

**BEFORE  
HON'BLE JHARKHAND STATE ELECTRICITY  
REGULATORY COMMISSION, RANCHI**

**ADDENDUM TO THE PETITION  
FOR**

**TRUE-UP FOR FY 2011-12, ANNUAL REVENUE REQUIREMENT  
FOR FY 2012-13, MYT FOR CONTROL PERIOD FY 2013-14 TO  
FY 2015-16 & TARIFF DETERMINATION FOR FY 2013-14 FOR  
DISTRIBUTION FUNCTION**

**AND**

**TARIFF PROPOSAL FOR FY 2014-15**



**JHARKHAND URJA VIKAS NIGAM LIMITED**  
**(HOLDING COMPANY FOR GENERATION, TRANSMISSION AND DISTRIBUTION)**  
**JHARKHAND**



## AFFIDAVIT

### BEFORE THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION, RANCHI

Filing No.....

Case No.....

IN THE MATTER OF:                      Filing of the Petition for True-up for FY 2012-13 for the Licensee under Section 45, 46, 61, 62, 64 and 86 of the Electricity Act, 2003 and as per the regulations of Jharkhand State Electricity Regulatory Commission (JSERC) (Terms And Conditions For Distribution Tariff) Regulation, 2010.

AND

IN THE MATTER OF:                      Jharkhand Urja Vikas Nigam Limited (hereinafter referred to as "JUVNL", or "erstwhile JSEB" which shall mean for the purpose of this petition the Licensee)

### AFFIDAVIT VERIFYING THE PETITION

I, \_\_\_\_\_ son of \_\_\_\_\_, aged \_\_\_ years residing at \_\_\_\_\_ do hereby solemnly affirm and state as follows:

1. I am \_\_\_\_\_ (Commercial & Revenue) of Jharkhand Urja Vikas Nigam Limited, the Petitioner in the above matter and am duly authorised by the said Petitioner to make this affidavit.
  
2. I say that on behalf of JUVNL, I am now filing this Petition under The Electricity Act, 2003 and relevant provisions under JSERC Tariff Regulations 2010 for approval of petition for True-up for FY 2012-13 and Revenue Gap recovery to be charged by JSEB for licence area.



3. I further say that the statements made and financial data presented in the Petition are as per records of the Board and on the information received from the concerned officials and believed to be true to the best of my knowledge.
  
4. Further, to my knowledge and belief, no material information has been concealed in this Petition.

**DEPONENT**

**VERIFICATION**

I, \_\_\_\_\_, solemnly affirm that the contents of above affidavit are true to the best of my knowledge and nothing has been concealed there from.

Verified at Ranchi on this \_\_\_\_ day of \_\_\_\_\_, 2014

**DEPONENT**

**Witness**



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**BEFORE HON'BLE JHARKHAND STATE ELECTRICITY REGULATORY  
COMMISSION, RANCHI**

*Filing No.:* \_\_\_\_\_

*Case No.:* \_\_\_\_\_

IN THE MATTER OF

IN THE MATTER OF ADDENDUM TO THE PETITION FILED FOR TRUE-UP FOR FY 2011-12,  
ANNUAL REVENUE REQUIREMENT FOR FY 2012-13, MYT FOR CONTROL PERIOD FY 2013-  
14 TO FY 2015-16 & TARIFF DETERMINATION FOR FY 2013-14 FOR DISTRIBUTION  
FUNCTION IN CASE NO. 02 of 2013

AND

THE PETITION FOR APPROVAL OF PROVISIONAL TRUE UP FOR THE YEAR FY 2012-13  
UNDER SECTION 62, 64 AND 86 OF THE ELECTRICITY ACT, 2003 AND AS PER THE  
REGULATIONS OF JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION (JSERC)  
(TERMS AND CONDITIONS FOR DISTRIBUTION TARIFF) REGULATION, 2010

AND

IN THE MATTER OF

JHARKHAND URJA VIKAS NIGAM LIMITED (JUVNL), RANCHI - APPLICANT

ADDENDUM TO THE PETITION FILED FOR TRUE-UP FOR FY 2011-12, ANNUAL REVENUE  
REQUIREMENT FOR FY 2012-13, MYT FOR CONTROL PERIOD FY 2013-14 TO FY 2015-16 &  
TARIFF DETERMINATION FOR FY 2013-14 FOR DISTRIBUTION FUNCTION IN CASE NO. 02  
of 2013

JHARKHAND URJA VIKAS NIGAM LIMITED (JUVNL) RESPECTFULLY SUBMITS:



