RAJASTHAN ELECTRICITY REGULATORY COMMISSION, JAIPUR
Petition No. RERC 2206/2024, 2207/2024, 2208/2024

In the matter of approval of True up for FY 2022-23 and Aggregate Revenue Requirement, Tariff and Investment Plan for FY 2024-25 of Jaipur Vidyut Vitran Nigam Ltd (JVVNL), Ajmer Vidyut Vitran Nigam Ltd. (AVVNL) and Jodhpur Vidyut Vitran Nigam Ltd (JdVVNL).

Coram: **Dr. B.N. Sharma, Chairman**
Shri Hemant Kumar Jain, Member
Dr. Rajesh Sharma, Member

Petitioners: Jaipur Vidyut Vitran Nigam Ltd., Jaipur (2206/2024)
Ajmer Vidyut Vitran Nigam Ltd., Ajmer (2207/2024)
Jodhpur Vidyut Vitran Nigam Ltd., Jodhpur (2208/2024)

Date of hearing: **16.07.2024, 18.07.2024 & 22.07.2024**

Date of Order: **26.07.2024**

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 had filed petitions vide their letters dated 30.11.2023 for approval of true-up of ARR for FY 2022-23 along with Aggregate Revenue Requirement (ARR), Tariff and Investment Plan for FY 2024-25 under section 62 & 64 of Electricity Act, 2003 read with RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019 and amendment thereof and Investment Approval Regulations, 2006.

1.2 Further, the Commission vide order dated 18.12.2023, disposed of the aforesaid petitions being incomplete due to filling of the petitions based on provisional accounts without including the Audited Annual Statement of Accounts and Annual Reports for FY 2022-23 (duly audited by CAG) as required in accordance with RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019 as amended from time to time. The petitioners were given liberty to file the fresh petitions duly reconciled with audited accounts for FY 2022-23 alongwith copies of audited accounts and annual reports in accordance with RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019 as amended from time to time by 31st December 2023.

1.3 Thereafter, JVVNL, AVVNL and JdVVNL had filed petitions on 31.01.2024, 31.01.2024 and 30.01.2024 respectively for approval of true-up of ARR for FY 2022-23 along with Aggregate Revenue Requirement (ARR), Tariff and Investment Plan for FY 2024-25 under section 62 & 64 of Electricity Act, 2003 read with RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019 and amendment thereof and Investment Approval Regulations, 2006.

1.4 After examining the petitions, the Commission vide letter dated 21.02.2024 pointed out the deficiencies observed in the petitions for Truing up of ARR for FY 2022-23, ARR, Tariff and Investment Plan for FY 2024-25 and the Discoms were directed to clarify the deficiency along with supporting documents. Commission also directed that clarification on the same and any additional information given by Discoms shall also form an integral part of this petition and should also be placed on Discom's website.

1.5 JVVNL, AVVNL and JdVVNL vide letter dated 22.04.2024, 22.04.2024 and 29.04.2024 respectively, submitted reply to the deficiencies indicated by the Commission.

1.6 Further JVVNL and AVVNL vide letter dated 26.04.2024 and 29.04.2024 respectively submitted additional information related to True up and ARR.

1.7 As per Section 64(2) of the Electricity Act, 2003 which requires that applicant should publish application filed in such abridged form and manner as may be specified by the Appropriate Commission, the Commission, on dated 01.05.2024 allowed JVVNL, AVVNL & JdVVNL to publish the notice in the newspapers within three days.

1.8 The public notices with salient features of the petitions, inviting comments/suggestions, were published by JVVNL & AVVNL with a delay of 27

days and JdVVNL with a delay of 31 days, due to model code of conduct in the following newspapers on the dates shown against each of the petitions. Notices were also placed on the websites of the Commission and Discoms. The last date for submission of comments/ suggestions was notified as 21.06.2024 for JVVNL, AVVNL and 25.06.2024 for JdVVNL:

Sr. No.	Name of Newspapers	JVVNL	AVVNL	JdVVNL
(i)	Times of India	31.05.2024	31.05.2024	04.06.2024
(ii)	Dainik Bhaskar	31.05.2024	31.05.2024	04.06.2024
(iii)	Rajasthan Patrika	31.05.2024	31.05.2024	04.06.2024
(IV)	Dainik Navjyoti	31.05.2024	31.05.2024	----

1.9 As directed by the Commission, JVVNL, AVVNL & JdVVNL also made Audio-visual presentation at their head offices on dated 12.06.2024, 13.06.2024 &14.06.2024 respectively.

1.10 Based on the information submitted by the Discoms, the Commission vide letter dated 24.06.2024 sought additional information. In response, JVVNL AVVNL and JdVVNL have submitted their reply on 05.07.2024, 08.07.2024 and 01.07.2024 respectively.

1.11 In all, 27 numbers of the comments/suggestions were received from the stakeholders on JVVNL, 49 numbers on AVVNL & 27 numbers on JdVVNL for True Up petition for FY 2022-23 and Aggregate Revenue Requirement (ARR), Tariff and Investment Plan for FY 2024-25. The list of stakeholders who submitted their written suggestions/objections are given in the table below:

S. No.	Name of Stakeholder
1	Sh. Gopal Vyas
2	Sh. D. D. Agarwal
3	Sh. Jaiprakash Tailor
4	Sh. Sharad Gangwar
5	Sh. Ashok Kumar Jain, Rajasthan Textile Mills Association
6	Sh. D. P. Chiarnia
7	Sh. Gaurav Maheshwari, IEX
8	Sh. Ramesh Chandra Sharma
9	Sh. Anil Kumar Gupta
10	Sh. Ujjwal Singh, ICICI Bank Jaipur
11	Sh. Y. K. Bolia, Consumer Rights Organisation

12	Sh. Narendra Singh Shaktawat, Udaipur Chamber of Commerce & Industry
13	Sh. Shanti Prasad
14	Sh. V.K.Gupta
15	Sh. Ravi Sharma, Marble Gangsaw Association, Rajsamand
16	Sh. Rakesh Kangtani, Laghu Udyog Bharti, Sirohi
17	Ms. Priyanka Goel, Centre for Energy Environment and People
18	Sh. Harsh Kansal
19	Sh. Mukesh Sharma, Laghu Udyog Bharti, Chopanki
20	Sh. Manoj Kumar Jain, Udaipur
21	Sh. Naresh Parihar, Laghu Udyog Bharti, Jodhpur
22	Sh. Devendra Agarwal, Laghu Udyog Bharti, Alwar
23	Sh. Himmat Seth
24	Sh. Ravi Gupta, Laghu Udyog Bharti, Jodhpur
25	Sh. Rajesh Kumar Gupta, Alwar Chamber of Commerce & Industry
26	Sh. Arun Kumar Jain, Laghu Udyog Bharti, Dungarpur
27	Sh. Bhagwan Agarwal, Laghu Udyog Bharti, Sirohi
28	Sh. Brij Gopal Maloo, Shree Salasar Balaji Marmo Pvt. Ltd. Rajsamand
29	Sh.Gautam Jeerawla, Laghu Udyog Bharti, Jodhpur
30	Sh. Krishna Murari Agarwal, Bharatpur Chember of Commerce & Industry
31	Sh. Nabh Sharma, Laghu Udyog Bharti, Kota
32	Sh. Chandrashekhar Gaur, Laghu Udyog Bharti, Ganganagar
33	Sh. Nitin Agarwal, Laghu Udyog Bharti, Kota
34	Sh. Pramod Kumar Jhanwar, Maruti Seva Samiti, Udaipur
35	Sh. Poonam Chand Tanwar, Laghu Udyog Bharti, Jodhpur
36	Sh. Mahaveer Chopra, Laghu Udyog Bharti, Jodhpur
37	Sh. G. L. Sharma
38	Sh. Krishna Kumar Purohit, Laghu Udyog Bharti, Sikar
39	Sh. Navrang Agarwal, Laghu Udyog Bharti, Jodhpur
40	Sh. Anand Chopra, Kalpataru Projects International Ltd.
41	Sh. Ram Prakash Kabra, Laghu Udyog Bharti, Bhilwara
42	Sh. Amit Kumar, Eeki Automation Pvt. Ltd.
43	Ms. Pallavi Ladha, Laghu Udyog Bharti, Bhilwara
44	Sh. Bal Mukund Sanadhya. Samta Power
45	Sh. Lokesh Kumar Somani, Laghu Udyog Bharti, Chittorgarh
46	Sri Krishna Balram Seva Trust, Hingonia, Jaipur
47	Sh. Hari Om Paliwal, Laghu Udyog Bharti, Girva, Udaipur
48	Military Engineer Services, Jodhpur
49	Sh. Rajesh Sharma, Laghu Udyog Bharti, Sukher, Udaipur

50	Sh. Umesh Goyal, Laghu Udyog Bharti, Kishangarh
51	Ms. Shashi Mittal, Laghu Udyog Bharti,Kota
52	Laghu Udyog Bharti, Bikaner
53	Sh. Shambhu Prasad Kabra, Laghu Udyog Bharti, Bhilwara
54	Sh. Hastimal Chordia, Samta Power, Chittorgarh
55	Sh. Mukesh Modani, Laghu Udyog Bharti, Roopangarh
56	Ms. Santosh Jindal, Laghu Udyog Bharti, Kishangarh
57	Sh. Vijay Mehta, Laghu Udyog Bharti, Beawar
58	Sh. Manoj Mathur, Laghu Udyog Bharti, Banswara
59	Sh. Jaya gupta, Laghu Udyog Bharti, Jhalawar
60	Sh. Ramesh Maheshwari, Laghu Udyog Bharti, Rajsamand
61	Sh. Rajesh Bansal, Laghu Udyog Bharti, Ajmer
62	Sh. Hemant Jain, Laghu Udyog Bharti, Madri, Udaipur
63	Sh. Sanjeev Agarwal, Laghu Udyog Bharti, Nasirabad
64	Sh. Swapnil Patni, Laghu Udyog Bharti, Jhalawar
65	Sh. Hukmi Chand Somani, Laghu Udyog Bharti, Ramganjmandi
66	Sh. Kunal Jain, Laghu Udyog Bharti, Ajmer
67	Sh. Sandeep Ramsukha, Shree Sharan Associates Pvt. Ltd.
68	Sh. Ramesh Menaria, Hindustan Zinc Limited, Udaipur
69	Sh. Sandeep Ramsukha, Laghu Udyog Bharti, Rajsamand
70	Sh. Arjun Raj, Bhagwan Mahaveer Viklang Sahayata Samiti (BMVSS), Jaipur
71	Sh. Narendra Bafna, ASI Industries Limited, Jaipur

1.12 The Commission forwarded the suggestions/comments submitted by the Stakeholders' to the respective Discoms for furnishing the reply.

1.13 Discoms furnished the reply to the Stakeholders as well as to the Commission.

1.14 The hearing in the matter was held through virtual mode on 16.07.2024, 18.07.2024 and finally heard on 22.07.2024. The list of persons who made oral submissions during the hearing is enclosed at **Annexure-A**.

1.15 Post hearing, the Discoms also filed clarification in respect of issues raised by the stakeholders during the hearing.

1.16 The Commission has carefully considered the petitions filed by Discoms, objections and suggestions filed by stakeholders thereon, reply given by the Discoms in respect of stakeholder's objections/ suggestions and oral submissions made by the Stakeholders during the hearing, replies received after hearing and also perused all the relevant records while finalizing this order.

1.17 Discoms prayed to approve the True up of FY 2022-23 and Aggregate Revenue Requirement (ARR), Tariff and Investment Plan for FY 2024-25 as submitted.

1.18 As issues arising in all the 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. Therefore, Commission has decided to consider all the petitions together for True Up for FY 2022-23 and Aggregate Revenue Requirement (ARR), Tariff and Investment Plan for FY 2024-25 and dispose them through this common order.

1.19 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.

1.20 For ready reference, a list of abbreviations used in this order is placed at **Annexure – B** of this order.

1.21 All energy figures used in this order, unless stated otherwise, are in Million Units (MUs).

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

1.23 This order has been structured in six sections as given under:

a) **Section 1**- Background.
b) **Section 2** - Stakeholders comments/suggestions, Petitioners' response and the Commission's observations/views thereon.
c) **Section 3** - True-up of ARR for FY 2022-23 of the three Discoms.
d) **Section 4** - ARR and Investment Plan for FY 2024-25 of the three Discoms:

In section 4, the Commission has also looked into performance of Discoms, Distribution losses, effect of Loss Subsidy, various steps taken by Discoms for efficiency improvement and individually dealt various cost parameters viz power purchase cost, O&M, interest cost, Investment Plan, capital expenditure, depreciation etc. and the estimated sales and revenue for various categories of consumers in accordance with RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019 as amended from time to time.

e) **Section 5** –Tariff Proposals and approved Tariff:

Discoms have proposed certain rationalization measures and sought some clarifications in order to facilitate better utilization of resources, economic pricing and better revenue management which have been dealt in the order.

f) **Section 6**- Directives:

In this section, the Commission has considered compliance of directions given in its previous order and has made observations and directives for improvement of the sector as a whole and Discoms.

Section – 2 Stakeholders comments, Petitioners' response and the Commission's views:

Part I –Issues/Comments related to True-up of FY 2022-23

2.1 Accounts and C&AG observation

2.1.1 Stakeholders' Suggestions/Comments:

1. It was submitted that Comptroller and Auditor General of India has made a comment on the audited accounts of all Discoms that the opinion by the statutory Auditors that the accounts give a 'true and fair' view is incorrect. In view of above remarks by C&AG, how the audited accounts of three Discoms can be considered for truing up and ARR purposes.

2. JVVNL and AVVNL have submitted that their accounts have been recasted as per Govt. of Rajasthan's directions. No details of these directions have been brought out in petition.

2.1.2 Petitioners' Response:

1. Discoms submitted that in the Annual Report of the Discoms for FY 2022-23, the Management of the Discom has submitted its replies to the comments of the Comptroller and Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013. The comment of the C&AG is restricted to a particular observation which was suitably replied to by the Management of the Discom.

2. Discoms submitted that the directions of the Government of Rajasthan on account of which the accounts for FY 2022-23 were recast/revised, detailed statement on the same is provided in the Petition.

2.1.3 Commission's View:

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

2.2 Huge variation

2.2.1 Stakeholders' Suggestions/Comments:

It was submitted that Discoms may clarify the high variation in power purchase cost, depreciation, revenue gap and total revenue etc. against approved figures.

2.2.2 Petitioners' Response:

Discoms submitted that the projections are based on the trajectory of the historical data available with the Discom and they have already submitted the justifications for the above-mentioned deviations in the true-up petition.

2.2.3 Commission's View:

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

2.3 Temporary connection

2.3.1 Stakeholders' Suggestions/Comments:

1. It was submitted that in case of AVVNL & JdVVNL information of number of connections and revenue received from temporary connection have not been provided.

2. It was submitted that JVVNL may provide the information of amount assessed and arrears to be received from temporary connections under Domestic and Non Domestic category.

2.3.2 Petitioners' Response:

Discoms submitted details pertaining to temporary connections are filed in Formats for FY 2022-23.

2.3.3 Commission's View:

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

2.4 Sales and Revenue

2.4.1. Stakeholders' Suggestions/Comments:

1. It was submitted that AVVNL has shown sale of power to Large Industries as 8179 MU against the approved sale of 6438 MU, an increase of 27%, which does not appear to be realistic and may be clarified.

2. It was submitted that sales break-up for Large Industries sub-category (a) Below 1 MVA & (b) 1 MVA & above, may be provided by AVVNL.

2.4.2. Petitioners' Response:

AVVNL submitted that sale of power to Large Industries has been provided as per audited accounts of the Discom.

AVVNL submitted that the break-up of energy sales in LIP category is provided.

2.4.3. Commission's View:

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

2.5 Transmission Losses

2.5.1. Stakeholders' Suggestions/Comments:

It was submitted that Commission has many times directed the Discoms that they should file the information of inter and intra state losses separately, however, all Discoms have failed to file the same. Therefore, it is suggested that 10% cost of power purchase be deducted/ disallowed and if such default is continued, in subsequent year 5% be disallowed of power purchase cost.

2.5.2. Petitioners' Response:

Discoms submitted that a committee has been constituted which includes concerned officials from the Discoms, RUVTIL and RVPNL to comply with the directive of the Commission regarding having a separate account of inter and intra-state transmission losses. The committee is in process of carrying out the required analysis.

2.5.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and replies of Discoms thereto and has dealt with this issue of transmission losses under true up analysis section of this order.

2.6 Distribution Losses

2.6.1. Stakeholders' Suggestions/Comments:

It was submitted that the reduction in Distribution Losses by the Discoms, specially Ajmer Discom, should be appreciated. However, such reduction in

losses appear to be doubtful. In view of this, circle-wise losses and losses in the area of Distribution Franchise be also provided.

2.6.2. Petitioners' Response:

Discoms submitted that they have submitted the Format 3.11 and Format 7.1 of the True up Formats wherein detailed calculation of distribution loss for FY 2022-23 and circle-wise distribution loss for FY 2022-23 is given.

2.6.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and replies of Discoms thereto and has dealt with this issue of distribution losses under true up analysis section of this order.

2.7 Power Purchase

2.7.1. Stakeholders' Suggestions/Comments:

1. It was submitted that Discoms have claimed service charge paid to RUVITL. Commission in their order dated 6.2.2020 has disallowed service charges accordingly, the same should not be allowed.
2. It was submitted that coal mining and Delivery Agreement dated 3.10.2013 executed between RVUN and Rajasthan Collieries Ltd. states that if the company fails to supply coal from allotted coal block or alternate sources on commissioning of the generating unit(s) at power projects, RVUNL is at liberty to get the coal from any other sources and the additional cost, if any incurred by RVUNL over and above shall be to the account of the company. In this regard Discoms should clarify whether they asked the RVUN for not passing such cost on them and instead should have recovered the same from Rajasthan Collieries Ltd.
3. It was submitted that Discoms have mentioned that "in case of hydro power plants, factors such as revised AFC charges, arbitration interest, wage revision and recovery of energy charges as per Orders of the Hon'ble CERC for prior period costs also resulted in increase in power purchase costs during FY 2022-23". However, Discoms have not provided the relevant documents of arbitration interest, change in law, Hon'ble CERC orders specifying the relevant clause of the orders where under the charges have been increased. These may now be supplied.
4. It was submitted that Discoms may also state whether such higher power purchase is done on MOD basis or not.
5. It was submitted that so far generating stations of Rajasthan are concerned,

the direction of Central Govt. under Section 11 are not operative. Therefore, RVUN should not have purchased imported coal. It is the State Govt. who was to pass such orders. Besides, there was no shortage of supply of coal in respect of RVUN stations and as such question of purchase of imported coal does not arises. Whether Discoms have raised this point in respect of true up petition of RVUN. If not, reasons for the same may be provided.

