidy against interest	472	555	462	**1,489**
Deficit including Carrying cost	**1,732**	**1,685**	**2113**	**5,530**
Less: cost recoverable as per RVUN True up Order FY 2010-11 dated 23.07.2014	87	71	71	230
Less: cost recoverable as per RVUN True up Order FY 2011-12	10	9	9	28
Less: cost recoverable as per RVPN True up Order FY 2011-12	54	44	44	141
Less: cost recoverable as per RVPN True up Order FY 2012-13	114	93	93	299
Net Deficit including Carrying cost	**1467**	**1469**	**1896**	**4832**

Section 6-Tariff Proposals and Approved tariff

6. Tariff proposals

6.1.1. Discoms have proposed revision of tariff which would lead to an additional revenue of Rs. 5395 crore during 2014-15, as follows:

Table 84: Expected additional revenue as proposed by Discoms for FY 2014-15 (Rs. Crore)

Particulars	Expected additional revenue
JVVNL	1969
AVVNL	1686
JdVVNL	1739
Total	**5395**

6.1.2. As discussed in the foregoing paragraphs, even after taking the effect of improved Transmission & Distribution Losses, interest and other expenses on normative basis and accounting for the subsidy expected from the State Government, an uncovered gap of Rs. 1467 crore, Rs. 1469 crore and Rs. 1896 crores would remain for JVVNL, AVVNL & JdVVNL respectively at the existing tariff. This results in a deficit of Rs. 4832 crores for all Discoms put together for FY 2014-15.

6.1.3. As may be seen a large gap still remains, as difference in average Cost of Supply and average realization is quite high. Therefore, a revision of tariff to cover the revenue deficit is not only justified but inescapable.

6.2. Tariff philosophy

6.2.1. As per section 61 of the Electricity Act 2003, the Commission, is guided inter-alia, by the National Electricity Policy, the National Tariff Policy and the following factors, while, determining the tariff:

- that the distribution and supply of electricity are conducted on commercial basis;
- safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner;
- that competition, efficiency, economical use of resources, good performance, and optimum investment are encouraged;
- that the tariff progressively reflects the cost of supply of electricity, and also reduces and eliminates cross subsidies within the period to be specified by the Commission;
- that efficiency in performance is to be rewarded ; and
- that a multi-year tariff framework is adopted

6.2.2. Section 62(3) of the Act provides that 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.

6.2.3. The Regulations of the Commission as well as National Tariff Policy visualize cross subsidy to be in +/- 20% range of average cost of supply and this has also been kept in view, while passing this order.

6.2.4. Therefore, while finalizing the tariff for different consumer categories, the Commission has given due consideration to the relevant provisions of the Act, proposals of the licensees, comments of the stakeholders, Commission's decision thereon and the position of cross subsidy.

6.2.5. The present tariff revision is the fourth consecutive annual tariff revision after the National Tariff Policy came into force in 2006. The past accumulated revenue deficit due to gap in annual revenue revision can be wiped out only in a progressive manner and that too with the support of the State Government.

6.2.6. Discoms though have stated that the State Govt. shall continue to provide adequate subsidy support to certain categories of consumers, but have not indicated per unit subsidy. Even Government has also not indicated the subsidy it may provide for each category. Therefore, the tariff has been determined for each category without considering any subsidy. The subsidy if provided by the Govt. would result in reduced amount payable by consumer of such category. Further, the Government, if provides for subsidy it should pay such subsidy in advance as per RERC (Terms & Condition of Tariff) Regulation 2014.

6.2.7. Category wise specific proposals of the Discoms and approval of the Commission are being discussed in the following paras.

Category wise Tariff

6.3. Domestic Service (LT-1 and HT-1)

6.3.1. Discoms have proposed to reduce the number of slabs to 4 Nos. by merging the existing slabs – "51 to 150 units" and "151 to 300 units" to form a new slab of "51 to 300 units. Further, the fixed and energy charges to be levied on this proposed category is proposed to be similar to the fixed and energy charge being currently levied on the slab "151 – 300 units".

6.3.2. Discoms have stated that presently, telescopic tariff is applicable for domestic category of consumers, i.e. for a particular consumer, the benefit of all the lower slabs in a tariff is availed by a consumer causing higher consumption. However, now they have proposed to allow this benefit only for immediate lower slab and not for all slabs under domestic and non-domestic category.

6.3.3. In reply to data gaps, Discoms have submitted that the above proposal will help the State Discoms to recover slightly higher revenue from the domestic and non domestic consumers. However, they are unable to furnish no. of consumers which would be affected by this proposal and consequently financial implications of the same as the consumers move within slabs based on their consumption.

6.3.4. Discoms have proposed increase in energy and fixed charges for BPL, small Domestic and general domestic consumers.

6.3.5. Discoms have proposed an increase in fixed charges from existing Rs. 80/connection/month to Rs. 95/connection/month for BPL and small domestic consumers. Increase in energy charges has been proposed from existing Rs. 2.75 per unit to Rs. 3.27 per unit for BPL consumers and from existing Rs. 3.00 per unit to Rs 3.57 per unit for small domestic consumers.

6.3.6. For general domestic consumers having consumption upto 50 unit per month, Discoms have proposed an increase in fixed charges from existing Rs. 160/connection/month to Rs. 208/connection/month. Increase in energy charges has been proposed from existing Rs. 3 per unit to Rs. 3.57 per unit.

6.3.7. The Discoms have proposed to merge the existing slab of 51-150 unit and 151-300 unit of general domestic consumer into new slab of 51 -300 units. The fixed charges for new slabs have been proposed at Rs. 208/connection/month against earlier Rs 160/connection/month for slab 51-150 unit and Rs. 175/connection/month for slab 151-300 unit respectively. The energy charges for the new slab have been proposed at Rs. 5.77 per unit against existing energy charges of the above two slab i.e. Rs. 4.65 per unit and Rs. 4.85 per unit respectively.

6.3.8. For general domestic consumers having consumption in the slab of 301-500 unit per month, Discoms have proposed an increase in fixed charges from existing Rs. 210 per month to Rs. 250 per month. Increase in energy charges has been proposed from existing Rs. 5.15 per unit to Rs. 6.13 per unit.

6.3.9. For general domestic consumers having consumption above 500 unit per month, Discoms have proposed an increase in fixed charges from existing

Rs. 225 per month to Rs. 268 per month. Increase in energy charges has been proposed from existing Rs. 5.45 per unit to Rs. 6.49 per unit.

6.3.10. In case of HT domestic category, the Discoms have proposed an increase in energy charges from existing Rs. 4.95 per unit to Rs. 5.50 per unit. The Discoms have proposed to levy no fixed charges from HT domestic consumers.

6.3.11. A large no. of stakeholders in their submissions opposed the proposed tariff hike in the above categories stating that last three tariff increases were quite steep and the proposed fourth tariff revision in a span of less than three years will put undue burden on consumers.

6.3.12. Further, the stakeholders have stated that only last year Discoms had increased the slabs from 4 to 5, stating that it would lead to energy conservation, which was accepted by the Commission. Now Discoms have proposed to reduce the slabs from 5 to 4, this change in slabs would defeat the last year's philosophy provided by the Discoms.

6.3.13. The Commission, while determining the tariff for the above category, taking into account the justifications given by the Discoms last year, has not accepted the request of Discoms for reduction in slabs.

6.3.14. Some of the stakeholders vehemently opposed the abolition of telescopic structure of tariff and stated that this will amount to double burden of tariff, firstly on account of tariff increase and secondly on account of abolition of telescopic nature of tariff. The Commission has considered this aspect and finds that there would be an average additional 2% to 5% impact in the bills of consumers. The Commission observes that the existing telescopic structure is time tested and need not be altered without having proper justification especially at the time when substantial increase in tariff has been proposed by the Discoms in this category. As such, the Commission does not accept the proposal of revision of methodology in computation of energy charges for domestic and non-domestic consumers.

6.3.15. As far as proposal for abolition of fixed charges for HT consumers is concerned the Commission does not find merit in the proposal as discussed later in this order and has therefore increased the fixed charges for this category also.

6.3.16. The Existing, proposed tariff and that approved by the Commission is given in the following tables:

Table 85: Existing and Proposed tariff for Domestic Category for FY 2014-15

<table>
<tr><th colspan="5">Existing Tariff</th><th colspan="3">Proposed Tariff</th></tr>
<tr><th>Particulars</th><th>EC</th><th>Subsidy indicated to be received from GoR</th><th>Effective EC after subsidy</th><th>Fixed Charges</th><th>Particulars</th><th>Energy Charges (EC)</th><th>Fixed Charges (FC)</th></tr>
<tr><td colspan="8">Domestic (DS/LT-1)</td></tr>
<tr><td colspan="8">BPL</td></tr>
<tr><td>Consumption upto first 50 units per Month</td><td>Rs. 2.75 per unit</td><td>Rs 1.90 per unit</td><td>Rs 0.85 per unit</td><td>Rs 80 per connection per month (effective FC Rs 50 per connection per month after subsidy of Rs. 30 per connection per month)</td><td>Consumption upto first 50 units per Month</td><td>Rs. 3.27 per unit*</td><td>Rs 95 per connection per month*</td></tr>
<tr><td colspan="8">Small Domestic (Consumption up to 50 units per month)**</td></tr>
<tr><td>Consumption up to 50 units per month</td><td>Rs 3.00 per unit</td><td>Rs 1.30 per unit</td><td>Rs 1.70 per unit</td><td>Rs 80 per connection per month</td><td>Consumption up to 50 units per month</td><td>Rs. 3.57 per unit*</td><td>Rs 95 per connection per month*</td></tr>
<tr><td colspan="5">General Domestic – 1 (Consumption upto 150 units per month)</td><td colspan="3">General Domestic – 1 (Consumption upto 300 units per month)</td></tr>
<tr><td>For consumption upto first 50 units per Month</td><td>Rs 3.00 per unit</td><td>---</td><td>Rs 3.00 per unit</td><td rowspan="2">Rs 160 per connection per month</td><td>For consumption upto first 50 units per Month</td><td>Rs 3.57 per unit</td><td rowspan="6">Rs 208 per connection per month</td></tr>
<tr><td>For consumption above 50 units and upto 150 units per Month</td><td>Rs 4.65 per unit</td><td>---</td><td>Rs 4.65 per unit</td><td rowspan="5">For consumption above 50 units and upto 300 units per Month</td><td rowspan="5">Rs 5.77 per unit</td></tr>
<tr><td colspan="5">General Domestic – 2 (Consumption upto 300 units per month)</td></tr>
<tr><td>For consumption upto first 50 units per Month</td><td>Rs 3.00 per unit</td><td>---</td><td>Rs 3.00 per unit</td><td rowspan="3">Rs 175 per connection per month</td></tr>
<tr><td>For consumption above 50 units and upto 150 units per Month</td><td>Rs 4.65 per unit</td><td>---</td><td>Rs 4.65 per unit</td></tr>
<tr><td>For consumption above 150 units and upto 300 units per Month</td><td>Rs 4.85 per unit</td><td>---</td><td>Rs 4.85 per unit</td></tr>
</table>

<table>
<tr><th colspan="5">Existing Tariff</th><th colspan="3">Proposed Tariff</th></tr>
<tr><th>Particulars</th><th>EC</th><th>Subsidy indicated to be received from GoR</th><th>Effective EC after subsidy</th><th>Fixed Charges</th><th>Particulars</th><th>Energy Charges (EC)</th><th>Fixed Charges (FC)</th></tr>
<tr><th colspan="5">General Domestic – 3 (Consumption upto 500 units per month)</th><th colspan="3">General Domestic – 2 (Consumption upto 500 units per month)</th></tr>
<tr><td>For consumption upto first 50 units per month</td><td>Rs 3.00 per unit</td><td>---</td><td>Rs 3.00 per unit</td><td rowspan="4">Rs 210 per connection per month</td><td>For consumption upto first 50 units per Month</td><td>Rs 5.77 per unit</td><td rowspan="4">Rs 250 per connection per month</td></tr>
<tr><td>For consumption above 50 units and upto 150 units per Month</td><td>Rs 4.65 per unit</td><td>---</td><td>Rs 4.65 per unit</td><td rowspan="2">For consumption above 50 units and upto 300 units per Month</td><td rowspan="2">Rs 5.77 per unit</td></tr>
<tr><td>For consumption above 150 units and upto 300 units per month</td><td>Rs 4.85 per unit</td><td>---</td><td>Rs 4.85 per unit</td></tr>
<tr><td>For consumption above 300 units and upto 500 units per month</td><td>Rs 5.15 per unit</td><td>---</td><td>Rs 5.15 per unit</td><td>For consumption above 300 units and upto 500 units per Month</td><td>Rs 6.13 per unit</td></tr>
<tr><th colspan="5">General Domestic – 4 (Consumption above 500 units per month)</th><th colspan="3">General Domestic – 3 (Consumption above 500 units per month)</th></tr>
<tr><td>For consumption upto first 50 units per month</td><td>Rs 3.00 per unit</td><td>---</td><td>Rs 3.00 per unit</td><td rowspan="4">Rs 225 per connection per month</td><td>For consumption upto first 50 units per Month</td><td>Rs 6.13 per unit</td><td rowspan="4">Rs 268 per connection per month</td></tr>
<tr><td>For consumption above 50 units and upto 150 units per Month</td><td>Rs 4.65 per unit</td><td>---</td><td>Rs 4.65 per unit</td><td>For consumption above 50 units and upto 300 units per Month</td><td>Rs 6.13 per unit</td></tr>
<tr><td>For consumption above 150 units and upto 300 units per month</td><td>Rs 4.85 per unit</td><td>---</td><td>Rs 4.85 per unit</td><td>For consumption above 300 units and upto 500 units per Month</td><td>Rs 6.13 per unit</td></tr>
<tr><td>For consumption above 300 units and upto 500 units per month</td><td>Rs 5.15 per unit</td><td>---</td><td>Rs 5.15 per unit</td><td>For consumption above 500 units per month</td><td>Rs 6.49 per unit</td></tr>
</table>

Existing Tariff					Proposed Tariff		
Particulars	**EC**	**Subsidy indicated to be received from GoR**	**Effective EC after subsidy**	**Fixed Charges**	**Particulars**	**Energy Charges (EC)**	**Fixed Charges (FC)**
For consumption above 500 units per month	Rs 5.45 per unit	---	Rs 5.45 per unit				
Domestic (DS/ HT-1)							
For contract demand above 50 kVA	Rs 4.95 per unit	---	Rs 4.95 per unit	Rs. 140 per kVA of Billing Demand per month	For contract demand above 50 kVA	Rs 5.50 per unit	Nil ***

Rajasthan Government shall continue to provide adequate subsidy support to BPL and Small Domestic consumers

Note: The BPL domestic tariff shall be exclusively applicable to individual consumer person and shall not be applicable to any institution. In case any BPL and Small Domestic consumers has consumed more than 50 unit per month in any billing cycle, the consumer will be charged as per the applicable tariff of the respective slab under the LT-I domestic category for the additional units consumed.