## **1. Background**

- 1.1. Jharkhand Urja Vikas Nigam Ltd. (herein after to be referred to as “JUVNL” or “the Petitioner”) has been incorporated under Indian Companies Act, 1956 pursuant to decision of Government of Jharkhand to reorganize erstwhile Jharkhand State Electricity Board (herein after referred to as “JSEB”). The Petitioner submits that the said reorganization of the JSEB has been done by Government of Jharkhand pursuant to “Part XIII – Reorganization of Board” read with section 131 of The Electricity Act 2003. The Petitioner has been incorporated on 16<sup>th</sup> September 2013 with the Registrar of Companies, Jharkhand, Ranchi and has obtained Certificate of Commencement of Business on 12<sup>th</sup> November 2013. The distribution company Jharkhand Bijli Vitran Nigam Ltd. has been incorporated on 23<sup>rd</sup> October 2013 with the Registrar of Companies, Jharkhand, Ranchi and has obtained Certificate of Commencement of Business on 28<sup>th</sup> November 2013.
- 1.2. The Petitioner is a Distribution Licensee under the provisions of the Electricity Act, 2003 (EA, 2003) having license to supply electricity in the State of Jharkhand.
- 1.3. The Petitioner is a Company constituted under the provisions of Government of Jharkhand, General Resolution as notified by transfer scheme vide notification no. 8, dated 6<sup>th</sup> January 2014, and is duly registered with the Registrar of Companies, Ranchi on 16<sup>th</sup> September 2013, having CIN as U40108JH2013SGC001603. The Distribution Company - Jharkhand Bijli Vitran Nigam Ltd. is duly registered with the Registrar of Companies, Ranchi on 23<sup>rd</sup> October 2013, having CIN as U40108JH2013SGC001702.
- 1.4. The Petitioner is functioning in accordance with the provisions envisaged in the Electricity Act, 2003 and is engaged, within the framework of the Electricity Act, 2003, in the business of Distribution of Electricity to its consumers situated over the entire State of Jharkhand.
- 1.5. The Petitioner has filed a petition on 28<sup>th</sup> January 2013 (then erstwhile JSEB) for Truing-Up of Aggregate Revenue Requirement (ARR) for the FY 2011-12; Review of the revised estimated ARR for FY 2012-13; approval of the projected ARR for Control period FY 2013-14, FY 2014-15 & FY 2015-16 as per the Electricity Act, 2003, as per



the provisions of the Regulations issued by the Hon'ble Jharkhand State Electricity Regulatory Commission (JSERC) (Terms and Conditions For Determination of Distribution Tariff) Regulations, 2010, for the area under its operation.

- 1.6. In the said Petition, the Petitioner most respectfully prayed to the Hon'ble Commission for following:
1. Examine the proposal submitted by the petitioner in the enclosed petition for a justified dispensation;
  2. Consider the revised values/ figures submitted by JSEB (in MYT Petition) for each year of the Control Period;
  3. Pass suitable orders with respect of the ARR for each year of the Control Period (FY 2014, FY 2015, FY 2016) amounting to **Rs. 5449.69 Cr, Rs. 6892.71 Cr & Rs. 8323.22 Cr** along with the relevant financial parameters proposed in the petition by JSEB;
  4. JSEB may also be permitted to propose suitable changes to the respective ARRs, prior to the final approval by the Hon'ble Commission. JSEB believes that such an approach would go a long way towards providing a fair treatment to all the stakeholders and may eliminate the need for a review or clarification.
  5. Condone the delay in filing of the MYT Petition, if any and requests Hon'ble Commission to accept the petition for processing;
  6. Pass such orders, as the Hon'ble Commission may deem fit and appropriate keeping in view the facts and circumstances of the case.
  7. Condone any inadvertent omissions/errors/shortcomings and permit JSEB to add/change/modify/alter this filing and make further submissions as may be required at a future date.
- 1.7. The Petitioner herein contends that it wishes to submit additional information which is relevant to the current matter. Hence, in lieu of the Prayer (points 4 & 7) as stated above, **JUVNL hereby is submitting the Addendum to the Petition filed for True-Up of FY 2011-12, Annual Revenue Requirement for FY 2012-13, MYT for control period FY 2013-14 to FY 2015-16 & Tariff Determination for FY 2013-14 for Distribution function in Case No. 02 of 2013**





## 2. Delay in Processing of Tariff Petition for FY 2013-14

- 2.1. Jharkhand Urja Vikas Nigam Limited (JUVNL) (erstwhile JSEB) had filed a Petition for true-up for FY 2011-12, annual revenue requirement for FY 2012-13, MYT for control period FY 2013-14 to FY 2015-16 & tariff determination for FY 2013-14 for Distribution function (Case No. 02 of 2013) before the Hon'ble Commission in line with Section 62 of Electricity Act, 2003 and as per the regulations of Jharkhand State Electricity Regulatory Commission (JSERC) (Terms And Conditions For Distribution Tariff) Regulation, 2010 on 28<sup>th</sup> January 2013.
- 2.2. JUVNL (erstwhile JSEB) had proposed in this Petition revenue gap of **Rs. 2,792 Crores** for FY 2013-14 and cumulative revenue gap of **Rs. 6,825 Crores** after considering revenue gap/surplus from FY 2003-04 to FY 2013-14.
- 2.3. JUVNL had proposed increase in tariff rates for FY 2013-14 which resulted into additional revenue of **Rs. 690.51 Crores** and therefore unmet cumulative revenue gap stood at **Rs. 6,134.08 Crores**.
- 2.4. As a result the un-met revenue gap of **Rs. 6,134 Crores** was proposed for creation of Regulatory Assets in order to avoid tariff shock to the consumer and the same was proposed to be recovered during a span of five years from FY 2014-15 to FY 2018-19 by evenly distributing the cumulative revenue gap and allowing it in ARR for the respective years.
- 2.5. However after filing of the Petition, it could not be processed for further scrutiny by the Hon'ble Commission as the quorum of the Hon'ble Commission was not complete. This resulted in delays in procedures to be followed for the Petition.
- 2.6. The proceedings were started only after the complete quorum was available in January 2014. The Hon'ble Commission had asked detailed list of queries to JUVNL to which JUVNL has replied & submitted to the Hon'ble Commission on 25<sup>th</sup> June 2014.
- 2.7. However during this process the entire year of FY 2013-14 passed and there was no tariff revision sought during the year. This has burdened JUVNL with additional cost as tariff rates remained same.