6. It was submitted that energy at Discoms periphery as shown by three Discoms are much less than the energy transmitted by RVPN. This indicates two things, firstly power purchase shown by Discoms are on lower side and secondly their actual losses are on higher side than what has been stated. The Discoms may clarify the same.
7. It was submitted that while approving the power purchase cost, sales plus approved normative distribution and transmission losses should only be considered.
8. It was submitted that Discoms may provide a comparative statement of power purchase cost as was envisaged in petition of ARR for FY 2022-23 and now actually incurred separately for fixed charges and energy charges of various generating units duly indicating the reason of increase.
9. It was submitted that JVVNL may provide the details of high cost claim of banking of Rs. 291 Crore.
10. It was submitted that with an objective to reduce short term power purchases during day time, solar roof top and KUSUM (feeder level solarisation) should be promoted more vigorously.
11. It was submitted that power has been purchased at very high cost from some sources such as Coastal Gujarat at Rs.9.18/KWh against approved rate of Rs. 2.78/KWh, Adani Power- at Rs.6.16/KWh against approved rate of Rs. 4.17/KWh and Raj West Power (JSW Energy) at Rs 5.04/KWh against approved rate of Rs. 4.20/KWh. Detailed reason may be furnished by Discoms.

2.7.2. Petitioners' Response:

1. Discoms submitted that the RUVITL is providing service to the Discoms in forecasting and scheduling demand of the Discoms and procuring power on merit order principles. This ensures that power is procured at efficient rates and ensures that such efficient costs are ultimately passed on to the consumer. Therefore, Commission may consider the same.
2. Discoms submitted that RUVITL procures power on behalf of the Discom. Furthermore, the RUVITL, if deemed necessary may submit its observations on the Petitions filed by RVUN.

3. Discoms submitted that list of the orders of the Hon'ble CERC with respect to hydro stations has been provided.
4. Discoms submitted that the RUVITL, which procures power on behalf of the Discom, adheres to the provisions of merit order and the provisions of RERC tariff Regulations.
5. Discoms submitted that the RVUITL duly submits its observations on the Petitions filed by RVUN.
6. Discoms submitted that the details reported are as per the audited annual financial statements of the Discoms for FY 2022-23. Further, it is also submitted that there is due coordination between the RVPNL and the Discom to ensure that issues are taken up at the appropriate forum.
7. Discoms submitted to consider distribution loss as submitted in the Petition and recorded in the audited financial statements of the Discoms for FY 2022-23.
8. Discoms submitted that the detailed justification for increase in power purchase cost in FY 2022-23 has been provided in the Petition. Furthermore, the Discoms have submitted the comparison of fixed charges and variable charges as approved by the Commission and as incurred by the Discom in its replies to the deficiencies observed by the Commission.
9. Discoms submitted that expense towards banking is filed as per the Audited accounts for FY 2022-23.
10. Discoms submitted that they are committed towards successful implementation of the PM KUSUM and PM Suryaghar Schemes of the Government of India. They have already furnished updated status of implementation of the PM KUSUM Scheme.
11. Discoms submitted that they have provided due justification for increased power purchase cost in the Petition.

2.7.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and replies of Discoms thereto and has dealt with issue of power purchase in true up analysis section of this order.

2.8 Fixed Assets and Depreciation

2.8.1. Stakeholders' Suggestions/Comments:

1. It was submitted that none of three Discoms have provided the details of assets and depreciation as per Regulation 27 (4) of RERC Tariff Regulations. Thus no depreciation should be allowed to Discoms, till they provide the information as per Regulation 27 (4) of RERC Tariff Regulations.

2. It was submitted that Discoms may provide the information of number of 33 and 11 kV lines with length in CKM i.e. a list of such lines be provided for FY 22-23 along with cost.

3. It was submitted that details and methodology adopted for accounting of assets which are not in use such as burnt transformers which are replaced by new transformers be provided.

2.8.2. Petitioners' Response:

1. Discoms submitted that depreciation expenses incurred for FY 2022-23 are in line with the provisions of the Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2019. Furthermore, the details required by the stakeholder are submitted in the Fixed Asset Register submitted with petition.

2. Discoms submitted that details sought by the stakeholder is already provided in the Fixed Assets Register.

3. Discoms submitted that in case of a defective transformer being pulled back, the depreciated value of the same at the time of replacement is considered. The new transformer is installed and the record of issue of new transformers are maintained in the inventory of the Store.

2.8.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and replies of Discoms thereto and has dealt with this issue of depreciation in true up analysis section of this order.

2.9 <u>Interest on term and Working Capital Loan</u>

2.9.1. Stakeholders' Suggestions/Comments:

1. It was submitted that interest on loan over and above the normative working capital and term loan should not be allowed.

2. It was submitted that interest on security of consumer be allowed to the extent actual payment has been made.

2.9.2. Petitioners' Response:

1. Discoms submitted that Commission may consider expenditure as submitted in the petition.

2. With regard to interest on security deposit, Discoms submitted that Commission may consider expenditure as submitted in the petition.

2.9.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto. The Commission has dealt with issue of interest and finance charges under true up analysis section of this order.

2.10 O& M and Insurance Charges

2.10.1. Stakeholders' Suggestions/Comments:

1. It was submitted that while working out the O&M expenses, sales should be considered after excluding distribution franchisee sales.
2. It was submitted that Discoms may provide details insurance charges.

2.10.2. Petitioners' Response:

1. Discoms submitted that sales made by the Discoms include units sold to the Franchisee as well and thus, O&M expenses should be allowed on total consumer-end sales in the Discom's area of supply.
2. Discoms submitted that they have filed the details of insurance charges.

2.10.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has approved the O&M expenses as per norms prescribed in the RERC Tariff Regulations, 2019.

2.11 Terminal benefit

2.11.1. Stakeholders' Suggestions/Comments:

It was submitted that Discoms should furnish the certificate of depositing the amount towards terminal benefit fund.

2.11.2. Petitioners' Response :

Discoms submitted that they have filed the details of additional contribution deposited in the trust.

2.11.3. Commission's View:

The Commission has allowed the expenses towards terminal benefit only to the extent of actual payment made to designated Fund.

2.12 Other Debits and Exceptional Items

2.12.1. Stakeholders' Suggestions/Comments:

1. It was submitted that the rebates allowed to consumers is not expenditure. Rebates are part of tariff and as such cannot be said as an expenditure of Discoms.
2. It was submitted that the issue of "Write-off of Tariff subsidy recoverable from GoR" is between Discom and GoR and if Govt. has not allowed this subsidy, the amount be recovered from the concerned consumer or borne by the Discom itself but cannot be an exceptional expenditure.
3. It was submitted that JVVNL at para 8.5 of the petition has claimed Rs. 487.88 Crore towards energy bills for Cross Subsidy and Additional Surcharge to the North Western Railway (NWR) stating it as exceptional expenses pass through in the ARR. JVVNL has not made any expenditure, this amount cannot be considered for pass through in ARR.
4. The detailed calculation of writing-off of tariff subsidy along with methodology of the assessment of energy consumption of stopped and defective meters have not been provided in the petition.

2.12.2. Petitioners' Response :

1. Discoms submitted that they offer rebates as approved by the Commission in the Tariff Orders.
2. Discoms submitted that they have already clarified in the petition that the impact of write-off of tariff subsidy is Nil.
3. JVVNL submitted that proper detailing and justification have been provided regarding the treatment of exceptional item of energy bills for Cross Subsidy and Additional Surcharge to the North Western Railway (NWR) for the period Jan-2017 to Mar-2022.
4. Discoms submitted that Commission, vide its Tariff Order dated 01.09.2022 had directed the Discoms to take necessary action to ensure that all meters remain in working condition and directed the Discoms to restrict the ratio of

defective agriculture meters to total meters to a maximum of 10%. Further, in the Tariff Order dated 31.03.2023, the Hon'ble Commission had disallowed sale assessed towards defective meters. Subsequently, the Energy Department, GoR vide its letter dated 11.04.2023 has intimated that Finance Department, GoR has directed to Rajasthan Discoms for writing-off tariff subsidy receivables from Govt. on account of stopped and defective meters which has been calculated on the basis of flat rate billing instead of metered rate billing. Accordingly, written-off differential tariff subsidy is accounted.

2.12.3. Commission's View:

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

2.13 Subsidy

2.13.1. Stakeholders' Suggestions/Comments:

It was submitted that Discoms may provide the information of subsidy received and receivable from state Government as on 31.03.2023.

It was submitted that main reason of deficit is the lower realization of subsidy received from the Govt. against the approved subsidy therefore the Discoms should take-up this issue with the GoR.

2.13.2. Petitioners' Response :

The Discoms submitted the information of subsidy assessed and received as sought by stakeholders.

2.13.3. Commission's View:

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

2.14 Fuel Surcharge

2.14.1. Stakeholders' Suggestions/Comments:

1. It was submitted that in order dated 01.09.2022, the Discoms were directed to create a separate account head for special FSA and report the status of amount recovered as well as repayment of loan in each true-up petition, Discoms have not filed such information, the Discoms may now provide the same.

2. It was submitted that in compliance of High Court order, the Discom may state in clear terms that special fuel surcharge being recovered do not contain any element of interest/ carrying cost and provide the complete detail of the same.

3. It was submitted that revenue from fuel cost adjustment can be determined based on past average. However, the concept of base FSA, as approved by the Commission is not as per rule 14 of the Electricity (Amendment) Rules, 2022 notified on 29th December 2022. These rules are a subordinate legislation and are binding. The specified provisions of FSA needs review.

2.14.2. Petitioners' Response :

1. Discoms submitted that accounting of the assessment vis-à-vis realization of the special FSA is being made and the same is being periodically reconciled with the repayment and interest paid against the loan taken for payment to M/s Adani Power against its claim of change-in-law. Year wise amount assessed, realized and debt servicing only interest payment is being made as the principal payment not started yet.

2. Discoms submitted that the matter raised by the stakeholder is presently sub-judice.

3. Discoms submitted that Commission vide its Tariff Order dated 31.03.2023, has approved the levy of Base FSA, accordingly, Fuel Surcharge is computed as per the provisions of Regulation 88 of the RERC Tariff Regulations, 2019 and Base FSA is levied on the basis of actual weighted average of FSA levied during all four quarters of the previous year.

2.14.3. Commission's View:

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

2.15 <u>Distribution Franchisee</u>

2.15.1. Stakeholders' Suggestions/Comments:

It was submitted that to assess the viability of DF, details of comparison of circle wise financial and consumer load, losses, investment of DF under JVVNL areas be provided.

2.15.2. Petitioners' Response :

The JVVNL submitted that in compliance to Commission's directives they have submitted Audit reports of Distribution Franchisees.

2.15.3. Commission's View:

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

2.16 RDSS

2.16.1. Stakeholders' Suggestions/Comments:

1. It was submitted that to avail the loan under RDSS, Discoms have to ensure 100% receipt of subsidy, 100% receipt from All Govt. Deptt., attached offices, local Bodies, Autonomous Bodies/ Boards/ Corporation and no regulatory assets. The Discoms have not complied with the above conditions, therefore they are not entitled for any benefit under RDSS scheme.

2.16.2. Petitioners' Response :

1. The Discoms submitted that they are committed to working earnestly towards 100% payment of pending dues from Government Departments. Further, as regards regulatory assets a detailed note on Liquidation of Regulatory Assets was submitted for the perusal of the Commission on 02.01.2023. The Discoms also submitted that they in compliance with guidelines of the RDSS regarding non-creation of new regulatory assets and ensuring that criteria towards the RDSS are met.

2.16.3. Commission's View:

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

2.17 Agriculture Flat Rate Sales

2.17.1. Stakeholders' Suggestions/Comments:

1. It was submitted that Discoms have not complied with Commission direction of providing the study on specific consumption nor they have fully converted the flat rate consumer to metered supply. Therefore, same should not be allowed.
2. It was submitted that JVVNL should provide correct information of connected load, sales and no. of consumers of flat rate category.

2.17.2. Petitioners' Response :

1. Discoms submitted that they are much committed towards the proper and timely compliance of the directives issued by the Commission in its tariff orders. The Discoms, even after facing many hurdles, have been relentlessly working on the conversion of existing flat rate agriculture consumers to metered category. JVVNL will convert the existing flat rate consumers to metered category by 31.03.2024, and JdVVNL by 31.03.2025. Whereas AVVNL submitted that there are no flat rate consumers.

2. JVVNL submitted the information of connected load, sales and no. of consumers of flat rate category.

2.17.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto. The Commission has dealt with issue of flat rate agriculture sales under true up and ARR analysis section of this order.

Part II –Issues/Comments related to Aggregate Revenue Requirement (ARR) and Investment Plan of FY 2024-25

2.18 General

2.18.1. Stakeholders' Suggestions/Comments:

1. It was submitted that authenticity of data is required, as in petition itself there are different data at few places, specifically regarding energy generated by Solar roof top, industries and data of RVPN supply etc.
2. It was submitted that Discoms have failed to implement FRT model, neither the trained staff is available, nor the sufficient number of vehicles are provided to attend faults on 11 kV and LT.
3. It was submitted that material like earth rods, earth wire, stay wire, stay insulators are not made available as per CEA safety Regulations 2023 in field, causing undesirable accidents of public and personnel of Discoms.
4. It was submitted that substandard material is being supplied, quality of material purchased needs improvement.

2.18.2. Petitioners' Response :

1. Discoms submitted that data as presented in the Petition are based on the annual accounts of the Discoms which is duly audited by the statutory auditor and the CAG. Hence, the authenticity of the data is not questionable.

2. Discoms submitted that to reduce outages arising out of failure of critical electrical equipment and to address consumer complaints promptly, Fault Rectification Teams (FRT) have been designed who are tasked with the ambit of addressing consumer complaints on urgent basis, for which trained staff with sufficient number of vehicles are available.

3. Discoms submitted that they are committed towards the supply of uninterrupted quality supply to its consumers. In order to ensure the same, all the technical parameters including installation of high-quality tested equipment in field, timely replacement of faulty equipment and system, ensuring adequate qualified technical workers in substations, ensuring safety measures as per CEA guidelines etc. are followed by the Discoms.

4. Discoms submitted that they ensure that only high-quality tested electrical material and equipment is installed in the Discoms. A thorough tender process is followed by the Discoms ensuring material purchase from certified and trusted vendors at reasonable price.

2.18.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has taken a view while deciding the true up and ARR.

2.19 Compliance of Directives

2.19.1. Stakeholders' Suggestions/Comments:

The Commission directives have not been complied with by the Discoms.

2.19.2. Petitioners' Response:

Discoms submitted that the directives issued by the Commission in tariff orders are taken up by the Discom with utmost seriousness. The detailed compliance status of the issues directions is covered in the Compliance to Directives

section. Updated status to certain directives has also been provided as a part of the reply to data gaps observed by the Commission.

2.19.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto. The Commission has reviewed Compliance of Directives in section 6 of this order.

2.20 Power Purchase

2.20.1. Stakeholders' Suggestions/Comments:

1. It was submitted that recently, the Commission has approved the levelized tariff discovered through competitive bidding under PM Kusum Scheme of three Discoms, whether Discoms have accounted for impact of such orders in Power purchase projections.
2. It was submitted that quantum of power of RVUN and RajWest stations may be taken as per RVUN and RajWest petition.
3. It was submitted that Commission vide its order dated 28.1.2021 has allowed the Discoms to exit the PPA's of Anta GTPS, Auriya GTPS, Dadri GTPS, FGUTTPS Unit 1 and FSTPS. Then why Discoms considered these stations in their forms of Petition.
4. It was submitted that Energy Assessment Committee on dated 25th Jan. 2024 had indicated short fall of availability of energy in months of April, May, June, 2024 whereas energy to be returned in barter with other states in these months, why Discoms failed to make proper arrangements of deficit units, resulting in power cuts during summers, also planning to meet shortfall in Rabi session, who is responsible for such lapses.

2.20.2. Petitioners' Response:

1. Discoms submitted that the generation and corresponding cost of injected power from Solar PV plants under Component-C (Feeder Level Solarization) of PM KUSUM Scheme has been considered for the power purchase projects. However, developers are expected to adhere to the timelines specified in the Request for Selection (RfS).

2. Discoms submitted that quantum of power purchase as per the submissions made in the Petition be approved.

3. Discoms submitted that unrecovered charges and eligible charges for prior period as per the prevailing rules/ regulations in respect of Anta GTPS, Auriya GTPS, Dadri GTPS, FGUTTPS-1 and FSTPS for the PPA period are being shown in the FY 2022-23. Further, it is submitted that Power from Anta, Auriya and Dadri had been relinquished w.e.f. 06.06.2022; therefore, charges from 01.04.2022 to 05.06.2022 were also shown.

4. Discoms submitted that energy deficit during May and June 2024 can be attributed to severe heat waves and extreme weather conditions, leading to higher electricity consumption. Efforts were made to offset the deficit by purchasing power from the exchange. Unfortunately, the evening peak hours posed a challenge - the same hours when the entire country faced its peak hours. Despite bidding for deficit power mostly at maximum price cap on power exchange, the total bid quantum could not be satisfied due to limited availability on the exchange. Consequently, RUVITL had no choice but to implement load shedding during evening hours, according with the peak demand period for the state.

2.20.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with this issue of power purchase in ARR section of this order.

2.21 Distribution losses

2.21.1. Stakeholders' Suggestions/Comments:

1. It was submitted that recently, the Commission has approved the levelized tariff discovered through competitive bidding under PM Kusum Scheme of three Discoms, whether Discoms have accounted for impact of such orders in Distribution losses projections.
2. It was submitted that details of circle wise losses by Discoms be provided for all circles of last three years for comparison.

