



TARIFF ORDER

Approval for True-up of FY 2021-22, Annual Performance Review (APR) of FY 2023-24, Aggregate Revenue Requirement (ARR), and Determination of Retail Tariff for FY 2024-25

Petition No. 125/2024

for

Electricity Wing of Engineering Department, Chandigarh (EWEDC)

25th July, 2024

JOINT ELECTRICITY REGULATORY COMMISSION

For the State of Goa and Union Territories,

3rd and 4th Floor, Plot No. 55-56, Sector -18, Udyog Vihar - Phase IV,

Gurugram, (122015) Haryana

Telephone: +91(124) 4684705 Telefax: +91(124) 4684706

Website: www.jercuts.gov.in

E-mail: secy.jercuts@gov.in

THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY

Table of Contents

CHAPTER 1 : INTRODUCTION.....	16
1.1. About Joint Electricity Regulatory Commission for the State of Goa and UT's (JERC) -----	16
1.2. About Union Territory of Chandigarh -----	16
1.3. About Electricity Wing of Engineering Department, Chandigarh (EWEDC)-----	17
1.4. Multi Year Tariff Regulations, 2018 -----	17
1.5. Multi Year Tariff Regulations, 2021 -----	17
1.6. Filing and Admission of the Present Petition -----	18
1.7. Interaction with the Petitioner-----	18
1.8. Notice for Public Hearing-----	18
1.9. Public Hearing -----	19
CHAPTER 2 : SUMMARY OF SUGGESTIONS/ OBJECTIONS RECEIVED, RESPONSE FROM THE PETITIONER AND THE COMMISSION'S VIEWS.....	20
2.1. Regulatory Process -----	20
2.2. Suggestions/Objections, Response of the Petitioner and Commission's Views -----	20
2.2.1. Tariff hike proposed by the Electricity Department.....	20
2.2.2. High Intra-state Transmission and Distribution Losses.....	22
2.2.3. Regarding the availability of Audit Certificate for FY 2021-22.....	23
2.2.4. Compliance of Directives issued in Tariff Order dated 11th July 2022.	24
2.2.5. Unlawful charging rentals for Energy Meters.....	25
2.2.6. Consideration of captive charging stations under the special tariff category of Electric Vehicle Charging Station.	25
2.2.7. Provision of Free electricity to underprivileged members of society.....	26
2.2.8. Request to consider telecom towers under Industrial Category.....	26
2.2.9. Regarding compliance of the Right of Consumers Rules, 2020 and lack in consumer complaint redressal.	27
2.2.10. Revision in existing bill format	28
2.2.11. Replacement of existing landline telephones at various sub-divisions controls centre from Copper to Fibre.	28
2.2.12. Provision of authorized Safety Fuses on poles providing electricity (440V) to about 3-4 consumers from single pole.....	29
2.2.13. Utilization of SCADA Centre	29
2.2.14. Availability of digital payment modes	29
2.2.15. Shortage of manpower in the Electricity Department	30
2.2.16. Functioning of the Electricity Department.....	31
2.2.17. Electricity Supply Code Review Panel	31
2.2.18. Pilot Project for laying U/G Power cable in Sector-8, Chandigarh at a cost of few crores.	32
2.2.19. Effect of Midway termination of Smart Grid Project (241 Crores) for installation of Smart Meter in PAN City.	32
2.2.20. Refund of excess Electricity Duty charges from Solar consumers.	33
2.2.21. Over charging of fixed charges w.e.f. 4th April, 2015.....	33
2.2.22. Public Hearings	34
2.2.23. Central Complaint Centre.....	34
CHAPTER 3 : TRUE-UP FOR FY 2021-22	36
3.1. Applicable Provisions and Background -----	36
3.2. Approach for True-up of FY 2021-22-----	38
3.3. Energy Sales -----	39
3.4. Inter-State Transmission Loss -----	41
3.5. Intra-State Transmission & Distribution Loss -----	42
3.6. Power Purchase Quantum & Cost -----	44
3.7. Renewable Purchase Obligation (RPO) -----	47
3.8. Energy Balance -----	49
3.9. Operation & Maintenance Expenses -----	51
3.9.1. Employee Expenses.....	54
3.9.2. Administrative and General (A&G) Expenses.....	56
3.9.3. Repair & Maintenance Expenses (R&M)	57
3.9.4. Total Operation and Maintenance Expenses (O&M).....	59
3.10. Capitalisation -----	59
3.11. Capital Structure-----	60
3.12. Depreciation-----	62
3.13. Interest on Loan -----	66
3.14. Return on Equity (RoE)-----	70

3.15.	Interest on Consumer Security Deposits -----	72
3.16.	Interest on Working Capital -----	74
3.17.	Income Tax -----	76
3.18.	Provision for Bad & Doubtful Debts -----	77
3.19.	Non-Tariff Income (NTI)-----	78
3.20.	Prior Period Expenses -----	81
3.21.	Incentive/Disincentive towards over/under-achievement of norms -----	83
3.22.	Aggregate Revenue Requirement (ARR) -----	85
3.23.	Revenue at existing Retail Tariff -----	86
3.24.	Standalone Revenue Gap/ (Surplus) -----	88
CHAPTER 4 : ANNUAL PERFORMANCE REVIEW OF FY 2023-24		89
4.1.	Background -----	89
4.2.	Applicable Provisions and Background -----	89
4.3.	Approach for the Review for FY 2023-24-----	90
4.4.	Energy Sales -----	90
4.5.	Inter-State Transmission Loss -----	92
4.6.	Intra-State Transmission and Distribution (T&D) loss -----	92
4.7.	Energy Balance -----	93
4.8.	Power Purchase Quantum & Cost -----	96
4.9.	Renewable Purchase Obligations (RPOs)-----	102
4.10.	Operation & Maintenance Expenses -----	105
4.10.1.	Employee Expenses	106
4.10.2.	Repair and Maintenance Expenses (R&M)	108
4.10.3.	Administrative and General (A&G) Expenses	109
4.10.4.	Total Operation and Maintenance Expenses (O&M).....	110
4.11.	Capital Expenditure & Capitalization -----	111
4.12.	Capital Structure-----	112
4.13.	Depreciation-----	113
4.14.	Interest and Finance Charges -----	116
4.15.	Return on Equity (RoE)-----	119
4.16.	Interest On Security Deposit -----	121
4.17.	Interest on Working Capital -----	123
4.18.	Provisional for Bad & Doubtful Debts -----	125
4.19.	Non-Tariff Income (NTI)-----	126
4.20.	Aggregate Revenue Requirement (ARR) -----	128
4.21.	Revenue at existing Retail Tariff -----	129
4.22.	Standalone Revenue Gap/ (Surplus) -----	131
CHAPTER 5 : AGGREGATE REVENUE REQUIREMENT FOR FY 2024-25		132
5.1.	Background -----	132
5.2.	Approach for determination of ARR for the FY 2024-25 -----	132
5.3.	Projection of Number of Consumers, Connected Load and Energy Sales for FY 2024-25 -----	132
5.4.	Inter- State Transmission Loss-----	135
5.5.	Intra-State Transmission and Distribution (T&D) Loss-----	136
5.6.	Energy Balance -----	137
5.7.	Power Purchase Quantum & Cost -----	139
5.8.	Renewable Purchase Obligation (RPOs)-----	146
5.9.	Operation & Maintenances Expenses -----	147
5.9.1.	Employee Expenses	149
5.9.2.	Administrative and General Expenses	151
5.9.3.	Repair and Maintenance Expenses	152
5.9.4.	Total Operation and Maintenance Expenses (O&M).....	153
5.10.	Gross Fixed Assets (GFA) and Capitalization-----	153
5.11.	Capital Structure-----	154
5.12.	Depreciation-----	156
5.13.	Interest on Loan -----	158
5.14.	Return on Equity (ROE) -----	161
5.15.	Interest on Security Deposit -----	163
5.16.	Interest on Working Capital -----	164
5.17.	Income Tax -----	166
5.18.	Provision for Bad & Doubtful Debts -----	167
5.19.	Non-Tariff Income -----	168
5.20.	Aggregate Revenue Requirement (ARR) -----	170