***Subsidy is admissible only if consumption does not exceed 50 units in any month.*

**** No fixed charges are proposed for consumers availing supply at single point in DS/ HT-1.*

Table 86: Domestic Category (LT-1 and HT-1) -Approved tariff for FY 2014-15

Domestic Category		
Domestic	**EC**	**Fixed Charges**
LT-Domestic (LT-1)		
B P L*		
Consumption upto first 50 units per month	Rs. 3.25 per unit*	Rs 90 per connection per month*
Small Domestic (Consumption up to 50 units/month)		
Consumption up to 50 units/month	Rs. 3.50 per unit*	Rs 90 per connection per month*

*Note: The BPL domestic tariff shall be exclusively applicable to individual consumer /person and shall not be applicable to any institution. In case any BPL consumer has consumed more than 50 units per month in any billing cycle, the consumer will be charged as per the applicable tariff of the respective slab under the LT-I domestic category for the additional units consumed.

General Domestic (Consumption above 50 units/month)

General Domestic-1 (Consumption upto 150units/month)		
	Energy Charges	**Fixed Charges**
(i) For consumption upto first 50 units per month	Rs 3.50 per unit	Rs 180 per connection per month
(ii) For consumption above 50 units and upto 150 units per month	Rs 5.45 per unit	

General Domestic-2 (Consumption above 150 units and upto 300 units/month)		
	Energy Charges	Fixed Charges
(i) For consumption upto first 50 units per month	Rs 3.50 per unit	Rs 200 per connection per month
(ii)For consumption above 50 units and upto 150 units per month	Rs 5.45 per unit	
(iii)For consumption above 150 units and upto 300 units per month	Rs 5.70 per unit	

General Domestic-3 (Consumption above 300 and upto 500 units/month)		
	Energy Charges	Fixed Charges
(i) For consumption upto first 50 units per month	Rs 3.50 per unit	Rs 240 per connection per month
(ii)For consumption above 50 units and upto 150 units per month	Rs 5.45 per unit	
(iii)For consumption above 150 units and upto 300 units per month	Rs 5.70 per unit	
(iv)For consumption above 300 units and upto 500 units per month	Rs 6.00 per unit	

General Domestic-4 (Consumption above 500 units/month)		
	Energy Charges	Fixed Charges
(i) For consumption upto first 50 units per month	Rs 3.50 per unit	Rs 260 per connection per month
(ii)For consumption above 50 units and upto 150 units per month	Rs 5.45 per unit	
(iii) For consumption above 150 units and upto 300 units per month	Rs 5.70 per unit	
(iv)For consumption above 300 units and upto 500 units per month	Rs 6.00 per unit	
(v)For consumption above 500 units per month	Rs 6.40 per unit	

HT – Domestic (HT-1)		
	Energy Charges	Fixed Charges
For contract demand over 50 kVA	Rs 5.50 per unit	Rs.170/kVA of Billing Demand/month

Changes in Definition of Small Domestic Consumer

6.3.17. Discoms have proposed to change the definition of Small Domestic Consumers as under:

Existing: Small Domestic Consumers are those consumers whose monthly consumption is upto 50 units.

Proposed: Small Domestic Consumers are those consumers whose average monthly consumption of previous financial year, is upto 50 units.

Commission's View

6.3.18. The Commission accepts the proposal of the Discoms as the same brings in more clarity. Accordingly, the Discoms may make the necessary changes in the booklet "Tariff for Supply of Electricity".

6.3.19. The Discoms have proposed the change in the applicability of domestic services (schedule DS/LT-1) as follows:

Existing: "Hostels for bonafide domestic use"

Proposed: "Hostels attached with recognised educational institutions/ registered trust and run by them"

Commission's View

6.3.20. There are various suggestions for clarifying the nature of hostels. Considering the proposal and suggestions thereon, the Commission prescribes the applicability as under:

Hostels run by the Government/Government recognised educational institutions and by registered charitable institutions.

6.4. Non-Domestic Service (LT-2 & HT-2) :

6.4.1. Discoms have proposed to reduce the number of slabs to 3 Nos. by merging the slabs – "0 to 100 units" and "101 to 200 units" to form a new slab of "0 to 200 units". Further, fixed and energy charges to be levied on this proposed category is proposed to be similar to the fixed and energy charge being currently levied on the slab "101 to 200 units.

6.4.2. Discoms have proposed the fixed charges of Rs. 208/connection/month for consumers having sanctioned connected load upto 5 KW and consumption in the new slab of "0-200"units against the fixed charges of earlier slab i.e. Rs 175/connection/month, whereas increase in energy charges of above two slabs have been proposed from existing Rs. 5.60 per unit and Rs. 6 per unit respectively to Rs. 7.14 per unit.

6.4.3. The fixed charges for consumers upto 5 KW of sanctioned connected load and having consumption in the slab of 201-500 units per month i.e. Rs 210/connection/month have been proposed to be increased to Rs. 250/connection/month, whereas increase in energy charges of above slab has been proposed from existing Rs. 6.25 per unit to Rs. 7.44 per unit.

6.4.4. The fixed charges for consumers upto 5 KW of sanctioned connected load and having consumption in the slab of above 500 units per month i.e. Rs 250/connection/month have been proposed to be increased to Rs. 298/connection/month, whereas increase in energy charges of above slab has been proposed from existing Rs. 6.60 per unit to Rs. 7.85 per unit.

6.4.5. The fixed charges for consumers above 5 KW of sanctioned connected load and having consumption in the slab of 0-100 units, 101-200 and 201-500 units per month i.e. Rs 70/KW of SCL per month have been proposed to be increased to Rs. 83/ KW of SCL per month, whereas increase in energy charges of above three slabs has been proposed from existing Rs. 5.60 per unit, Rs. 6 per unit and Rs. 6.25 per unit respectively to Rs. 7.14 per unit for the first two slab and Rs. 7.44 per unit for the third slab.

6.4.6. The fixed charges for consumers above 5 KW of sanctioned connected load and having consumption in the slab of above 500 units per month have been proposed to be increased from Rs 80/KW of SCL per month to Rs. 95/KW of SCL per month, whereas increase in energy charges of above slab has been proposed from Rs. 6.60 per unit to Rs. 7.85 per unit.

6.4.7. The fixed charges for NDS/HT-2 of Rs 140/KVA of billing demand per month have been proposed to be increased to Rs. 167/KVA of billing demand per month, whereas increase in energy charges of above slab has been proposed from Rs. 6.25 per unit to Rs. 7.44 per unit.

6.4.8. Many stakeholders stated that the proposed tariff for NDS is beyond the limit of +20% of average cost of supply as stipulated in National Tariff policy and Regulations. The Commission while determining the tariff has kept in view the average cost of supply and realization from this category.

6.4.9. Further, the stakeholders have also stated that last year Discoms increased the slabs from 3 to 4, stating that it would lead towards energy conservation, which was accepted by the Commission. Now Discoms have proposed to reduce the slabs from 4 to 3. The sudden change in slabs would defeat the last year's philosophy. The stakeholders also stated that the telescopic tariff should not be abolished, as benefit of all lower slabs must be allowed. Even in income tax slabs, it is so.

6.4.10. As decided in Domestic category, the Commission, while determining the tariff for the above category considering the views of the stakeholders, has not accepted the request of Discoms for reduction in slabs & abolition of telescopic structure in Non Domestic category also. The Existing, proposed tariff and that approved by the Commission is given in the following tables:

Table 87: Existing and Proposed tariff for Non-Domestic Category (LT-2 and HT-2) for FY 2014-15

Particulars	Energy Charges	Fixed Charges	Particulars	Energy Charges	Fixed Charges
Non-Domestic (NDS/LT-2)					
NDS upto 5 kW of SCL (Type 1) Consumption upto 100 units per month			**NDS upto 5 kW of SCL (Type 1) Consumption upto 200 units per month**		
Consumption upto first 100 units per month	Rs. 5.60 per unit	Rs. 175 per connection per month	Consumption upto first 200 units per month	Rs. 7.14 per unit	Rs. 208 per connection per month
NDS upto 5 kW of SCL (Type 2) Consumption upto 200 units per month					
Consumption upto first 100 units per month	Rs. 5.60 per unit	Rs. 175 per connection per month			
Consumption above 100 Units and upto 200 Units per Month	Rs. 6.00 per unit				
NDS upto 5 kW of SCL (Type 3) Consumption upto 500 units per month			**NDS upto 5 kW of SCL (Type 2) Consumption upto 500 units per month**		
Consumption upto first 100 units per month	Rs. 5.60 per unit	Rs. 210 per connection per month	Consumption upto first 200 units per month	Rs. 7.14 per unit	Rs. 250 per connection per month
Consumption above 100 Units and upto 200 Units per Month	Rs. 6.00 per unit		Consumption above 200 Units and upto 500 Units per Month	Rs. 7.44 per unit	
Consumption above 200 Units and upto 500 Units per Month	Rs. 6.25 per unit				
NDS upto 5 kW of SCL (Type 4) Consumption above 500 units per month			**NDS upto 5 kW of SCL (Type 3) Consumption above 500 units per month**		
Consumption upto first 100 units per month	Rs. 5.60 per unit	Rs. 250 per connection per month	Consumption upto first 200 units per month	Rs. 7.44 per unit	Rs. 298 per connection per month
Consumption above 100 Units and upto 200 Units per Month	Rs. 6.00 per unit		Consumption above 200 Units and upto 500 Units per Month	Rs. 7.44 per unit	
Consumption above 200 Units and upto 500 Units per Month	Rs. 6.25 per unit		Consumption above 500 Units per Month	Rs. 7.85 per unit	
Consumption above 500 Units per Month	Rs. 6.60 per unit				
NDS above 5 kW of Sanctioned Connected Load (LT Supply) Consumption upto 500 units per month					
Consumption upto first 100 units per month	Rs. 5.60 per unit	Rs. 70 per kW of Sanctioned Connected Load per month	Consumption upto first 200 units per month	Rs. 7.14 per unit	Rs. 83 per kW of Sanctioned Connected Load per month
Consumption above 100 Units and upto 200 Units per Month	Rs. 6.00 per unit		Consumption above 200 Units and upto 500 Units per Month	Rs. 7.44 per unit	

Particulars	Energy Charges	Fixed Charges	Particulars	Energy Charges	Fixed Charges
Consumption above 200 Units and upto 500 Units per Month	Rs. 6.25 per unit				
NDS above 5 kW of Sanctioned Connected Load (LT Supply) Consumption above 500 units per month					
Consumption upto first 100 units per month	Rs. 5.60 per unit	Rs. 70 per kW of Sanctioned Connected Load per month	Consumption upto first 200 units per month	Rs. 7.44 per unit	Rs. 95 per kW of Sanctioned Connected Load per month Or Rs.167 per kVA of Billing Demand per month (If SCL is more than 18.65 KW)
Consumption above 100 Units and upto 200 Units per Month	Rs. 6.00 per unit				
Consumption above 200 Units and upto 500 Units per Month	Rs. 6.25 per unit	Rs. 80 per kW of Sanctioned Connected Load per month Or Rs.140 per kVA of Billing Demand per month (If SCL is more than 18.65 KW)	Consumption above 200 Units and upto 500 Units per Month		
Consumption above 500 Units per Month	Rs. 6.60 per unit		Consumption above 500 Units per Month	Rs. 7.85 per unit	
Non Domestic (NDS/HT-2) (For Contract Demand over 50 kVA)					
All units	Rs. 6.25 per unit	Rs.140 per kVA of Billing Demand per month	All units	Rs. 7.44 per unit	Rs.167 per kVA of Billing Demand per month

Table 88: Non-Domestic Category (LT-2 and HT-2) –Approved tariff for FY 2014-15

NDS up to 5 KW of Sanctioned Connected Load

LT-NDS(LT-2)		
Type1 (Consumption upto 100 units/month)		
	Energy Charges	**Fixed Charges**
Consumption upto first 100 units per month	Rs. 6.75 per unit	Rs. 210 per connection per month

LT-NDS(LT-2)		
Type 2 Consumption above 100 units/month and upto 200 units/month)		
	Energy Charges	**Fixed Charges**
Consumption upto first 100 units per month	Rs.6.75/unit	Rs 210/ connection / month
Consumption above 100 units and upto 200 unit per month	Rs.7.15/unit	

LT-NDS(LT-2)		
Type 3 (Consumption above 200 units and upto 500 units/month)		
	Energy Charges	**Fixed Charges**
Consumption upto first 100 units per month	Rs. 6.75 per unit	Rs. 250 per connection per month
Consumption above 100 units and upto 200 units per month	Rs. 7.15 per unit	
Consumption above 200 units upto 500 units per month	Rs. 7.45 per unit	

LT-NDS(LT-2)		
Type 4 (Consumption above 500 units/month)		
	Energy Charges	**Fixed Charges**
Consumption upto first 100 units per month	Rs. 6.75 per unit	Rs. 300 per connection per month
Consumption above 100 units and upto 200 units per month	Rs. 7.15 per unit	
Consumption above 200 units and upto 500 units per month	Rs. 7.45 per unit	
Consumption above 500 unit per month	Rs. 7.85 per unit	

NDS above 5 KW of Sanctioned Connected Load

NDS above 5 KW of SCL (LT-2)		
	Energy Charges	**Fixed Charges**
Consumption upto first 100 units per month	Rs. 6.75 per unit	Rs. 85 per kW of Sanctioned Connected Load per month
Consumption above 100 units and upto 200 units per month	Rs. 7.15 per unit	
Consumption above 200 unit upto 500 units per month	Rs. 7.45 per unit	
Consumption above 500 units per month	Rs. 7.85 per unit	Rs. 95 per kW of Sanctioned Connected Load per month Or Rs. 170 per kVA of Billing Demand per month (If SCL is more than 18.65 KW)
HT-NDS (HT-2)		
For contract demand over 50 kVA		
All units	Rs. 7.45 per unit	Rs.170 per kVA of Billing Demand per month

<u>Change in the Applicability of Non Domestic Services (Schedule NDS/LT-2)</u>

6.4.11. The Discoms have proposed the change in the applicability of Non domestic services (schedule NDS/LT-2) as follows:

Existing: "Hostels having no exclusive bonafide domestic use"

Proposed: "Hostels situated outside the premises of educational institutes having common mess and run by private person"

Commission's View

6.4.12. There are various suggestions for clarifying the nature of hostels to be included in NDS category. The Commission finds that though the Discoms have attempted to clarify the position but implementation of same may bring some problems based on interpretation. The Commission in the foregoing paras has prescribed applicability for Hostels covered under Domestic category and the Commission observes that all Hostels not covered in Domestic category should be brought under the NDS category. Accordingly the Commission prescribes the applicability as under:

"All Hostels not covered under domestic category"

6.5. Public Street Lighting Service (LT-3)

6.5.1. Discoms have proposed to raise tariff for public street lighting for both areas with less than 1 lakh population and more than 1 lakh population.

6.5.2. Discoms have proposed an increase in fixed charges from Rs. 65/lamp point/month to Rs. 77/lamp point/month for areas with population less than 1 lakh and from Rs. 80/lamp point/month to Rs. 95/lamp point/month for areas with population greater than 1 lakh.