2.21.2. Petitioners' Response:

1. Discoms submitted that the generation and corresponding cost of injected power from Solar PV plants under Component-C (Feeder Level Solarization) of PM KUSUM Scheme has been considered for the power purchase projection.

2. Discoms submitted that the circle-wise losses data is provided with True-up petitions.

2.21.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue of distribution losses in ARR section of this order.

2.22 Transmission Charges

2.22.1. Stakeholders' Suggestions/Comments:

It was submitted that Transmission charges should be considered as per RERC order for RVPNL and SLDC.

2.22.2. Petitioners' Response:

Discoms submitted that Transmission and SLDC charges may be considered as filed in Petition.

2.22.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue of transmission charges in ARR section of this order.

2.23 O&M Expenses

2.23.1. Stakeholders' Suggestions/Comments:

It was submitted that O&M expenses should be allowed on normative sales, excluding franchisee sales.

2.23.2. Petitioners' Response:

Discoms submitted that O&M expenses for FY 2024-25 have been projected on the basis of norms specified in RERC Tariff Regulations, 2019. Further, Distribution Franchisee is acting on behalf of the Discom to serve the area of supply. This internal arrangement of serving these areas does not alter the situation that the employees working in the Discom are still in the system and the administrative and general expenses are still being borne by the Discoms.

2.23.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue of O&M in ARR section of this order.

2.24 Terminal Benefit

2.24.1. Stakeholders' Suggestions/Comments:

It was submitted that Discoms are not depositing full amount of terminal benefits as approved by the Commission. Hence, highest amount deposited during last five years, should only be considered for current ARR.

2.24.2. Petitioners' Response:

Discoms submitted that over the years, there is a reducing gap between the amount of terminal benefit approved by the Commission and the amount deposited by the Discoms in the trust associated with terminal benefits. Discoms shall strive to continue with the same in the upcoming years as well.

2.24.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue of terminal benefit in ARR section of this order.

2.25 Insurance

2.25.1. Stakeholders' Suggestions/Comments:

Insurance expenses are admissible on actual expenditure basis as per Regulation 25 of RERC Tariff Regulations, 2019.

2.25.2. Petitioners' Response:

Discoms submitted that insurance expenses have been claimed in accordance with Regulation 25 of the RERC Tariff Regulations, 2019.

2.25.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue of insurance in ARR section of this order.

2.26 Depreciation

2.26.1 Stakeholders' Suggestions/Comments:

1. It was submitted that Discoms have to provide proper calculation of assets and depreciation as per Regulation 27 (4) of RERC Tariff Regulations.

2. It was submitted that as per Regulations prescribed rate for Land and Rights is 3.34% whereas JVVNL has calculated it at 3.55%. Similarly for other civil works prescribed rate is 3.34% whereas JVVNL has calculated it at 4.43%. Reasons for the same may be provided by JVVNL.

2.26.2 Petitioners' Response:

1. Discoms submitted that depreciation has been claimed in accordance with Regulation of the RERC Tariff Regulations, 2019.
2. Discoms submitted that Commission may consider the rates specified in the Tariff Regulations.

2.26.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with this issue of depreciation in ARR section of this order.

2.27 Interest and Finance charges

2.27.1 Stakeholders' Suggestions/Comments:

It was submitted that Interest on working capital and term loan should be considered on normative basis.

2.27.2 Petitioners' Response:

Discoms submitted that interest on working capital for FY 2024-25 is claimed as per the provisions of the RERC Tariff Regulations, 2019. Further, Commission may consider the interest and finance charges for FY 2024-25 as claimed in the Petition.

2.27.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with this issue of interest on term loan & working capital and finance charges in ARR section of this order.

2.28 Sales

2.28.1 Stakeholders' Suggestions/Comments:

1. It was submitted that sales projection do not show any impact of temporary connection. It should be based on past years average basis.

2. It was submitted that Discoms may provide the information of connected load of Agriculture metered consumers.

2.28.2 Petitioners' Response:

1. Discoms submitted details pertaining to temporary connections are filed in Formats for FY 2022-23.

2. Discoms submitted that information of connected load have been provided in format 2.1 of the petition.

2.28.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with this issue in ARR section of this order.

2.29 Regulatory Asset

2.29.1 Stakeholders' Suggestions/Comments:

It was submitted that Commission vide order dated 31.3.2023 directed Discoms to request State Govt. to grant additional subsidy in the form of ED retention or any other manner apart from taking 100% losses of Discoms to further reduce regulatory assets. Discoms may provide steps taken in this regard.

2.29.2 Petitioners' Response:

Discoms submitted that they had approached the State Govt. with the proposal for retention of ED, but the same was declined by the Govt.

2.29.3 Commission's View:

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

2.30 <u>Revenue surplus</u>

2.30.1 Stakeholders' Suggestions/Comments:

It was submitted that during FY 2024-25, Discoms have projected the revenue surplus, therefore, the Energy Charges for Large Industries be reduced, which will attract more industries in Rajasthan.

2.30.2 Petitioners' Response:

Discoms submitted that they have estimated revenue surplus for FY 2024-25. However, it is also necessary to consider the current level of regulatory assets. Revenue surplus will be adjusted against the cumulative unfunded gap, thereby reducing the burden on the consumer.

2.30.3 Commission's View:

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

2.31 <u>Revenue from Poles</u>

2.31.1 Stakeholders' Suggestions/Comments:

1. It was submitted that Discoms may provide expected revenue from Pole rental charges for FY 2024-25.

2. It was submitted that there is continuous non-compliance of Commission directive especially in respect of monetization of assets.

3. It was submitted that the reply given by JVVNL in respect of JCC is fictitious. Similar situation exist in other Discoms where reporting is not proper.

4. It was also submitted that in some circle like Dausa and Tonk, zero poles are shown to be used, which is not possible. In some circles the quantity of poles is reducing over years which also appears to be manipulated.

2.31.2 Petitioners' Response:

The Discoms submitted the information sought by the stakeholder.

2.31.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with this issue in ARR section of this order.

2.32 Wheeling Charges, Cross Subsidy Surcharge and Additional Surcharge

2.32.1 Stakeholders' Suggestions/Comments:

1. It was submitted that the MoP, GoI has notified Electricity (Amendment) Rules 2022 on 29.12.2022 where it has capped the surcharge on open access at 20% of the Average Cost of Supply. It is requested to cap the surcharge on open access with reference to the ACoS, in line with the Electricity (Amendment) Rules, 2022.
2. It was submitted that Cross subsidy level worked out by JVVNL is based on single value of average cost of supply (Rs. 3.00 for FY 23-24 and Rs. 2.75 for FY 24-25) for all voltage levels. This is not correct as cost of supply varies with voltage of supply of each category of consumers (lowest for EHV and highest for LT supply).
3. It was submitted that correct reflection of cross subsidization by a consumer category or to a consumer category will be given only if, cost of supply is based on weighted average of product of voltage wise cost of supply (as worked out for wheeling charges) and voltage wise sales under that category. Thus, it would be appropriate to revise the calculations.

2.32.2 Petitioners' Response:

1. Discoms submitted that surcharge on open access has been capped at 20% of average tariff as per the provisions of National Tariff Policy. The same is also in accordance with the methodology adopted by the Commission in its ARR and Tariff Order for FY 2023-24 dated 31.03.2023.

2. Discoms submitted that cross subsidy surcharge is proposed based on the formula provided in RERC Tariff Regulations, 2019.

2.32.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with this issue of Wheeling, Cross subsidy and additional surcharge in Tariff section of this order.

2.33 Renewable Purchase Obligation

2.33.1 Stakeholders' Suggestions/Comments:

It was submitted that CERC in the order dated 08.10.2023 has approved amendment in Renewable Energy Certificate Contracts and allowed fungibility of RECs to fulfill any RPO. The REC market since the issue of the Order has observed heavy drop in REC trading price as low as Rs. 150 per REC in the recent session. The Discoms may take benefit of the low prices in the REC market.

It was submitted that JVVNL and AVVNL has shown RPO as per MoP, GoI, which is differing from RPO as per RERC (Renewable Purchase Obligation) Regulations 2023. Discoms may clarify the same.

It was submitted that Wind power is costlier than Solar but considering last Tariff discovered in Gujarat for 140 MW wind power as Rs. 3.42 – 3.44 per kWh and correcting it for lower CUF, wind tariff in Rajasthan is likely to be around Rs. 5 per kWh which will be cheaper than short term power purchases.

It was submitted that Solar PV projects under shadow free area of wind farms should be permitted under competitive bidding as it will effect better utilization of land and existing transmission infrastructure and consequentially cheaper power.

2.33.2 Petitioners' Response:

Discoms may also explore the options/possibilities of procuring REC's for the fulfillment of its RPO targets in future.

Discoms submitted that they are committed to achieving Renewable Purchase Obligation (RPO) prescribed in RERC (Renewable Purchase Obligation) Regulations, 2023. Further, status of RPO compliance, PSAs signed

between RUVITL/Discoms for procurement of RE power and progress as regards PM KUSUM Scheme and rooftop solar has also been provided in the petition.

2.33.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue of procurement of Renewable power under ARR section of this order.

2.34 Green Tariff

2.34.1 Stakeholders' Suggestions/Comments:

1. It was submitted that the Ministry of Power, GoI, vide letter dated 13th May, 2023, has clarified that in no case the Green Tariff should be higher than Average Power Purchase Cost of RE + Surcharge @ 20% of ACoS + (say) a reasonable margin of 25 paisa. Therefore, green tariff should be reworked.

2. It was submitted that considering average pooled cost of power purchase of green energy as Rs. 5.70 per kWh at all voltage level based on T&D loss of 17.52% is incorrect. Instead, voltage wise losses should have been considered as considered for wheeling charges.

3. It was submitted that distribution service cost is the wheeling charges and considering average cost of Rs. 2.04 per kWh based on entire distribution system by JVVNL is not correct as its major portion of distribution cost of servicing LT consumers.

4. It was submitted that cross subsidy surcharge for green energy tariff is to be limited to 20% of cost of supply and not 20% of tariff so it will be less than considered in the proposal.

5. It was submitted that in view of separate provision in the electricity rules of not levying Cross subsidy surcharge and additional surcharge if green energy is utilized for production of green hydrogen and green ammonia, the separate green energy tariff will have to be specified for them.

2.34.2 Petitioners' Response:

Discoms submitted that Green Power Tariff for FY 2024-25 has been proposed based on the methodology illustrated in Clause 4 (C)(c) of the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules,

2022. Further, Discoms submitted that they have not proposed any separate green tariff for production of green hydrogen and green ammonia. Therefore, consider the submissions made in the instant Petition.

2.34.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue under Tariff section of this order.

2.35 Excess Demand Surcharge

2.35.1 Stakeholders' Suggestions/Comments:

It was submitted that Discoms proposal of Excess demand Surcharge may be accepted by Commission.

It was submitted that in case consumer 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. This clause should be applicable after a consumer causes a demand of more than 105% of the Contract Demand thrice in a month.

2.35.2 Petitioners' Response:

Discoms submitted that they have only sought clarity in the matter and not proposed any proposals towards tariff rationalization.

2.35.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue under Tariff section of this order.

2.36 New industry rebate and Incremental Consumption Rebate

2.36.1. Stakeholders' Suggestions/Comments:

It was submitted that as per Discom's proposal "the consumers may not be allowed to claim the new connection rebate from date of commercial operation based on entitlement certificate/minutes of meeting or any

other documents submitted on or after 01.04.2023. The same shall be provided based on the date of connection as mentioned in the certificate issued by the sub-division office". Earlier also no such condition of certificate from industrial was there, Discoms may clarify the same.

It was submitted that as per Discoms proposal consumer, to whom the incremental rebate was not allowed in part months due to transfer of connection in the mid of year 2018-19 from any other category to HT-LIP category, shall be eligible for incremental rebate for the rest of the months in which incremental rebate was not allowed due to unavailability of consumption or any other reason. Discoms may clarify that how Discoms are dealing with provision from last 5 years.

It was submitted that instead of 1 year, the new industrial rebate should be given for 3 to 5 years.

It was also submitted that new connection rebate was not allowed to M/S ASI industries by Jaipur Discom since beginning despite furnishing the requisite certificate dated 23.7.21from industries department. This is violation of Commission's order.

2.36.2. Petitioners' Response:

Discoms submitted that they have only sought clarity in the matter and not proposed any charges towards tariff rationalization. Discoms, further submitted that they provides the new industry rebate for 12 months from the date of release of new connection and thereafter such consumer continues to avail the benefit of incremental consumption rebate despite being financially overburdened. They have not proposed any amendment in this regard.

JVVNL submitted that entitlement certificate issued for getting 100% exemption in electricity duty in energy bills being new unit was made available to this office vide unit officer letter no. 962 dated 24.09.2021. The said certificate issued on dated 23.07.2021. The exemption in electricity duty has been started in energy bills. JVVNL submitted that it has received the entitlement certificate where in nowhere the date of commencement of commercial production was mentioned or provided to this office as per the requirement of Tariff for Supply of Electricity-2020. Thereafter, consumer representation was received in Discom in the month of May-2023, vide which

new connection rebate was requested by consumer for the prior period i.e. from the date of connection. The matter was put up to higher authorities, and the request of the consumer was not considered as the incremental rebate was being allowed in energy bills as per Tariff for Supply of Electricity -2023.

2.36.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms. As regards new connection rebate, from the reply of JVVNL it appears that though the consumer has attached certificate from industrial department and started making consumption from Discom and Discom started giving ED exemption, but the Discom has not given the new connection rebate however, the incremental consumption rebate is being allowed by the Disocm. Whereas as per the orders of the Commission, the new connection rebate was applicable for new connection taken form 01.04.2019 to 31.03.2023 and from 31.03.2023 for twelve months only thereafter incremental rebate was applicable. Accordingly, Discom may again consider representation of the consumers in this regard as per orders of the Commission.

2.37 <u>ToD tariff for EV Charging stations</u>

2.37.1. Stakeholders' Suggestions/Comments:

Proposal of Discoms that not to provide the ToD rebate in cases of LT consumers, may be accepted by Commission.

2.37.2. Petitioners' Response:

Discoms submitted that they have not proposed any proposals towards tariff rationalization. However, the Discoms have only sought clarity in the matter.

2.37.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue under Tariff section of this order.

2.38 MES

2.38.1. Stakeholders' Suggestions/Comments:

It was submitted that the majority of the troops residing in Military station are staying single in barracks and the balance in married accommodations and they may be considered in domestic category of power consumption but the tariff rates to them are charged as 'mixed load' category, which is much higher as the MES is considered as bulk consumer.

It was submitted that since the Military Station of Jaisalmer under GE (A) Jaisalmer is consuming power as a bulk consumer largely for domestic purpose and there are few office HQs, none of the establishments in Defence are being used for any industrial or commercial activity. Therefore creation of a special slab for Armed Forces would be desirable. This tariff slab should be at par or lower than that applicable to domestic consumer at civil area.

2.38.2. Petitioners' Response:

Discoms submitted that Commission, in its Tariff Order for FY 2023-24, had directed the Discoms to examine proposal for creation of separate slab for the Armed Forces. However, the Discoms submitted that they have not envisaged any such proposal.

2.38.3. Commission's View:

The Commission has taken note of the comments of the Stakeholder and reply of Discoms thereto, it is observed that Discoms have not proposed creation of any special slab for MES. Therefore, Commission has also not considered any creation of special slab for MES.

2.39 Hingonia Cattle rehabilitation centre

2.39.1. Stakeholders' Suggestions/Comments:

It was submitted that Hingonia cattle rehabilitation centre is serving and taking care of more than 15000 cows, which are destitute, sick and abandoned, it is requested to waive off fixed charges for cow rehabilitation centres.

2.39.2. Petitioners' Response:

Discoms submitted that Energy Department, GoR, vide Order No. F.1(9)Energy/2020 dated 18.06.2021 had decided to charge 50% of the Domestic Tariff i.e. 50% energy charges and full fixed charges applicable for Domestic Category from recognized and registered Gaushala connections instead of full Domestic Tariff.

2.39.3. Commission's View:

The Commission observed that Government of Rajasthan is already providing relief to Gaushalas in energy charges. Therefore, for further relaxation in payment of fixed charges to the Gaushala's, the Discoms may put up a suitable proposal to the Government of Rajasthan.

2.40 LPS

2.40.1. Stakeholders' Suggestions/Comments:

It was submitted presently, LPS is being charged at the rate of 0.1% per day making it 3% per month from the LIP consumers, which is very high compared to the Normal Interest Rates. It was requested that the LPS rate should be below 0.04% per day (1.2% per month).

2.40.2. Petitioners' Response:

Discoms submitted that the provisions of late payment surcharge are covered under the Terms and Conditions of Supply issued in consequence to the Rajasthan Electricity Regulatory Commission (Electricity Supply Code and Connected Matters) Regulations, 2021.

2.40.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto. It is observed that as per existing provisions, LPS is being charged at the rate of 0.1% per day from LIP consumers, whereas for other category of consumers its 2% per month for delay in payment beyond due date. LPS is a deterrent provision to ensure timely payment. Large corporate have sufficient cash flows and manpower to ensure that there is no delay in payment and on the other hand they have a facility to avail prompt payment rebate if they deposit their bill timely.

On non-payment by due date the Discoms are required to disconnect the connection by giving 15 days' notice and for 15 days LPS considering 0.1% per day will be 1.5%. The situation that the consumer will not deposit the bill for 365 days and continues to enjoy supply without facing disconnections is a hypothetical situation. Therefore, Commission is not inclined to make any revision in existing LPS provisions.