5.21.	Revenue at existing Retail Tariff -----	171
5.22.	Standalone Revenue Gap/ (Surplus) for FY 2024-25 -----	173
CHAPTER 6 : TARIFF PRINCIPLES AND DESIGN.....		174
6.1.	Overall Approach -----	174
6.2.	Applicable Regulations -----	174
6.3.	Standalone and Consolidated Revenue Gap/ (Surplus) at existing tariff -----	175
6.4.	Treatment of the Revenue Gap/ (Surplus) and Tariff Design -----	176
6.4.1.	Tariff Design -----	177
6.4.2.	Approved Final Tariff Schedule-----	183
6.4.3.	Revenue from Approved Retail Tariff for FY 2024-25 -----	184
6.4.4.	Average Cost of Supply (ACoS) and Average Billing Rate (ABR) -----	186
6.4.5.	Cumulative Revenue Gap/ (Surplus) at approved Tariff-----	187
6.4.6.	Highlights of the Tariff Structure -----	187
CHAPTER 7 : OPEN ACCESS AND GREEN ENERGY OPEN ACCESS CHARGES FOR FY 2024-25		188
7.1.	Wheeling Charges Allocation Matrix - Allocation of ARR into Wheeling and Retail Supply of Electricity-----	188
7.2.	Additional Surcharge -----	191
7.3.	Cross-Subsidy Surcharge -----	192
CHAPTER 8 : FUEL AND POWER PRICE ADJUSTMENT MECHANISM		195
8.1	Relevant Provisions -----	195
8.2	Mechanism for Fuel and Power Purchase Cost Adjustment (FPPCA) Surcharge: -----	196
8.2.1	Periodicity for Recovery (Cycle), Chargeability and related Terms & Conditions:	197
8.2.2	Fuel and Power Purchase Cost Adjustment Surcharge Formula:	198
CHAPTER 9 : TARIFF SCHEDULE.....		199
9.1	Tariff Schedule-----	199
9.2	Applicability of Tariff Schedule-----	200
9.3	General Terms and Conditions-----	207
9.4	Schedule of Miscellaneous Charges -----	210
9.5	Schedule for service connection charges and service rentals-----	214
CHAPTER 10 : DIRECTIVES.....		218
10.1	Directives continued in this Order-----	218
10.1.1.	Metering /replacement of Non-Functional or defective/ 11KV Meters	218
10.1.2.	Energy Audit	220
10.1.3.	Demand Side Management and Energy Conservation	221
10.1.4.	Creation of SLDC.....	222
10.1.5.	Operational safety and policy for accidents and compensation.....	223
10.1.6.	Non-achievement of capitalization target	224
10.1.7.	Monthly Billing for Domestic and Commercial/ Non-Residential category consumers	226
10.1.8.	Determination of Category wise/ Voltage wise Cost of supply.....	227
10.1.9.	kVAh based tariff.....	228
10.1.10.	Hydro Purchase Obligation.....	229
CHAPTER 11 : ANNEXURES.....		231