6.5.3. They have also proposed an increase in energy charges from Rs 4.90 per unit to Rs 5.83 per unit for areas with population less than 1 lakh and from Rs 5.30 per unit to Rs. 6.31 per unit for areas with population greater than 1 lakh.

6.5.4. The Existing, proposed tariff and that approved by the Commission is given in the following tables.

Table 89: Existing and Proposed tariff for Public Street lighting (LT-3) Category for FY 2014-15

Existing Tariff			Proposed Tariff		
Particulars	**Energy Charges**	**Fixed Charges**	**Particulars**	**Energy Charges**	**Fixed Charges**
Population <1 Lakh	Rs. 4.90 per unit	Rs. 65 per Lamp point per month subject to a maximum of Rs. 650 per service connection per month	Population <1 Lakh	Rs. 5.83 per unit	Rs. 77 per Lamp point per month subject to a maximum of Rs. 774 per service connection per month
Population = >1 Lakh	Rs. 5.30 per unit	Rs. 80 per Lamp point per month subject to a maximum of Rs. 1600 per service connection per month	Population = >1 Lakh	Rs. 6.31 per unit	Rs. 95 per Lamp point per month subject to a maximum of Rs. 1904 per service connection per month

Table 90: Public Street lighting (LT-3) Category-Approved tariff for FY 2014-15

Particulars	Energy Charges	Fixed Charges
Population <1 Lakh	Rs. 5.85 per unit	Rs. 75 per Lamp point per month subject to a maximum of Rs. 750 per service connection per month
Population = >1 Lakh	Rs. 6.30 per unit	Rs. 95 per Lamp point per month subject to a maximum of Rs. 1900 per service connection per month

Rebate for street light connection where time switch is installed

6.5.5. Discoms submitted that currently a rebate is provided to those street light connections where the timer switch is installed and is in operation. They have proposed to dispense with this rebate and instead rebate has been proposed to be given to those Streets light connections where energy saving light device such as LED etc. have been used. Petitioners submitted that they have made this proposal to promote energy saving in the State of Rajasthan.

6.5.6. During the course of hearing, the stakeholders have pointed out that the street lights keep burning during the day time on account of non working of timer switches. Discoms have also submitted that they are not in a position to verify the working of timer switches. Commission observes that the above rebate was allowed in the present tariff to promote energy saving but in practice the purpose is not being served. Therefore, the Commission accepts the proposal of Discoms to withdraw the rebate given to street lights to which timer switches are provided. As regards the proposal to give the rebate to LED lamps, the same may be considered by the Commission if Discoms provide the required data and willingness of local authorities to switch over to LED street lights.

6.6. Agriculture Supply (LT-4)

6.6.1. Discoms in their petitions have proposed to redesign the tariff of agriculture metered category. It is stated that the fixed charges are redesigned so as to cover the existing level of fixed charges plus energy charges recoverable from consumers. The proposed fixed and energy charges have been so designed that the major portion of tariff is to be recovered through fixed charges and part of subsidy (Reimbursable by the State Government) could be covered by the fixed charges and energy charges.

6.6.2. Further, the Discoms have stated that on redesigning the tariff structure, there will be no amount of energy charges left to be recoverable directly from the consumer by the Discoms and thus, the consumer will have no temptation to tamper the meter. Moreover, the State Government will continue to disburse adequate amount of subsidy as it is doing in the current scenario.

6.6.3. Discoms have proposed to reduce the existing energy charges from Rs. 3.93/unit for general consumers getting supply in block hours and from Rs.

4.95/unit for all other getting supply more than block hours to Rs. 0.20/unit.

6.6.4. Discoms have also proposed to increase the fixed charges from the existing charges of Rs.15 per HP per month of SCL (Maximum Rs 250 per month per consumer) for general consumers getting supply in block hours and existing charges of Rs. 30 per HP per month of SCL (Maximum Rs. 500 per month per consumer) for all other not covered under above category to Rs. 585 per HP per Month of SCL and Rs. 856 per HP per month of SCL respectively without any maximum limit.

6.6.5. For flat rate consumers the Discoms have proposed to increase energy charges from Rs. 500/ HP/month to Rs. 600/ HP /month for general consumers getting supply in block hours and from Rs. 600/ HP/month to 720/ HP/month for consumers getting supply more than block hours.

6.6.6. No changes have been proposed in fixed charges of agriculture flat rate category.

6.6.7. Discoms have also proposed to discontinue the grant of subsidy by the State Government to agriculture flat/unmetered consumers after six months from the date of issuance of the Tariff Order by the Commission for FY 2014-15 to motivate the consumers to move from flat rate agriculture connection to agriculture metered connection.

6.6.8. Stakeholders have welcomed the step to discontinue subsidy to flat rate category and requested the Commission to fix an early date for conversion to metered category and withdrawal of Government subsidy..

6.6.9. The Commission is of the view that Discoms' statement on Government subsidy is beyond its purview and cannot be accepted u/s 65 of Electricity Act. 2003. It is for the government to take a view. The proposal of Discoms to increase steeply fixed charges and redesign of energy charges does not appear in a right direction. Discoms, keeping in view the theme of Electricity Act of providing electricity only through metering, should encourage metering and billing in agriculture sector. Many of the stakeholders stated that the tariff proposed for Agriculture Metered category is very low and should be about Rs. 5.20 per unit, which is about 80% of the cost of supply. Stakeholders stated that this is a reversal to flat rate category and there will be no incentive for Discoms to take meter readings. There may be malpractices in checking of connected load for metered consumers. The Commission finds that the proposed tariff structure is not in accordance with the cost structure of Discoms as well as tariff of other consumer categories. In the context of above, the Commission has not accepted the proposal of Discoms to redesigning of tariff of agriculture metered category. As per Commission's view, increase in fixed charges and reduction in energy charges will not bring down thefts. Tackling of problems of theft has to be done by educating the consumers and increasing vigilance activities.

6.6.10. Therefore, Commission decides to continue the existing structure in agriculture category with a modified tariff, considering the cost of supply and band of cross subsidy that can be provided. If the State Government desires and decides to give subsidy to agriculture category, it may do so as per section 65 of the Electricity Act 2003 and as per RERC Tariff Regulations 2014.

6.6.11. The Commission has not prescribed the upper limit for the fixed charges for both metered an flat rate agriculture consumers, as the consumers shall pay based on their actual connected load. This will also bring in uniformity in charging both metered and flat rate agriculture consumers.

6.6.12. The existing and the proposed tariff for agriculture supply are summarized below:

Table 91: Agriculture Category (LT-4) — Existing and Proposed tariff for FY 2014-15

Particulars	EC	Subsidy indicated to be received from GoR	Effective EC after subsidy	Fixed Charges	Particulars	Energy Charges (EC)	Fixed Charges (FC)
Agriculture Metered Category (AG/ MS/LT-4)							
General (getting supply in block hours)	Rs. 3.93 per unit	Rs. 3.03 per unit	Rs. 0.90 per unit	Rs.15 per HP per Month of SCL Maximum Rs 250 per month per consumer (Subsidy above Rs 45 per Connection per Month)	General (getting supply in block hours)	Rs. 0.20 per unit*	Rs.585 per HP per Month of SCL*
All others not covered under items (i) and getting supply more than block hours	Rs. 4.95 per unit	Rs 2.85 per unit	Rs 2.10 per unit	Rs.30 per HP per month of SCL Maximum Rs. 500 per month per consumer (Subsidy above Rs 50 per Connection per Month)	All others not covered under items (i) and getting supply more than block hours	Rs. 0.20 per unit*	Rs.856 per HP per Month of SCL*

Particulars	EC	Subsidy indicated to be received from GoR	Effective EC after subsidy	Fixed Charges	Particulars	Energy Charges (EC)	Fixed Charges (FC)
Flat/ unmetered (AG/FR/LT-4)							
General (getting supply in block hours)	Rs. 500 per HP per Month	Rs. 415 HP per Month	85 HP per Month	Rs.15 per HP per month of SCL Maximum Rs 250 per month per consumer (Subsidy above Rs 15 per Connection per Month)	General (getting supply in block hours)	Rs. 600 per HP per Month*	Rs.15 per HP per month of SCL Maximum Rs 250 per month per consumer (Subsidy above Rs 15 per Connection per Month)*
All others not covered under items (i) and getting supply more than block hours	Rs 600 HP per Month	Rs 370 HP per Month	Rs. 230 HP per Month	Rs.30 per HP per month of SCL Maximum Rs 500 per month per consumer (Subsidy above Rs 20 per Connection per Month)	All others not covered under items (i) and getting supply more than block hours	Rs 720 HP per Month*	Rs.30 per HP per month of SCL Maximum Rs 500 per month per consumer (Subsidy above Rs 20 per Connection per Month)*

* *Rajasthan Government shall continue to provide adequate subsidy support to Agriculture Metered consumers*

6.6.13. Accordingly, the tariff determined by the Commission for this category is as under:

Table 92: Agriculture Category (LT-4)-Approved Tariff for FY 2014-15

Agriculture Supply	Energy Charges (EC)	Fixed Charges
Metered (AG/MS/LT-4)	**EC**	
(i) General (getting supply in block hours)	Rs. 4.50 per unit	Rs.15 per HP per Month of SCL
(ii)All others not covered under items (i) and getting supply more than block hours	Rs. 5.70 per unit	Rs.30 per HP per Month of SCL
Flat/ unmetered (AG/FR/LT-4)		
(i)General (getting supply in block hours)	Rs. 600 per HP per Month	Rs. 15 per HP per month of SCL
(ii)All others not covered under items (i) above and getting more than block hour supply	Rs. 720 per HP per Month	Rs. 30 per HP per month of SCL

Nurseries

6.6.14. Discoms have proposed to include the "Nurseries run by Govt. Deptt. or agencies of Government Departments or run by Government under PPP mode" under the applicability of Agriculture Metered Supply. Since the nurseries run under PPP mode are for the purpose of benefit of public at large, the Commission accepts the proposal of Discoms and accordingly the Discoms may make the necessary changes in the booklet of "Tariff for Supply of Electricity ".

6.6.15. As regards the submission of stakeholders to grant agriculture tariff benefit irrespective of ownership to tissue culture, green houses and nurseries, it is stated that nurseries run by Govt or its agencies are for the purpose of benefit of public at large whereas tissue culture, green houses etc. and nurseries run by private persons have different objectives. As such, the Commission does not accept the request of the stakeholders.

6.7. Small Industries (LT-5)

6.7.1. Discoms have proposed an increase in energy charges from Rs 4.50 per unit to Rs 5.36 per unit for consumption upto 500 units per month and from Rs 4.85 per unit to Rs. 5.77 per unit for consumption above 500 units per month.

6.7.2. The fixed charges have been proposed to be uniformly increased for all consumers from Rs. 50/HP/month of sanctioned connected load to Rs.60/HP/month of sanctioned connected load as under:

6.7.3. The Existing, proposed tariff and that approved by the Commission is given in the following tables.

Table 93: Small Industries (LT-5)-Existing and Proposed tariff for FY 2014-15

Existing Tariff			Proposed Tariff		
Particulars	**Energy Charges**	**Fixed Charges**	**Particulars**	**Energy Charges**	**Fixed Charges**
Small Industrial Service (LT-5) (Load not exceeding 18.65 kW (25HP)					
Upto 500 units	Rs. 4.50 per unit	Rs. 50 per HP per month of sanctioned connected load	Upto first 500 units	Rs. 5.36 per unit	Rs. 60 per HP per month of sanctioned connected load
Above 500 units	Rs. 4.85 per unit	Rs. 50 per HP per month of sanctioned connected load	Above 500 units	Rs. 5.77 per unit	Rs. 60 per HP per month of sanctioned connected load

Table 94: Small Industries- Approved tariff for FY 2014-15

Particulars	Energy Charges	Fixed Charges
Small Industrial Service (LT-5) (Load not exceeding 18.65 kW (25HP)		
Upto first 500 units	Rs. 5.35 per unit	Rs. 60 per HP per month of sanctioned connected load
Above 500 units	Rs. 5.75 per unit	Rs. 60 per HP per month of sanctioned connected load

6.8. Medium Industry (LT-6 and HT-3)

6.8.1. For Medium Industrial LT-6 consumers, Discoms have proposed a hike in the fixed charges from Rs 60/HP /month of sanctioned connected load to Rs 71/HP/month of sanctioned connected load. In case of medium industries HT-3 consumers, the Discoms have proposed increase in fixed charges from Rs. 125/ KVA/ month to Rs. 149/ KVA/ month. In case of energy charges, Discoms have proposed for an increase of Rs. 5.25/ unit to Rs. 6.25/ unit in both LT and HT consumer categories respectively.

6.8.2. The Existing and proposed tariff is given in the following tables.

Table 95: Existing and Proposed Tariff for Medium Industrial Service (LT-6 and HT-3) for FY 2014-15

Existing Tariff			Proposed Tariff		
Particulars	**Energy Charges**	**Fixed Charges**	**Particulars**	**Energy Charges**	**Fixed Charges**
Medium Industrial Service (LT-6 and HT-3)					
Medium Industrial Service (LT-6)	Rs. 5.25 per unit	Rs. 60 per HP per month of sanctioned connected load or Rs. 125 per KVA of Billing Demand per month	Medium Industrial Service (LT-6)	Rs. 6.25 per unit	Rs. 71 per HP per month of sanctioned connected load or Rs. 149 per KVA of Billing Demand per month
Medium Industrial Service (HT-3)	Rs. 5.25 per unit	Rs. 125 per KVA of Billing Demand per month	Medium Industrial Service (HT-3)	Rs. 6.25 per unit	Rs. 149 per KVA of Billing Demand per month

6.8.3. The Commission accepts the proposal of increase in Tariff of LT and HT Medium Industrial category as same is justified and there was no increase in Tariff of this category in last tariff revision.

6.8.4. Accordingly, the tariff determined by the Commission for this category shall be as under:

Table 96: Medium Industries- Approved Tariff for FY 2014-15

Particulars	**Energy Charges**	**Fixed Charges**
Medium Industrial Service (LT-6 and HT-3)		
Medium Industrial Service (LT-6)	Rs. 6.25 per unit	Rs. 70 per HP per month of sanctioned connected load or Rs. 150 per KVA of Billing Demand per month
Medium Industrial Service (HT-3)	Rs. 6.25 per unit	Rs. 150 per KVA of Billing Demand per month

Discounted Tariff

6.8.5. Discoms have proposed that discounted tariff may be inserted for off peak hours for HT consumers. This would facilitate better use of power by encouraging consumption in off peak hours and also help in reducing the migration of industrial consumers to open access.

6.8.6. They clarified that such discounted tariff shall be provided to only those consumers who mainly have consumption in the night hours (10pm-6am). They proposed a discounted tariff of 20% to the consumers who have consumption around 25% of their total night consumption in day time (6 am -10 pm). Regarding financial implication of the proposal, it was submitted that the proposal is in the initiation stage and with this; the Discoms will encourage the HT consumer to install ToD meters for availing discounted tariff.