2.41 Polyhouse consumers

2.41.1. Stakeholders' Suggestions/Comments:

1. It was submitted that electricity supply is available to pump sets only for Agricultural purposes. Also Character of Services is AC 50 Hrtz, 400 Volts. Accordingly, it may be inferred that the Electricity cannot be used for other than pump sets for Agricultural purposes and also supply is restricted to Three phase 400 volts. In view of above, the following changes are required:

    a. **Additional schedule say AG/HT**, under Agriculture Service be provided with Applicability : Use of Electricity for Pump sets including allied implements (such as Cooling, Lighting, Heating equipment) installed inside Polyhouse built in the same Field/ Farm, exclusively for Agricultural use

    b. **Character of service** for this proposed Schedule AG/HT be defined as 33 kV, 11 kV.

    c. If a dedicated feeder is drawn from 132 kV GSS or nearby 33 kV substation for such consumers, at the cost of consumer, the tariff for other than block supply be applied.

    d. Consumers having/ willing to take new connection on LT supply for their Agriculture connections with their Poly house built in the same Field/ Farm, having demand not more than 50 KVA, can be allowed to run under Existing Agriculture Supply Schedule AG/ LT-4 (where on total connected load should include all Equipment installed inside Polyhouse as well).

    e. Fixed Charges and rate per unit under proposed Schedule AG/ HT, for example Fixed Charges- Rs. 60 – 100/ KVA and per unit charge 6.85 to 7.00/ kWh.

f. For AG/ HT consumer HT Line and substation shall be drawn/ provided at consumer cost.

2. It was submitted that currently, field officers are applying various tariff schedules to polyhouse consumers, including AG/LT-4, LP/HT-4 and NDS/LT-2 or NDS/HT-2, without uniformity. Therefore, a specific tariff category may be introduced for polyhouse farming to ensure uniformity and fairness in the application of electricity rates.

2.41.2. Petitioners' Response:

Discoms submitted that present applicability for supply of power to Agriculture consumers only includes pump sets used for agriculture purposes, community/cooperative lift irrigation scheme, sewage pumping utilized for agriculture purposes, fisheries, and poultry farms except hatcheries with a separate connection and nurseries. The Commission may accordingly take a prudent view on the suggestion of the stakeholders.

2.41.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and observe that polyhouses are undertaking various activities which is a mix of agriculture, industrial and non-domestic load and in view of this, the Commission directs that polyhouses be covered under Mixed Load category under HT/ LT tariff schedule based on their voltage level as per supply code Regulations. As far as creation of separate schedule for Agriculture consumers is concerned, the Discoms may examine the issue and if need be, they may file suitable proposal based on government policy with their next tariff petition.

2.42 <u>Data Centre</u>

2.42.1. Stakeholders' Suggestions/Comments:

It was submitted that ICICI Bank is having its Data centre facility hosting IT Infrastructure (Storage System, Servers, Network switches, Routers etc.) for developing, running and delivering customer applications and services and for storing and managing the data associated of bank services to consumers across India and globally should be charged under large industrial category in place of Non Domestic category due to following

reasons:

a. Categorization is applicable for entities having sanctioned connected load above 150 HP &/or having Contract Demand above 125 kVA. ICICI Bank Data Centre Jaipur has contract demand of 2700 kVA with JVVNL.

b. Categorization is applicable for Software, IT & IT enabled service registered under Company's Act with aims and object of IT, ICICI Bank is registered under Company's Act and Software, IT & IT enabled Service is included in aims and objects.

c. Department of Information Technology & Communication, Govt. of Rajasthan has confirmed that ICICI Bank Data Centre, Jaipur falls under the category of IT/ ITes services.

d. Bhamashah State Data Centre, Jaipur has already been provided categorization under Large Industrial Service (Schedule LP/ HT-5)

2.42.2. Petitioners' Response:

Discoms submitted that as per existing provisions of Tariff for Supply (TCOS), only the software units, IT and IT enabled services registered under Company's Act with aim and object of IT or those registered with Industries Department of Government of Rajasthan for IT and ITES Policy of GoR are covered under Industrial Services.

2.42.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto. It is observed that as per existing provisions ***Software Units, Software IT & IT enabled Service registered under Company's Act with aims and object of IT or those registered with Industries Department of Govt. of Rajasthan for IT under IT & ITES Policy of GoR"*** are covered under Large Industrial Services (Schedule LP/HT-5).

The Discoms may examine the aims and objectives and registration status of Data Centre and based on the finding, may shift data centre to Industrial category.

2.43 Letter of Credit

2.43.1. Stakeholders' Suggestions/Comments:

It was submitted that in case the payments of monthly bills of the Generators are released in 45 days by the DISCOMS, the facility of Letter of Credit shall be equal to the expected amount for 45 days' of billing instead of 30 days, being issued presently.

2.43.2. Petitioners' Response:

Discoms submitted that rebates/LPS offered or levied by the Discom as the case may be, are in consonance with the provisions of Rajasthan Electricity Regulatory Commission (Electricity Supply Code and Connected Matters) Regulations, 2021 and the Tariff Orders issued by the Commission.

2.43.3. Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto. The matter raised by stakeholders pertains to Regulations, the stakeholder may raise this issue in appropriate proceedings.

2.44 Bhagwan Mahaveer Viklang Sahayata Samiti

2.44.1. Stakeholders' Suggestions/Comments:

It was submitted that Bhagwan Mahaveer Viklang Sahayata Samiti is engaged in the welfare of physically disabled person by way of fixing artificial limbs, providing articles like tricycles, hearing aids, walkers, besides giving financial assistance for their other type of treatments free of cost. The electricity is being used here for bonfide purpose of lighting, heating, pumping, industrial, domestic, street lighting etc. purpose and organization is a co-partner of the Govt. of India. Therefore, the connection should be converted from HT NDS to Bulk supply mixed load (ML/HT-4).

2.44.2. Petitioners' Response:

It was submitted that Bhagwan Mahaveer Viklang Sahayata Samiti is covered under NDS category.

2.44.3. Commission' View:

It is the submission of Stakeholder that the load is being utilized for mix of residential, industrial and street light etc. In view of the above submission, connection of Bhagwan Mahaveer Viklang Sahayata Samiti be shifted to mixed load category.

2.45 Other tariff related issues

2.45.1 Stakeholders' Suggestions/Comments:

a) **Prompt Payment Rebate**: it was submitted that the prompt payment incentive of 0.35% in case of payment is made 10 days before the due date of the bill, this should be increased to 0.50% and bills should be delivered at least 15 days before due date.

b) **Power factor rebate: it was submitted that** currently, an incentive of 0.5% of Energy Charges is provided for each 0.01 (1%) improvement above 0.95 (95%) till 0.97 (97%). If the average power factor is above 0.97 (97%), an incentive of 1% of energy charges is provided for each 0.01 (1%) improvement above 0.97 (97%), this 1% incentive should be increased to 2%.

c) **ToD tariff**: it was submitted that during 10 pm to 6 am, industries should be given 25% rebate.

d) **Domestic tariff**: LT –domestic consumers should be charged on per connection basis in place of per kW basis.

e) **Power factor clause**: it was submitted that in the existing provision "If the average power factor falls below 0.70 (70%), the installation shall be disconnected and will not be reconnected till the consumer undertakes to improve the power factor to the satisfaction of the Discom within time prescribed" in this provision before disconnection at least 3 times notice should be served to consumers.

2.45.2 Petitioners' Response:

Discoms submitted that no amendment is proposed in the Petition for aforesaid revision. Discoms requested Commission to consider only the proposals made by the Discoms.

2.45.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has taken an appropriate view while deciding the ARR, wherever required.

2.46 Solar by Power intensive Industries

2.46.1 Stakeholders' Suggestions/Comments:

It was submitted during the hearing that large industries which are having billing demand 1 MVA or more with load factor 50% or more for the billing months get a concessional tariff. Such power intensive industries are not able to get the concessional tariff if they install RTS, due to which they will not be able to achieve load factor of 50% on Discoms supply as required to get the concessional tariff even though their load factor including consumption from solar is more than 50%. Such industries have requested that while assessing the load factor, their consumption from RTS and Discom should be taken together.

2.46.2 Petitioners' Response:

Discoms did not make any Comment.

2.46.3 Commission's View

Commission observes that such power intensive industries should not be denied benefit of concessional tariff merely because they have installed RTS. Therefore, Commission direct the Discoms that while assessing the total load factor , the RTS consumption should also be considered, provided that the load factor from the Discom's supply is not less than 40%.

If the combined load factor considering both solar and Discom's drawal is 50% or more and load factor of Discom's drawal is minimum 40% or more ,in such cases energy drawn from Discoms should be billed at the tariff applicable for consumers with billing demand 1 MVA or more and with load factor 50% or more. It is further clarified that this clause shall be applicable only for solar consumption from Roof Top Solar under net metering and captive solar power plants having installed capacity upto their contract demand, subject to provisions of applicable regulations.

2.47 Investment Plan

2.47.1 Stakeholders' Suggestions/Comments:

1. It was submitted that Discoms may provide copy of approval of Board of

Directors/ Govt. for the proposed Investment plan.

2. It was submitted that Discoms may provide copy of approval of equity support from GoR for the proposed Investment plan.
3. It was submitted that during FY 2023-24, Discoms has received substantially low equity support from GoR against the equity approval in FY 2023-24. The Discoms may provide the reason of same.
4. It was submitted that Discoms have not provided the details of new 33 kV substations in terms of transformation capacity and cost, sub-transmission line constructed during the year with their length in CKM and cost.
5. It was submitted that Jaipur Discom may provide details of works done of Rs. 117.11 Cr. in FY 19-20, Rs. 65.04 Cr in FY 20-21 and Rs. 81.40 Cr. In FY 21-22 i.e. const. of new 33 kV substations, MVA capacity augmented at present substations, 11 kV lines drawns etc. or any other works carried out for the purpose of reduction of losses.

2.47.2 Petitioners' Response:

1. Discoms submitted the Board of Director's approval for capital expenditure planned by them.

2. Discoms submitted that the details of scheme-wise equity proposed for FY 2024-25 is provided with petition.

3. Discoms submitted that proposal for equity is submitted by the Discoms as per the provisions of various schemes and the RERC Tariff Regulations, 2019. However, release of equity is at the discretion of the Government of Rajasthan.

4. Discoms submitted that all the requisite data for the determination of ARR for FY 2024-25 has been provided as per the provisions of the RERC Tariff Regulations, 2019.

2.47.3 Commission's View:

The Commission has taken note of the comments of the Stakeholders and reply of Discoms thereto and has dealt with the issue under Investment Plan section of this order.

Section -3: Analysis of True Up of Discoms for FY 2022-23

3.1 Discoms have submitted petitions for truing up of ARR on the basis of audited accounts as follows:

(i) JdVVNL – FY 2022-23
(ii) JVVNL – FY 2022-23
(iii) AVVNL – FY 2022-23

Analysis of True Up of ARR for FY 2022-23– JdVVNL

Sale of Energy

3.2 The Discom has indicated total sale of 25112.02 MUs including 1258.93 MUs sales to Agriculture flat rate category and 12421 MUs for agriculture metered category (including defective meters). It has been observed that at the beginning of the year, connected load of flat rate consumers was 654366 kW and after taking into account conversion of flat rate consumers to metered category the closing connected load became 647265 kW and Discom has filed flat rate sales considering specific consumption of 1945 kWh/kW/year.

3.3 **Assessment of Flat rate and Defective meters consumers**: In the true up order for FY 2021-22, dated 31.03.2023, the Commission has observed that Discom has continuously reporting the huge number under defective meters which is close to 50% of total consumers under this category and shows its serious concern, as accordingly to RERC (Electricity Supply Code and Connected Matters) Regulations, 2021, no meter shall be allowed to remain defective for more than 2 billing cycle. In Commission's opinion huge number of defective meters for very long period is a bad practice, defy all purpose of energy audit and a back door practice of continuing flat rate consumers. Despite provisions in the regulations and order for conversion, the Discom is neither able to convert all flat rate consumers nor able to reduce number of defective meters. The Commission has viewed this practice seriously and is of the opinion that Discoms are duty bound to keep the meters in healthy condition and any such practice of keeping the meter defective is to be discouraged.

3.4 Accordingly for assessing the sales in the last true-up order for FY 2021-22 for consumers with defective meters, Commission considered average connected

load, the Specific Consumption of working meters for 10 months and Specific consumption of 1945 for 2 months.

3.5 Commission observed that during FY 2022-23 also, the Discom has reported huge number of defective meters as under:

Particulars	Consumers	Connected Load (KW)	Energy Sold (MU)
Ag. Working Meters	216586	2813030	3528
Ag Defective Meters	202198	4619337	8893
Total Ag Metered	**418784**	**7432367**	**12421**

3.6 It has been observed that energy assessed for consumers with defective meters is more than double for consumers with working meters.

3.7 Vide order dated 01.09.2022, Commission also directed Discoms to take necessary action to ensure that all meters remain in working condition and also directed to restrict the ratio of defective agriculture meters to total meters to maximum 10% within next one year and submit the status of compliance with next ARR/Tariff Petition.

3.8 It is observed from the above data submitted by Discom for FY 2022-23 that the defective meters are still approx. 50% of total metered agriculture consumers. Therefore, following the last year true up approach for assessing the sales for FY 2022-23 for consumers with defective meters, Commission has considered average connected load, the Specific consumption of 1254 kWh/kW/year of working meters for 10 months and Specific consumption of 1945 kWh/kW/year for 2 months and the average for 12 months works out to be 1369 kWh/kW/year. Accordingly, the sales for consumers with defective meters is assessed as 6325 MUs against Discom claim of 8893 MUs. Thus, the Commission has disallowed 2568 MUs in defective meters sales on account of higher specific consumption of huge no. of defective meters.

3.9 Further, the sales of flat rate consumers have also been worked out based on average connected load and by considering 12 months average specific consumption 1369 kWh/kW/year used for computing the defective meter sales as above, accordingly, the sales approved for flat rate category shall be 891.14 MUs as against 1258.93 MUs filed for flat rate consumers. Therefore, the Commission has disallowed 367.80 MUs sale under flat rate category.

3.10 In the ARR order dated 1.09.2022, Commission also observed that the Commission has been directing Discoms to convert the agriculture flat rate consumers to meter category for many years. However, Discom could not convert them into metered one, looking to such non-compliance, Commission vide its tariff order dated 1.09.2022 had deducted Rs. 10 Crore on this account from the ARR of JVVNL and JdVVNL. In the view of continues non-compliance the Commission has deducted an amount of Rs. 10 Cr. from true up of FY 2022-23 for JdVVNL.

3.11 Assessment of Losses: The Commission has noted that it has prescribed the target losses in its ARR Order based on sales to end consumers and any consideration of sales to franchisee at input level will show reduction in losses whereas revenue accounted by the Discom already stands reduced due to lower rate at input level. As the franchisee is acting on behalf of the licensee, the Discom should ensure that franchisee also functions in an efficient manner and also make adequate investment so that impact of working of franchisee should be reflected in overall efficiency improvement and Discoms are also able to achieve target loss level based on end consumer sales.

3.12 It is further observed that the sale reported by Discom is inclusive of sale of power of 895.22 MUs to the Distribution Franchisee (DF). Whereas DF has sold 778.62 MUs to the end consumer. In accordance with view taken in previous true-up orders, Commission for the purpose of calculating distribution losses accepts the sales of energy to end consumer only, in view of above, after disallowing sales of defective meters, flat rate and consideration of sales of DF at consumer level the sales for FY 2022-23 is works out as 22059.69 MUs. Accordingly, the restated distribution loss if back calculated comes out to be 30.60% as against 20.99% indicated by the Discom.

Power Purchase Cost

3.13 Power purchase cost approved by Commission for FY 2022-23 was Rs. 13922 Crore vide ARR order dated 01.09.2022. For the purpose of truing up, JdVVNL has claimed Rs. 18304.39 Crore as power purchase cost (including Short Term Power Purchases, Transmission & SLDC charges).

3.14 The Discom petitioned that it has purchased 35071.71 MUs out of which it has sold 514.16 MUs through exchange, which has been shown in revenue from sale of power through trading.

3.15 Details of power purchase cost as submitted by Discom is given in table below:

Table 1: Power Purchase Cost submitted by JdVVNL for FY 2022-2023

Sr. No.	Particulars	Units (MU)	Amount (In Crore)	Average Rate
	Energy petitioned by Discom			
1	**Total Energy Purchased by Discom (A)**	35071.71	16255.82	4.64
2	Less: Purchase From Short term sources(B)	2357.34	1430.74	6.07
3	**Balance Energy from approved sources C= (A-B)**	32714.37	14825.09	4.53
4	**Add: Transmission and SLDC charges (D)**		2048.56	
5	**Total Power Purchase Cost claimed (A+D)**		**18304.39**	

3.16 The Discom submitted it has achieved distribution Losses of 20.99% as against a target of 15% approved by the Commission.

3.17 The Commission has worked out the power purchase requirement based on the approved distribution losses, transmission losses and sales as approved above.

3.18 The Discom has furnished total transmission losses (inter and intra state) in MUs terms without any bifurcation into interstate and Intra state transmission losses. Despite direction of Commission, Discoms have not furnished the breakup of Transmission losses into intra state and interstate Losses hence Commission has considered the intra state losses as 4.38% based on RVPN True up Order for FY 2022-23 and Inter State Losses of 3.58% based on 52 weeks Average of All India transmission Losses from NRLDC Website, which have been applied on inter state projects and remaining excess interstate losses have been disallowed.

3.19 Accordingly, Inter State losses have been worked out as 462.42 MUs. The stakeholders have consistently pointing out that transmission losses mentioned by the Discoms are on higher side. Discoms though stated to have formed a Committee but that Committee didn't submit any study. The Commission has viewed it seriously and Discoms are again directed to keep a separate account of interstate and intrastate losses and give bifurcation while filing next true up petitions,

failing which the Commission may also impose a penalty apart from disallowing the excess transmission losses.