List of Tables

Table 1: Standalone Revenue Gap/ (Surplus) at existing tariff for FY 2021-22 (Rs. Cr.)	13
Table 2: Standalone Revenue Gap/ (Surplus) at existing tariff for FY 2023-24 (Rs. Cr.)	13
Table 3: Standalone Revenue Gap/ (Surplus) at existing tariff for FY 2024-25 (Rs. Cr.)	14
Table 4: Cumulative Revenue Gap/(Surplus) approved by Commission (Rs. Cr.)	14
Table 5: Timelines of the interaction with the Petitioner	18
Table 6: Details of Public Notices published by the Commission.....	19
Table 7: Details of Public Notices published by the Petitioner.....	19
Table 8: Category-wise Energy sales as per Petitioner Submission for FY 2021-22 (MUs).....	39
Table 9: Energy Sales (MUs) Trued-up by the Commission for FY 2021-22.....	41
Table 10: Inter-State Transmission Loss Trued-up by the Commission for FY 2021-22 (%).....	42
Table 11: Intra-State T&D Loss calculation.....	43
Table 12: Intra-State T&D Loss Trued-up by the Commission for FY 2021-22 (%)	44
Table 13: Power Purchase quantum and cost submitted by the Petitioner for FY 2021-22	44
Table 14: Reconciliation of Power Purchase with Audited Accounts	46
Table 15: Power Purchase quantum and cost Trued-up by the Commission for FY 2021-22	47
Table 16: RPO compliance for FY 2021-22 submitted by the Petitioner.....	48
Table 17: Effective energy sales (except hydro) for calculation of RPO for FY 2021-22.....	48
Table 18: Summary of Renewable Purchase Obligation (RPO) (MU)	49
Table 19: Energy Balance submitted by the Petitioner for FY 2021-22 (in MUs).....	49
Table 20: Energy balance Trued-up by the Commission for FY 2021-22 (MUs)	50
Table 21: Employee Expenses submitted by the Petitioner for FY 2021-22 (Rs. Cr.).....	54
Table 22: Computation of CPI Inflation (%).....	55
Table 23: Computation of Employee Growth factor (%)	55
Table 24: Re-estimation of normative Employee Expenses (Rs. Cr.)	55
Table 25: Employee Expenses Trued-up by the Commission for FY 2021-22 (Rs. Cr.).....	55
Table 26: A&G Expenses submitted by the Petitioner for FY 2021-22 (Rs. Cr.)	56
Table 27: Computation of CPI Inflation (%).....	57
Table 28: Re-estimation of A&G Expenses for FY 2021-22 (Rs. Cr.)	57
Table 29: A&G Expenses Trued-up by the Commission for FY 2021-22 (Rs. Cr.)	57
Table 30: R&M Expenses submitted by the Petitioner for FY 2021-22 (Rs. Cr.).....	58
Table 31: Computation of WPI Inflation (%).....	58
Table 32: Re-estimation of normative R&M Expenses for FY 2021-22 (Rs. Cr.)	58
Table 33: R&M Expenses Trued-up by the Commission for FY 2021-22 (Rs. Cr.).....	59
Table 34: O&M Expenses Trued-up by the Commission for FY 2021-22 (Rs. Cr.).....	59
Table 35: Capitalisation approved by the Commission for FY 2021-22 (Rs. Cr.)	60
Table 36: Funding Plan Trued-up by the Commission for FY 2021-22 (Rs. Cr.)	61
Table 37: GFA addition Trued-up by the Commission for FY 2021-22 (Rs. Cr.).....	62
Table 38: Normative Loan addition Trued-up by the Commission for FY 2021-22 (Rs. Cr.)	62
Table 39: Equity addition Trued-up by the Commission for FY 2021-22 (Rs. Cr.)	62
Table 40: Asset wise and overall effective depreciation rate (%) as submitted by the Petitioner for FY 2021-22...	63
Table 41: Depreciation during FY 2021-22 as submitted by the Petitioner (Rs. Cr.)	63
Table 42: Depreciation Rate (%)	65
Table 43: Asset wise and overall effective Depreciation Rate (%)	65
Table 44: Depreciation approved by the Commission for FY 2021-22 (Rs. Cr.).....	66
Table 45 : Interest and finance charges as submitted by the Petitioner for FY 2021-22 (Rs. Cr.)	67
Table 46: Interest on Loan approved by the Commission for FY 2021-22 (Rs. Cr.)	69
Table 47: Return on Equity as submitted by the Pettioner for FY 2021-22 (Rs. Cr.)	70
Table 48: RoE approved by the Commission for FY 2021-22 (Rs. Cr.)	71
Table 49: Interest on Security Deposit as submitted by the Petitioner (FY 2021-22) (Rs. Cr.)	72
Table 50: Interest on Consumer Security Deposits Trued-up by the Commission for FY 2021-22 (Rs. Cr.).....	74
Table 51: Interest on Working Capital submitted by Petitioner for FY 2021-22 (Rs. Cr.).....	74
Table 52: Interest on Working Capital approved by the Commission for FY 2021-22 (Rs. Cr.).....	76
Table 53: Income Tax Trued-up by the Commission for FY 2021-22 (Rs. Cr.)	77
Table 54: Non-Tariff Income approved by the Commission for FY 2021-22 (Rs. Cr.).....	78

Table 55: Details of Miscellaneous receipt as submitted by the Petitioner	78
Table 56: Details of Miscellaneous charges as submitted by the Petitioner	79
Table 57: Non-Tariff Income considered by the Commission for FY 2021-22 (Rs. Cr.)	80
Table 58: Non- Tariff Income Trued-up by the Commission for FY 2021-22 (R Cr)	81
Table 59: Prior Period Expenses as submitted by the Petitioner for FY 2021-22 (Rs. Cr.)	81
Table 60: Bifurcation of Miscellaneous Receipt for FY 2020-21 submitted by the Petitioner (Rs. Cr.)	82
Table 61: Prior Period Expenses for FY 2021-22 submitted by the Petitioner (Rs. Cr.).....	82
Table 62: Prior Period Expenses Trued-up by the Commission for FY 2021-22 (Rs. Cr.).....	82
Table 63: Average Power Purchase Cost (APPC) for the FY 2021-22	83
Table 64: Dis-incentive due to under-achievement of Intra-State T&D Loss target (Rs. Cr.)	84
Table 65: O&M Expenses (after Gain/Loss) approved by Commission (Rs. Cr.)	84
Table 66: Aggregate Revenue Requirement Trued-up by Commission for FY 2021-22 (Rs. Cr.).....	85
Table 67: Revenue at existing tariff submitted by the Petitioner for FY 2021-22 (Rs. Cr.).....	86
Table 68: FPPCA for FY 2021-22 Submitted by the Petitioner (Rs. Cr.)	86
Table 69: Regulatory Surcharge for FY 2021-22 submitted by the Petitioner (Rs. Cr.).....	87
Table 70: Revenue at existing tariff Trued-up by Commission for FY 2021-22 (Rs. Cr.).....	87
Table 71: Standalone Revenue Gap/(Surplus) for FY 2021-22 (Rs. Cr.)	88
Table 72: Cumulative Gap/ (surplus) approved for FY 2021-22 (Rs Cr.)	88
Table 73 : Projected Sales for APR of FY 2023-24 (MUs) as submitted by the Petitioner	90
Table 74 : Energy Sales (MUs) approved by the Commission for APR of FY 2023-24	91
Table 75: Inter-State Transmission Loss submitted by the Petitioner.....	92
Table 76: Approved Inter-State Transmission Loss (%) for FY 2023-24	92
Table 77: Approved Intra-State T&D loss (%) for FY 2023-24.....	93
Table 78: Energy Balance (MUs) submitted by Petitioner	93
Table 79: Energy Balance (MUs) approved by the Commission for FY 2023-24	95
Table 80: Power Purchase Quantum and cost submitted by the petitioner	96
Table 81: Power Purchase Quantum and cost approved by the Commission for FY 2023-24.....	100
Table 82: Effective Energy Sales (Excluding Hydro) for FY 2023-24	102
Table 83: RPO (Solar and Non-Solar) Compliance for FY 2023-24.....	103
Table 84: HPO Compliance for FY 2023-24	103
Table 85: Renewable Purchase Obligation (RPO) (MUs) approved by the Commission for FY 2023-24	104
Table 86: Employee Expenses submitted by the Petitioner for FY 2023-24 (Rs Cr).....	107
Table 87: CPI Inflation Index.....	107
Table 88: Computation of Employee expenses (Rs Cr)	108
Table 89: Approved Employee expenses for FY 2023-24 (Rs Cr).....	108
Table 90: R&M expenses for FY 2023-24 as submitted by the Petitioner (Rs Cr)	108
Table 91: Computation of WPI Inflation.....	109
Table 92: Computation for R&M Expenses for FY 2023-24 (Rs Cr)	109
Table 93: R&M Expenses approved by the Commission for FY 2023-24 (Rs Cr)	109
Table 94: A&G Expenses for FY 2023-24 (Rs. Cr)	110
Table 95: Computation of A&G expenses (Rs Cr)	110
Table 96: A&G Expenses approved by Commission (Rs Cr) for FY 2023-24.....	110
Table 97: Total O&M Expenses approved by the Commission for FY 2023-24 (Rs Cr)	110
Table 98: GFA Revised Estimates for FY 2023-24 (Rs. Cr)	111
Table 99: Capitalisation approved by the Commission (Rs. Cr.) for FY 2023-24	111
Table 100 : Capital Structure approved by Commission (Rs Cr) for FY 2023-24.....	113
Table 101: Depreciation for FY 2023-24 submitted by the Petitioner (Rs. Cr.).....	113
Table 102: Gross Fixed Asset for FY 2022-23 (Rs. Cr)	115
Table 103: Gross Fixed Asset for FY 2023-24 (Rs. Cr)	115
Table 104 : Depreciation approved by Commission (Rs Cr) for FY 2023-24.....	116
Table 105 : Interest & Finance Charges for FY 2023-24, Petitioner's submission (Rs. Cr)	116
Table 106: Interest and Finance charges approved by Commission (Rs Cr) for FY 2023-24.....	119
Table 107: Return on Equity for FY 2023-24, Petitioner submission (Rs. Cr)	119
Table 108: ROE approved by the Commission for FY 2023-24 (Rs Cr)	120
Table 109: Interest on Security Deposit for FY 2023-24, Petitioner submission (Rs. Cr).....	121