6.8.7. In this regard, some stakeholder submitted that to keep industries in its domain a rebate of 20% in energy rate(s) during 10 PM to 6 AM should be provided by Discoms to all HT consumers, without imposing any condition and such condition would not be useful for three shifts or two shifts running industry and such discount should also be allowed to other categories like DS & NDS.

6.8.8. As regards procedure for calculation of consumption in night hours, the Discoms have submitted that there is no specific procedure for this and TOD meters are configurable as per the timing given in the petitions.

6.8.9. It has been observed that the Discoms during the proceedings of petition no. 316/12, filed in the matter of introduction of TOD tariff, informed that TOD meters are installed on HT consumers and now they are submitting that offering of this rebate will encourage the HT consumers to install TOD meters, which is a contradictory statement. Further, the proposal of night time rebate is not supported by load curve, availability and price of power during proposed hours. As such, the Commission does not accept the proposal of Discoms in present form and it would be appropriate that Discoms collect data of consumption and suitably file ToD Tariff proposals in a manner that all consumers may actively be involved in flattening of load curve and reaping benefits of the same.

6.8.10. However, looking to the higher energy availability as mentioned in ARR section, the Discoms may consider a suitable load factor based incentive scheme wherein consumers may be incentivized by way of little lower tariff for higher consumption. The Discoms may analyse this aspect and file appropriate proposals for incentive scheme for higher consumption, which may fetch some additional revenue.

Change in the Applicability of Medium Industrial Services (Schedule MP/LT-6, MP/HT-3)

6.8.11. The Discoms have proposed the change in the applicability of Medium Industrial services (schedule MP/LT-6, MP/HT-3 and LP/HT-5) as follows:

Proposed: *to add 'Hatcheries' as applicability under the schedule MP/LT-6, MP/HT-3* and LP/HT-5 *consumer categories.*

Commission's View

6.8.12. As 'Hatcheries' are already included in small industrial category, the Commission accepts the proposal of Discoms. Discoms may clarify hatcheries under different industrial categories based on its load/demand.

6.8.13. The Discoms have also proposed to add in the following note appearing in the schedule Medium Industrial Service (MP/HT-3) – (C) Rate of charges:

Existing: The consumer shall not cause a demand more than his Contract Demand. In case he causes a demand of more than 105% of the Contract Demand in a particular month, apart from being disconnected, he shall be required to pay an extra charge equal to the same percentage of the Fixed and Energy Charges, (Excluding the Electricity Duty, and other Charges, if any) by which percentage the excess demand has actually been caused.

Proposed: The consumer shall not cause a demand more than his Contract Demand. In case he causes a demand of more than 105% of the Contract Demand in a particular month, apart from being disconnected, he shall be required to pay an extra charge equal to the same percentage of the Fixed and Energy Charges, (Excluding the Electricity Duty, and other Charges, if any) by which percentage the excess demand has actually been caused.

However, if demand exceeds 125 KVA more than two times in a financial year than the consumer shall be transferred/billed under Tariff Schedule LP/HT—5 after a notice of one (1) month and consumer shall be billed for a period not less than one year under the changed schedule.

Commission's View

6.8.14. As the upper limit of demand for medium industry (MP/HT-3) is 125 kVA, the Commission accepts the proposal of the Discoms, which compels the consumers to confine the demand within the demand constrained allowed in the category.

6.9. Bulk Supply for Mixed Load (LT-7and HT-4)

6.9.1. Under Bulk Supply for Mixed Load, Discoms have requested increase in fixed charges from Rs. 60/HP/month of sanctioned connected load to Rs. 71/HP/month of sanctioned connected load for LT-7 consumers. For HT-4 category also petitioners have sought an increase in fixed charges from Rs.125/KVA/month to Rs.149/KVA/month. Under both LT and HT category, Discoms have proposed an increase from Rs. 5.25/ unit to Rs. 6.25/ unit as given in the table below:

6.9.2. The Existing, proposed tariff and that approved by the Commission is given in the following tables.

Table 97: Existing and Proposed tariff for Bulk Supply for Mixed Load Category(LT-7 ad HT-4) for FY 2014-15

Existing Tariff			Proposed Tariff		
Particulars	**Energy Charges**	**Fixed Charges**	**Particulars**	**Energy Charges**	**Fixed Charges**
Bulk Supply for Mixed Load Category (LT-7and HT-4)					
Bulk Supply for Mixed Load (LT-7)	Rs. 5.25 per unit	Rs. 60 per HP per month of sanctioned connected load or Rs. 125 per KVA of Billing Demand per month	Bulk Supply for Mixed Load (LT-7)	Rs. 6.25 per unit	Rs. 71 per HP per month of sanctioned connected load or Rs. 149 per KVA of Billing Demand per month
Bulk Supply for Mixed Load (HT-4)	Rs. 5.25 per unit	Rs. 125 per KVA of Billing Demand per month	Bulk Supply for Mixed Load (HT-4)	Rs. 6.25 per unit	Rs. 149 per KVA of Billing Demand per month

6.9.3. The Commission accepts the proposal of increase in Tariff for both HT and LT category at the same level as that of Medium industries as the same is justified and there was no increase in Tariff of Bulk supply for Mixed Load category in last tariff revision.

6.9.4. Accordingly, the tariff determined by the Commission for this category shall be as under:

Table 98: Bulk Supply for Mixed Load Category (LT-7and HT-4)-Approved tariff for FY 2014-15

Particulars	**Energy Charges**	**Fixed Charges**
Mixed Load Category (LT-7and HT-4)		
Bulk Supply for Mixed Load (LT-7)	Rs. 6.25 per unit	Rs. 70 per HP per month of sanctioned connected load or Rs. 150 per KVA of Billing Demand per month
Bulk Supply for Mixed Load (HT-4)	Rs. 6.25 per unit	Rs. 150 per KVA of Billing Demand per month

6.10. Large Industries (HT-5)

6.10.1. Discoms have proposed increase in fixed charges from Rs. 140/ KVA/ month to Rs. 167/ KVA/ month. For energy charges, Discoms have proposed to increase from Rs. 5.50/ unit to Rs. 6.55/ unit.

6.10.2. The Existing, proposed tariff and that approved by the Commission is given in the following tables.

Table 99: Large Industrial Category (HT-5) - Existing and Proposed tariff for FY 2014-15

Existing Tariff			Proposed Tariff		
Particulars	**Energy Charges**	**Fixed Charges**	**Particulars**	**Energy Charges**	**Fixed Charges**
Large Industry HT-5					
Large Industrial Category (HT-5)	Rs. 5.50 per unit	Rs. 140 per KVA of Billing Demand per month	Large Industrial Category (HT-5)	Rs. 6.55 per unit	Rs. 167 per KVA of Billing Demand per month

6.10.3. The tariff for this category was not increased during last tariff revision. However, this year also a large number of stakeholders requested not to increase tariff. The Commission while determining the tariff has kept in view the fact that any category should not be burdened with excessive level of cross subsidization and at the same time tariff has to be revised in the light of increase in average cost of supply. Accordingly , the approved tariff for this category is as under:

Table 100: Large Industries- Approved tariff for FY 2014-15

Particulars	Energy Charges	Fixed Charges
Large Industry HT-5		
Large Industrial Category (HT-5)	Rs. 6.50 per unit	Rs. 170 per KVA of Billing Demand per month

6.11. Other Proposals

6.12. Capacity blockage charges for Railway Traction

6.12.1. JVVNL submitted that in order to provide a connection to railway traction consumers, the Discom has to install a dedicated transformer at the sub-station. It has been observed that with respect to connections released to railway traction consumers, the Discoms face a stranded capacity on account of the unutilized phase of the dedicated transformer. Therefore, JVVNL have proposed to levy of capacity blockage charges for Railway Traction category for the State of Rajasthan on the basis of the methodology adopted by DERC for Tata Power Delhi Distribution Ltd.

Commission's view

6.12.2. Stakeholders mentioned that the Commission in its earlier tariff order directed the Discoms to examine the issue, however the Discoms instead of examining the issue have simply furnished the proposal based on charges being levied in Delhi. Further, Discoms do not invariably install dedicated transformer because Transformer delivering power supply to consumer including Traction may be common, therefore there may be no capacity blockage. The Discoms simply mentioned that as it is being charged in the state of Delhi, they have made the proposal. Further, the Discoms have not done any study of its own system to justify the imbalance or capacity blockage. Therefore, the Commission does not accept the proposal of Discoms.

6.13. Rebate for consumers using pre-paid metering system

6.13.1. Discoms proposed to allow a rebate of Rs. 10 paise per unit to the consumers opting for prepaid metering system to encourage prepaid metering tariff.

6.13.2. Stakeholders appreciated the proposal but suggested to double the proposed rebate as the cost / security of prepaid meters shall be borne by consumer and Discoms shall be relieved of meter reading and bill distribution functions. It was suggested that firstly, such meters should be introduced in government offices and thereafter based on experience; it may be made compulsory to certain category of consumers.

6.13.3. Discoms submitted that proposal has been made by Discoms to promote prepaid metering in the State and they are taking steps to introduce such meters in Govt. Offices and subsequently for other consumers.

Commission's view

6.13.4. The Commission feels that pre paid metering is presently in introductory stage and should be incentivized and accordingly Commission accepts the proposal to allow the rebate of 10 paisa per unit to begin with.

6.14. Revision in power factor surcharge and rebate

6.14.1. Discoms submitted that presently, average power factor is 0.90. In case, the average PF falls below 0.90, a surcharge is levied whereas if average power factor is above 0.95 as incentive is provided. Now, it is proposed that the incentive shall be provided only if the average power factor goes above 0.97.

6.14.2. Stakeholders submitted that the proposal to revise the incentive on improved power factor from 0.95 to 0.97 will be a target which is practically unachievable for consumers. The consumers are already making expenditure in installing and maintaining APFC panels. It is very difficult to maintain P.F.

above 0.97, because it needs continuous monitoring of APFC system. Discoms are saving on account of consumer expenditure.

6.14.3. It was further submitted by stakeholders that raising the level of power factor above 0.95 may result in lesser outgo on incentive but will lead to reduced installation of capacitors by industries and corresponding increase in installation of capacitors by RVPN and for Rajasthan power sector as a whole may not be cost effective and may increase transmission tariff. Further, any shortfall in installation will result in lower voltage profile.

Commission's view

6.14.4. Commission is of the view that raising the limit of power factor incentive from 0.95 to 0.97 may not encourage the consumers to maintain power factor beyond the minimum limit of 0.90. Even to achieve the incentive now provided, the consumer has to make expenditure in installing and maintaining capacitor banks/ APFC panel. Considering the above, the Commission does not accept the proposal of Discoms for revision in limit of power factor rebate.

6.15. Concessional tariff for single point connection scheme

6.15.1. Petitioners proposed to provide concessional tariff to single point connection scheme for domestic and non-domestic use. They submitted that the proposal has been made to provide single point connections to Group Housing Societies (GHS) and malls in an effort to improve the collection efficiency and to facilitate the consumers.

Commission's view

6.15.2. Various stakeholders opposed the proposal to provide any such concessional tariff to a particular group of consumers. The Commission has observed that while proposing the tariff, the Discoms have proposed demand charges for DS/HT – 1 category as zero in the name of concessional tariff whereas no such concession was proposed for NDS. The Commission would like to state that as there is already a variation between energy charges for consumers with single point connection vis-a-vis LT consumers and their fixed charges are analogues to other HT consumers; the Commission does not find any need to provide any concessional tariff for such consumers as all the factors mentioned by Discoms have been duly considered in tariff design. As such, proposal of the Discoms to provide concessional tariff to single point connections is not accepted.

6.16. Online payment charges

6.16.1. Discoms have proposed to levy online transaction charges for payment of bills above Rs. 5000/-.

Stakeholders submitted that there is no online transaction charge to consumers in case of telephone bill payments and railway ticket purchase. In fact, on-line payment reduces significant administrative expenses. The Discoms would be saving the expenses on collection agency & staff. Further, principally this is a facility being extended to the consumers and no such charge should be levied. Therefore, proposal of transaction charges is not a rational proposal.

Commission's view

6.16.2. Discoms brought to the notice that proposal has been made specifically for payment made through debit/credit cards only and for online payment through net banking ECS etc. no charges are payable by the consumers. In case of payment through cash cards or debit/credit cards, charges payable to the service providers are based on certain percentage of the bill amount. Since amount of electricity bills may vary from thousand to crores, it would be hardly feasible and justified for the Discoms to bear such huge financial obligations without any restriction. However, they proposed to bear entire amount for transaction through internet banking for bills above Rs. 5,000/.

6.16.3. The Commission has observed that the Discoms do not intend to make over recovery of charges on the account of online transaction charges but it intends to recover only the charges being levied by the credit card / debit card Company. The Commission accordingly accepts the proposal of Discoms and orders the levy of online charges as under:

Particulars	**Transaction charges**
Internet / Online banking	Nil (Transaction Charges to be borne by Discoms)
ECS	Nil (Transaction Charges to be borne by Discoms)
Mobile banking	Nil (Transaction Charges to be borne by Discoms)
Electronic bill payments (EBPP)	Nil (Transaction Charges to be borne by Discoms)
Debit card/credit card	Nil upto bill payment of Rs. 5000/- after that actual charge paid to debit/ credit card Company /Service provider.

6.17. Incentive on prompt payment

6.17.1. Discoms proposed to allow an incentive of 0.15% on prompt payment where the payment is received before seven (7) working days from the due date of the bill.

Commission's view

6.17.2. Stakeholders submitted that such schemes are fruitful to Discoms as well as consumers. However, it is necessary that bills are delivered to consumers at least 10 to 15 working days before the due date for availing the said rebate.

6.17.3. Looking to the fact that scheme is consumer friendly as well as it ensures timely revenue of Discoms, the Commission accepts the proposal. However, the Commission directs Discoms to ensure timely delivery of bills so that maximum number of consumers may avail benefit of the same. The Discoms should aggressively promote registration of consumers for getting SMS on mobile phone regarding issue of bills which would enable consumers to make prompt payment and avail the incentive.

6.18. Change in definition of Seasonal Factories

6.18.1. The Discoms have proposed to change the definition of "Seasonal Factories" in the booklet of tariff for supply of electricity 2013 as under:-

Existing: During the off seasonal period, for a minimum of four months in a year, fixed charges shall be charged at 25% of normal rate of Fixed Charges, while Energy Charges shall be charged on actual consumption basis.

Proposed: During the off Seasonal Period, for a minimum of four months in a year, fixed charges shall be charged at 75% of normal rate of Fixed Charges, while Energy Charges shall be charged on actual consumption basis.

6.18.2. Discoms submitted that due to abolition of minimum billing provision in all categories by the Commission vide its order dated 31st August, 2007, the minimum billing during off seasonal period of seasonal factories are not being done now, and only fixed charges are recovered. Therefore, the above charges are proposed.

Commission's View:

6.18.3. Some stakeholders drew attention of the Commission to condition 20 (iii) & (iv) as applicable to tariff for seasonal factories which reads as under:

"*(20)(iii)During the off seasonal period for a minimum of four months in a year, Fixed Charges shall be charged at 25 % of normal rate of Fixed Charges while Energy Charges shall be charged on actual consumption basis.*

(iv)Consumption during any month in the off-seasonal period shall not exceed 25 % of the average monthly consumption of preceding seasonal period. In case it exceeds such limit during any month of the off-seasonal period then the total energy consumption during that month shall be charged at one and a half times of the normal rate of energy charges in

addition to off seasonal fixed charge".