3.20 Details of gross energy requirement worked out on the basis of sales and losses as indicated in foregoing para is given in the table below:

Table 2: Gross Energy Requirement of JdVVNL for FY 2022-23 (MUs)

Sr. No.	Particulars	Approved as per Order Dated 01.09.2022	Actual/Audited	Restated Level	Normative Calculation
1	Gross Energy Requirement	31212	35071.71	35071.71	28117.95
2	Less:- Sale Through Exchange	0	514.16	514.16	514.16
3	Net Energy Requirement	31212	34557.55	34557.55	27603.79
4	Inter State Transmission Loss (MU)	355	1517.96	1317.55	462.42
5	Energy Availability at RVPN (MU)	30857	33039.60	33240.00	27141.37
6	Intra State Transmission Loss (%)	3.80%	3.80%	4.38%	4.38%
7	Intra State Transmission Loss(MU)	1173	1255.50	1455.91	1188.79
8	Energy Requirement at Distribution Periphery (MU)	29685	31784.09	31784.09	25952.58
9	Distribution Loss (%)	15.00%	20.99%	30.60%	15.00%
10	Distribution Loss (MUs)	4453	6672.07	9724.40	3892.89
11	Energy Sales (MUs)	25232	25112.02	22059.69	22059.69

3.21 It is observed that the Discom has purchased 6953.76 MUs in excess due to increase in distribution loss over the target given by the Commission, consideration of sale of power to end consumer of DF, consideration of sale of defective meters & flat rate using specific consumption of working meters and higher transmission losses.

3.22 As per Regulation 75(5) of RERC Tariff Regulations, 2019, the losses on account of distribution licensees' failure to achieve the target set by the Commission be shared in the ratio of 50:50 between the distribution licensee & consumers.

3.23 It is further noted that during previous years and in the year under consideration, Discoms have made substantial investment in various loss reduction schemes with an objective of reduction of losses but still losses of Discoms are not as per trajectory set by the Commission vide its earlier tariff orders. Discoms are also not able to bring in requisite improvement in metering, billing & collection activities etc. The Discom in the current petition and earlier petitions has proposed no tariff hike. Therefore, in Commission's view, the consumers should not be burdened on account of continuous non achievement of targets by Discoms despite every year being allowed requisite investment. Therefore, the Commission has decided not to allow sharing on account of continues failure to achieve the targeted losses as done in the earlier orders and the respective Discom shall have to bear the burden of excess

losses wherever applicable and meet the same in future years by improving their working.

3.24 Accordingly, the Commission allows energy requirement of 28117.95 MUs only based on targeted losses.

3.25 Discom has submitted the total power purchase cost of Rs. 16255.82 Crore including the provision for banking of Rs. 278.32 Crore. In view of decision taken in the previous True-up orders, the Commission has not considered the provision for banking cost of Rs. 278.32 Crore as banking has been considered as cost neutral and only considered the transaction cost.

3.26 It is observed that in power purchase format, Discom has shown service charges to RUVNL of Rs. 14.54 Crore. Therefore following the approach adopted earlier, the Commission has not considered the service charges to RUVNL, these are to be met by Discom from O&M expenses. Accordingly, the Commission has considered the total power purchase cost of Rs. 15962.96 Crore.

3.27 Details of power purchase cost as approved by the Commission after considering above deductions is given in table below:

Table 3: Power Purchase Cost of JdVVNL as approved for FY2022-23 (Rs. in Crore)

Sr. No.	Particulars	Units (MU)	Amount	Average Rate
	Energy approved by Commission:			
1	Total Energy Purchased by Discom (A)	35071.71	15962.96	4.55
2	Less: Disallowed short term sources (B)	2357.34	1430.74	6.07
3	Total Energy from approved sources (C=A-B)	32714.37	14532.23	4.44
4	Less: Disallowed approved sources (D)	4596.42	2041.80	4.44
5	**Power Purchase Cost Allowed E=(A-B-D)**	**28117.95**	**12490.43**	
6	Add: Transmission and SLDC charges (F)		2048.56	
7	**Total Power purchase cost allowed (E+F)**		**14538.99**	

3.28 While disallowing the excess purchase of 6953.76 MUs by Discom, the Commission has first considered the power purchase of 2357.34 MUs from short term sources (UI and Exchange) and rest 4596.42 MUs from long term sources at average power purchase rate.

3.29 The Discom submitted that any disallowance in power purchase cost be done at the average variable cost of power purchase instead of APPC. Disallowing the power purchase cost of the Discom by multiplying the

quantum of disallowed energy by the APPC, resulting in the disallowance of Fixed Costs payable to the generators by the Discom, which the Discom is ought to pay to the generators as per the PPA.

3.30 With regard to above submission of Discom, the Commission has already dealt with this issue in the true-up order for FY 2020-21 & FY 2021-22 where Commission has not considered the submission of Discom in the aforesaid order. Further, Discom through review petitions has also raised this issue again wherein Commission vide order dated 18.04.2024 has rejected their petitions.

3.31 Since this matter has already been dealt by Commission in the earlier orders, therefore, the Commission is not examining this issue again.

3.32 Discom has submitted an expense of Rs. 2048.56 Crore as Transmission and SLDC charges which have been allowed by the Commission. Accordingly, the total power purchase cost including transmission and SLDC charges for FY 2022-23 is Rs. 14538.99 Crore.

Operations and Maintenance (O&M) Expenses

3.33 The O&M expenses approved by the Commission for FY 2022-23 vide Tariff order dated 01.09.2022 were Rs. 2010 Crore including terminal benefit liability of Rs. 613 Crore. For the purpose of true up, JdVVNL has claimed Rs. 1422.73 Crore as O&M expenses (including terminal benefits based on actuarial valuation of Rs. 362.96 Crore).

3.34 Regulation 82 of RERC (Terms & Conditions of Determination of Tariff) Regulations, 2019 provides for O&M expenses for the first year of the Control Period (i.e., FY 2019-20) as under:

a) Employees expenses: Rs. 0.48/ per unit of sale

b) A&G Expenses: Rs. 0.065/ per unit of sale

c) R&M Expenses: R&M Expenses for each year (n) of Control Period: k x GFAn-1 x (1+ER)

Where,

'k' is a constant (expressed in %) governing the relationship between R&M expenses and Gross Fixed Assets (GFA) for the (n-1)th year and shall be considered as 1.2%;
'GFA' is the average value of the Gross Fixed Assets of the (n-1)th year;

'ER' means the escalation rate as specified in Regulation 24;

'n' is the year for which R&M expenses is to be determined.

3.35 Normative O&M expenses allowed at the commencement of the Control Period (i.e. FY 2019-20) under these Regulations shall be escalated at the rate of 3.63% per annum for each year of the Control Period.

3.36 Capitalization of O&M expenses has been considered as per actual percentage submitted by Discoms.

3.37 For computation of R&M expenses, the Commission has considered average approved GFA of Rs. 11553.18 Crore as on 31.03.2022, as per order dated 31.03.2023.

3.38 As the O&M expenses of distribution area of DF are borne by the distribution franchisee (DF), therefore the normative O&M expenses have been calculated by duly deducting the sales of distribution franchisee from the total sales.

3.39 Details of normative O&M expenses as allowed are given in table below:

Table 4: O&M Expenses of JdVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particular	Amount
1	Energy Sales approved by Commission excluding sales by DF (in MU)	21281.07
2	Normative Employee cost for FY 2022-23 (Rs. 0.534)/unit	1136.82
3	Normative A&G expenses (Rs. 0.072/unit)	153.94
4	Normative R&M expenses {K*Avg GFA(n-1)*(1+ER)}	143.67
5	Less: Proportionate Employee Cost Capitalized	170.19
6	Less: Proportionate A &G cost capitalized (A&G)	57.82
7	**Total O&M Expenses Allowed after True Up**	**1206.42**

3.40 It is observed that during last year order dated 31.03.2023, the Commission has directed Discom that they may file the details of additional amount, if any, spent over and above O&M expenses towards safety compliance in next True up petition for FY 2022-23. In the instant petition, the Commission observed that the Discom has incurred expenses on safety device of Rs. 1.22 Crore, therefore the same is allowed in this true up order over and above O&M expenses. The Commission also direct the Discom to spend more amount on safety measures, the same shall be considered by the Commission over and above the O&M expenses of subsequent true up orders.

Terminal Benefit

3.41 The Commission had approved Rs. 613 Crore towards terminal benefit liability vide its tariff order dated 01.09.2022. JdVVNL submitted that they have deposited a sum of Rs. 304 Crore as additional contribution towards terminal benefit liability to designated trust. Accordingly, as per the practice followed by the Commission in earlier True Up orders, the terminal benefit liability to the extent of actual amount of Rs. 304 Crore deposited by the JdVVNL has been considered.

3.42 It has been observed over the period that Discom's actual deposition towards terminal benefit is on lower side against the approved in ARR order. The Commission again shows its concern regarding non funding of terminal benefit appropriately and again advises the top management of Discom & State Government to ensure appropriate funding towards terminal benefit liability so as to meet the liability of the Discom on this account.

Depreciation

3.43 The depreciation approved by Commission for FY 2022-23 was Rs. 684 Crore vide Tariff order dated 01.09.2022 whereas the Discom has claimed Rs. 1047.34 Crore as depreciation.

3.44 It is observed in books of accounts that Rs. 387 Crore has been shown towards terminal benefit expenses and out of total employee cost capitalization of Rs. 142.29 Crore, the terminal benefit capitalization is Rs. 24.04 Crore. The Discom must have added the aforesaid terminal benefit

capitalization to assets addition during FY 2022-23. As the Commission in above paras has already considered and allowed the terminal benefit without capitalization, therefore, the Commission has deducted the capitalization of terminal benefit from the assets addition during FY 2022-23.

3.45 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 FY 2021-22 has been considered as the opening balance for FY 2022-23. The same has been reduced by amount of assets deduction as per audited accounts.

b) Addition to capitalization for current year has been considered as per audited accounts after below mentioned adjustment.

c) The amount of Capitalization towards terminal benefit has been considered as per Discom submission.

d) Consumer Contribution has been considered based on Audited Accounts and Grants have been considered as discussed below.

e) The average depreciation rate as per Annual Audited Accounts has been considered for FY 2022-23.

3.46 **DDUGJY post Saubhagya Scheme, IPDS, RAPDRP A&B and Kusum C and grant thereof:** Discom has consistently been asked to submit detail of scheme wise equity, grant and loans. Commission is allowing the investment under central sponsored schemes, and as per the provision of these scheme, Discom is also expected to meet the desired targets and efficiency level. The purpose of the direction of the Commission was to ensure efficiency of investment and to ensure that the Discom has performed according to the targets of that scheme and its impact is not passed on the consumer by way of non receipt of grant. It is observed that during FY 2022-23, under central sponsored scheme such as DDUGJY, Post Saubhagya scheme and Kusum C JDVVNL has incurred Rs. 50.25 Crore, whereas as per audited accounts of Discom Rs. 12.88 Crore has been shown as grant received during FY 2022-23 against DDUGJY, IPDS and RAPDRP.

3.47 In data gap reply the Discom submitted that grant receivable is NIL in all schemes except IPDS IT of Rs. 0.42 Crore. The Discom further submitted that

RDSS scheme was approved on 28.03.2022 but the work order was issued in April'2023 and onwards. The difference of grant ought to be received and actually received has been considered as notional grant by the Commission. However, this year the grant received is more than grant receivable, therefore the difference amount has been added back to Capital cost. Accordingly, excess grant has been reduced by the Commission of Rs. 12.46 Crore.

3.48 As the Commission has increased the grant figure by notional grant receivable in last year true up orders therefore, the excess grant received has been reduced from the total grant figure in this order.

3.49 It is made clear that the Commission will not pass on the interest burden to consumers for the additional borrowings taken against the shortfall in the grant/equity to be received as per funding pattern approved in Schemes.

3.50 **Grant on release of New Agriculture Connection under RE Works:** It is observed that during FY 2022-23, as per data gap reply Discom has released 33050 Nos. of new agriculture connections. In the previous year true up orders it was brought to the notice of Commission that 50% of difference between actual expenditure incurred on release of new connection and amount deposited by consumer shall be given by GoR as grant to Discom.

3.51 It is observed that the RERC (Electricity Supply Code and Connected Matters), Regulations, 2021, specify the charges to be paid by a consumer who apply for a connection. The said regulations also specify that supply in the matter of agriculture consumers such as application for supply, connection release priority, increase in connected load, shifting of connections, restoration of supply etc. shall be governed by the policy directives issued by the State Government from time to time under section 108 of the Electricity Act, 2003 so far as it is not inconsistent with the provisions of the Act. Therefore, in compliance of Government of Rajasthan Directions under Section 108 of Electricity Act 2003, Discoms issues the Agriculture policy, which specify the procedure and charges to be paid by farmers for agriculture connection. On comparison of charges for new connection under supply code (for all consumers other than agriculture) and agriculture policy (for farmers), it is observed that as per Supply Code Regulations, the consumers are required to pay cost of line as well as plant for release of

connection, however as per agriculture policy only a small portion of total cost is recovered from agriculture consumers and rest is borne by the Discoms. This tantamount to shifting of burden of cost of release of agriculture connection to other category of consumers, who on the other hand are paying the charges for releasing of their connection as per Regulations.

3.52 In this context, Commission observed that in Hon'ble APTEL judgment dated 19.9.14 in Appeal No. 207 of 2013, the APTEL held that the State Commission in discharge of its function under the Electricity Act, 2003, has to be guided by the directions of the State Government under Section 108 of Electricity Act, 2003, but the same are not mandatory and binding upon the State Commission. Further, it is observed that despite all efforts, Discoms are still not able to recover their full cost from tariff and an accumulated gap still exist.

3.53 Accordingly in light of above, the Commission as per submission of Discom has considered average expenses of Rs. 379000 per connection and consumer contribution of Rs. 50000 per connection. The 50% difference of per connection expenses and consumer contribution of the above shall be Rs. 164500 per connection. Based on this the total grant from government towards release of 33050 new agriculture connections during the year works out to be Rs. 543.67 Crore.

3.54 The Discoms are directed to realize this amount from Government, as the burden of non realization of grant from government could not be passed on the other consumers at large.

3.55 Accordingly, the Commission has worked out the figure of grant on normative basis, in case of any discrepancy; Discom may come with actual figure of applicable grant and request to recalculate the impact of grant during next true up petition.

3.56 **Two Block Supply:** It is observed JDVVNL has incurred expenditure towards Two block supply of Rs. 93.46 Crore as per Rajasthan Government decision for supply to Agriculture consumers in two blocks in day time instead of three blocks supply (as being done in preceding years). Since the Discom has incurred the aforesaid expenditure in compliance to GoR direction. Therefore, the sources of this expenditure have been considered as

additional grant from GoR. The Discoms are also directed to claim this amount from the state government.

3.57 Discoms are required to indicate any liability to be discharged by government or to be paid by government such as tariff subsidy, capital subsidy, grants towards consumer contribution, any liability arising due to government directives and policy directives etc., as receivable in their audited accounts separately. The Commission finds that amount of grant towards consumer contribution receivable against release of agriculture connection, has not been accounted for. In view of above, Commission in the previous year True up order directed Discoms to account for amount of grant towards consumer contribution receivable against release of connection to certain categories from Govt. or any other state or central scheme under separate head of account from FY 2021-22 onwards. Further, if Discoms raise any loan due to nonpayment of subsidy/grant by government, the interest liability on such loan shall not be passed on to the consumer of the State. The Commission has observed that Discoms have not complied with above direction and viewed it very seriously, therefore the Commission once again directs the Discoms to comply with above direction and report to the Commission along with next year true-up petition.

3.58 In view of above, the Commission has considered total capital outlay financed by consumers contribution and grant of Rs. 1135.72 Crore consisting of consumer contribution for services connection of Rs. 498.17 Crore, capital grant actually received of Rs. 12.88 Crore towards central sponsored scheme, grant of Rs. 543.67 Crore towards release of New Agriculture Connection under RE Works, grant of Rs. 93.46 Crore towards Two Block supply and adjustment of excess of grant received of Rs. (12.46) Crore from central sponsored scheme.

3.59 **Fixed Assets Register (FAR):** With regard to FAR, Discom has submitted that the FAR upto FY 2022-23 have been filed in compliance of Commission directions and Tariff Regulations.

3.60 The Commission appreciates the efforts of Discom towards preparation of FAR upto FY 2022-23. Accordingly, request of JDVVNL to approve the amount deducted in the previous True Up order FY 2021-22 to the tune of Rs. 60.54 Crore, has been considered by the Commission.

3.61 In the last true up order for FY 2021-22, it was observed that in the above FAR the Discoms have not filed the information of voltage wise assets and the reconciliation of same with scheme wise capitalization, further in compliance to Commission directives, the Discoms submitted that till date accounts are being prepared manually and field offices neither maintain voltage wise physical quantity of assets nor scheme wise assets. The above details can be maintained only after an effective implementation of ERP which facilitates the recording of assets voltage wise, and details of scheme/end use is entered when material is issued from the stores. Further, Discoms also submitted that once the ERP successfully implemented, the required digitization of the assets register shall be completed. Now in the instant petition, the JdVVNL submitted that the implementation of ERP system is a part of the loss reduction works in IT/OT under RDSS. IT/OT works shall be taken up in a phase manner and in sync with other activities being undertaken under this scheme. The tender inviting RFP's for implementation of ERP's is shall be finalized and issued by the Discom shortly.

3.62 The Commission in past, many times directed the Discoms to make a time bound program clearly showing milestones and responsibilities of various officers regarding implementation of ERP. However, sincere efforts are not seen, it is therefore the Commission directs Discoms that they must plan implementation of ERP System, which will not only helps Discoms in better planning of power purchase, inventory and capital expenditure but also reduces the losses and improve the productivity of expenditure incurred and efficiency of human resources deployed for such purpose. Serious actions are required to be taken by Discoms for implementation of ERP.

3.63 In the last true up order, the Commission has decided to withhold 1% of total approved ARR of JDVVNL on this account. Accordingly, this year also Commission has withheld 1% of total approved ARR amounting to Rs. 200.37 Crore of JDVVNL and directs the Discom to effectively implement the ERP system for power purchase, inventory, loss reduction and capital expenditure planning and monitoring etc. After, satisfactory implementation of ERP the Discom may request to consider to allow the aforesaid disallowed amount.

3.64 Details of depreciation charges allowed for FY 2022-23 are given in table below:

Table 5: Depreciation charges of JdVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particular	Amount
1	Depreciable assets at the beginning of the year (closing balance of True up FY 2021-22)	11689.71
2	Less: Deductions as per audited accounts	98.78
3	Capitalization during the year	1694.20
4	Less Capitalization towards terminal benefit	24.04
5	Less: Capital Outlay financed by Consumer Contribution and grant	1135.72
6	Depreciable assets added during the year (3-4-5)	534.43
7	Closing balance of GFA (1-2+6)	12125.36
8	Average depreciable assets during the year	11907.54
9	Average depreciation rate	5.11%
10	**Depreciation Allowed after True UP**	**607.88**

3.65 The amount added back on account of preparation of Fixed Asset Register has been considered as expenditure in the final table while allowing the ARR.