Table 110: Interest on Consumer Security Deposits approved by Commission (Rs Cr) for FY 2023-24	122
Table 111: Interest on Working Capital for FY 2023-24 for Wire Business (Rs. Cr.), submitted by the Petitioner	123
Table 112: Interest on Working Capital approved by Commission (Rs Cr) for FY 2023-24	125
Table 113: NTI submitted by the Petitioner (Rs Cr)	126
Table 114: Non-Tariff Income approved by Commission (Rs Cr) for FY 2023-24	127
Table 115: ARR submitted by the Petitioner for FY 2023-24, under APR (Rs Cr)	128
Table 116: Approved APR of FY 2023-24 (Rs Cr)	128
Table 117: Revenue at existing tariff submitted by Petitioner (Rs Cr) for FY 2023-24	129
Table 118: Revenue at existing tariff approved by Commission (Rs Cr) for FY 2023-24	130
Table 119: Revenue Gap/(Surplus)for FY 2023-24, Petitioner submission (Rs. Cr)	131
Table 120: Standalone gap/ (surplus) approved by the Commission (Rs Cr)	131
Table 121: Number of Consumers proposed by the Petitioner for FY 2024-25.....	132
Table 122: Connected Load (kW) proposed by the Petitioner for FY 2024-25.....	133
Table 123: Energy Sale proposed by the Petitioner for FY 2024-25 (MUs)	133
Table 124: Energy Sales (MUs) approved by the Commission for FY 2024-25	134
Table 125: No. of Consumers approved by the Commission for FY 2024-25.....	134
Table 126: Connected Load (kW) approved by the Commission for FY 2024-25	135
Table 127: Inter-State Transmission Loss (%) for FY 2024-25 submitted by the Petitioner	135
Table 128 : Approved Inter-State Transmission Loss (%) for FY 2024-25	136
Table 129: Intra-State T&D Losses (%) for FY 2024-25.....	136
Table 130: Approved Intra-State T&D loss (%) for FY 2024-25.....	137
Table 131: Energy Balance submitted by the Petitioner for FY 2024-25.....	137
Table 132: Energy Balance approved by the Commission for FY 2024-25	138
Table 133: Power Purchase Quantum and Cost submitted by the Petitioner	140
Table 134: Power Purchase Quantum and Cost approved by the Commission for FY 2024-25	143
Table 135: APPC approved by the Commission for FY 2024-25	145
Table 136: Effective Convention Power Consumption for FY 2024-25	146
Table 137: Solar and Non-Solar RPO Compliance for FY 2024-25.....	146
Table 138: HPO Compliance for FY 2024-25	146
Table 139: Renewable Purchase Obligation (RPO) (MUs) approved by the Commission for FY 2024-25	147
Table 140: Employee expenses submitted by the Petitioner for FY 2024-25 (Rs Cr)	149
Table 141: CPI Inflation Index.....	150
Table 142: Computation of Employee Expenses for FY 2024-25 (Rs Cr).....	150
Table 143: Approved Employee Expenses for FY 2024-25 (Rs Cr)	151
Table 144: A&G Expenses submitted by the Petitioner for FY 2024-25 (Rs Cr)	151
Table 145: Computation of A&G expenses (Rs Cr)	151
Table 146: A&G Expenses approved by Commission (Rs Cr) for FY 2024-25.....	152
Table 147: R&M Expenses submitted by the Petitioner (Rs Cr)	152
Table 148: WPI Index.....	152
Table 149: Computation for R&M Expenses for FY 2024-25 (Rs Cr)	153
Table 150: R&M Expenses approved by the commission for FY 2024-25 (Rs Cr)	153
Table 151: Total O&M Expenses approved by the Commission for FY 2024-25 (Rs Cr)	153
Table 152: Capital Expenditure and Capitalization for FY 2024-25 (Rs. Cr)	154
Table 153: Capitalization approved by the Commission (Rs. Cr.)	154
Table 154: Capital Structure approved by Commission (Rs Cr.).....	156
Table 155: Depreciation submitted by the Petitioner for FY 2024-25 (Rs Cr.).....	156
Table 156: Gross Fixed Asset for FY 2024 - 25 (Rs. Cr)	158
Table 157: Depreciation approved by the Commission for FY 2024-25 (Rs Cr)	158
Table 158: Interest on Loan submitted by the Petitioner for FY 2024-25 (Rs Cr)	158
Table 159: Interest on Loan approved by the Commission for FY 2024-25 (Rs Cr)	161
Table 160: RoE submitted by the Petitioner (Rs Cr)	161
Table 161: ROE Approved by the Commission for FY 2024-25 (Rs Cr.)	162
Table 162: Interest on Consumer Security Deposit submitted by the Petitioner for FY 2024-25 (Rs Cr).....	163
Table 163: Interest on Consumer Security Deposit approved by the commission for FY 2024-25 (Rs Cr)	164