6.18.4. It was stated that seasonal industry has demand restrictions during off-season time and it should be clarified that whether normal rate will be based on billing demand determined based on actual demand or 25% of contract demand whichever is higher.

6.18.5. The Commission observes that billing demand has been defined as under:

> *'Billing Demand' shall be the Maximum Demand actually recorded during the month or 75% of Contracted Demand, whichever is higher."*

6.18.6. The intention of Discoms is to levy 75% normal fixed charges that implies that first time Discoms would calculate billing demand as per above provision and then charge 75% of the demand charges. It may be seen that condition (iii) of charging of lower fixed charges is not a standalone condition and it should be read with condition (iv) which puts restriction on consumption also i.e. if the consumption during any off season month exceeds 25% of the average monthly consumption of preceding season period, the consumer has to pay 1.5 times of normal rate of energy charges. However, the Discoms have proposed amendment to condition (iii) only and if accepted the same would cause injustice to the seasonal industries as on the one hand they will have to pay 75% of normal rate of fixed charges but at the same time they will be charged 1.5 times of the normal rate of energy charges, which is quite anomalous as the provisions for seasonal industries are time tested and accepted. Therefore, the Commission is not inclined to accept the proposal of Discoms.

6.19. Change in applicability for Temporary supply is to be replaced by following:

6.19.1. The Discoms have proposed change in applicability for Temporary supply which is to be replaced by following:

Existing: For construction of a building where the period of construction is more than one year and if the applicant desires to take permanent connection, then permanent connection under respective categories could be released. However, the existing consumer under LT Domestic & non–domestic categories may use supply upto 25% of his sanctioned connected load for further construction purpose from its permanent connection. This facility shall not be available for construction of Building Complex & other categories of consumers.

Proposed: For construction of an individual domestic building, the permanent connection under domestic service will be allowed if permanent electrical fitting/installation exists but this facility shall not be available for construction of

Building Complex & other categories of consumers. However, the existing consumer of any category except agriculture may use supply for further construction purpose from his permanent connection subject to condition that total load does not exceed his sanctioned connected load/demand.

Commission's view

6.19.2. Though the Commission agrees with the proposal of the Discoms, however, existing clause is analogous to reg. 6(21) of RERC (Electricity Supply Code and Connected Matters) Regulations, 2004 as amended from time to time and the proposal of Discoms cannot be implemented till the amendment is made in Supply Code Regulations to this effect. Therefore, the Commission directs Discoms to send a suitable proposal for amendment in supply code.

6.20. Change of Rate of Charge for LT Industry in case of temporary supply, the following change is proposed:

6.20.1. Discoms have proposed the changes in Rate of Charge for LT Industry in case of temporary supply as under:

Existing:

(3) LT Industrial Service (Other than for construction Purpose)	Tariff under Schedule SP/LT-5 or MP/LT-6 for corresponding Permanent supply plus 50%
(4) LT Industrial Service (For Construction Purpose)	Tariff under Schedule NDS/LT-2

Proposed:

(3) LT Industrial Service (for production/ construction Purpose)	Tariff under Schedule SP/LT-5 or MP/LT-6 for corresponding Permanent supply plus 50%

Commission's view

6.20.2. Earlier NDS tariff was being levied on LT industrial services for construction purpose on account of temporary supply whereas for the same purpose other categories were being charged at their respective tariff plus 50%. Therefore, to avoid disputes relating to purpose and to bring uniformity, the Commission accepts the proposal of Discoms.

6.21. Approved tariff for FY 2014-15

6.21.1. In the light of discussion as above the approved tariff for FY 2014-15 for different categories is appended with this order, which indicates existing tariff as well as the approved tariff based on revisions allowed by the Commission.

6.22. Revenue due to tariff revision

6.22.1. Discoms are expected to generate additional revenue as given in the table below for a 12 month period, due to revision of tariff allowed by the Commission by this order. This does not account for implication of any incentive/surcharge or rebates, whose implication may be same as existing. Revenue has been calculated by the Commission at the tariff determined by it. If the State Govt. provides subsidy for any category of consumers in advance in the manner as specified in RERC (Terms & Conditions of Tariff) Regulations, 2014, the Discoms may apply the subsidised rate to that category.

6.22.2. Discom wise revenue at existing and revised tariff as approved by the Commission are as follows:

Table 101: Jaipur Discom- Revenue at Existing & Revised Tariff as Approved by the Commission for FY 2014-15 (Rs. crore)

Consumer Categories	Revenue at Existing Tariff	Revenue at Revised Tariff	Increase Allowed
Domestic	2,449	2,839	390
Non-Domestic	1,432	1,710	278
Public Street Light	102	121	19
Agriculture (Metered)	2,862	3,267	405
Agriculture (Flat)	158	188	31
Small Industry	235	279	44
Medium Industry	461	548	87
Large Industry	2,662	3,154	492
Public Water Works (S)	107	127	20
Public Water Works (M)	19	23	4
Public Water Works (L)	130	154	24
Mixed Load	113	134	21
Electric Traction	268	317	49
Total	**10,998**	**12,862**	**1,864**

Table 102: Ajmer Discom- Revenue at Existing & Revised Tariff as approved by the Commission for FY 2014-15 (Rs. crore)

Consumer Categories	Revenue at Existing Tariff	Revenue at Revised Tariff	Increase Allowed
Domestic	1,747	2,020	274
Non-Domestic	658	787	129
Public Street Light	38	45	7
Agriculture (Metered)	1,997	2,278	282
Agriculture (Flat)	444	530	86
Small Industry	167	198	32

Consumer Categories	Revenue at Existing Tariff	Revenue at Revised Tariff	Increase Allowed
Medium Industry	457	543	86
Large Industry	1,726	2,046	321
Public Water Works (S)	115	137	22
Public Water Works (M)	22	26	4
Public Water Works (L)	98	117	18
Mixed Load	73	87	14
Total	**7,540**	**8,814**	**1,274**

Table 103: Jodhpur Discom- Revenue at Existing & Revised Tariff as approved by the Commission for FY 2014-15 (Rs. crore)

Consumer Categories	Revenue at Existing Tariff	Revenue at Revised Tariff	Increase Allowed
Domestic	1,521	1,764	244
Non-Domestic	785	937	152
Public Street Light	96	114	18
Agriculture (Metered)	3,379	3,881	502
Agriculture (Flat)	392	473	81
Small Industry	134	160	25
Medium Industry	445	530	84
Large Industry	746	887	141
Public Water Works (S)	113	134	21
Public Water Works (M)	61	72	11
Public Water Works (L)	213	252	39
Mixed Load	209	249	39
Total	**8,094**	**9,452**	**1,359**

6.23. Cross Subsidy

6.23.1. As per regulation 89 of RERC (Terms and Conditions of Tariff) Regulations, 2014, the average cost of supply and realization from a category of consumers, shall form the basis of estimating the extent of cross subsidy and determination of tariff, for that consumer category.

6.23.2. In view of Regulation 89 of RERC (Terms & Condition of Tariff) Regulations, 2014, read with National Tariff Policy it is evident that average cost of supply has to be the benchmark in assessing cross-subsidy from any consumer category. The National Tariff Policy at Para 8.3.2 states that SERC shall notify a road map with a target that tariff is within +/- 20% of average cost of supply. The Commission has also specified in its Tariff Regulations that the Commission shall endeavour to determine the tariff in such a manner that it progressively reflects the average cost of supply and the extent of cross subsidy to any consumer category is within maximum range of +/- 20% of average cost of supply by the year 2010-11.

6.23.3. The last tariff revision in the year 2013 was virtually the third revision after National Tariff Policy and considering the historical status of huge variation in category wise tariff, bringing the cross subsidy within the +/- 20% range in just three revisions was not feasible. The phasing out of subsidy has to be done through successive tariff revisions.

6.23.4. Average cost of supply for the three Discoms as per ARR and sales considered by the Commission, earlier in this order is as under:

Table 104: Average Cost of Supply

Particular	JVVNL	AVVNL	JdVVNL	Rajasthan
Net ARR(Rs. In crore)	13,590	10,086	10,979	34,655
Sales (MU)	21,145	14,487	16,776	52,409
COS (Rs./Unit)	6.43	6.96	6.54	6.61

6.23.5. The cross subsidy across consumer categories at the revised tariff rate for the three Discoms for FY 2014-15 based on average cost of supply is provided in the table below:

Table 105: Cross subsidy at revised tariff

Cross subsidy	JVVNL	AVVNL	JdVVNL	Rajasthan
Domestic	-5.73%	-7.77%	-4.84%	-6.08%
Non-Domestic	19.78%	14.25%	22.04%	18.46%
Public Street Light	1.71%	-2.01%	-5.19%	-2.61%
Agriculture (Metered)	-26.34%	-31.84%	-29.14%	-28.98%
Agriculture (Flat)	-33.97%	-33.52%	-34.82%	-33.22%
Small Industry	0.73%	-2.64%	3.15%	0.34%
Medium Industry	13.23%	4.72%	8.69%	9.30%
Large Industry	11.76%	6.56%	27.90%	12.14%
Public Water Works (S)	-6.30%	-11.63%	-10.65%	-9.18%
Public Water Works (M)	5.24%	-0.42%	3.68%	3.02%
Public Water Works (L)	7.87%	2.25%	6.37%	5.67%
Mixed Load	6.17%	3.45%	2.84%	3.44%
Electric Traction	5.48%			2.52%

6.24. Revenue Surplus/ Deficit at revised Tariff

6.24.1. Although the additional revenue on account of tariff revision works out to Rs. 4498 crore for all Discoms on yearly basis, but since tariff revision approved by the Commission would be effective for a lesser period, the additional revenue on account of tariff revision would not be available for the full year and works out to be approximately Rs. 311 crore for JVVNL, Rs. 212 crore for AVVNL, Rs. 226 crore for JdVVNL and Rs. 750 crore for all Discoms. The position of deficit at revised tariff for the full year and remaining period of FY 14-15 works out to be as under:

Table 106: Revenue Deficit as approved by the Commission for FY 2014-15 -JVVNL (Rs. Crore)

Particular	At existing Tariff	At revised Tariff	At revised Tariff
		for full year	for remaining part of the year
Aggregate Revenue Requirement	13,590	13,590	13,590
Revenue generation (including other income)	10,998	12,862	11,308
Revenue Deficit	**2,592**	**728**	**2,281**
Support from Govt. including ED retention	480	480	480
Transitional Cash Support from GoR	169	169	169
Differential Interest subvention on WB loan	4	4	4
Subsidy against interest	472	472	472
Net Revenue Deficit	**1,467**	**(397)**	**1,156**

Table 107: Revenue Deficit as approved by the Commission for FY 2014-15 (Rs. Crore)-AVVNL

Particular	At existing Tariff	At revised Tariff	At revised Tariff
		for full year	for remaining part of the year
Aggregate Revenue Requirement	10,086	10,086	10,086
Revenue generation (including other income)	7,540	8,814	7,752
Revenue Deficit	**2,546**	**1,272**	**2,334**
Support from Govt. including ED retention	380	380	380
Transitional Cash Support from GoR	139	139	139
Differential Interest subvention on WB loan	4	4	4
Subsidy against interest	555	555	555
Net Revenue Deficit	**1,469**	**194**	**1,256**

Table 108: Revenue Deficit as approved by the Commission for FY 2014-15-JdVVNL (Rs. Crore)

Particular	At existing Tariff	At revised Tariff	At revised Tariff
		for full year	for remaining part of the year
Aggregate Revenue Requirement	10,979	10,979	10,979
Revenue generation (including other income)	8,094	9,452	8,320
Revenue Deficit	**2,885**	**1,526**	**2,659**
Support from Govt. including ED retention	390	390	390
Transitional Cash Support from GoR	133	133	133
Differential Interest subvention on WB loan	4	4	4
Subsidy against interest	462	462	462
Net Revenue Deficit	**1,896**	**537**	**1,670**

6.24.2. Discoms have not envisaged meeting the entire deficit for FY 2014-15 in the proposed tariff. The revenue gap in the past had increased substantially over the years primarily on account of long gap in tariff revision which resulted in accumulated gap becoming too high. To avoid tariff shock to consumers, such gap would have to be wiped out through successive tariff adjustments over a period of time. In view of this, the revenue gap, even after this tariff order, would exist as the tariff revision has taken place in mid of the financial year, though the same has come down quite significantly after the four successive tariff increases, including the current one. The revenue gap as approved as per this order, therefore, could be met through borrowings.

6.24.3. Further, vigorous efforts would need to be made in areas like restricting short term power purchase, improving inventory management, improving metering and billing, recovery of arrears and addressing manpower related issues to improve quality of service. Though overall T&D losses, have come down over the years, but this would need to be sustained to reach the targeted loss level.

6.24.4. This tariff order shall remain in force till 31st March 2015 or till the next tariff order of the Commission. <u>All existing provisions which are not modified by this order, shall continue to be in force. Discoms shall publish salient features of tariff within one week in two daily newspapers in Hindi and one in English, having large circulation in their respective areas of supply. This tariff order shall come into force w.e.f 01.02.2015 after such publication. Discoms shall revise the existing tariff structure in accordance with this order and publish in Hindi and English a booklet containing all details of tariff and its applicability for the benefit of consumers. It should be made available for sale to general public on a nominal price.</u>

6.24.5. Copy of this order may be sent to petitioners, stakeholders, CEA and Govt. of Rajasthan. It shall be placed on the website of the Commission.

(Vinod Pandya)	(Vishvanath Hiremath)
Member	Chairman

7. Directives given to Discoms in this order

Sr. No.	Para No.	Directives
1	2.1 Incomplete and inaccurate formats	Commission directs that Discoms shall furnish formats as per the requirement of Regulations framed by the Commission, in conformity with audited accounts of Discoms. Discoms shall fill up all columns in the forms prescribed and no form shall be left blank. Otherwise Discoms shall record in a note in each form the reasons for leaving the columns blank.
2	2.3 Mismatch in petition and accounts	The Commission directs to take care that such mistakes are not made in future.
3	2.6 Approved Vs Actual Sales	The Commission directs that in future petitions the Discoms should also indicate the sales and revenue figures at both existing and revised tariff separately.
4	2.26 Incomplete forms and information	The Commission directs the Discoms to ensure submission of complete information in prescribed formats along with the ARR/Tariff petition at all times and this needs no emphasis.
5	2.29Hindi petition	The Commission directs the Discoms that hereafter the Hindi version of petition must be filed along with the English version of the petition.
6	2.30 Assessment of T&D and AT&C Losses	The Commission vide its order dated 6.6.13 had directed Discoms to prepare an action plan in this regard. The Commission again directs the Discoms to come out with an action plan along with methodology and time frame for implementation of energy audit and segregation of technical and commercial losses within a period of two months from the date of the order. The Commission directs that Discoms should separately report losses of urban areas / towns where RAPDRP program has been taken up. The Commission directs that in future no new feeders / substation should be sanctioned/constructed without putting proper metering in place. The work of metering of pending feeders /substation shall be taken up on top priority in order to measure consumption on the feeders/ substations. The Discoms should start monitoring and reporting losses on the feeders/ substations where meters are placed so that further corrective measures can be taken up.