2.8. JUVNL is therefore filing this addendum to the original petition for true up of FY 2011-12, APR for FY 2012-13 and MYT for control period for FY 2013-14 to FY 2015-16 in order to recover the revenue losses incurred during the one & a half year since the filing of the original petition and revise the tariff rates accordingly.

### **3. Final Truing Up of FY 2011-12**

3.1. JUVNL (erstwhile JSEB) in its last Tariff Petition filed on 28<sup>th</sup> January 2013 had submitted the final truing up of FY 2011-12 based on the audited accounts available for that year.

3.2. The audited accounts for FY 2011-12 were available for erstwhile JSEB and therefore based on the assumptions provided by the Hon'ble Commission in last tariff order dated 2<sup>nd</sup> August 2012, JUVNL (erstwhile JSEB) had segregated the entire cost in to its Generation, Transmission and Distribution business.

3.3. JUVNL (erstwhile JSEB) had filed separately for final truing up of FY 2011-12 for its Generation, Transmission and distribution Business based on these assumptions so as to recover entire cost of FY 2011-12 reflecting in the audited annual accounts.

3.4. The following table shows the approved and revised ARR proposed for FY 2011-12 for its Generation, Transmission and Distribution Business after final truing-up of audited annual accounts as submitted in the original Petition filed on 28<sup>th</sup> January 2013.



**Table 1 : Aggregate Revenue Requirement and Revenue Gap for FY 2011-12**

ARR for JSEB		
Particulars	Approved	Prov. Annual Account
	FY 2011-12	FY 2011-12
Generation ARR (Thermal)	245.92	238.65
Generation ARR (Hydro)	19.43	22.27
Transmission ARR	133.12	148.83
Distribution ARR	3,008.58	3,832.34
<b>Total ARR</b>	<b>3,407.05</b>	<b>4,242.09</b>
<b>Revenue from Sale of Power</b>	<b>2,468.67</b>	<b>2,122.64</b>
<b>Revenue from inter-state sales</b>	83.13	106.08
Revenue Gap	<b>855.25</b>	<b>2,013.37</b>
Carrying Cost		296.97
<b>Total Gap</b>		<b>2,310.34</b>

3.5. JUVNL hence propose to consider the total revenue gap of **Rs. 2,310.34 Crores** after final truing up of FY 2011-12, as submitted in the original MYT Petition dated 28<sup>th</sup> January 2013.

#### **4. Provisional Truing Up of FY 2012-13**

4.1. JUVNL has finalized the annual accounts of FY 2012-13. The statutory audit has already been conducted and the accounts have also been approved by the Board of Directors. The same is being routed to final audit from CAG.

4.2. JUVNL submits that it has revised the ARR (with all cost components) of FY 2012-13 based on the provisional board-approved accounts available. The numbers for FY 2012-13 submitted in the original petition were based on estimated arrived from actual of FY 2011-12. However, JUVNL has revised the figures of FY 2012-13 and hence is submitting the revised ARR and revenue gap for FY 2012-13.

4.3. The entire truing-up exercise carried out by JUVNL based on the provisional accounts is attached as **Annexure-A** of this addendum Petition.



- 4.4. The following table shows the approved and revised ARR and revenue gap arrived after provisional truing up of accounts of FY 2012-13 for the Generation, Transmission and Distribution function of JSEB.

**Table 2 : Aggregate Revenue Requirement and Revenue Gap for FY 2012-13**

ARR for JSEB as whole - Rs. Crs			
Particulars	Approved	Prov. Annual Account	Difference
Generation ARR (Thermal)	296.57	315.91	19.34
Generation ARR (Hydro)	16.93	34.26	17.33
Transmission ARR	184.91	200.15	15.24
Distribution ARR	3,942.99	5,930.80	1,987.80
<b>Total ARR</b>	<b>4,441.40</b>	<b>6,481.11</b>	<b>2,039.71</b>
Revenue from Sale of Power	2,949.99	2,632.61	(317.38)
Resource Gap Funding from State Government	1,000.00	1,100.00	100.00
<b>Total Revenue</b>	<b>3,949.99</b>	<b>3,732.61</b>	<b>(217.38)</b>
Revenue Gap of the Year	<b>491.41</b>	<b>2,748.51</b>	<b>2,257.10</b>

- 4.5. As seen from the above table, after conducting the truing up exercise, JUVNL has arrived at a revenue gap of **Rs. 2,748.51 Crores**. The Hon'ble Commission had approved a revenue gap of **Rs. 491.41 Crores** during last tariff order for FY 2012-13 and therefore the revised revenue gap for FY 2012-13 comes out to be **Rs. 2,257.10 Crores**.
- 4.6. In addition to the above revenue gap, JUVNL has also computed carrying cost to be included in the arrived revenue gap of FY 2012-13. The following table shows the computation of carrying cost arrived for FY 2012-13.