Table 164: Interest on Working Capital for FY 2024-25 (Rs. Cr.), submitted by the Petitioner.....	164
Table 165: Interest on Working Capital approved by Commission (Rs Cr) for FY 2024-25	166
Table 166: Bad and Doubtful Debts for FY 2024-25 (Rs. Cr.)	167
Table 167: Non-Tariff Income Submitted by the Petitioner (Rs Cr.)	168
Table 168: Non-Tariff Income approved by the Commission for FY 2024-25 (Rs Cr).....	169
Table 169: ARR submitted by the Petitioner (Rs Cr.).....	170
Table 170: Approved ARR od FY 2024-25 (Rs Cr)	170
Table 171: Revenue from Sale of Power at existing tariff for FY 2024-25 submitted by the Petitioner (Rs. Cr.)..	171
Table 172: Revenue from Sale of Power at existing tariff for FY 2024-25 approved by the Commission (Rs. Cr.)	172
Table 173: Revenue Gap/(Surplus) for FY 2024-25 (Rs. Cr).....	173
Table 174: Revenue Gap/(Surplus) for FY 2024-25 at existing Tariff (Rs. Cr) approved by the Commission	173
Table 175: Standalone Revenue Gap/ (Surplus) at existing tariff (Rs. Cr) submitted by the petitioner.....	175
Table 176: Cumulative Revenue Gap/(Surplus) submitted by the Petitioner (Rs. Cr)	175
Table 177: Standalone Revenue Gap/(Surplus) for FY 2024-25 (Rs. Cr) approved by the Commission	176
Table 178: Cumulative Revenue Gap/(Surplus) approved by the Commission at existing tariff (Rs. Cr)	176
Table 179: Tariff schedule proposed by the Petitioner.....	177
Table 180: Tariff schedule approved by the commission for FY 2024-25	183
Table 181: Revenue from Approved Retail Tariff determined by the Commission for FY 2024-25	184
Table 182: Percentage recovery of cost of supply for consumer categories at existing and approved tariff for FY 2024-25	186
Table 183: ACoS at approved tariff for FY 2024-25 (Rs Cr)	186
Table 184: Cumulative Revenue Gap/(Surplus) at revised tariff approved by Commission till FY 24-25 (Rs Cr.)	187
Table 185: Allocation Statement Wheeling and Retail Supply for FY 2024-25 submitted by the Petitioner.....	188
Table 186: Wheeling Charge calculation as submitted by Petitioner	188
Table 187: Allocation Statement Wheeling and Retail Supply for FY 2024-25 approved by the Commission.....	189
Table 188: Parameters assumed for voltage wise allocation of wheeling charges approved by the commission .	190
Table 189: Wheeling Charges approved by Commission for FY 2024-25	190
Table 190: Additional Surcharge submitted by the Petitioner	191
Table 191: Additional Surcharge approved by the Commission for FY 2024-25	192
Table 192: Voltage Wise Cost of Supply (VCoS) for FY 2024-25	192
Table 193: Cross-Subsidy Surcharge as proposed by the Petitioner.....	192
Table 194: Energy Input at each Voltage level (MUs)	193
Table 195: Parameters used for allocation of fixed cost for FY 2024-25	193
Table 196: Voltage Wise Cost of Supply (VCoS) approved by the Commission for FY 2024-25	193
Table 197: Cross Subsidy Surcharge approved by the Commission for FY 2024-25	194
Table 198: Tariff Schedule approved by the Commission for FY 2024-25.....	199
Table 199: Applicability of Tariff Schedule	200
Table 200: Applicability of TOD Tariff.....	209
Table 201: Schedule Charges for other charges.....	210
Table 202: Service Connection Charges for Industrial and Bulk Load Supply	215
Table 203: Charges applicable for contract demand higher than 60% of connected load	216
Table 204: List of participants in Public Hearing.....	231

List of abbreviations

Abbreviation	Full Form
A&G	Administrative and General
ACoS	Average Cost of Supply
Act	The Electricity Act, 2003
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
ATE	Appellate Tribunal of Electricity
BPL	Below Poverty Line
BBMB	Bhakra Beas Management Board
CAGR	Compound Annualized Growth Rate
Capex	Capital Expenditure
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CGRF	Consumer Grievance Redressal Forum
CGS	Central Generating Stations
COD	Commercial Operation Date
Cr	Crore
CREST	Chandigarh Renewal Energy and Science & Technology
CAG	Comptroller and Auditor General of India
CUF	Capacity Utilization Factor
CPI	Consumer Price Index
Discom	Distribution Company
DST	Daylight Savings Time
EWEDC	Electricity Wing of Engineering Department, Chandigarh
DSM	Deviation Settlement Mechanism
EHT	Extra High Tension
ERP	Enterprise Resource Planning
FPPCAS	Fuel and Power Purchase Cost Adjustment Surcharge
FY	Financial Year
GFA	Gross Fixed Assets
GeM	Government e Marketplace
GPF	General Provident Fund
G-TAM	Green- Term Ahead Market
HT	High Tension
HPO	Hydro Power Obligation
IEX	Indian Energy Exchange Limited
IPP	Independent Power Producer
ISTS	Inter State Transmission System
JERC	Joint Electricity Regulatory Commission for the state of Goa and Union Territories
LT	Low Tension
MU	Million Units
MYT	Multi Year Tariff
MNRE	Ministry of New and Renewable Energy
MUNPL	Meja Urja Nigam Private Limited
NFA	Net Fixed Assets
NSGM	National Smart Grid Mission
NIC	National Informatics Centre
NOC	No Objection Certificate
NHPC	National Hydro Power Corporation
NPCL	Noida Power Company Limited
NTI	Non-Tariff Income

Abbreviation	Full Form
NTPC	National Thermal Power Corporation
O&M	Operation and Maintenance
PCS	Provincial Civil Service
PEPSU	Patiala and East Punjab States Union
PGCIL	Power Grid Corporation of India Limited
PGI	Post Graduate Institute
PLF	Plant Load Factor
POSOCO	Power System Operation Corporation Limited
PPA	Power Purchase Agreement
PSEB	Punjab State Electricity Board
PSPCL	Punjab State Power Corporation Limited
R&M	Repair and Maintenance
REC	Renewable Energy Certificate
RLDC	Regional Load Despatch Centre
RoE	Return on Equity
RPO	Renewable Purchase Obligation
SBI MCLR	SBI Marginal Cost Lending Rate
SCADA	Supervisory Control and Data Acquisition
SECI	Solar Energy Corporation of India
SERC	State Electricity Regulatory Commission
SJVNL	Satluj Jal Vidyut Nigam Limited
SLDC	State Load Despatch Centre
SOP	Standard of Performance
T&D Loss	Transmission & Distribution Loss
THDC	Tehri Hydro Development Corporation
TOD	Time of Day
UI	Unscheduled Interchange
UT	Union Territory
UT ED	Union Territory Electricity Department
VCoS	Voltage-wise Cost of Supply
WPI	Wholesale Price Index

**Before the
Joint Electricity Regulatory Commission
For the State of Goa and Union Territories, Gurugram**

CORAM

Shri Alok Tandon, Chairperson
Smt. Jyoti Prasad, Member (Law)
Petition No. 125/2024
Date: 25th July, 2024

In the matter of

Approval for True-up of FY 2021-22, Annual Performance Review (APR) of FY 2023-24, Aggregate Revenue Requirements (ARR) & Determination of Retail Tariff for FY 2024-25.