7. Directives given to Discoms in this order

7	2.33 Defective meter and transformer	The Commission directs that first bill should be issued on time. There should be no delay on that account. It is the duty of the field officer to ensure that no connection is energised without installing a correct meter. In case meters are reported faulty from day one and not replaced within two months of such detection as specified at regulation 3.2 of RERC (Standards of Performance for Distribution Licensees) Regulation, 2014, action must be taken against defaulting officers. Discoms should effectively monitor the issue of first bill and placement of correct meters on new connection. The Commission vide its order dt. 15.7.14 issued in the matter of true up of ARR directed the Discoms to maintain history sheet of all the transformers, which will help in their proper maintenance. It was also stressed that failure rate may be brought down which in turn will reduce purchase of new transformers and to ensure quality checking in purchase of all materials. The Commission would again like to stress that by taking such small measures the Discoms may not only save huge expenditure on purchases but also improve customer satisfaction level. The Commission also directs the Discoms to develop the mechanism for carrying out scheduled maintenance of power as well as distribution transformers, which would enhance the life of transformers and bring down the failure rate. The Discoms are directed to arrange regular maintenance of their 33kV, 11 kV and LT lines to reduce the number of faults on these lines resulting in uninterrupted power supply to consumers. Such efforts will also reduce the stress on and consequent failure of upstream transformers. The Discoms should continuously check the load on the transformers for overloading as well as unbalanced loads. Unbalanced loads should invariably be tested on transformers supplying single-phase loads. The Commission directs the Discoms to implement the scheme of providing protection schemes and circuit breakers on power transformers and HT feeders

7. Directives given to Discoms in this order

8	2.34 Theft of Electricity	The petitioners are advised to strengthen their vigilance wing and take up frequent checking of theft prone areas. The comments of the stakeholders regarding lower revenue realisation in case of theft cases should be examined by the petitioners and appropriate steps be taken to improve revenue collection in relation to revenue assessed. Discoms are also directed to furnish the information regarding number of checking, theft detected, amount assessed, amount realised, no. of complaints/FIR lodged, arrest made and persons convicted for the last three year. After receipt of the information, the Commission would like to review the matter with the Vigilance Wing of the Discoms.
9	2.35 Public Street Light	It is a matter of concern that there are still unmetered points in this category. The Discoms are directed to carry out vigilance campaign for checking direct light points and assessment should be made in accordance with provisions of supply code Regulations.
10	2.36 Voltage Wise cost of Supply	The Commission directs the Discoms to furnish voltage wise cost of supply while filing next tariff petition positively.
11	2.42 Depreciation	The Discoms are directed to furnish factual report on the work of preparation of fixed asset register allotted by them and also furnish a cutoff date by which they would be able to complete the asset register.

7. Directives given to Discoms in this order

12	2.63 Miscellaneous	It is observed that there is a requirement of consumer education/awareness campaign. For this purpose, the Commission allows an additional amount of Rs. 50 lakh per Discom, towards consumer relations/consumers education. This provision has been specifically made by the Commission to enable Discoms to conduct consumer awareness campaign periodically and institutionalize a mechanism for having a dialogue with the consumers for educating them and addressing common problems. DSM cell of Discoms may promote drip irrigation system and use of energy efficient pumpsets among farmers. DSM cell may coordinate with agriculture university and agriculture department to set up demonstration units of drip irrigation and conduct consumer education program for agriculture consumer for showing benefit of use of energy efficient pump sets and drip irrigation. The Discoms are also directed to analyse the benefits of carrying DSM program for agriculture consumers and review the present incentive being given to agriculture consumers for use of energy efficient pump sets/ drip irrigation system and file proposal for cost reflective incentive, if need be. To ensure reduction of consumption in buildings the Discoms may propose a suitable rebate for energy efficient/green buildings. Utilities may prepare a scheme for giving suitable incentive to staff & officers every year for achievement in loss reductions.

7. Directives given to Discoms in this order

	2.63 Miscellaneous	The SoP Regulations have come into force w.e.f. 1.10.2014 and Discoms should develop a system to meet Standards of Performance as laid down in RERC (Standards of Performance) Regulations, 2014. This will ensure consumers satisfaction. The SoP Regulations also envisage publication of manual for handling consumer complaints. The Discoms must ensure the publication of manual incorporating requisite details at an early date and establish call centers as stipulated in the Regulations. The Discoms must attempt to strengthen complaint handling machinery in line with the standard prescribed in SoP Regulations. There has been a regular complaint regarding non-availability of facilities/ basic amenities for consumer at Discoms offices/bill collection centers. The Discoms are directed to ensure that there are proper facilities like seating, shade, drinking water and toilet etc. for use of consumers at offices of Discoms/bill collection centers.
13	2.69 Jaipur Metro rail Corporation	The Commission directs the Jaipur Discom to look into the matter for making suitable arrangement/adjustments in metering and billing of traction/non-traction load in consultation with JMRC. Such exercise should be initiated within one month from date of order and Discom must submit its report to the Commission within three months of the order. The Commission directs Discoms to examine the technical and financial implications of allowing such facility to Railways and furnish the reason why such facility shall not be extended to JMRC.
14	4.13 Proposed investment plan, analysis and decisions of the Commission	The Commission directs the Discoms to carry out prudence check on five to ten scheme/works under each head of plan being carried out during the year and furnish a report indicating cost benefit analysis and effectiveness of the investment made, to the Commission by 30th June 2015.
15	6.17 Incentive on prompt payment	The Commission directs Discoms to ensure timely delivery of bills so that maximum number of consumers may avail benefit of the same. The Discoms should aggressively promote registration of consumers for getting SMS on mobile phone regarding issue of bills which would enable consumers to make prompt payment and avail the incentive.
16	6.19 Change in applicability for Temporary supply	The Commission directs Discoms to send a suitable proposal for amendment in supply code.

Appendix

Existing and Approved Tariff for FY 2014-15
DOMESTIC CATEGORY (LT-1 and HT-1)

Subsidized Domestic (BPL and Small Domestic having consumption upto 50nits per month)

Domestic Category					Domestic Category		
Particulars	**Existing Tariff**				**Particulars**	**Approved Tariff**	
Domestic	**EC**	**Subsidy indicated to be received from GoR**	**Effective EC after subsidy**	**Fixed Charges**	**Domestic**	**EC**	**Fixed Charges**
LT-Domestic (LT-1)					**LT-Domestic (LT-1)**		
B P L					**B P L**		
Consumption upto first 50 units per month	Rs. 2.75/ unit	Rs 1.90/ unit	Rs 0.85/ unit	Rs 80/ connection/ month (effective FC Rs 50 /connection /month after subsidy of Rs. 30/connection/month)	Consumption upto first 50 units per month	Rs. 3.25/ unit	Rs 90 per connection per month
Small Domestic (Consumption up to 50 units/month)					**Small Domestic (Consumption up to 50 units/month)**		
Consumption up to 50 units/month	Rs 3.00/ unit	Rs 1.30/ unit	Rs 1.70/ unit	Rs 80/ connection / month	Consumption up to 50 units/month	Rs 3.50/ unit	Rs 90 per connection per month

General Domestic-1

Domestic Category			Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
General Domestic-1 (Consumption upto 150 units/month)			**General Domestic-1 (Consumption upto 150 units/month)**		
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
(i) For consumption upto first 50 units per month	Rs 3.00/ unit	Rs 160/ connection / month	(i) For consumption upto first 50 units per month	Rs 3.50/ unit	Rs 180/ connection / month
(ii) For consumption above 50 units and upto 150 units per month	Rs 4.65/ unit		(ii) For consumption above 50 units and upto 150 units per month	Rs 5.45/ unit	

General Domestic-2

Domestic Category			Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
General Domestic-2 Consumption above 150 units and upto 300 units/month)			**General Domestic-2 (Consumption above 150 units and upto 300 units/month)**		
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
(i) For consumption upto first 50 units per month	Rs 3.00/ unit	Rs 175/ connection / month	(i) For consumption upto first 50 units per month	Rs 3.50/ unit	Rs 200/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs 4.65/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs 5.45/ unit	
(iii)For consumption above 150 units and upto 300 units per month	Rs 4.85/ unit		(iii)For consumption above 150 units and upto 300 units per month	Rs 5.70/ unit	

General Domestic-3

Domestic Category			Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
General Domestic-3 (Consumption above 300 and upto 500 units/month)			**General Domestic-3 (Consumption above 300 and upto 500 units/month)**		
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
(i) For consumption upto first 50 units per month	Rs 3.00/ unit	Rs 210/ connection / month	(i) For consumption upto first 50 units per month	Rs 3.50/ unit	Rs 240/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs 4.65/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs 5.45/ unit	
(iii)For consumption above 150 units and upto 300 units per month	R)s 4.85/ unit		(iii)For consumption above 150 units and upto 300 units per month	Rs. 5.70/ unit	
(iv)For consumption above 300 units and upto 500 units per month	Rs 5.15/ unit		(iv)For consumption above 300 units and upto 500 units per month	Rs 6.00/ unit	

General Domestic-4

Domestic Category			Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
General Domestic-4 (Consumption above 500 units/month)			**General Domestic-4 (Consumption above 500 units/month)**		
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
(i) For consumption upto first 50 units per month	Rs. 3.00/ unit	Rs. 225/ connection / month	(i) For consumption upto first 50 units per month	Rs. 3.50/ unit	Rs. 260/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs. 4.65/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs. 5.45/ unit	
(iii)For consumption above 150 units and upto 300 units per month	Rs. 4.85/ unit		(iii) For consumption above 150 units and upto 300 units per month	Rs. 5.70/ unit	
(iv)For consumption above 300 units and upto 500 units per month	Rs. 5.15/ unit		(iv)For consumption above 300 units and upto 500 units per month	Rs.6.00/ unit	
(v)For consumption above 500 units per month	Rs 5.45/ unit		(v)For consumption above 500 units per month	Rs 6.40/ unit	

DOMESTIC CATEGORY (HT-1)

Domestic Category			Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
HT – Domestic (HT-1)			**HT – Domestic (HT-1)**		
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
For contract demand over 50 kVA	Rs. 4.95/ unit	Rs. 140 per kVA of Billing Demand per month	For contract demand over 50 kVA	Rs. 5.50/ unit	Rs. 170 per kVA of Billing Demand per month

NON-DOMESTIC CATEGORY (LT-2 & HT-2)

NDS up to 5 kW of SCL

(NDS- type1)

Non-Domestic Category			Non-Domestic Category		
Particulars	Existing Tariff		Particulars	Approved Tariff	
LT-NDS(LT-2)			LT-NDS(LT-2)		
Type1 (Consumption upto 100 units/month)			Type1 (Consumption upto 100 units/month)		
	Energy Charges	Fixed Charges		Energy Charges	Fixed Charges
Consumption upto first 100 units per month	Rs.5.60/unit	Rs 175/ connection / month	Consumption upto first 100 units per month	Rs. 6.75 /unit	Rs 210 / connection / month

(NDS- type2)

Non-Domestic Category			Non-Domestic Category		
Particulars	Existing Tariff		Particulars	Approved Tariff	
LT-NDS(LT-2)			LT-NDS(LT-2)		
Type 2 (Consumption above 100 units/month and upto 200 units/month)			Type 2 (Consumption above 100 units/month and upto 200 units/month)		
	Energy Charges	Fixed Charges		Energy Charges	Fixed Charges
Consumption upto first 100 units per month	Rs.5.60/unit	Rs 175/ connection / month	Consumption upto first 100 units per month	Rs.6.75/unit	Rs 210/ connection / month
Consumption above 100 units and upto 200 unit per month	Rs.6.00/unit		Consumption above 100 units and upto 200 unit per month	Rs.7.15/unit	

(NDS- type 3)

Non-Domestic Category			Non-Domestic Category		
Particulars	Existing Tariff		Particulars	Approved Tariff	
LT-NDS(LT-2)			LT-NDS(LT-2)		
Type 3 (Consumption above 200 units and upto 500 units/month)			Type 3 (Consumption above 200 units and upto 500 units/month)		
	Energy Charges	Fixed Charges		Energy Charges	Fixed Charges
Consumption upto first 100 units per month	Rs.5.60/unit	Rs 210/ connection / month	Consumption upto first 100 units per month	Rs.6.75 /unit	Rs 250/ connection / month
Consumption above 100 units and upto 200 unit per month	Rs.6.00/unit		Consumption above 100 units and upto 200 unit per month	Rs.7.15 /unit	
Consumption above 200 unit and upto 500 units per month	Rs.6.25/unit		Consumption above 200 unit and upto 500 unit per month	Rs.7.45/unit	

(NDS- type 4)

Non-Domestic Category			Non-Domestic Category		
Particulars	Existing Tariff		Particulars	Approved Tariff	
LT-NDS(LT-2)			LT-NDS(LT-2)		
Type 4 (Consumption above 500 units/month)			Type 4 (Consumption above 500 units/month)		
	Energy Charges	Fixed Charges		Energy Charges	Fixed Charges
Consumption upto first 100 units per month	Rs.5.60/unit	Rs 250/ connection / month	Consumption upto first 100 units per month	Rs.6.75/unit	Rs 300/ connection / month
Consumption above 100 units and upto 200 unit per month	Rs.6.00/unit		Consumption above 100 units and upto 200 unit per month	Rs.7.15/unit	

Non-Domestic Category			Non-Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
LT-NDS(LT-2)			**LT-NDS(LT-2)**		
Type 4 (Consumption above 500 units/month)			**Type 4 (Consumption above 500 units/month)**		
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
Consumption above 200 units and upto 500 units per month	Rs.6.25/unit		Consumption above 200 units and upto 500 units per month	Rs.7.45/unit	
Consumption above 500 unit per month	Rs.6.60/unit		Consumption above 500 unit per month	Rs.7.85/unit	

NDS above 5 kW of SCL

Non-Domestic Category			Non-Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
NDS above 5 KW of SCL (LT-2)			**NDS above 5 KW of SCL (LT-2)**		
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
Consumption upto first 100 units per month	Rs.5.60/unit	Rs.70/ KW of SCL / month	Consumption upto first 100 units per month	Rs.6.75/unit	Rs.85/ KW of SCL / month
Consumption above 100 units and upto 200 unit per month	Rs.6.00/unit		Consumption above 100 units and upto 200 units per month	Rs.7.15/unit	
Consumption above 200 unit and upto 500 units per month	Rs.6.25/unit		Consumption above 200 units and upto 500 units per month	Rs.7.45/unit	
Consumption above 500 units per month	Rs.6.60/unit	Rs. 80 per kW of Sanctioned Connected Load per month Or Rs. 140 per kVA of Billing Demand per month (If SCL is more than 18.65 KW)	Consumption above 500 units per month	Rs.7.85/unit	Rs. 95/ KW of SCL / month Or Rs. 170 per kVA of Billing Demand per month (If SCL is more than 18.65 KW)