Interest and Finance Charges and Interest on Working Capital

3.66 The interest & finance charges approved by Commission for FY 2022-23 were Rs. 2965 Crore including interest on working capital as per the ARR order dated 01.09.2022. For the purpose of true up, JdVVNL has claimed Rs. 2717.37 Crore as interest and finance charges including interest on working capital.

3.67 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 True up order for FY 2021-22 has been considered as opening balance of long term loans for FY 2022-23.

b) Equity and consumer contribution have been considered on the basis of actual as per audited accounts. Grants have been considered as discussed in preceding paras.

c) 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 and capitalization towards terminal benefit.

d) Repayment has been treated equal to the depreciation allowed for FY 2022-23.

e) Interest rate has been worked out as per Regulation 21 (5) of RERC Tariff Regulations, 2019 based on the information of term loan submitted by the Discom.

f) Interest on payments made to APRL Ltd. has been considered as discussed below.

g) Finance charges and interest on security deposit of consumers are allowed as per actual. The Commission has not considered the delayed payment charges of power purchase and penalty on statutory dues.

3.68 With regard to Unfunded Gap, in the last true up order for FY 2021-22, the Commission has approved the unfunded gap of Rs. 17954.15 Crore till 31.03.2022. The same has been considered.

3.69 It is observed that after hearing JdVVNL has filed the details of interest liability towards APRL payment and corresponding special fuel surcharge. Accordingly, JdVVNL has booked an interest liability towards APRL of Rs. 191.21 Crore under interest expenses on the loans availed by the Discom to meet the APRL liability, the Commission has observed that against such expenses of totaling to Rs. 191.21 Crore, Discom has also filed income of special fuel surcharge of Rs. 191.21 Crore.

3.70 Therefore net impact of such expenses and revenue claimed by Discom is Nil. As such same amount is being considered in cost and income.

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

Table 6: Interest and Finance Charges of JdVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particular	Amount in crores
1	Opening balance of Long term Loan (LTL) (closing balance of True up FY 2021-22)	3647.04
2	Add: Capitalization during the year	1694.20
3	Less: Capital Outlay financed by Equity	136.38
4	Less: Capital Outlay financed by Consumer Contribution and grant	1135.72
5	Less Capitalization towards terminal benefit	24.04
6	Addition to LTL for Capital Outlay {2-(3+4+5)}	398.05
7	Less: Repayments equal to depreciation	607.88
8	Closing balance of LTL (1+6-7)	3437.21
9	Average LTL	3542.12
10	Add: Revenue Gap recognized upto previous year FY 2021-22	17954.15
11	Total Long Term Loan Balance to be considered for allowing interest for FY 2022-23 (9+10)	21496.27
12	Average Interest rate of LTL	10.78%
13	Interest Charges on LTL and revenue gap	2317.19
14	Interest on security deposit from consumers - As per actual	37.34
15	Finance Charges-As per actual	221.78
16	Interest on loan for payment to APRL Ltd.	191.21
17	**Total Interest and Finance Charges Allowed after True UP (13+14+15+16)**	**2767.52**

Interest on working capital

3.72 The Commission has approved the interest on working capital on normative basis as per Regulation 27 of RERC Tariff Regulations, 2019. In accordance with Regulation 27 of RERC Tariff Regulations, 2019, 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 as approved for FY 2022-23 have been considered for the purpose of calculation of working capital requirement.

b) Maintenance spares have been considered @15% of operation and maintenance expenses specified in Regulation 82.

c) Receivables have been considered based on the ARR after the true up of FY 2022-23.

d) Amount of security deposit as per audited accounts has been taken.

e) The normative rate of interest on working capital has been taken as 300 basis points higher than the average Base Rate (1 year MCLR) of State Bank of India prevalent during first six months of the year previous to the relevant year.

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

Table 7: Interest on Working Capital of JdVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particular	Amount considering normative interest rate	Amount considering interest rate submitted by Discom
1	O&M expenses of one month	100.54	100.54
2	Maintenance spares @ 15% of operation and maintenance expenses specified in regulation 82;	180.96	180.96
3	Receivables equivalent to one and a half (1½) months billing of consumers	2453.76	2453.76
4	Less: Security deposit from consumers	901.14	901.14
5	Total working capital requirement(1+2+3-4)	1834.11	1834.11
6	Rate of Interest	10.00%	9.21%
7	Interest on working capital allowed after true-up	183.41	168.97
8	Less : 50% gain arising from variation in Interest rate as per regulation 27 of RERC, 2019	7.22	
9	**Net Interest on working capital**	**176.19**	

3.74 It may be seen that gain on account of variation in interest rate is Rs. 14.44 Crore. As per Regulation 27 of RERC Tariff Regulations, 2019 50% of such gain is to be passed on 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.

Interest on Uday Loan FY 2022-23

3.75 The Discom has claimed the interest on UDAY loan for FY 2022-23 of Rs. 488 Crore as approved by the Commission in the ARR and Tariff Order for FY 2022-23. The Commission has considered the same as claimed by the Discom as same being in accordance with Commission's order dated 06.02.2020.

Prior Period Expenses

3.76 JdVVNL has claimed prior period expenses of Rs. (95.37) Crore. The details of prior period expenses as per audited accounts are as follows:

Table 8: Prior Period expenses (Rs. in Crore)

Particulars	For the year ended 31st March, 2023	
Prior period expenses/loss:		
Short Prov. for Power Purchase in prev. yr.		(172.54)
Operating Exp. of previous year	2.27	
Employees Cost rel. to prev. yr.	0.00	
Depreciation Cost rel. to prev. yr.	0.64	
Int.& other fin.ch.rel.to prev. yr.	37.66	
Admin & general expenses	36.54	
Capt. Of Employee Cost (Prior Period)	0.06	77.17
Total		**(95.37)**

3.77 While carrying out the true up of any financial year, the Commission allows the capitalization, operating expenses, employee cost, depreciation, interest and finance charge and administrative and general expenses as per Tariff Regulations. Hence, expenses of Rs. 77.17 Crore on account of above expenses as shown in JdVVNL audited accounts have not been considered as prior period expenses as the Commission has already approved the above expenses in the earlier true up orders as per the norms specified in the Tariff Regulations.

3.78 Further, Discom has also claimed Rs. (172.54) Crore towards prior period power purchase mainly on account of compliance of C&AG para, the same has been considered as claimed by Discom.

3.79 Considering the above, for the purpose of current true up, the Commission has considered the prior period expenses of Rs. (172.54) Crore against the JdVVNL claim of prior period expenses of Rs. (95.37) Crore.

Insurance Expenses

3.80 As per regulation 25 of RERC Tariff Regulations, 2019 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. The Commission accordingly has considered the insurance charges of Rs. 0.73 Crore claimed by the Discom.

Other Debits

3.81 JdVVNL has claimed other debits of Rs. 49 Crore. It has been observed that the major item of other debits is the provision for bad and doubtful debts of Rs. 34.61 Crore, bad debts written off dues from consumer of Rs. 0.02 Crore, bed debts written off-others of Rs. 7.61 Crore, compensation in case of injury/death of Rs. 4.81 Crore, loss due to theft of fixed assets of Rs. 1.94 Crore, Loss due to shortage on physical verification of stock of Rs. 0.01 Crore.

3.82 While carrying out the true up exercise, the Commission has not considered any provision towards bad and doubtful debts. The expenses are allowed only to the extent of bad debts actually written off by the Discom subject to limit stipulated in the Regulation 26 of RERC Tariff Regulations, 2019. Therefore, the Commission has considered the bad debts of Rs. 0.02 Crore actually written off.

3.83 Compensation paid towards injury /death of Rs. 4.81 Crore is considered as per actual.

3.84 Since the Commission has allowed the insurance charges, therefore the claim on account of loss due to theft of Fixed Assets of Rs. 1.94 Crore is not considered by the Commission.

3.85 Further, the Commission has not considered shortage on physical verification of stock of Rs. 0.01 Crore and bed debts written off-others of Rs. 7.61.

3.86 The Commission accordingly has considered the other debit of Rs. 4.83 Crore against the Discom's claim of Rs. 49 Crore.

Rebate Allowed to Consumers

3.87 The Commission has not considered DPS from consumers as part of Non tariff income. As DPS is not considered as part of Non tariff income the rebate given on this account is also not being considered to be passed on in the ARR.

3.88 JdVVNL has shown the rebate allowed to consumers of Rs. 134.63 Crore which is inclusive of LPS/DPS waived of Rs. 43.82 Crore, rebate allowed by the settlement committees of Rs. 27.65 Crore and rebate on account of defective meters of Rs. 9.71 Crore. As per Regulation 36 of RERC Tariff Regulations, 2019, the Commission has not considered the income towards DPS, therefore the expenditure on account LPS/DPS waived of Rs. 43.82 Crore is also not considered by the Commission.

3.89 Further, the Commission has also not considered rebate allowed by the settlement committees of Rs. 27.65 Crore and rebate on account of defective meters of Rs. 9.71 Crore.

3.90 Hence, Commission has considered the rebate allowed to consumer only to Rs. 53.45 Crore after adjustments as above.

RVPN and SLDC True up for FY 2020- 21

3.91 Commission in its order dated 01.09.2022 approved Rs. (44) Crore towards RVPN and SLDC True up for FY 2020- 21 as separate item of ARR. However, Discom has not claimed the same in the True up petition, accordingly, same has not been considered for FY 2022-23.

Revenue Subsidy received from Government

3.92 Discom has filed revenue subsidy of Rs. 4.82 Crore which is Grant from GOI Solar Rooftop. Accordingly, Commission has considered the same.

3.93 Discom submitted that the Fifteenth Finance Commission (XV-FC) recommended power sector performance based additional borrowing space of 0.50 per cent of Gross State Domestic Product (GSDP) to States. The additional borrowing is contingent on the state meeting certain condition which includes 60% loss takeover for previous year (FY 21-22) of a Discom by the concerned state as stipulated in UDAY scheme.

3.94 Discom further submitted that in compliance to this, Government of Rajasthan has taken over 60% of adjusted operational losses of FY 2021-22 amounting to Rs. 1765.05 Cr. as per guideline of additional borrowing space

0.50% of Gross State Domestic Product (GSDP) linked to the performance of the State in Power Sector.

3.95 Discom submitted that the losses reflected in the Annual Accounts is a sum total of losses which is approved by the Commission order as Regulatory Assets in the respective year's True-up Order and the losses which was not approved by the Commission and were to be borne by the Discoms. Accordingly, the revenue gap for FY 2022-23 should be adjusted by the loss takeover only in the proportion that approved losses constituted in the total Discom losses. The portion of losses taken over by GoR which was on account of unapproved losses should be retained by the Discoms as losses due to the same are not passed in ARR.

3.96 Discom further submitted that the percentage of regulatory assets approved by Commission against total audited annual losses was 0% in the Truing up Order of FY 2020-21, so the loss subsidy to be considered for truing up is nil. Accordingly, Discom submitted to consider receipt of Loss subsidy under GSDP of Rs Nil against Rs. 1765.05 Crore shown in audited accounts.

3.97 It is observed that under GSDP scheme, Government of Rajasthan has taken 60% of adjusted operational Losses of Discom for FY 2021-22, however, in the true up for FY 2021-22, Commission has considered lower of prescribed % of the approved losses or actual loss subsidy receipt.

3.98 Further, as the Commission has approved surplus of Rs. 609.35 Crore during the true up of FY 2021-22, therefore the approved losses considered for FY 2021-22 is zero. Accordingly, the Commission has considered loss subsidy receipt as NIL for FY 2021-22.

Revenue

3.99 Revenue from sale of power, fuel surcharge, Wheeling Charges and Cross Subsidy Surcharge, additional surcharges, sale of power through trading and Prior Period Income as petitioned by Discom has been accepted.

3.100 **Fuel Surcharge/Special Fuel Surcharge**: Out of total income from sale of power, the income from fuel surcharge on account of regular fuel surcharge

and special fuel surcharge on account of M/s APRL Ltd. as per audited accounts is Rs. 528.47 Crore and Rs. 191.21 Crore respectively, which is considered by the Commission in this Order.

3.101 **Non Tariff Income**: During FY 2022-23, Discom has claimed total non tariff income of Rs. 954.10 Crore including deferred revenue income of Rs. 326.03 Crore and DPS received from consumers of Rs. 221.92 Crore which have been dealt by the Commission as under:

3.102 **Delayed Payment Surcharge (DPS)**: The Discom has claimed Delayed Payment Surcharge (DPS) of Rs. 221.92 Crore as part of Non Tariff Income (NTI) and also claimed the same as separate item of expenditure under DPS head.

3.103 The regulation 36 of RERC Tariff Regulations, 2019 provides that-

"All revenues including but not limited to transformer rent, income from fixed deposit/ statutory investment(s), income from rent on land/buildings, income from sale of scrap, income from sale of ash/rejected coal, income from advertisement, Interest on advances to suppliers/contractors, etc., shall be considered as Non-Tariff Income:

Provided that Late Payment Surcharge and Interest on Late Payment earned by the Generating Company or the Licensee shall not be considered under Non-tariff Income."

3.104 In accordance with Regulation 36 of RERC Tariff Regulations, 2019 the Commission has not considered Delayed Payment Surcharge (DPS) of Rs. 221.92 Crore as Non Tariff income. Further, since the Commission is not considering the DPS under Non Tariff Income the separate claim of DPS of Rs. 221.92 Crore as expenditure is also not considered by the Commission in this order.

3.105 **Deferred Revenue Income**: Discom has stated that as per their accounting policies consumer contribution for service connection & line, capital grants and subsidies received towards cost of capital assets have not been reduced from the cost of assets. The same has been treated as Deferred Revenue Income which is being amortized/written off in 25 years from the

year of its receipt. The depreciation pertaining to such fixed assets is fully charged to revenue.

3.106 However, while computing the depreciation, the Commission has reduced the capitalization amount funded by the consumer contribution, capital grant and subsidy received towards cost of capital assets during the year. Therefore, the Commission has not considered the depreciation benefit on such assets and consequently deferred revenue of Rs. 326.03 Crore is also not considered.

3.107 Accordingly, Commission has considered the non tariff income of Rs. 406.16 Crore during FY 2022-23.

Exceptional Items

3.108 **LPS:** Discom submitted that it has accounted reversal of LPS from RVUNL of Rs. 3190.46 Cr and from RVPNL of Rs. 186.10 Crores total Rs. 3376.56 Cr as exceptional income during the year. Discom further submitted that since the Commission does not consider LPS/ DPS payable as a pass-through expense in the True-up/ ARR Orders, hence requested the Commission to not consider credit of LPS received from RVUN and RVPN as a pass-through item. Therefore, net impact of such reversal of LPS shall be Nil.

3.109 The Commission observed that it has not considered the LPS/DPS payable as a pass-through expense in the earlier True-up/ ARR Orders, hence Commission in this order also has not considered this as a pass through item.

3.110 **Written-off differential tariff subsidy**: Discom also submitted that it has written-off differential tariff subsidy receivable amounting to Rs. 2663.61 Cr till 31.03.2022 as Finance Department, GoR has directed to Rajasthan Discoms for writing-off tariff subsidy receivables from Govt. on account of stopped and defective meters which has been calculated on the bases- of flat rate billing instead of metered rate billing. Discom further submitted that the Commission directed the Discom to take necessary action to ensure that all meters remain in working condition and directed the Discom to restrict the ratio of defective agriculture meters to total meters to a maximum of 10%. Furthermore, vide Tariff Order dated 31.03.2023, the Commission had disallowed sale assessed towards defective meters.

3.111 To ensure that the write-off of subsidy on account of stopped and defective meters does not result in additional burden on consumers, Discom requests the Commission to not consider tariff subsidy duly written-off as a pass-through item. Therefore, impact of write-off of tariff subsidy shall be Nil.

3.112 In respect of writing off the subsidy, Commission has already disallowed the excess energy sales due to defective meters in true up orders. In view of above, Commission is not considering the above exceptional items as per Discom's request.

Revenue Gap/Surplus

3.113 Based on above discussions and data provided by JdVVNL, prayer of Discom for True-up of the expenditure and revenue for FY 2022-23 based on the actual performance and for approval of the revenue gap of Rs. (4774.59) Crore for the year has not been accepted as petitioned. The Commission has approved the same to the extent shown in following table.