And in the matter of

Electricity Wing of Engineering Department, Chandigarh (EWEDC) **Petitioner**

ORDER

1. This Order is passed in respect of the Petition filed by the Electricity Wing of Engineering Department, Chandigarh (EWEDC) (herein after referred to as “The Petitioner” or “EWEDC” or “The Licensee”) for approval of True-up of FY 2021-22, Annual Performance Review (APR) of FY 2023-24, Aggregate Revenue Requirements (ARR) & Determination of Retail Tariff for FY 2024-25 before the Joint Electricity Regulatory Commission (herein after referred to as “The Commission” or “JERC”).
2. The Commission scrutinised the said Petition and found it generally in order. The Commission admitted the Petition on 4th June 2024. The Commission thereafter requisitioned further information’s/clarifications on the data gaps observed to take a prudent view of the said Petition. The Commission also held a Technical Validation Session to determine sufficiency of data and the veracity of the information’s submitted. Further, suggestions/ comments/ views and objections were invited from the Stakeholders and Electricity Consumers. The Public Hearing was held on 21st June 2024 at Chandigarh and the Stakeholders/Electricity Consumers present in the Public Hearing were heard.

3. The Commission based on the Petitioner's submission, relevant JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, facts of the matter, Rules and provisions of the Electricity Act, 2003 and after proper due diligence and prudence check, has approved the True-up for FY 2021-22, Annual Performance Review (APR) for FY 2023-24, Aggregate Revenue Requirement (ARR) & determination of Retail Tariff for FY 2024-25.
4. A Summary has been provided as follows:

I. True-up of FY 2021-22

- (a) The following table provides ARR, Revenue and Standalone Gap/(Surplus) at existing tariff as submitted by the Petitioner and approved by the Commission in True-up for FY 2021-22:

Table 1: Standalone Revenue Gap/ (Surplus) at existing tariff for FY 2021-22 (Rs. Cr.)

Sr. No.	Particulars	Petitioner's Submission	Approved by the Commission
1	Net Revenue Requirement	877.06	852.23
2	Revenue from Retail Sales	690.68	690.68
	Net Revenue Gap/(Surplus)	186.38	161.56

II. Annual Performance Review of FY 2023-24

- (a) The following table provides ARR, Revenue and Standalone Gap/(Surplus) at existing tariff as submitted by the Petitioner and approved by the Commission in APR for FY 2023-24:

Table 2: Standalone Revenue Gap/ (Surplus) at existing tariff for FY 2023-24 (Rs. Cr.)

Sr. No.	Particulars	Petitioner's Submission	Approved by the Commission
1	Net Revenue Requirement	1002.22	1011.24
2	Revenue from Retail Sales	830.78	852.33
	Net Revenue Gap/(Surplus)	171.44	158.91

III. Aggregate Revenue Requirement and Retail Tariff Determination for FY 2024-25

- (a) The following table provides ARR, Revenue and Standalone Gap/(Surplus) at existing tariff as submitted by the Petitioner and approved by the Commission FY 2024-25:

Table 3: Standalone Revenue Gap/ (Surplus) at existing tariff for FY 2024-25 (Rs. Cr.)

Sr. No.	Particulars	Petitioner's Submission	Approved by Commission
1	Net Revenue Requirement	1,081.49	1,059.25
2	Revenue from Retail Sales at Existing Tariff	886.67	860.54
	Net Revenue Gap/(Surplus)	194.82	198.71

- (b) Accordingly, the following table provides the cumulative revenue gap/(surplus) at existing tariff by the end of FY 2024-25:

Table 4: Cumulative Revenue Gap/(Surplus) approved by Commission (Rs. Cr.)

Sr. No.	Particulars	FY 2024-25
1	Net Revenue Requirement	1059.25
2	Revenue from Retail Sales at Existing Tariff	860.54
3	Gap/(Surplus)	198.71
4	Previous year cumulative Gap/ (Surplus)	(97.28)
5	Carrying cost up-to FY 2024-25 for 3 years	(23.35)
6	Total Cumulative gap / (surplus) with carrying cost to be passed on in ARR of FY 2024-25	(120.63)
7	Net Gap/(Surplus)	78.09

- (c) The Commission approves the standalone revenue gap for FY 2024-25 and cumulative revenue gap at the end of FY 2024-25 at existing tariff at Rs. 198.71 Cr and Rs. 78.09 Cr respectively.
- (d) The Commission, to bridge the aforesaid cumulative gap of Rs.78.09 Cr., approves an average hike of 9.40% in the retail tariff.
- (e) The Commission has approved the Average Billing Rate (ABR) of Rs. 5.61/kWh against the approved Average Cost of Supply (ACoS) of Rs. 6.32/kWh.
5. This Order shall come into force with effect from 1st August 2024 and shall, unless amended or revoked, continue to be in force till further orders of the Commission.
6. The licensee shall publish the Tariff Schedule and salient features of Tariff as determined by the Commission in this Order within one week of receipt of the Order in three daily newspapers in the respective local languages of the region, besides English, having wide circulation in their respective areas of supply and also upload the Tariff Order on its website.

7. The attached documents giving detailed reasons, grounds and conditions are the Integral part of this Order.

Ordered accordingly.

Sd/-
(Jyoti Prasad)
Member (Law)

Sd/-
(Alok Tandon)
Chairperson

Place: Gurugram, Haryana
Date: 25th July, 2024

Chapter 1 : Introduction

1.1. About Joint Electricity Regulatory Commission for the State of Goa and UT's (JERC)

In the exercise of powers conferred by the Electricity Act 2003, the Central Government constituted the Joint Electricity Regulatory Commission for all the Union Territories except Delhi to be known as “Joint Electricity Regulatory Commission for the Union Territories” vide notification no. 23/52/2003-R&R dated 2nd May 2005. Later with the joining of the State of Goa, the Commission came to be known as “Joint Electricity Regulatory Commission for the State of Goa and Union Territories” (hereinafter referred to as “JERC” or “the Commission”) vide notification no. 23/52/2003-R&R (Vol. II) dated 30th May 2008.

JERC is a statutory body responsible for regulation of the Power Sector in the State of Goa and Union Territories of Andaman & Nicobar Islands, Lakshadweep Island, Chandigarh, Dadra & Nagar Haveli and Daman and Diu, and Puducherry, consisting of generation, transmission, distribution, trading and use of electricity etc. Its primary objective includes taking measures conducive to the development of the electricity industry, promoting competition therein, protecting the interests of consumers and ensuring uninterrupted and quality power supply at affordable rates in to all the areas under its jurisdiction.