HT-NDS (HT-2)			**HT-NDS (HT-2)**		
For contract demand over 50 kVA			For contract demand over 50 kVA		
All units	Rs.6.25/unit	Rs.140/ kVA of Billing Demand per month	All units	Rs.7.45/unit	Rs.170/ kVA of Billing Demand per month

PUBLIC STREET LIGHTING (LT-3)

Particulars	**Existing Tariff**		**Approved Tariff**	
Public Street Lighting	**Energy Charges**	**Fixed Charges**	**Energy Charges**	**Fixed Charges**
Population <1 Lakh	Rs. 4.90/ unit	Rs. 65/ Lamp point/ month subject to a maximum of Rs. 650 /service connection/month	Rs. 5.85/ unit	Rs. 75/ Lamp point/ month subject to a maximum of Rs. 750 /service connection/month
Population = >1 Lakh	Rs. 5.30/ unit	Rs. 80/ Lamp point/ month subject to a maximum of Rs. 1600 /service connection/month	Rs. 6.30/ unit	Rs. 95/ Lamp point/ month subject to a maximum of Rs. 1900 /service connection/month

AGRICULTURE (Metered and Flat Rate) (LT-4)

Particulars	Existing Tariff				Particulars	Approved Tariff	
Metered (AG/MS/LT-4)					Metered (AG/MS/LT-4)		
Agriculture Supply	**EC**	**Subsidy indicated to be received from Govt.**	**Effective EC after subsidy**	**Fixed Charges**	**Agriculture Supply**	**EC**	**Fixed Charges**
(i) General (getting supply in block hours)	Rs. 3.93 /unit	Rs. 3.03/unit	Rs. 0.90 /unit	Rs 15/HP/month of Sanctioned Connected Load Maximum Rs 250/ month/consumer(Subsidy above Rs 45/Connection / Month)	(i) General (getting supply in block hours)	Rs. 4.50 /unit	Rs.15 per HP per Month of SCL
(ii) All others not covered under items (i) and getting supply more than block hours	Rs. 4.95 /unit	Rs 2.85 /unit	Rs 2.10 /unit	Rs 30/HP/month of Sanctioned Connected Load Maximum Rs 500/ month/consumer(Subsidy above Rs 50/Connection / Month)	(ii) All others not covered under items (i) and getting supply more than block hours	Rs. 5.70 /unit	Rs.30 per HP per Month of SCL
Flat/ unmetered (AG/FR/LT-4)					Flat/ unmetered (AG/FR/LT-4)		
(i) General (getting supply in block hours)	Rs. 500 / HP/ Month	Rs. 415 / HP/ Month	85 / HP/ Month	Rs.15/HP/month of Sanctioned Connected Load Maximum Rs 250/ month/consumer(Subsidy above Rs 15/Connection / Month)	(i) General (getting supply in block hours)	Rs. 600 / HP/ Month	Rs. 15 per HP per month of SCL
(ii) All others not covered under items (i) above and getting more than block hour supply	Rs 600/ HP/ Month	Rs 370/ HP/ Month	Rs. 230/ HP/ Month	Rs 30/HP/month of Sanctioned Connected Load Maximum Rs 500/ month/consumer(Subsidy above Rs 20/Connection / Month)	(ii) All others not covered under items (i) above and getting more than block hour supply	Rs 720/ HP/ Month	Rs. 30 per HP per month of SCL

SMALL INDUSTRIES (LT-5)

Particulars	Existing Tariff		Approved Tariff	
Small Industrial Service (LT-5) (Load not exceeding 18.65 kW (25HP)	**Energy Charges**	**Fixed Charges**	**Energy Charges**	**Fixed Charges**
Upto first 500 units	Rs.4.50/ unit	Rs. 50/ HP/ month of sanctioned connected load	Rs.5.35/ unit	Rs. 60/ HP/ month of sanctioned connected load
Above 500 units	Rs.4.85/ unit	Rs. 50/ HP/ month of sanctioned connected load	Rs.5.75/ unit	Rs. 60/ HP/ month of sanctioned connected load

MEDIUM INDUSTRIES (LT-6 and HT-3)

Particulars	Existing Tariff		Approved Tariff	
	Energy Charges	**Fixed Charges**	**Energy Charges**	**Fixed Charges**
Medium Industrial Service (LT-6)	Rs.5.25/ unit	Rs. 60/ HP/ month of sanctioned connected load or Rs. 125 per KVA of Billing Demand per month	Rs.6.25/ unit	Rs. 70 per HP per month of sanctioned connected load or Rs. 150 per KVA of Billing Demand per month
Medium Industrial Service (HT-3)	Rs. 5.25/ unit	Rs. 125/ KVA of Billing Demand per month	Rs. 6.25/ unit	Rs. 150/ KVA of Billing Demand per month

BULK SUPPLY FOR MIXED LOAD (LT-7 and HT-4)

Particulars	Existing Tariff		Approved Tariff	
	Energy Charges	**Fixed Charges**	**Energy Charges**	**Fixed Charges**
Schedule ML/LT-7	Rs.5.25/ unit	Rs. 60/ HP/ month of sanctioned connected load or Rs. 125 per KVA of Billing Demand per month	Rs.6.25/ unit	Rs. 70 per HP per month of sanctioned connected load or Rs. 150 per KVA of Billing Demand per month
Schedule ML/HT-4	Rs.5.25/ unit	Rs. 125/KVA of Billing Demand per month	Rs.6.25/ unit	Rs. 150/KVA of Billing Demand per month

LARGE INDUSTRIES (HT-5)

Particulars	Existing Tariff		Approved Tariff	
	Energy Charges	**Fixed Charges**	**Energy Charges**	**Fixed Charges**
SCL above 150 HP &/or having Contract/ Maximum Demand above 125 KVA	Rs.5.50/ unit	Rs. 140/ KVA of Billing Demand per month	Rs.6.50/ unit	Rs. 170/ KVA of Billing Demand per month

General Note:

<u>All existing provisions which are not modified by this order, shall continue to be in force.</u>

List of Stakeholders

Annexure-1

Name of Stakeholders (Jaipur Discom) (Petition No. 456/14)	
S. No.	**Name**
1	Sh. D.P. Chirania
2	Sh. S.P. Joshi
3	Rudraksh Energy
4	Electrical Contractor and Consultant Association, Kota
5	Sh. B.M. Sanadhya
6	West Central Railway
7	Rajyoga Education & Research Foundation
8	Sh. S.K. Bhargava and Sh. S.C. Sharma
9	Sh. Magan Singh Naruka
10	Federation of Consumer Association (Rajasthan)
11	Committee for Protection of Public Properties (CPPP)
12	JMRC
13	Sh. G.L. Sharma
14	Sh. P.C. Jain
15	National Engineering Industries Ltd. (NBC)
16	DCM Shriram Ltd.
17	Bhartiya Kisan Sangh (Sh. Kaluram Sharma)
18	Graam Vikas Samiti, Mangyawas
19	Bhartiya Kisan Sangh (Sh. Mahaveer Shastri)
20	Rajasthan Textile Mills Association (RTMA)
21	Aam Aadmi Party (AAP)
22	Sh. Shiv Prasad Garg
23	Sh. R.P. Garg
24	Sh. S.K. Jain
25	Sh. R.N. Garg
26	Sh. R.B. Gupta
27	Smt. Mohini Kanwar
28	Communist Party of India
29	Indian Wind Energy Association (InWEA)
30	Sh. Y.K. Bolia
31	Sh. D.D. Agrawal
32	Sh. D.P. Khandelwal
33	Aam Aadmi Party (AAP), Tonk
34	Sh. Hari Prasad Yogi
35	Indus Tower Ltd.
36	Sh. Prithvi Singh Shekhawat
37.	Sh. R.C.Katara (SBCWP 9073/2014)

List of Stakeholders

Annexure-1

Name of Stakeholders (Ajmer Discom) (Petition No. 457/14)	
S. No.	**Name**
1	Sh. D.P. Chirania
2	Sh. S.P. Joshi
3	Sh. B.M. Sanadhya
4	Sh. R.V. Maheshwari
5	Sh. S.C. Kothari
6	Sh. Magan Singh Naruka
7	Shree Parshwanath Jain Medical Relief Trust
8	Federation of Consumer Association (Rajasthan)
9	Committee for Protection of Public Properties (CPPP)
10	Sh. G.L. Sharma
11	Nav Jagran Civil Society, Chittorgarh
12	Rajasthan Textile Mills Association (RTMA)
13	Aam Aadmi Party (AAP)
14	Indian Wind Energy Association (InWEA)
15	Maruti Sewa Samiti
16	Sh. Devang Panwala
17	Sh. B.S. Meel
18	Sh. Y.K. Bolia
19	Sh. D.D. Agrawal
20	Godha Enterprises
21	Sh. Ashok Shrimaal
22	Sh. G.S. Sharma
23	Sh. Nikhil Dey and Sh. Mukesh Goswami
24.	Sh. R.C.Katara (SBCWP 9073/2014)

List of Stakeholders

Annexure-1

Name of Stakeholders (Jodhpur Discom) (Petition No. 458/14)	
S. No.	**Name**
1	Sh. D.P. Chirania
2	Sh. S.P. Joshi
3	Sh. Purushottam Das Singhal
4	Atul Rajasthan Date Palms Ltd.
5	Sh. B.M. Sanadhya
6	Upbhokta Margadarshan Samiti (UMAS)
7	Sh. Magan Singh Naruka
8	Sh. Narendra Agrawal
9	World Renewal Spiritual Trust
10	Federation of Consumer Association (Rajasthan)
11	Committee for Protection of Public Properties (CPPP)
12	Global Hospital & Research Centre
13	Sh. G.L. Sharma
14	Bharatiya Kisan Sangh (Jodhpur)
15	Rajasthan Textile Mills Association (RTMA)
16	Aam Aadmi Party (AAP)
17	Indian Wind Energy Association (InWEA)
18	Sh. Y.K. Bolia
19	Sh. D.D. Agrawal
20	Sh. Subhash Sharma
21.	Sh. R.C.Katara (SBCWP 9073/2014)

Annexure-2

List of Persons Present during the public hearing at Jaipur on 10.09.2014 and 11.09.2014

S. No.	Particulars
1.	Sh. N.M. Chouhan, MD, JdVVNL, Jodhpur
2.	Sh. G.R. Choudhary, Dir (T)/MD, JVVNL, Jaipur
3.	Sh. Deepak Srivastava, Dir (F), JVVNL, Jaipur
4.	Ms. Kirti Kachhwaha, Dir (F), JdVVNL, Jodhpur
5.	Sh. S.L. Gurjar, CE(CPL), JVVNL
6.	Sh. B.S. Rathore, CE(A/Z), AVVNL
7.	Sh. D.L. Jakhar, CE, RDPPC
8.	Sh. V.S. Bhati, CE (Comml), AVVNL, Ajmer
9.	Sh. Navin Arora, ZCE, JVVNL
10.	Sh. S.M. Mathur, CAO (ATB), AVVNL, Ajmer
11.	Sh. R.P. Gupta, CAO, JVVNL
12.	Sh. M.K. Goyal, CAO(W&M), AVVNL
13.	Sh. D.K. Jain, CAO(W&M), JdVVNL
14.	Sh. A.K. Joshi, CAO(W&M), JVVNL
15.	Sh. M.S. Palawat, CAO (B&R), JdVVNL
16.	Sh. Ashok Mathur, SE(Comml), JdVVNL
17.	Sh. K. K. Purohit, SE(Comml), JVVNL
18.	Sh. N.L. Salvi, SE (Plan), AVVNL
19.	Sh. P.K. Mittal, SE(JPDC), JVVNL, Jaipur
20.	Sh. T.S. Sharma, SE(MIS), JVVNL
21.	Sh. Atul Gupta, XEn(Comml), JVVNL
22.	Sh. P.K. Gupta, XEn(Comml), JVVNL
23.	Sh. S.T. Hussain, XEn, JVVNL
24.	Sh. Subodh Verma, XEn (RA), JdVVNL
25.	Ms. Sarita Badgujar, Addl. SP(Vig.), JVVNL
26.	Sh. B.L. Sharma, XEn (RA), AVVNL
27.	Sh. Kaushal Anand Parihar, Sr. AO(Rev.), JdVVNL
28.	Sh. Deepak Arora, AO(Budget), JdVVNL
29.	Sh. Ashok Mathur, AEn(RA), JdVVNL
30.	Sh. Tarun Ahuja, Acctt.(RA-II), AVVNL
31.	Sh. K.L. Gupta, OSD, JVVNL
32.	Ms. Manisha Chouhan, Consultant, PWC
33.	Ms. Nidhi Maurya, Manager, PWC
34.	Sh. D.S.Agarwal, Rudraksh Energy
35.	Sh. V. K. Gupta, Rudraksh Energy
36.	Sh. H.P. Agrawal, Chief Electrical Distribution Engineer, West Central Railway, Jabalpur

S. No.	Particulars
37.	Sh. Liyakat Ali, Secretary, UMAS, Jodhpur
38.	Sh. Pramod Jhanwar, Federation of Consumer Organisation
39.	Sh. Arya, Maruti Sewa Samiti
40.	Sh. Lalit Patni, Atul Rajasthan Date Palms Ltd.
41.	Sh. M.M. Khan, Atul Rajasthan Date Palms Ltd.
42.	Sh. R.P. Choudhary, Atul Rajasthan Date Palms Ltd.
43.	Sh. C.S. Jeengar, Director (Operation & Systems), JMRC, Jaipur
44.	Sh. V.S. Rathore, SE, JMRC, Jaipur
45.	Sh. S.K. Yadav, GM(Traction), JMRC, Jaipur
46.	Sh. B. M. Sanadhya, Director, Samta Power
47.	Sh. Gangadhar Solanki, Navjaagaran Civil Society, Chittorgarh
48.	Sh. Umesh Kumar Sharma, SSe, North western Railway
49.	Sh. Ved Parkash Saini
50.	Sh. Dheeraj Sharma
51.	Sh. P.N Mandola, Committee for Protection of Public Properties
52.	Sh. S.K.Chauhan, Committee for Protection of Public Properties
53.	Sh. Ramesh Yadav, Shri Samiti, Jaipur
54.	Sh. Shailendra Prabhat, Secretary, AAP, Rajasthan
55.	Sh. M.C. Agrawal, Stakeholder
56.	Sh. P.C. Jain, Retd. Engineer
57.	Sh. P.S. Shekhawat
58.	Sh. D.D. Agrawal
59.	Sh. Jaideep Charan, Asstt. Manager, M/s DCM Shriram Ltd.
60.	Sh. S.C. Kothari
61.	Sh. R.V. Maheshwari, Industrialist Association, Beawar
62.	Sh. D.P. Chirania, RSEB Retired Abhiyanta Evam Adhikari Jan Kalyan Trust, Jaipur
63.	Sh. S. P. Garg, Director, Samta Power
64.	Sh. Rajendra Saiwal, Janwadi Lekhak Sangh
65.	Sh. G.L. Sharma
66.	Sh. Jitendra Singh
67.	Sh. M.S. Naruka, Director, R.V.V.S
68.	Sh. R.B. Gupta
69.	Sh. Subhash Sharma