**Table 3 : Computation of Carrying Cost for FY 2012-13**

Carrying Cost for gap of FY 2012-13		
Particulars	Units	Amount
Revenue gap of the year	Rs. Crs	2,748.50
Interest Rate equivalent to Interest on Working cap	%	14.75%
Carrying cost for FY 2012-13 to FY 2013-14	Rs. Crs	810.81

- 4.7. JUVNL hence request the Hon'ble Commission to consider the revised trued up figures for FY 2012-13 as arrived in **Annexure-A** based on board-approved annual accounts.



## 5. Aggregate Revenue Requirement for Control Period (FY 2013-14 to FY 2015-16)

- 5.1. JUVNL (then erstwhile JSEB) had submitted the petition for true-up of FY 2011-12, annual revenue requirement for FY 2012-13, MYT for control period FY 2013-14 to FY 2015-16 & tariff determination for FY 2013-14 for Distribution function on 28<sup>th</sup> January 2013.
- 5.2. The Petitioner had then submitted projected Annual Revenue Requirement for the control period of FY 2013-14 to FY 2015-16 and proposed revenue gap of FY 2013-14 arrived after estimating revenue at existing tariffs for the same year in line with the JSERC MYT Regulations, 2010.
- 5.3. JUVNL (then erstwhile JSEB) now proposes not to revise ARR/projections made for the entire control period from FY 2013-14 to FY 2015-16 and submits to maintain the same ARR as submitted in the original petition filed on 28<sup>th</sup> January 2013.
- 5.4. The following table shows the Aggregate Revenue Requirement proposed in the MYT Petition filed by JUVNL (then erstwhile JSEB).

**Table 4 : ARR for entire control period as Proposed in MYT Petition for Distribution Business**

<b>ARR for Distribution Business</b>			
<b>Particulars</b>	<b>Projections</b>	<b>Projections</b>	<b>Projections</b>
	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>
Power Purchase Expense	4,424.57	5,545.57	6,660.76
O&M Expense	<b>310.99</b>	<b>376.36</b>	<b>456.76</b>
<i>Employee Expense</i>	206.06	223.86	243.20
<i>A&amp;G Expense</i>	42.91	46.62	50.65
<i>R&amp;M Expense</i>	62.02	105.88	162.91
Interest and Finance Charges	549.32	693.97	802.13
Depreciation	114.06	161.53	214.92
<b>Total Expenditure</b>	<b>5,398.94</b>	<b>6,777.44</b>	<b>8,134.56</b>
Add: Reasonable Return on Equity	104.66	171.88	248.10
Less: Non Tariff Income	53.92	56.61	59.44
<b>Aggregate Revenue Requirement</b>	<b>5,449.69</b>	<b>6,892.71</b>	<b>8,323.22</b>



## 6. Sales, Consumer and Load Projections for FY 2013-14 and FY 2014-15

- 6.1. The Petitioner in its last tariff/MYT petition had projected sales, number of consumers and connected load for its entire control period of FY 2013-14 to FY 2015-16 based on the estimates of FY 2012-13 available at the time of filing the petition.
- 6.2. However, JUVNL now has actual sales, number of consumers and connected load available for FY 2012-13 and provisional numbers to for FY 2013-14. JUVNL therefore intends to revise sales, consumers and connected load for FY 2013-14 and FY 2014-15 based on these numbers.
- 6.3. The following table shows the actual sales for FY 2012-13, provisional sales for FY 2013-14 and projected sales for FY 2014-15. The sales for FY 2014-15 have been projected based on the CAGR growth rate observed.

**Table 5 : Sales for FY 2012-13, FY 2013-14 and FY 2014-15**

MUS				
Sr.No.	Particulars	FY 2012-13	FY 2013-14	FY 2014-15
1	Domestic (DS)	2,889	3,391	3,982
2	Commercial (NDS)	339	339	389
3	Public Lighting (SS)	127	188	211
4	Irrigation & Agriculture (IAS)	68	71	73
5	Public Water Works (PWW)	71	70	75
6	Industrial LT (LTIS)	136	154	168
7	Industrial HT (HTS)	2,498	2,598	2,770
8	Railway (RTS)	659	677	721
9	Inter State Sale	474	606	606
	<b>Total</b>	<b>7,260</b>	<b>8,095</b>	<b>8,995</b>

- 6.4. The following table shows number of consumers and connected load for FY 2013-14 and FY 2014-15. The number of consumers and connected load for FY 2013-14 are provisional figures. The numbers of consumers for FY 2014-15 are arrived at a growth rate of 4% and connected load for FY 2014-15 is arrived taking a growth rate of 5% on FY 2013-14 numbers.