1.2. About Union Territory of Chandigarh

Chandigarh is a city, district and union territory in India that serves as the capital of the two neighbouring states of Punjab and Haryana. It is bordered by the state of Punjab to the north, the west and the south, and by the state of Haryana to the east. The city is unique as it is not a part of either of the two states but is governed directly by the Union Government, which administers all such territories in the country. Chandigarh is located near the foothills of the Shivalik range of the Himalayas in northwest India. It covers an area of approximately 114 km². The metropolitan area of Chandigarh–Mohali–Panchkula collectively forms a Tri-city, with a combined population of over 2 million.



Chandigarh has been rated as one of the "Wealthiest Towns" of India. The city has one of the highest per capita incomes in the country. The city was reported to be one of the cleanest in

India based on a national government study. The union territory also heads the list of Indian states and territories according to Human Development Index.

1.3. About Electricity Wing of Engineering Department, Chandigarh (EWEDC)

The Electricity Wing of Engineering Department of UT Administration of Chandigarh, hereinafter referred to as 'EWEDC' or as the 'Petitioner', a deemed licensee under Section 14 of the Electricity Act 2003, is carrying out the business of transmission, distribution and retail supply of electricity in Chandigarh (UT). EWEDC is functioning as an integrated distribution licensee of the Union Territory of Chandigarh. EWEDC procures most of its power through its allocation from Central Generating Stations (CGS) such as NTPC, NHPC, NPCIL BBMB, SJVNL and THDC. The EWEDC also buys short-term power for meeting the demand-supply shortfall during peak hours.

Chandigarh has been divided into various sectors and all the sectors of Chandigarh are electrified and any desiring consumer can avail power supply by submitting a requisition in the prescribed form to the appropriate office of the Department subject to fulfilment of the requisite conditions and payment of charges. The EWEDC is under the control of the Administration of the Union Territory of Chandigarh.

1.4. Multi Year Tariff Regulations, 2018

The Commission notified the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2018 (hereinafter referred to as 'MYT Regulations, 2018') on 10th August 2018. These Regulations are applicable in the 2nd MYT Control Period comprising of three financial years from FY 2019-20 to FY 2021-22. These Regulations are applicable to all the generation companies, transmission and distribution licensees in the State of Goa and Union Territories of Andaman & Nicobar Islands, Lakshadweep, Chandigarh, Dadra & Nagar Haveli and Daman & Diu and Puducherry.

1.5. Multi Year Tariff Regulations, 2021

The Commission notified the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021 (hereinafter referred to as 'MYT Regulations, 2021') on 22nd March 2021. These Regulations are applicable in the 3rd MYT Control Period comprising of three financial years from FY 2022-23 to FY 2024-25. These Regulations are applicable to all the generation companies, transmission and distribution licensees in the State of Goa and Union Territories of Andaman & Nicobar Islands, Lakshadweep, Chandigarh, Dadra & Nagar Haveli and Daman & Diu and Puducherry.

1.6. Filing and Admission of the Present Petition

The present Petition was admitted on 4th June 2024 and marked as Petition No. 125 of 2024. The Commission and the Petitioner subsequently uploaded the Petition on their respective websites.

1.7. Interaction with the Petitioner

A preliminary scrutiny/analysis of the Petition was conducted, and certain deficiencies were observed. Accordingly, discrepancy notes were issued to the Petitioner. Further, additional information/clarifications were solicited from the Petitioner as and when required. The Commission and the Petitioner also discussed various concerns of the Petitioner and key data gaps, which included retail sales, revenue from retail tariff, capitalization, tariff proposal etc. The Petitioner submitted its response to the issues through various letters/emails.

The Commission conducted the Technical Validation Session (TVS) with the Petitioner in online mode, during which the discrepancies in the Petition were conveyed and additional information required by the Commission was sought. Subsequently, the Petitioner submitted replies to the issues raised in this session and provided documentary evidence to substantiate its claims regarding various submissions. The following table provides the list of interactions with the Petitioner along with the date:

Table 5: Timelines of the interaction with the Petitioner

Sr. No.	Subject	Date
1	Issue of First Deficiency Note	16 th May 2024
2	Reply received from Petitioner	4 th June 2024
3	Technical Validation Session	9 th July 2024
4	Public Hearing	21 st June 2024
5	Issue of Second Deficiency Note	26 th June 2024
6	Replies received from Petitioner	2 nd July 2024
7	Issue of TVS queries	9 th July 2024
8	Replies to TVS queries	10 th July 2024

1.8. Notice for Public Hearing

Public Notices were published by the Commission in the leading newspapers as tabled below, giving due intimation to the stakeholders, consumers and the public at large about the Public Hearing to be conducted by the Commission. These notices were also uploaded on the Commission's website.

Table 6: Details of Public Notices published by the Commission

Sr. No.	Date	Name of Newspaper	Language	Place of Circulation
1	6th June 2024 & 19 th June 2024	Ajit	Punjabi	Chandigarh
2		Dainik Jagran	Hindi	Chandigarh
3		The Tribune	English	Chandigarh
4		Hindustan Times	English	Chandigarh

The Public Notice was published by the Petitioner in the following newspapers for inviting objections/ suggestions from the stakeholders/public on the Tariff Petition:

Table 7: Details of Public Notices published by the Petitioner

Sr. No.	Date	Name of Newspaper	Language	Place of Circulation
1	7 th June 2024	Ajit	Punjabi	Chandigarh
2		Dainik Bhaskar	Hindi	Chandigarh
3		The Tribune	English	Chandigarh
4		Hindustan Times	English	Chandigarh

1.9. Public Hearing

The Public Hearing was held on 21st June 2024 at the Auditorium Hall, Government Museum and Art Gallery, Chandigarh to discuss the issues related to the Petition filed by the Petitioner. The issues and concerns raised by the stakeholders/public in writing and as voiced by them during the Public Hearing have been examined by the Commission. The major issues discussed, the responses of the Petitioner thereon and the views of the Commission, have been summarized in Chapter 2 of this Order.

Chapter 2 : Summary of Suggestions/ Objections received, Response from the Petitioner and the Commission's Views

2.1. Regulatory Process

On admitting the Petition, the Commission directed the Petitioner to make copies of the Petition available to the public, upload the Petition on the website and also publish the same in the newspapers duly inviting comments/ objections from the public as per the provisions of the MYT Regulations, 2021.