Table 9: Summary of True up of JdVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particulars	As per ARR order dated 01.09.2022	As per petition	Approved After truing up
1	**Revenue**			
2	Sale of power	17875	17567	17567.02
3	Fuel Surcharge	0	719.68	719.68
4	Non-tariff income and other income	293	954.10	406.16
5	Wheeling charges, Cross Subsidy Surcharge and additional surcharge	8	1	1.02
6	Sale of power through trading	0	243.36	243.36
7	Prior Period Income	0	86.68	86.68
8	**Total Revenue, A**	**18176.00**	**19571.86**	**19023.92**
9	**Expenditure**			
10	Power purchase Cost	13922	18304.39	14538.99
11	**O & M Expenses**			
12	Employee cost	1073	671.62	966.63
13	A&G expenses	177	84.89	96.12
14	R&M expenses	147	303.25	143.67
15	Terminal Benefits	613	362.96	304.00
16	Insurance Expenses	25	0.73	0.73
17	Exp. on Safety Measures	0	0.00	1.22
18	Depreciation	684	1047.34	607.88

Sr. No.	Particulars	As per ARR order dated 01.09.2022	As per petition	Approved After truing up
19	Interest & finance charges	623	1109.03	832.15
20	Interest on working capital	195	1608.34	176.19
21	Interest on Regulatory Assets	2147		1935.37
22	Interest on Uday Loan	488	488.00	488.00
23	Refund of Depreciation amount deducted in previous years on account of non-submission of FAR	0	60.54	60.54
24	Prior period expenses	0	(95.37)	(172.54)
25	Other debits	0	49.00	4.83
26	Rebate allowed to consumers	0	134.63	53.45
27	RVPN and SLDC True up for FY 2020- 21*	(44.00)	0.00	0.00
28	**Total Expenditure, B**	**20050**	**24129.36**	**20037.23**
29	**Surplus/deficit, C = (A-B)**	**(1874.00)**	**(4557.50)**	**(1013.31)**
30	Revenue subsidies received from State Government D	449	4.82	4.82
31	Add: Delayed payment surcharge considered as part of NTI E	0	221.92	0.00
32	**Revenue gap for FY 2022-23, F =(C+D+E)**	(1425)	(4774.59)	(1008.49)
33	Less : Reduction on account of non conversion of Flat rate consumers **G**	**10**	0.00	10.00
34	**Net Revenue Gap H= (F+G)**	**(1415)**	**(4774.59)**	**(998.49)**
35	**Deduction on account of non-implementation of ERP I**	**0**	0.00	200.37
36	**Net Revenue Gap for FY 2022-23 J=H+I**	(1415)	(4774.59)	(798.11)
37	**Gap worked out as per last true up order, K**	0.00	(17954.15)	(17954.15)
38	**Cumulative Revenue Gap to be carried forward, K+J**	**0.00**	(22728.74)	**(18752.26)**
39	**Cumulative Revenue Gap till FY 2022-23**		(34488.07)**	(18752.26)

*** Discom has not claimed any impact of RVPN and SLDC True up for FY 2020-21.**

****As per audited accounts**

Analysis of True Up of ARR for FY 2022-23 – JVVNL

Sale of Energy

3.114 The Discom has indicated total sale of 30015.76 MUs including 85.78 MUs sales to Agriculture flat rate category and 9656.31 MUs for agriculture metered category (including defective meter). It has been observed that at the beginning of the year, connected load of flat rate consumers was 140616 kW and after taking into account conversion of flat rate consumers to metered category the closing connected load became 34678 kW and considering specific consumption 1945 kWh/kW/year, the sales of flat rate have been filed. It has been observed that flat rate sales of 85.78 MUs are within the limit of normative specific consumption, i.e., 1945 kWh/kW/year as specified by the Commission. The specific consumption of working Agriculture meters has been shown as 2018 kWh/kW/year. Accordingly, the Commission has considered the specific consumption of flat rate as per Discom's submission.

3.115 In the ARR order dated 1.09.2022, Commission also observed that Commission has been directing Discoms to convert the agriculture flat rate consumers to meter category for many years. However, Discom could not convert them into metered one, looking to such non-compliance, Commission vide its tariff order dated 1.09.2022 had deducted Rs. 10 Crore on this account from the ARR of JVVNL and JdVVNL. In the view of continues non compliance, the Commission has deducted an amount of Rs. 10 Cr. from true up of FY 2022-23 for JVVNL.

3.116 The Commission has noted that it has prescribed the target losses in its ARR Order based on sales to end consumers and any consideration of sales to franchisee at input level will show reduction in losses whereas revenue accounted by the Discom already stands reduced due to lower rate at input level. As the franchisee is acting on behalf of the licensee, the Discom should ensure that franchisee also functions in an efficient manner and also make adequate investment so that impact of working of franchisee should be reflected in overall efficiency improvement and Discoms are also able to achieve target loss level based on end consumer sale.

3.117 It is further observed that the above sale is inclusive of sale of power of 2002.53 MUs to the Distribution Franchisee (DF). Whereas DF has sold 1713.50 MUs to the end consumer. In accordance with view taken in previous true-up orders, Commission for the purpose of calculating distribution losses accepts

the sales of energy to end consumer only i.e. 1713.50 MUs. Keeping in view allowed sales of 29726.73 MUs, the restated distribution loss comes out to be 15.42% as against 14.59% indicated by the Discom.

Power Purchase Cost

3.118 Power purchase cost approved by Commission for FY 2022-23 was Rs.15609 Crore vide ARR order dated 01.09.2022. For the purpose of truing up, JVVNL has claimed Rs. 19964.04 Crore as power purchase cost (including Short Term Power Purchases and Transmission & SLDC charges).

3.119 The Discom has petitioned that they have purchased 38763.99 MUs out of which they have sold 552.81 MUs through exchange, which has been shown in revenue from sale of power through trading.

3.120 Details of power purchase cost as submitted by Discom is given in the table below:

Table 10: Power Purchase Cost as submitted by JVVNL for FY 2022-23

Sr. No.	Particulars	Units (MU)	Amount (in Crore)	Average Rate
	Energy petitioned by Discom			
1	**Total Energy Purchased by Discom (A)**	38763.99	17674.83	4.56
2	Less: Purchase From Short term (B)	2540.93	1412.43	5.56
3	**Balance Energy from approved Sources C= (A-B)**	36223.06	16262.40	4.49
4	**Add: Transmission and SLDC charges (D)**		2289.20	
5	**Total Power Purchase Cost claimed E (A+D)**		**19964.04**	

3.121 The Discom submitted that they have achieved distribution Losses target of 14.59% as against a target of 15% approved by the Commission. Commission appreciates the Discom to achieve target distribution losses for FY 2022-23.

3.122 The Commission has worked out the power purchase requirement based on the approved distribution losses, transmission losses and sales actually made to the end consumers as approved above.

3.123 The Discom has furnished total transmission losses (inter and intra state) in MUs terms, therefore, to segregate the same, the Commission has used the intra state losses of 4.38% based on RVPN true up Order for FY 2022-23 and the interstate transmission losses of 3.58% based on 52 Weeks average of All India transmission Losses as discussed in previous paras. Discom is again directed to

keep a separate account of interstate and intrastate losses and give bifurcation while filing next true up petitions. Failing which the Commission may also impose a penalty apart from disallowing the excess transmission losses.

3.124 Details of gross energy requirement worked out on the basis of sales and losses as indicated in foregoing Para is given in the table below:

Table 11: Gross Energy Requirement of JVVNL for FY 2022-23 (MUs)

Sr. No.	Particulars	Approved as per Order Dated 01.09.2022	Actual/Audited	Restated Level	Normative Calculation
1	Gross Energy Requirement	34829	38763.99	38763.99	37647.41
2	Less:- Sale Through Exchange	0	552.81	552.81	552.81
3	Net Energy Requirement	34829	38211.18	38211.18	37094.60
4	Inter State Transmission Loss (MU)	438	1678.45	1456.85	520.01
5	Energy Availability at RVPN (MU)	34391	36532.74	36754.33	36574.59
6	Intra State Transmission Loss (%)	3.80%	3.80%	4.38%	4.38%
7	Intra State Transmission Loss(MU)	1307	1388.24	1609.84	1601.97
8	Energy Requirement at Distribution Periphery (MU)	33084	35144.49	35144.49	34972.62
9	Distribution Loss (%)	15%	14.59%	15.42%	15.00%
10	Distribution Loss (MUs)	4963	5128.73	5417.77	5245.89
11	Energy Sales (MUs)	28121	30015.76	29726.73	29726.73

3.125 It is observed that the Discom has purchased 1116.59 MUs in excess due to increase in distribution loss over the target given by the Commission, consideration of sale of power to end consumer of DF and higher transmission losses.

3.126 As discussed in earlier paras, the Commission does not wish to burden the consumer on account of Discom inefficiency, especially when Commission is allowing full investment as claimed by Discoms in previous years, the Discom in the current petition and earlier petitions has proposed no tariff hike. As such, the Commission disallows 100% of such excess purchase, i.e. 1116.59 MUs from actual purchase of 38763.99 MUs and accordingly purchase of energy allowed shall be 37647.41 MUs.

3.127 In view of discussion made earlier in this order, banking transactions are considered as cost neutral and no provision towards notional cost of banking is considered for true up of power purchase cost.

3.128 Discom has submitted the total power purchase cost of Rs. 17674.83 Crore including provision for banking of Rs. 291.79 Crore, however, the Commission has not considered the provision for banking cost and considered only the transaction cost. Further, as discussed earlier, the service charges to RUVNL of Rs. 15.63 Crore are not considered by Commission. Accordingly, the Commission has considered the power purchase cost of Rs. 17367.41 Crore.

3.129 Details of power purchase cost as approved by the Commission is given in the table below:

Table 12: Power Purchase Cost of JVVNL as approved for FY 2022-23 (Rs. In Crore)

Sr. No.	Particulars	Units (MU)	Amount	Average Rate
	Energy approved by Commission:			
1	Total Energy Purchased by Discom (A)	38763.99	17367.41	4.48
2	Less: Disallowed short term and unapproved sources (B)	1116.59	620.68	5.56
3	Total Energy from approved sources (C=A-B)	37647.41	16746.73	4.45
4	Less: Disallowed approved sources (D)	0.00	0.00	
5	**Power Purchase Cost Allowed E=(A-B-D)**	**37647.41**	**16746.73**	
6	Add: Transmission and SLDC charges (F)		2289.20	
7	**Total Power purchase cost allowed G= (E+F)**		**19035.94**	

3.130 While disallowing the excess purchase of 1116.59 MUs by Discom, the Commission has considered the power purchase of 1116.59 MUs from short term sources (UI and Exchange).

3.131 With regard to submission of Discom regarding disallowance in power purchase cost be done at the average variable cost of power purchase instead of APPC, the Commission has already dealt with this issue in the true-up order for FY 2020-21 & FY 2021-22 where Commission has not considered the submission of Discom in the aforesaid order as discussed in previous paras.

3.132 Transmission and SLDC charges of Rs. 2289.20 Crore as submitted by Discom have been allowed by the Commission. Accordingly, the total power purchase cost including Transmission and SLDC charges is Rs. 19035.94 Crore.

Operations and Maintenance (O&M) Expenses

3.133 The O&M expenses approved by the Commission for FY 2022-23 were Rs. 2058 Crore including Terminal Benefit liability of Rs. 513 Crore vide Tariff order dated 01.09.2022. For the purpose of true up, JVVNL has claimed Rs. 2000.79 Crore as O&M expenses (including staff terminal benefits based on actuarial valuation of Rs. 570.17 Crore).

3.134 The Commission has worked out the normative O&M expenses as per the methodology explained in earlier part of this order.

3.135 Details of normative O&M expenses as allowed are given in table below:

Table 13: O&M Expenses of JVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particulars	Amount
1	Energy Sales approved by Commission excluding sales by DF (in MU)	28013.23
2	Normative Employee cost for FY 2022-23 (Rs. 0.534/Unit)	1496.45
3	Normative A &G expenses (Rs. 0.072/unit)	202.64
4	Normative R&M expenses (k x GFAn-1 x (1+ER))	204.08
5	Less: Proportionate Employee Cost Capitalized	264.47
6	Less: Proportionate A &G cost capitalized (A&G)	51.03
7	**Total O&M Expenses Allowed after True Up**	**1587.67**

3.136 It is observed that during last year order dated 31.03.2023, the Commission has directed Discom that they may file the details of additional amount, if any, spent over and above O&M expenses towards safety compliance in next True up petition for FY 2022-23. In the instant petition, the Commission observed that the Discom has incurred expenses on safety device of Rs. 1.78 Crore, therefore the same is allowed in this true up order over and above O&M expenses. The Commission also directs the Discom to spend more amount on safety measures, the same shall be considered by the Commission over and above the O&M expenses of subsequent true up orders.

Terminal Benefit

3.137 The Commission had approved Rs. 513 Crore towards Terminal Benefit liability vide its tariff order dated 01.09.2022. However, JVVNL submitted that they have deposited a sum of Rs. 308 Crore as additional contribution towards terminal benefit liability. Accordingly, the terminal benefit liability to the extent of actual amount of Rs. 308 Crore deposited by JVVNL has been considered by the Commission.

3.138 As Discussed in previous paras Commission advises the top management of Discom & State Government to ensure appropriate funding towards terminal benefit liability so as to meet the liability of the Discom on this account.

Depreciation

3.139 The depreciation approved by Commission for FY 2022-23 was Rs. 841 Crore vide Tariff order dated 01.09.2022 and Discom has claimed Rs. 1101.27 Crore as depreciation.

3.140 It is observed that in the books of accounts Rs. 692.57 Crore has been shown towards terminal benefit expenses and out of total employee cost capitalization of Rs. 306.65 Crore, the terminal benefit capitalization is Rs. 122.40 Crore. The Discom must have added the aforesaid terminal benefit capitalization to assets addition during FY 2022-23. As the Commission in above paras has already considered and allowed the terminal benefit without capitalization, therefore, the Commission has deducted the capitalization of terminal benefit from the assets addition during FY 2022-23.

3.141 **Grant under DDUGLY, IPDS-AMI (Smart Metering), RAPDRP-B, Sobhagya yojna**: Discom has consistently been asked to submit scheme wise equity, grant and loans. Commission is allowing the investment under central sponsored schemes, and as per the provision of these schemes, Discom is also expected to meet the desired targets and efficiency level. The purpose of the direction of the Commission was to ensure efficiency of investment and to ensure that the Discom has performed according to the targets of that scheme and its impact is not passed on the consumer by way of non receipt of grant. It is brought to the notice of Commission that Discoms are not able to get the full grant as envisaged under various schemes. It is observed that during FY 2022-

23, under central sponsored scheme such as DDUGLY, IPDS- AMI (Smart Metering), RAPDRP-B, Sobhagya yojna, JVVNL has incurred Rs. 119.59 Crore. Discom has indicated Rs. 42.37 Crore as grant receivable towards such works, whereas as per audited accounts of Discom Rs. 30.40 Crore has been shown as grant received during FY 2022-23. The difference of grant ought to be received and actually received has been considered as notional grant by the Commission. Accordingly, additional grant considered by the Commission is Rs. 11.97 Crore.

3.142 It is made clear that the Commission will not pass on the interest burden to consumers for the additional borrowings taken against the shortfall in the grant/equity to be received as per funding pattern approved in Schemes.

3.143 **Grant on release of New Agriculture Connection under RE Works:** It is observed that during FY 2022-23, Discom has indicated release of 22266 Nos. of new agriculture connections. As discussed in the previous para of this order, the Commission has considered 50 % of difference between actual expenditure incurred on release of new agriculture connection and amount deposited by consumer as additional grant from the State Government which otherwise would have been paid by consumer as consumer contribution to Discoms.

3.144 The Commission as per additional submission of Discom has considered average expenses of Rs. 292000 per connection and consumer contribution of Rs. 24375 per connection. The 50% of difference of per connection expenses and consumer contribution of the above shall be Rs. 133812.50 per connection. Based on this the total grant from government towards release of 22266 new agriculture connection during the year work out to be Rs. 297.95 Crore.

3.145 In view of above, the Commission has considered total capital outlay financed by consumers contribution and grant of Rs 854.05 Cr. consisting of consumer contribution for services connection of Rs 513.73 Crore, capital grant actually received of Rs. 30.40 Crore and notional grant of Rs. 11.97 Crore towards central sponsored scheme, grant of Rs 297.95 Cr. towards release of New Agriculture Connection under RE Works.

3.146 As Discussed earlier in this order, the Commission has considered this amount as additional grant, Discom may obtain this amount from State Government.

3.147 The Commission in absence of detailed information has worked out the figure of grant on normative basis, in case of any discrepancy, Discom may come with actual figure of applicable grant and request to recalculate the impact of grant during next true up petition.

3.148 **Fixed Assets Register (FAR):** With regard to FAR, Discom submitted that the FAR for FY 2022-23 have been furnished in compliance of Commission directions and Tariff Regulations.

3.149 The Commission appreciates the efforts of Discom towards preparation of FAR upto 2022-23.

3.150 Further, as discussed earlier, the Commission directs JVVNL to plan implementation of ERP System, which will not only help Discom in better planning of power purchase, inventory and capital expenditure but also reduces the losses and improve the productivity of expenditure incurred and efficiency of human resources deployed for such purpose. Serious actions are required to be taken by Discoms for implementation of ERP. The Commission has decided to withhold 1% of total approved ARR amounting to Rs. 260.92 Crore of JVVNL on this account and directs the Discom to effectively implement the ERP system for power purchase, inventory, loss reduction and capital expenditure planning and monitoring etc. After the satisfactory implementation of ERP the Discom may request to consider allowing the aforesaid disallowed amount.

3.151 The Commission has followed the methodology given earlier in the order for the calculation of depreciation being allowed.

3.152 Details of depreciation charges allowed for FY 2022-23 are given in table below:

Table 14: Depreciation Charges of JVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particulars	Amount
1	Depreciable assets at the beginning of the year (closing balance of True up FY 2021-22)	16607.08
2	Less: Deductions as per audited accounts	244.59
3	Capitalization during the year	2113.75
4	Less Capitalization towards terminal benefit	122.40
5	Less: Capital Outlay financed by Consumer Contribution and grant	854.05
6	Depreciable assets added during the year (3-4-5)	1137.30
7	Closing balance of GFA (1-2+6)	17499.80
8	Average depreciable assets during the year	17053.44
9	Average depreciation rate	4.39%
10	**Depreciation Allowed after True UP**	**748.38**

Interest and Finance Charges and Interest on Working Capital

3.153 The interest & finance charges approved by Commission for FY 2022-23 were Rs. 2835 Crore including interest on working capital as per the ARR order dated 01.09.2022. For the purpose of true up, JVVNL has claimed Rs. 2777.81 Crore as interest and finance charges including interest on working capital.

3.154 Further as discussed earlier JVVNL has booked an interest liability towards APRL of Rs. 228.56 Crore under interest expenses on the loans availed by the Discom to meet the APRL liability, the Commission has observed that against such expenses Discom has also filed income of special fuel surcharge of Rs. 228.56 Crore. Therefore, net impact of such expenses and revenue claimed by Discom is Nil. As such same amount is being considered in cost and income.