**Table 6 : No. of Consumers and Connected Load for FY 2013-14 and FY 2014-15**

Sr.No.	Particulars	Number of Consumers (Nos.)		Connected Load (KW)	
		FY 2013-14	FY 2014-15	FY 2013-14	FY 2014-15
1	Domestic (DS)	2,290,834	2,382,467	2,603,060	2,733,213
2	Commercial (NDS)	142,183	147,870	372,500	391,125
3	Public Lighting (SS)	1,274	1,325	18,202	19,112
4	Irrigation & Agriculture (IAS)	32,672	33,979	55,572	58,351
5	Public Water Works (PWW)	465	484	26,418	27,739
6	Industrial LT (LTIS)	17,490	18,190	389,648	409,130
7	Industrial HT (HTS)	1,444	1,502	843,045	885,197
8	Railway (RTS)	13	14	254,000	266,700
9	Inter State Sale	-	-	-	-
	<b>Total</b>	<b>2,486,375</b>	<b>2,585,830</b>	<b>4,562,445</b>	<b>4,790,567</b>

## 7. Revenue Gap for FY 2013-14 and FY 2014-15

- 7.1. The Petitioner has not revised the Aggregate Revenue Requirement for FY 2013-14 and FY 2014-15 and has maintained the entire cost as filed in the original MYT Petition. The Petitioner had also proposed a revenue gap of **Rs. 2,792.66 Crores** for FY 2013-14 based on the revenue arrived at existing tariffs which were approved in last tariff order dated 2<sup>nd</sup> August 2012.
- 7.2. The following table shows the revenue gap of FY 2013-14 as proposed in the last tariff/ MYT Petition filed by JUVNL (then erstwhile JSEB).

**Table 7 : Pure Revenue Gap of FY 2013-14 as proposed in Tariff/MYT Petition**

Particulars	Rs. Crores	
	Proposed	FY 2013-14
Generation ARR (Thermal)	483.66	
Generation ARR (Hydro)	21.76	
Transmission ARR	339.99	
Distribution ARR	5,449.69	
<b>Total Revenue Requirement for FY 2013-14</b>	<b>6,295.10</b>	
Revenue from Sale of Power at Existing Tariff	3,502.44	
<b>Pure Revenue Gap FY 2013-14 at Existing Tariff</b>	<b>2,792.66</b>	



- 7.3. JUVNL has however revised the revenue from sale of power at existing tariff for FY 2013-14 based on the revised sales, consumers and connected load discussed in the previous section of this Petition.
- 7.4. The revised revenue at existing tariff arrived by JUVNL for FY 2013-14 is **Rs. 2,822.09 Crores** as against **Rs. 3,502.44 Crores** arrived by JUVNL (then erstwhile JSEB) in last tariff/MYT Petition. The revenue gap for FY 2013-14 hence is revised to **Rs. 3,473.01 Crores**.

**Table 8 : Pure Revenue Gap of FY 2013-14 as proposed in this Petition**

Rs. Crores

Particulars	Proposed
	FY 2013-14
Generation ARR (Thermal)	483.66
Generation ARR (Hydro)	21.76
Transmission ARR	339.99
Distribution ARR	5,449.69
<b>Total Revenue Requirement for FY 2013-14</b>	<b>6,295.10</b>
Revenue from Sale of Power at Existing Tariff	2,822.09
<b>Pure Revenue Gap FY 2013-14 at Existing Tariff</b>	<b>3,473.01</b>

- 7.5. JUVNL also intends to file for revision in tariff for all categories, based on the revenue gap arrived for FY 2014-15 as well. JUVNL has considered the ARR for FY 2014-15 same as that filed in the last MYT/Tariff Petition dated 28<sup>th</sup> January 2013. However JUVNL has calculated the revenue at existing tariff for FY 2014-15 on similar lines as that calculated for FY 2013-14 in previous sections and based on the tariffs approved by Hon'ble Commission in last tariff order.
- 7.6. JUVNL has considered number of consumers, sales and connected load for FY 2014-15 as discussed in the previous sections of this Petition in order to arrive at revenue at existing tariffs for FY 2014-15. The revenue arrived at existing tariff for FY 2014-15 is **Rs. 3,074.71 Crores**.
- 7.7. The following table shows the revenue gap arrived for FY 2014-15 based on the ARR proposed in last Tariff/MYT petition and revenue arrived with existing tariffs.





**Table 9 : Pure Revenue Gap of FY 2014-15 as proposed**

Particulars	Rs. Crores
	<b>Proposed FY 2014-15</b>
Approved ARR for PTPS	561.75
Approved ARR for SHPS	27.59
Approved ARR for Generation	589.34
Transmission ARR	529.13
Distribution ARR	6,892.71
<b>Total Revenue Requirement for FY 2014-15</b>	<b>8,011.18</b>
Revenue from Sale of Power at Existing Tariff	3,074.71
<b>Pure Revenue Gap FY 2014-15 at Existing Tariff</b>	<b>4,936.47</b>

7.8. As seen from the above table the revenue gap for FY 2014-15 at existing tariff arrived at is **Rs. 4,936.47 Crores**.