The Public Hearing was held at Auditorium Hall, Government Museum and Art Gallery, Chandigarh on 21st June 2024 on the Petition for the True-up of the FY 2021-22, APR of the FY 2023-24, ARR and retail tariff for the FY 2024-25. During the Public Hearing, a few of the stakeholders who had submitted their comments in writing also presented their views in person before the Commission. Other participants from the general public, who had not submitted written comments/objections earlier, were also given an equal opportunity to present their views/suggestions in respect to the Petition. The names of the stakeholders who attended the Public Hearing are provided in Annexure-I.

2.2. Suggestions/Objections, Response of the Petitioner and Commission's Views

The Commission is appreciative of the efforts of various stakeholders in providing their suggestions/comments/observations to make the Electricity Distribution Sector responsive and efficient. The Commission has noted the concerns of all the stakeholders and has tried to address them to the extent possible in the Chapters on tariff design and directives. Relevant observations have been suitably considered by the Commission while finalizing the Tariff Order. The submissions of the stakeholders, response of the Petitioner and views of the Commission are summarized as follows:

2.2.1. Tariff hike proposed by the Electricity Department.

Stakeholder's Comment:

Various stakeholders strongly oppose the hike in tariff proposed by the Electricity Department. They stated that should improve its functioning in cutting the costs by purchasing cheaper power and should improve their functioning to provide quality of power at cheaper rates.

Necessity to propose average increase of 19.44% tariff on existing retail supply tariff has arisen due to ED delaying Energy Audit every year from last few years. The example is that True-Up of FY 2021-22 is being taken up for approval in this petition while the True-up of FY 2022-23 is still pending.

Some of the stakeholders raised the concern about no improvement in Services of the Discom. There are still very high unscheduled power cuts due to poor maintenance by Discom. This practice must come to an end especially when installation of smart meters

PAN India will not take place in coming few years. It is therefore recommended that tariff should not be increased.

Another Stakeholder Submitted that, “Fixed Charges are routinely changed at nominal increase of 5% per annum and should be done at this fixed rate every year, increase more than this is not justified. Moreover, those who follow govt guidelines and install solar units should be rewarded by keeping fixed charges at the same rate unchanged”

One of the Stakeholders opposed the Tariff hike in Domestic Consumer category. He submitted that:

“The proposed average increase of 19.44% in the existing retail supply tariff is excessive and places an undue financial burden on consumers. This increase comes at a time when many households and businesses are already facing significant financial burdens in every commodity. A more gradual and justified increase should be considered, taking into account the current economic conditions.

He further submitted that the significant increase in fixed charges for domestic consumers, Rs. 15.00 to Rs. 40.00, disproportionately affects low-income households. It is imperative to reconsider this hike and explore alternative ways to distribute the financial burden more equitably.

For example, if the customers, who typically use around 8 kW of electricity, the impact of these updated charges becomes strikingly clear. Under the proposed changes, the cost for using 8 kW over two months would jump from Rs. 240 to Rs. 640, marking a 166% increase. Such a significant hike in fixed charges penalizes those who use energy efficiently and undermines efforts to encourage conservation among consumers.

The stakeholder requested the Commission to consider the objections seriously and take appropriate action to ensure that the interests of all stakeholders, especially the consumers, are safeguarded.”

Petitioner’s Response:

The Petitioner in reply to stakeholder’s comment submitted that: “The tariff in U.T. Chandigarh has not been hiked from last many years by EWEDC, therefore, the tariff hike of approx. 19.44% has been proposed to bridge the revenue gap for FY 2024-25.”

In reply to other stakeholder’s comment regarding increase in fixed charges the Petitioner submitted that “The revision in Tariff is proposed based on the provisions specified in the JERC MYT Regulations 2021, National Tariff Policy 2016 and Electricity Rules 2005 and its amendments issued from time to time. The Tariff Design clause specified in the National Tariff Policy (NTP), 2016, provides that the tariff should progressively reflect the cost of supply of electricity to consumers and level of cross subsidy in tariff shall be brought within +/-20% of the average cost of supply. The existing fixed charges are not cost reflective in nature. Thus, to ensure the recovery of fixed operating cost of EWEDC in adequate manner

the increase in Fixed Charges is proposed. Besides, in consideration to the aggregate revenue requirement for FY 2024-25 overall increase in tariff is proposed for FY 2024-25”

In reply to one of the Stakeholder regarding the tariff hike in Domestic category the Petitioner submitted that,

“The Petitioner based on the demand tied up the generation and transmission resources on long term basis for supply of power to consumers on 24x7 basis. The distribution network is accordingly being laid down to cater the growing demand of the consumers. It is evident from the billing determinants for FY 2021-22 that domestic consumer category attributes significant share in the overall load requirement (approximately 57%). Thereby the same is required to be passed on the domestic category as incurred by the Petitioner. The Average Billing Rate for domestic category is Rs 3.58/kWh (Revenue- Rs 270.97 Crores and Sales 706.19 MU) against the Average Cost of Supply of Rs 6.11/kWh (ARR -Rs 877.06 Crores and Sales 1435.80 MU) proposed in True Up for FY 2021-22. The revenue from Fixed Charges is Rs 95.61 Crore against the Fixed Operation Cost of Rs 524 Crore (ARR – Rs 877.06 Crore minus Variable Power Purchase Cost Rs 352.73) proposed for True Up for FY 2021-22. Thus, to ensure the Tariff Proposal to be unbiased in nature the increase in Fixed Charges based on the above grounds has been proposed for Domestic Category and for overall basis for FY 2024-25.”

Commission’s View:

The Commission has noted the concerns of the Stakeholders and submission of the Petitioner. The Commission has approved the True-up of FY 2021-22 and the ARR for FY 2024-25 in this order. It is to be noted that the Commission has considered the cumulative surplus available with the Petitioner after True-up of FY 2020-21 and adjusted the same with Revenue gap approved for FY 2021-22. Afterwards the Commission approved the standalone ARR and standalone revenue gap/ surplus for FY 2024-25. Accordingly, the Commission has revised the category-wise tariff for FY 2024-25. The details are provided in the Tariff Principles and Design chapter. Based on Approved Cost of Supply for FY 2024-25, the category-wise tariff in terms of fixed and variable charges has been approved.

2.2.2. High Intra-state Transmission and Distribution Losses.

Stakeholder’s Comment:

One of the stakeholder submitted that the Commission has approved the T&D Losses in respect of the FY 2020-21 to 9.30%; whereas, the Electricity Department has failed to meet the targets set up by the Commission and as per the True-up for the year 2021-22, the T&D Losses has been shown at 12.88% and for the Annual Performance Review for the FY 2023-24, the T&D Losses has been shown as 10.17%, which is much more than the one approved by the Commission. So, the consumer like the present objector cannot be made liable to pay for the inefficiencies of the Discom.