Annexure-3

List of abbreviations		
ABT	:	Availability Based Tariff
AG	:	Agriculture
A&G	:	Administrative and General Expenses
AMR	:	Automatic Meter Reading
AMP	:	Ampere
APTEL	:	Appellate Tribunal for Electricity
ARR	:	Aggregate Revenue Requirement
AS	:	Accounting Standard
AT & C	:	Aggregate Technical and Commercial
AVVNL	:	Ajmer Vidyut Vitran Nigam Ltd.
BPL	:	Below Poverty Line
BSNL	:	Bharat Sanchar Nigam Limited
C&AG	:	Comptroller & Auditor General
CERC	:	Central Electricity Regulatory Commission
CEA	:	Central Electrical Authority
CMD	:	Chairman and Managing Director
COD	:	Commercial Date of Operation
CPP	:	Captive Power Plants
CT/PT	:	Current Transformers/Potential Transformers
DCCP	:	Dholpur Combined Cycle Gas based Thermal Power Plant
DISCOM	:	Distribution Company
DS	:	Domestic Supply
DSM	:	Demand Side Management
EA 2003	:	Electricity Act, 2003
EC	:	Energy Charges
ED	:	Electricity Duty
ERLDC	:	Eastern Region Load Dispatch Centre
ERPC	:	Eastern Regional Power Committee
FIs	:	Financial Institutions
FR	:	Flat Rate
FRP	:	Feeder Renovation Program
FRP	:	Financial Restructuring Plan
FY	:	Financial Year
GFA	:	Gross Fixed Assets
GIS	:	Geographical Information System
GoI	:	Government of India
GoR	:	Government of Rajasthan

Annexure-3

List of abbreviations		
GTPP	:	Giral Thermal Power Project
HP	:	Horse Power
HT	:	High Tension
ISI	:	Indian Standards Institute
JdVVNL	:	Jodhpur Vidyut Vitran Nigam Limited
JMRC	:	Jaipur Metro Rail Corporation Limited
JVVNL	:	Jaipur Vidyut Vitran Nigam Limited
KTPS	:	Kota Thermal Power Station
KW	:	Kilo Watt
kWh	:	Kilo Watt Hour
KVA	:	Kilo Volt Ampere
LT	:	Low Tension
LTL	:	Long-Term Loans
MIP	:	Medium Industrial Power
MMH	:	Mini Micro Hydro
ML	:	Mixed Load
MoU	:	Memorandum of Understanding
MS	:	Metered Supply
MU	:	Million Unit
MW	:	Mega Watt
MYT	:	Multi Year Tariff
NCES	:	Non Conventional Energy Sources
NDS	:	Non Domestic Supply
NHPC	:	National Hydro Power Corporation
NJPC	:	Naptha Jhakri Power Corporation
NLC	:	Neyveli Lignite Corporation
NPC	:	Nuclear Power Corporation
NTPC	:	National Thermal Power Corporation
NRLDC	:	Northern Region Load Dispatch Centre
NRPC	:	Northern Regional Power Committee
O&M	:	Operation & Maintenance
PDC	:	Permanent Disconnection
PGCIL	:	Power Grid Corporation of India Ltd.
PLF	:	Plant Load Factor
PP	:	Partnership Projects
PSL	:	Public Street Lighting
PWW	:	Public Water Works
RAPDRP	:	Restructured Accelerated Power Development & Reform Programme

Annexure-3

List of abbreviations		
RDPPC	:	Rajasthan Discoms Power Procurement Centre
RBI	:	Reserve Bank of India
RE	:	Renewable Energy
RERC	:	Rajasthan Electricity Regulatory Commission
RGTPS	:	Ramgarh Gas Thermal Power Station
RoE	:	Return on Equity
RPO	:	Renewable Power Obligtion
RREC	:	Rajasthan Renewable Energy Corporation
R&M	:	Repairs & Maintenance
RVPNL	:	Rajasthan Vidyut Prasaran Nigam Limited
RVUN	:	Rajasthan Vidyut Utpadan Nigam
SBAR	:	State Bank Advance Rate
SCL	:	Sanctioned Connected Load
SERC	:	State Electricity Regulatory Commission
SIP	:	Small Industrial Power
SJVNL	:	Satluj Jal Vidyut Nigam Limited
SLDC	:	State Load Dispatch Centre
SLM	:	Straight Line Method
STL	:	Short Term Liabilities
STPS	:	Suratgarh Thermal Power Station
STU	:	State Transmission Utility
T&D	:	Transmission & Distribution
WB	:	World Bank
WPI	:	Wholesale Price Index

Power Purchase Quantum and Cost for FY 2014-15 — Annexure 4

				JVVNL				AVVNL				JdVVNL			
Soure of Power(Station wise)	Net Generation (MU)	Total Annual Fixed charges (Rs Cr.)	Variable Cost (Rs./ unit)	Net Generation (MU)	Total Variable Cost (Rs. Cr.)	Total Fixed Cost (Rs. Cr.)	Total Cost JVVNL (Rs. Cr.)	Net Generation (MU)	Total Variable Cost (Rs. Cr.)	Total Fixed Cost (Rs. Cr.)	Total Cost AVVNL (Rs. Cr.)	Net Generation (MU)	Total Variable Cost (Rs. Cr.)	Total Fixed Cost (Rs. Cr.)	Total Cost JdVVNL (Rs. Cr.)
ANTA GTPS	353	54	3.10	138	43	21	64	99	31	15	46	116	36	18	54
AURAIYA GTPS	147	30	4.08	57	23	12	35	41	17	9	25	49	20	10	30
DADRI GTPS	278	39	3.83	108	41	15	57	78	30	11	41	92	35	13	48
FARAKKA STPS	68	7	3.22	26	9	3	11	19	6	2	8	22	7	2	10
KAHALGAON STPS I	141	20	2.96	55	16	8	24	39	12	6	17	46	14	7	20
KAHALGAON STPS II	614	96	2.79	239	67	38	104	172	48	27	75	202	56	32	88
RIHAND STPS I	540	66	1.36	211	29	26	55	151	21	19	39	178	24	22	46
RIHAND STPS II	573	75	1.36	224	30	29	60	160	22	21	43	189	26	25	50
RIHAND STPS III	739	181	0.63	288	18	70	88	207	13	51	63	244	15	60	75
SINGRAULI STPS	2155	136	1.16	840	97	53	150	603	70	38	108	711	82	45	127
UNCHAHAR FGUTPS I	86	15	2.83	34	10	6	15	24	7	4	11	29	8	5	13
UNCHAHAR FGUTPS II	178	31	2.82	70	20	12	32	50	14	9	23	59	17	10	27
UNCHAHAR FGUTPS III	109	26	2.66	42	11	10	21	30	8	7	15	36	10	8	18
NCTPS I	6	6	4.98	2	1	2	4	2	1	2	3	2	1	2	3
Total	**5987**	**784**	1.78	**2335**	**415**	**306**	**721**	**1676**	**298**	**220**	**517**	**1976**	**351**	**259**	**610**
NHPC															
SALAL HEP	91	5	1.34	35	5	2	7	25	3	1	5	30	4	2	6
TANAKPUR	35	5	1.22	13	2	2	4	10	1	1	3	11	1	2	3
CHAMERA I	434	35	1.01	169	17	14	31	122	12	10	22	143	14	11	26
CHAMERA II	146	24	1.72	57	10	9	19	41	7	7	14	48	8	8	16
CHAMERA III	106	25	2.06	41	9	10	18	30	6	7	13	35	7	8	15
URI - I HEP	214	22	1.44	83	12	9	21	60	9	6	15	71	10	7	17
URI-II HEP	98	26	1.77	38	7	10	17	27	5	7	12	32	6	9	14
DHAULI GANGA – I	30	5	1.67	12	2	2	4	8	1	1	3	10	2	2	3
DULHASTI	244	71	3.45	95	33	28	61	68	24	20	44	81	28	24	51
SEWA II	57	17	2.72	22	6	7	13	16	4	5	9	19	5	6	11
Parbati HEP Stage-III (4x130 MW)	271	38	2.17	106	23	0	23	76	16	18	34	89	19	21	40
Total	1726	297	1.85	673	124	116	240	483	89	83	173	570	105	98	203
NEVYELI LIGNITE (Barsingar)	1252	401	1.19	488	58	157	215	351	42	112	154	413	49	132	182
ARAVALI POWER (ISGTS)-JHAJJAR	306	18	4.21	119	50	7	57	86	36	5	41	101	42	6	48

Power Purchase Quantum and Cost for FY 2014-15 Annexure 4

				JVVNL				AVVNL				JdVVNL			
Soure of Power(Station wise)	Net Generation (MU)	Total Annual Fixed charges (Rs Cr.)	Variable Cost (Rs./ unit)	Net Generation (MU)	Total Variable Cost (Rs. Cr.)	Total Fixed Cost (Rs. Cr.)	Total Cost JVVNL (Rs. Cr.)	Net Generation (MU)	Total Variable Cost (Rs. Cr.)	Total Fixed Cost (Rs. Cr.)	Total Cost AVVNL (Rs. Cr.)	Net Generation (MU)	Total Variable Cost (Rs. Cr.)	Total Fixed Cost (Rs. Cr.)	Total Cost JdVVNL (Rs. Cr.)
COASTAL GUJARAT (MUNDRA)	2627	257	1.60	1024	164	100	265	735	118	72	190	867	139	85	224
ADANI POWER RAJASTHAN LIMITED	7695	1263	2.22	3001	666	492	1158	2155	478	354	831	2539	563	417	980
SASAN POWER LTD	941	155	2.22	367	81	60	142	264	58	43	102	311	69	51	120
SJVNL	0	0	0.00	0	0	0	0	0	0	0	0	0	0	0	0
Naptha Jhakri	557	80	1.46	217	32	31	63	156	23	22	45	184	27	26	53
NPCIL															
NAPP	264	0	2.39	103	25	0	25	74	18	0	18	87	21	0	21
RAPP II	1339	0	2.74	522	143	0	143	375	103	0	103	442	121	0	121
RAPP III & IV	1192	0	2.74	465	127	0	127	334	91	0	91	393	108	0	108
RAPP V & VI	746	0	3.41	291	99	0	99	209	71	0	71	246	84	0	84
Total	**3541**	**0**	**2.85**	**1381**	**394**	**0**	**394**	**991**	**283**	**0**	**283**	**1168**	**333**	**0**	**333**
RVUN/ State Generation															
KTPS I TO VII	8526	425	3.27	3325	1087	166	1253	2387	781	119	900	2814	920	140	1060
SSTPS I TO VI	9805	642	3.58	3824	1369	250	1619	2745	983	180	1163	3236	1158	212	1370
RGTPS	491	18	2.52	191	48	7	55	137	35	5	40	162	41	6	47
DHOLPUR	933	60	3.02	364	110	23	133	261	79	17	96	308	93	20	113
CHHABRA I&II	2583	330	2.18	1007	220	129	348	723	158	92	250	852	186	109	295
CHHABRA III	803	123	1.69	313	53	48	101	225	38	34	72	265	45	41	85
MAHI	129	21	0.25	50	1	8	9	36	1	6	7	42	1	7	8
MMH	1	0	3.78	0	0	0	0	0	0	0	0	0	0	0	0
MANGROL	2	0	3.78	1	0	0	0	1	0	0	0	1	0	0	0
STPSMMH	7	0	3.78	3	1	0	1	2	1	0	1	2	1	0	1
GPTPP I & 2	283	42	1.04	110	11	16	28	79	8	12	20	93	10	14	24
RAJWEST POWER	6295	1501	1.68	2455	413	585	998	1763	296	420	716	2077	349	495	844
RGTP-3	589	85	2.26	230	52	33	85	165	37	24	61	194	44	28	72
Chhabra Ph III (Unit 4)	454	70	1.69	177	30	27	57	127	21	19	41	150	25	23	48
Kalisind Unit 1	1565	295	0.00	610	0	115	115	438	0	83	83	516	0	97	97
Total	**32467**	**3611**	**2.75**	**12662**	**3487**	**1408**	**4895**	**9091**	**2503**	**1011**	**3514**	**10714**	**2950**	**1191**	**4142**

Power Purchase Quantum and Cost for FY 2014-15															Annexure 4
				JVVNL				AVVNL				JdVVNL			
Soure of Power(Station wise)	Net Generation (MU)	Total Annual Fixed charges (Rs Cr.)	Variable Cost (Rs./ unit)	Net Generation (MU)	Total Variable Cost (Rs. Cr.)	Total Fixed Cost (Rs. Cr.)	Total Cost JVVNL (Rs. Cr.)	Net Generation (MU)	Total Variable Cost (Rs. Cr.)	Total Fixed Cost (Rs. Cr.)	Total Cost AVVNL (Rs. Cr.)	Net Generation (MU)	Total Variable Cost (Rs. Cr.)	Total Fixed Cost (Rs. Cr.)	Total Cost JdVVNL (Rs. Cr.)
SHARED PROJECTS															
BBMB (Bhakra), Dehar and Pong	2407	0	0.28	939	26	0	26	674	19	0	19	794	22	0	22
Chambal/Satpura	790	0	0.98	308	30	0	30	221	22	0	22	261	26	0	26
RFF	183	0	3.99	183	73	0	73	0	0	0	0	0	0	0	0
Total	**3380**	**0**		**1430**	**129**	**0**	**129**	**895**	**41**	**0**	**41**	**1055**	**48**	**0**	**48**
OTHERS															
TEHRI HYDRO	355	40	2.13	138	30	0	30	99	21	18	40	117	25	22	47
Koteshwar	88	9	2.52	34	9	0	9	25	6	4	10	29	7	5	12
Tala or in lieu of Tala	51	0	2.12	20	4	0	4	14	3	0	3	17	4	0	4
Total	**494**	**80**	**2.20**	**193**	**42**	**31**	**74**	**138**	**30**	**22**	**53**	**163**	**36**	**26**	**62**
NVVN Bundled Power	2432	226	3.78	948	359	88	447	681	258	63	321	803	304	75	378
NCES															
Wind Farms	3569	0	4.63	1392	645	0	645	999	463	0	463	1178	546	0	546
Solar	787	0	3.01	307	93	0	93	220	66	0	66	260	78	0	78
Bio-mass	367	0	5.76	143	83	0	83	103	59	0	59	121	70	0	70
CPPs	142	0	2.50	55	14	0	14	40	10	0	10	47	12	0	12
Total	**4865**	**0**	**4.39**	**1897**	**834**	**0**	**834**	**1362**	**599**	**0**	**599**	**1605**	**705**	**0**	**705**
Short Term	**-2207**	**0**	**4.00**	**-131**	**-52**	**0**	**-52**	**-490**	**-196**	**0**	**-196**	**-1586**	**-634**	**0**	**-634**
Total	**66060**	**7172**		**26605**	**6783**	**2797**	**9580**	**18574**	**4659**	**2008**	**6667**	**20882**	**5088**	**2367**	**7455**