## **8. Energy Balance for FY 2013-14 and FY 2014-15**

8.1. The following table shows the energy balance worked out based on the revised sales considered in this submission. The power purchase units and cost is considered same as that submitted in original MYT Petition.



**Table 10 : Revised Energy Balance for FY 2013-14 and FY 2014-15**

Particulars	FY 2013-14	FY 2014-15
Power Purchase from Outside JSEB Boundary	4,852	5,578
Loss in external systems (%)	3.04%	3.04%
MU's lost in external system	147	170
Net Outside State Power Purchase	4,704	5,408
Energy Input Directly to State Transmission System	1,233	1,289
Own Generation	1,270	1,270
UI Payable	-	-
UI Sale/ Receivable	-	-
Energy available for onward transmission	7,207	7,967
Transmission loss (%)	5.00%	5.00%
Transmission loss (MUs)	360	398
Net Energy Sent to Distribution (MUs)	6,847	7,569
Direct input at distribution voltage (33 kV)	4,080	4,371
<b>Total Energy Available for Distribution</b>	<b>10,927</b>	<b>11,940</b>
<b>Total Energy Requirement</b>	<b>11,435</b>	<b>12,508</b>
Sales (MUs)	8,095	8,995
Distribution loss (MUs)	2,832	2,945
Distribution loss (%)	25.92%	24.66%
<b>Overall T&amp;D Loss</b>	<b>29.21%</b>	<b>28.09%</b>

## 9. Cumulative Revenue Gap of FY 2003-04 to FY 2014-15

9.1. The following table shows the cumulative revenue gap from FY 2003-04 to FY 2013-14 as submitted in the last tariff/ MYT petition filed on 28<sup>th</sup> January 2013.

**Table 11 : Cumulative Revenue Gap up to FY 2013-14 as proposed in MYT/Tariff Petition**

Rs. Crores

Particulars	Approved in T.O.FY 2012-13	Proposed in T.P. FY 2013-14
Revenue Gap / (Surplus) for past years from FY 2004 to FY 2011	(448.37)	(448.37)
Revenue Gap / (Surplus) for FY 2011-12	405.24	2,310.34
Revenue Gap / (Surplus) for FY 2012-13	491.42	2,169.95
<b>Cumulative Revenue Gap / (Surplus) upto FY 2012-13</b>	<b>448.30</b>	<b>4,031.93</b>
Pure Revenue Gap FY 2013-14	-	2,792.66
<b>Total Revenue Gap upto FY 2013-14</b>		<b>6,824.58</b>



- 9.2. In view of the above revenue gap as proposed in last tariff petition, JUVNL has revised the revenue gap of FY 2012-13 based on the provisional annual accounts as submitted in **Annexure A** of this Petition.
- 9.3. In addition to the revision in gap for FY 2012-13, JUVNL also propose the Hon'ble Commission to consider the revenue gap of FY 2013-14 and FY 2014-15 arrived based on existing tariffs. The following table shows the revised cumulative revenue gap from FY 2003-04 to FY 2014-15 as proposed in this Petition.

**Table 12 : Cumulative Revenue Gap up to FY 2014-15 as proposed in this Petition**

Rs. Crores

Particulars	Approved in T.O.FY 2012-13	Proposed for FY 2014-15
Revenue Gap / (Surplus) for past years from FY 2004 to FY 2011	(448.37)	(448.37)
Revenue Gap / (Surplus) for FY 2011-12	405.24	2,310.34
Revenue Gap / (Surplus) for FY 2012-13	491.42	2,748.51
Carrying Cost for Gap of FY 2012-13	-	810.81
<b>Cumulative Revenue Gap / (Surplus) upto FY 2012-13</b>	<b>448.30</b>	<b>5,421.29</b>
Pure Revenue Gap FY 2013-14	-	3,473.01
Pure Revenue Gap FY 2014-15	-	4,936.47
<b>Total Revenue Gap upto FY 2014-15</b>	<b>448.30</b>	<b>13,830.76</b>

- 9.4. As seen from the above table, JUVNL propose a cumulative revenue gap from FY 2003-04 to FY 2014-15 of **Rs. 13,830.76 Crores** to be considered by Hon'ble Commission as per this submission.

## **10. Tariff Proposal for FY 2014-15**

- 10.1. The Petitioner proposes to meet the partial revenue gap through tariff increase and partial gap through creation of Regulatory Asset. Thus it requests Hon'ble Commission to approve the revenue gap without leaving any portion of the gap of any financial year.



10.2. JUVNL propose to meet the cumulative revenue gap of **Rs. 13,830.76 Crores** partially through increase in tariffs for various categories of consumers. The following table shows the consumer category wise detailed comparison of existing and proposed tariffs as submitted in this Petition.

**Table 13 : Existing and Proposed Tariff for FY 2014-15**

CATEGORY	Units for Fixed Charges	Existing		Proposed	
		Fixed Charges	Energy Charge (Rs./kwh)	Fixed Charges	Energy Charge (Rs./kwh)
<b>Domestic</b>					
DS-I (a), Kutir Jyoti (metered) (0-50)	Rs/ Conn/Month	15.00	1.20	25.00	1.50
DS-I (a), Kutir Jyoti (metered) (50-100)	Rs/ Conn/Month	15.00	1.20	25.00	1.50
DS-I (a), Kutir Jyoti (Unmetered)	Rs/ Conn/Month	40.00	-	125.00	-
DS-I (b), metered (0-200)	Rs/ Conn/Month	25.00	1.40	35.00	1.95
DS-I (b), metered (above 200)	Rs/ Conn/Month	25.00	1.50	40.00	2.05
DS-I (b), unmetered	Rs/ Conn/Month	100.00	-	175.00	-
<b>DS-II, &lt;= 4 KW -Total</b>					
0-200	Rs/ Conn/Month	40.00	2.40	100.00	2.90
201 -500	Rs/ Conn/Month	60.00	2.90	150.00	3.20
500 & above*	Rs/ Conn/Month	-	-	200.00	3.90
DS- III, Above 4 KW	Rs/ Conn/Month	100.00	3.00	175.00	4.50
DS HT	Rs/ KVA/Month	75.00	2.60	125.00	3.40
<b>Non Domestic</b>					
NDS-I, <= 2 KW	Rs/ Conn/Month	30.00	1.75	50.00	2.50
NDS-I, metered (<= 2 kW) (above 100)	Rs/ Conn/Month	30.00	1.75	50.00	2.50
NDS-I, unmetered (<= 2 KW)	Rs/ kW/Month (up to 1 kW)	175.00	-	275.00	-
	Rs/ kW/Month	60 per additional 1kW or part thereof	-	75 per additional 1kW or part thereof	-
NDS-II	Rs/ kW/Month	175.00	5.25	275.00	6.25
NDS-III	Rs/ Conn/Month	150.00	6.00		
NDS-III*	Rs/ kW/Month			225.00	7.00
<b>Low Tension</b>					
LTIS (installation based Tariff)	Rs/HP/Month	130.00	4.90	200.00	5.70
LTIS (Demand based Tariff)	Rs/kVA/Month	235.00	4.90	300.00	5.70
<b>Irrigation &amp; Agricultural</b>					
IAS- I	Rs/HP/Month	-	0.60	-	1.00
IAS - I Unmetered	Rs/HP/Month	70.00	-	125.00	-
IAS- II	Rs/HP/Month	-	1.00	-	1.50
Agriculture - IAS - II (Unmetered)	Rs/HP/Month	280.00	-	500.00	-
<b>High Tension Service</b>					
11 KV	Rs/kVA/Month	235.00	5.40	335.00	6.25
33 KV	Rs/kVA/Month	235.00	5.40	335.00	6.25
132 KV	Rs/kVA/Month	235.00	5.40	335.00	6.25
<b>HT Special S</b>					
11 KV	Rs/kVA/Month	410.00	3.25	500.00	4.25
33 KV	Rs/kVA/Month	410.00	3.25	500.00	4.25
132 KV	Rs/kVA/Month	410.00	3.25	500.00	4.25
<b>Traction</b>					
RTS	Rs/kVA/month	220.00	5.40	300.00	6.50
<b>Street Light Service</b>					
SS-I	Rs/ Conn/Month	35.00	4.45	75.00	5.25
SS - II	Rs/ Conn/Month	Rs. 140 per 100 watt lamp and Rs. 50 for every additional 50 watt and part thereof;	-	Rs.235 per 100 watt lamp and Rs. 50 for every additional 50 watt and part thereof;	-
MES	Rs/kVA/month	205.00	4.05	275.00	5.00



- 10.3. The detailed revision in tariff rates and tariff schedule along with the applicability of various tariff categories is being submitted as **Annexure-B** of this Petition.
- 10.4. Based on the revision in tariff rates proposed in the above mentioned table, JUVNL propose to recover additional revenue of **Rs. 943.95 Crores**.
- 10.5. The revenue at proposed tariffs arrived for FY 2014-15 as per revised tariff rates submitted in **Annexure-B** for various categories of consumers is summarized in the table below:

**Table 14 : Revenue at Proposed Tariff for FY 2014-15**

Sr. No.	Cosumer Category	Sales (MUS)	Energy Charge (Rs. Crores)	Fixed Charge (Rs. Crores)	Total Revenue (Rs. Crores)
1	Domestic Service (DS)	3,982	460	392	852
2	Non Domestic Service (NDS)	389	197	121	318
3	Industrial & Medium Power Service (LTIS)	168	96	132	227
4	Irrigation & Agriculture Service (IAS)	73	5	9	13
5	High Tension Voltage Supply Service (HTS)	1,939	1,212	224	1,436
6	High Tension Special Service (HTSS)	831	353	143	497
7	Railway Traction Service (RTS)	721	469	96	565
8	Street Light Service (SS)	286	5	106	111
9	Inter State/ UI	606	-	-	-
	<b>Total</b>	<b>8,995</b>	<b>2,796</b>	<b>1,223</b>	<b>4,019</b>

- 10.6. Based on the foregoing paragraphs, the details of revenue gap, proposed tariff increase, revenue gap met and unrecovered revenue gap is summarized in the following table:

**Table 15 : Unrecovered Revenue Gap for FY 2014-15**

Rs. Crores	
Particulars	Proposed
Total Revenue Requirement for FY 2014-15 including Past gap/recoveries	13,830.76
Less: Additional Revenue from Proposed Tariff for FY 2014-15	943.95
<b>Residual Revenue Gap Proposed for Regulatory Asset</b>	<b>12,886.82</b>

## 11. Creation of Regulatory Assets



- 11.1. JUVNL is of the view that a tariff increase to cover the cumulative revenue gap for past years and gap proposed for FY 2014-15 which are assessed at **Rs. 12,886.82 Crores**, will lead to a tariff shock to its consumers.
- 11.2. JUVNL hence proposes creation of regulatory asset for the cumulative gap of **Rs. 12,886.82 Crores** since the same has not been covered for at the proposed tariff. The regulatory gap thus created may be gradually allowed in the retails tariffs for the JUVNL in the subsequent years. JUVNL proposes recovery of the regulatory asset from retail tariffs during the period FY 2015-16 to FY 2019-20 as per the phasing provided in the table below:

**Table 16 : Proposed Phasing for Recovery of Regulatory Asset (Rs. Crs)**

<b>Financial Year</b>	<b>Percentage of Regulatory Asset Allowed</b>	<b>Amount proposed to be passed in ARR (Rs. Crs)</b>
FY 2015-16	20%	2,577
FY 2016-17	20%	2,577
FY 2017-18	20%	2,577
FY 2018-19	20%	2,577
FY 2019-20	20%	2,577
<b>Total</b>	<b>100%</b>	<b>12,887</b>

- 11.3. Accordingly, JUVNL prays to the Hon'ble Commission to allow reasonable interest on the outstanding regulatory asset from the year of accrual of the cumulative losses for the period FY 2012-13 to FY 2013-14 and for FY 2014-15.

**JUVNL earnestly submits that it has sought a revision in tariffs through this Petition for current year i.e. FY 2014-15 without any major changes in the cost/ARR as proposed in the previous tariff/MYT Petition submitted in January 2013.**

**As the Hon'ble Commission is already aware that there has been no submission relating to tariff in the last one and half year since January 2013. Therefore an addendum is being**



**filed in this form so as to seek higher tariff rates as compared to that proposed in last tariff/ MYT Petition.**

**JUVNL has not proposed any major change in tariff philosophy or tariff applicability as compared to the tariff schedule approved in last tariff order. JUVNL is currently going through a precarious financial situation and delay in recovery of cost by not revising tariff may lead to financial disintegration which may further lead to unwanted Load Shedding due to dearth of funds.**

**In view of the fact that this is not a tariff petition but is only an addendum for seeking revision in tariff rates as compared to that proposed in last tariff/ MYT Petition due to delay caused in processing the previous Petition.**



## 12. Prayers

12.1. The Petitioner hereby requests the Hon'ble Commission may be please:

1. Consider this Addendum Submission as a part of a Miscellaneous Application in Case No. 02 of 2013
2. Approve Provisional Truing Up of FY 2012-13 as submitted as **Annexure A** of this Petition.
3. Approve Revenue Gap for FY 2012-13 as submitted in this Petition based on Provisional Accounts.
4. Approve Revised Revenue Gap for FY 2013-14 and FY 2014-15 as submitted in this Petition.
5. Approve tariff rates as proposed in **Annexure B** of this Petition;
6. Approve Provision of Regulatory Assets for residual of the cumulative revenue gap till FY 2014-15 and allow for recovery of Regulatory Asset in ARR of each year as proposed.
7. Allow for carrying cost of past recoveries as the Hon'ble Commission feels appropriate.
8. Condone any error/omission and to give opportunity to rectify the same;
9. Permit the Petitioner to make further submissions, addition and alteration to this Petition as may be necessary from time to time.





Addendum to the petition for  
True-Up For FY 2011-12, Annual Revenue Requirement for FY 2012-13, MYT for Control Period FY  
2013-14 to FY 2015-16 & Tariff Determination for FY 2013-14 for Distribution Function  
and Tariff Proposal for FY 2014-15

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**Annexure A: Petition for True-up for FY 2012-13 of JSEB**



Addendum to the petition for  
True-Up For FY 2011-12, Annual Revenue Requirement for FY 2012-13, MYT for Control Period FY  
2013-14 to FY 2015-16 & Tariff Determination for FY 2013-14 for Distribution Function  
and Tariff Proposal for FY 2014-15

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**Annexure B: Proposed Tariff Schedule for FY 2013-14**