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

Table 15: Interest and Finance Charges of JVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particulars	Amount
1	Opening balance of Long term Loan (LTL) (closing balance of True up FY 2021-22)	6562.83
2	Add: Capitalization during the year	2113.75
3	Less: Capital Outlay financed by Equity	262.50
4	Less: Capital Outlay financed by Consumer Contribution and grant	854.05
5	Less Capitalization towards terminal benefit	122.40

6	Addition to LTL for Capital Outlay {2-(3+4+5)}	874.80
7	Less: Repayments equal to depreciation	748.38
8	Closing balance of LTL (1+6-7)	6689.25
9	Average LTL	6626.04
10	Add: Revenue Gap recognized upto previous year FY 2021-22	18503.35
11	Total Long Term Loan Balance to be considered for allowing interest for FY 2022-23 (9+10)	25129.39
12	Average Interest rate of LTL	10.37%
13	Interest Charges on LTL and revenue gap	2605.02
14	Interest on security deposit from consumers - As per actual	85.40
15	Finance Charges-As per actual	201.98
16	Interest on loan for payment to APRL Ltd.	228.56
17	**Total Interest and Finance Charges Allowed after True UP (13+14+15+16)**	**3120.96**

3.156 The Commission has approved the interest on working capital as per Regulation 27 of RERC Tariff Regulations, 2019. The details of Interest on working capital are given in table below:

Table 16: Interest on Working Capital of JVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particular	Amount considering normative interest rate	Amount considering interest rate submitted by Discom
1	O&M expenses of one month	132.31	132.31
2	Maintenance spares @ 15% of operation and maintenance expenses specified in regulation 82;	238.15	238.15
3	Receivables as per above para	3189.95	3189.95
4	Less: Security deposit from consumers	1728.06	1728.06
5	Total working capital requirement(1+2+3-4)	1832.35	1832.35
6	Rate of Interest	10.00%	9.18%
7	Interest on working capital allowed after true-up	183.24	168.24
8	Less : 50% Gain arising from variation in Interest rate as per regulation 27 of RERC, 2019	7.50	
9	**Net Interest on working capital**	**175.74**	

3.157 It may be seen that gain on account of variation in interest rate is Rs. 15 Crore. As per Regulation 27 of RERC Tariff Regulations, 2019, 50% of such gain is to be passed on 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.

Interest on Uday Loan FY 2022-23

3.158 The Discom has claimed the interest on UDAY loan for FY 2022-23 of Rs. 520 Crore as approved by the Commission in the ARR and Tariff Order for FY 2022-23. The Commission has considered the same as claimed by the Discom as same being in accordance with Commission's order dated 06.02.2020.

Prior Period Expenses

3.159 JVVNL has claimed prior period expenses of Rs. 250.75 Crore. The detail of prior period expenses as per audited accounts are as follows:

Table 17: Prior Period expenses **(Rs. In Crore)**

Particulars	For the year ended 31st March 2023	
Prior period expenses/loss		
Prior Period Adjustment of Power Purchase		131.28
Employee cost	0.60	
Depreciation	(5.87)	
Interest & Other Financial Charges	54.40	
Administration & General Expense	70.33	119.47
Total		**250.75**

3.160 While carrying out the true up of any financial year, the Commission allows the employee cost, depreciation, interest and finance charges and administrative and general expenses as per Tariff Regulations. Hence, expenses of Rs. 119.47 Crore on account of above expenses as shown in JVVNL audited accounts is disallowed as prior period expenses as the Commission has already approved the above expenses in the earlier true up orders as per the norms specified in the Tariff Regulations.

3.161 Further, Discom has also claimed Rs. 131.28 Crore towards prior period power purchase, which are mainly due to wrong booking of inter Discom transmission charges, the same has been considered as claimed by Discom.

3.162 Considering the above, for the purpose of current true up, the Commission has considered the prior period expenses of Rs. 131.28 Crore against the JVVNL claim of prior period expenses of Rs. 250.75 Crore.

Insurance Expenses

3.163 As per regulation 25 of RERC Tariff Regulations, 2019 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. The Commission accordingly has considered the insurance charges of Rs. 1.59 Crore claimed by the Discom.

Other Debits:

3.164 JVVNL has claimed other debits of Rs. 403.04 Crore. It has been observed that major item of other debits are provision for bad and doubtful debts of Rs. 356.69 Crore, provision for bad and doubtful debts-others of Rs. 8.79 Crore, loss on sale of fixed assets of Rs. 13.90 Crore, loss on valuation of inventory of Rs. 15.19 Crore, loss due to theft of fixed assets of Rs. 2.78 Crore, compensation in case injury/death of Rs. 5.07 Crore, loss on obsolete store of Rs. 0.18 Crore, loss due to exchange rate variation of Rs. 0.28 Crore and Shortage on physical verification of stock of Rs 0.15 Cr.

3.165 While carrying out the true up exercise, the Commission has not considered any provision towards bad and doubtful debts. The expenses are allowed only to the extent of debts actually written off of Rs. 23.69 Crore by the Discom subject to limit stipulated in the Regulation 26 of RERC Tariff Regulations, 2019. Therefore, the Commission has not considered bad debts provision.

3.166 Since the Commission has allowed the insurance charges, therefore the claim on account of loss due to theft of Fixed Assets of Rs. 2.78 Crore is not considered by the Commission.

3.167 Compensation to outsider paid of Rs. 4.68 Crore and compensation to employee of Rs. 0.38 Crore, loss on sale of fixed assets of Rs. 13.90 Crore, and loss on obsolete store of Rs. 0.18 Crore are considered as per actual.

3.168 The Commission has not considered loss on valuation of Inventory amount to Rs. 15.19 Crore and Shortage on physical verification of stock of Rs 0.15 Cr.

3.169 Accordingly, the Commission has considered the other debit of Rs. 43.12 Crore against the Discom's claim of Rs. 403.04 Crore.

Rebate Allowed to Consumers

3.170 JVVNL has shown the rebate allowed to consumers of Rs. 478.43 Crore which is inclusive of LPS/DPS waiver of Rs. 51.16 Crore and rebate of defective meters of Rs. 9.41 Crore. As per Regulation 36 of RERC Tariff Regulations, 2019, the Commission has not considered the income towards DPS, therefore, the expenditure on account of waiver of LPS/DPS of Rs. 51.16 Crore is also not considered by the Commission. Further, Discom has shown rebate of Defective meter of Rs. 9.41 Crore which is also not considered in this order as it is the duty of the Discom to keep the meters correct and replace defective meters within the specified time.

3.171 Hence Commission has considered the rebate allowed to consumer only to Rs. 417.87 Crore after adjustments as above.

RVPN and SLDC true up for FY 2020-21:

3.172 Commission in its order dated 01.09.2022 approved Rs. (54) Crore towards RVPN and SLDC True up for FY 2020-21 as separate item of ARR. However, Discom has not claimed the same in the True up petition, accordingly, same has not been considered for FY 2022-23.

Revenue Subsidy received from Government

3.173 Discom has filed revenue subsidy of Rs. 49.01 Crore which includes Rs. 36.97 Crore of Grant from GoI-Rooftop Solar and Rs. 12.04 Crore of Interest Subsidy under NEF (REC).

3.174 Further, Discom submitted that the adjusted financial loss of JVVNL for FY 2021-22 considered for the purpose of providing loss subsidy was Rs. 56.08 Cr. Accordingly, the GoR has taken over 60% of losses of FY 2021-22 amounting to Rs. 33.65 Cr. as per guidelines of additional borrowing space 0.50% of Gross State Domestic Product (GSDP) linked to the performance of the State in Power sector.

3.175 JVVNL submitted that for FY 2021-22 the Commission vide its True Up order dated 31.03.2023 had approved a revenue gap of Rs. 571.79 Cr. This

included components of UDAY interest amounting to Rs. 520 Cr. and refund of depreciation amounting to Rs. 218 Cr, which essentially pertain to past years. Accordingly, without considering the mentioned components, the Commission essentially approved a revenue surplus for JVVNL in FY 2021-22.

3.176 JVVNL submitted that the losses reflected in the Annual Accounts is a sum total of losses which is reflected in Commission order as Regulatory Assets and the losses which was not approved by Commission and were to be borne by the Discoms. Accordingly, the revenue gap for FY 2021-22 should be adjusted by the loss takeover only in the proportion that approved losses constituted in the total Discom losses. The portion of losses taken over by GoR which was on account of unapproved losses should be retained by the Discoms as losses due to the same are not passed in ARR.

3.177 Discom further submitted that as the Commission had essentially approved a revenue surplus for FY 2021-22 as explained above, the loss subsidy to be considered for truing up is nil.

3.178 It is observed that under GSDP scheme, Government of Rajasthan has taken 60% of adjusted operational Losses of Discom for FY 2021-22, however, in the last true up for FY 2021-22, Commission has considered lower of prescribed % of the approved losses or actual loss subsidy receipt.

3.179 Further, as the Commission has approved gap of Rs. 571.79 crore during the true up of FY 2021-22, therefore, the Commission has considered the approved losses for FY 2021-22. Accordingly, the Commission has considered lower of 60% of 571.79 Crore or loss subsidy received of Rs. 33.65 Crore for FY 2022-23 as Rs. 33.65 crore towards loss subsidy taken over for FY 2021-22. Accordingly, Commission has considered Rs. 82.66 Cr. as Revenue subsidy.

Revenue

3.180 Revenue from sale of power, fuel surcharge, Wheeling Charges, Cross Subsidy Surcharge, additional surcharge, sale of power through trading and Prior Period Income as petitioned by Discom has been accepted except exceptional item of Rs. 173.40 Cr. booked in revenue from sale of power from railways towards open excess charges i.e. cross subsidy charge and

additional charges for the period April 2022 to March 2023 as discussed in subsequent paras of this order under the head of Exceptional Item.

3.181 **Fuel Surcharge/Special Fuel Surcharge:** Out of total income from sale of power, the income from fuel surcharge i.e. on account of regular fuel surcharge and special fuel surcharge on account of M/s APRL as per audited accounts is Rs. 1120.33 Crore and Rs. 228.56 Crore respectively, which is considered by the Commission in this Order.

3.182 **Non-Tariff Income:** During FY 2022-23, Discom has claimed total non tariff income of Rs. 1273.68 Crore including deferred revenue income of Rs. 295.39 Crore and DPS received from consumers of Rs. 409.84 Crore, which have been dealt as under:

3.183 **Delayed Payment Surcharge (DPS):** The Discom has claimed Delayed Payment Surcharge (DPS) of Rs. 409.84 Crore as part of Non Tariff Income (NTI) and also claimed the same as separate item of expenditure under DPS head.

3.184 In accordance with Regulation 36 of RERC Tariff Regulations, 2019 the Commission has not considered Delayed Payment Surcharge (DPS) of Rs. 409.84 Crore as Non Tariff income and accordingly has also not considered separate item of expenditure under DPS head.

3.185 **Deferred Revenue Income:** Discom has stated that in their accounting policies consumer contribution for service connection & line, capital grants and subsidies received towards cost of capital assets have not been reduced from the cost of assets. The same has been treated as Deferred Revenue Income which is being amortized/written off in 25 years from the year of its receipt. The depreciation pertaining to such fixed assets is fully charged to revenue.

3.186 However, while computing the depreciation, the Commission has reduced the capitalization amount funded by the consumer contribution, capital grant and subsidy received during the year. Therefore, the Commission has not considered the depreciation benefit on such assets and consequently deferred revenue is of Rs. 295.39 Crore is not considered.

3.187 Accordingly, Non Tariff Income of Rs. 568.45 Crore is considered in this order.

Exceptional Items

3.188 **LPS:** Discom submitted that it has accounted reversal of LPS from RVUNL of Rs. 3027.57 Cr and from RVPNL of Rs. 260.80 Cr total Rs. 3288.38 Cr as exceptional income during the year. Discom further submitted that since the Commission does not consider LPS/ DPS payable as a pass-through expense in the True-up/ ARR Orders, hence requested the Commission to not consider credit of LPS received from RVUN and RVPN as a pass-through item. Therefore, net impact of such reversal of LPS shall be Nil.

3.189 The Commission observed that it has not considered the LPS/DPS payable as a pass-through expense in the earlier True-up/ ARR Orders, hence Commission in this order also has not considered this as a pass through item.

3.190 **Written-off differential tariff subsidy**: Discom also submitted that it has written-off differential tariff subsidy receivable amounting to Rs. 882.25 Cr till 31.03.2022 as Finance Department, GoR has directed to Rajasthan Discoms for writing-off tariff subsidy receivables from Govt. on account of stopped and defective meters which has been calculated on the basis of flat rate billing instead of metered rate billing. Discom further submitted that the Commission directed the Discom to take necessary action to ensure that all meters remain in working condition and directed the Discom to restrict the ratio of defective agriculture meters to total meters to a maximum of 10%. Furthermore, vide Tariff Order dated 31.03.2023, the Commission had disallowed sale assessed towards defective meters.

3.191 To ensure that the write-off of subsidy on account of stopped and defective meters does not result in additional burden on consumers, Discom requests the Commission to not consider tariff subsidy duly written-off as a pass-through item. Therefore, impact of write-off of tariff subsidy shall be Nil.

3.192 In respect of writing off the subsidy, Commission is not considering the above exceptional items as per Discom's request.

3.193 **North Western Railway (NWR)- Cross Subsidy and Additional Surcharge**: JVVNL submitted that they have raised the Energy bills for Cross Subsidy and Additional Surcharge to the North Western Railway (NWR) for the period Jan-2017 to Jan-2022 for Rs. 462.65 Cr and accounted-for as "Revenue from Operations". Earlier, RERC has passed judgment in favour of JVVNL that Railway is liable to pay open access charges i.e. Cross Subsidy Charges and additional surcharge to JVVNL. Against the RERC order dated 23.04.2019, Railways has filed the appeal before APTEL and stay order is granted in May-2019 by APTEL. During the year, JVVNL has accounted-for Revenue from Railway amounting to Rs. 25.23 Cr for the period Feb. 2022 & March, 2022 as "Prior Period Income" and Rs. 173.40 Cr for the period April, 2022 to March 2023 as "Revenue from Sale of Power" in the Statement of Profit & Loss. As the matter is pending before APTEL, provision for bad & doubtful debts of equivalent amount i.e. Rs.487.89 Cr receivable from Railways up to March, 2022 has been accounted-for as "Exceptional Expenses" and Rs. 173.40 Cr for the period April, 2022 to March 2023 has been accounted-for as "Other Debit- Bad-doubtful debts- Provision" in the Statement of Profit & Loss. The JVVNL requested the Commission to consider this exceptional expense of Rs 487.89 Cr as a pass-through in the ARR.

3.194 Further with reference to the above, the Hon'ble APTEL, New Delhi has passed order vide dated 12.04.2024 for APPEAL NO. 170 OF 2019 & IA NO. 709 OF 2019 & IA NO. 809 OF 2021, para no XVI. Conclusion is reproduced under:

"For the reasons afore-mentioned, it is held that Indian Railways is not a deemed distribution licensee falling within the ambit of the third proviso to Section 14 of the Electricity Act as it does not distribute/ supply electricity (ie sell electricity to consumers for a price) as required of a distribution licensee under the Electricity Act; and, even otherwise, as the entire electricity which it receives from the Grid is completely consumed by it and its constituents, it is required to pay additional/cross-subsidy surcharge to different distribution licenses under Section 42 of the Electricity Act, if it chooses to procure electricity from sources other than the concerned distribution licensees within whose area of supply it is situated."

3.195 Further the Civil Appeal Nos.4652-4659/2024 filed in Hon'ble Supreme Court of India by INDIAN RAILWAYS against WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED & ORS. heard on 06.05.2024 is reproduced under:

1. *"Bearing in mind the ramification of the issues involved list the Civil Appeals for final disposal on 23 July 2024.*
2. *In the meantime, we direct that the Railways shall not be required to pay either the cross-subsidy surcharge or, as the case may be the additional surcharges to the distribution licensees. However, open access shall not be denied to the Railways for that reason.*
3. *The liability, if any, of the Railways towards the payment of the cross-subsidy surcharge and the additional surcharges, shall abide by the final result of these proceedings and such directions as may be issued by the Court."*

3.196 Hence, the Commission deems it appropriate to allow the Exceptional expenses of Rs. 487.89 Cr. as submitted by JVVNL. Commission direct the JVVNL that if in future, after disposal of Supreme court order, the same shall be dealt accordingly in subsequent true up.

3.197 Further, in respect of "Other Debit- Bad-doubtful debts- Provision" of Rs. 173.40 Cr. the Commission is not considering the provisions as discussed above in Other Debit section and the Commission is also not considering Rs. 173.40 Cr. in revenue from sale of power thus impact of this will be nil.

Revenue Gap/Surplus

3.198 Based on above discussions and data provided by JVVNL, the prayer of Discom for True-up of the expenditure and revenue for FY 2022-23 based on the actual performance and for approval of the revenue gap of Rs. (3590.95) Crore for the year has not been accepted as petitioned. The Commission has approved the same to the extent shown in following table:

Table 18: Summary of True up of JVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particulars	As per order dated 01.09.2022	As per petition	Approved After truing up
1	**Revenue**			
2	Sale of power	21497	21700.51	21527.02
3	Fuel Surcharges	0	1348.89	1348.89
4	Non-tariff income and other income	164	1273.68	568.45
5	Wheeling charges, Cross Subsidy Surcharge and additional surcharge	14	4.27	4.27

Sr. No.	Particulars	As per order dated 01.09.2022	As per petition	Approved After truing up
6	Sale of power through trading	0	261.65	261.65
7	Prior Period Income	0	166.48	166.48
8	**Total Revenue, A**	**21675**	**24755.49**	**23876.76**
9	**Expenditure**			
10	Power purchase Cost	15609	19964.04	19035.94
11	**O & M Expenses**			
12	Employee cost	1189	858.28	1231.98
13	A&G expenses	148	185.81	151.61
14	R&M expenses	208	386.53	204.08
15	Terminal Benefits	513	570.17	308.00
16	Insurance Expenses	34	1.59	1.59
17	Exp. on Safety measures	0.00	0.00	1.78
18	Depreciation	841	1101.27	748.38
19	Interest & finance charges	870	923.58	1202.82
20	Interest on working capital	149	1854.23	175.74
21	Interest on Regulatory Assets	1816		1918.14
22	Interest on Uday Loan	520	520.00	520.00
23	Prior period expenses		250.75	131.28
24	Other debits	0.00	403.04	43.12
25	Rebate allowed to consumers		478.43	417.87
26	RVPN and SLDC True up for FY 2020-21*	(54)	0.00	0.00
27	**Total Expenditure, B**	**21845**	**27497.72**	**26092.34**
28	**Surplus/deficit, C = (A-B)**	(170)	(2742.23)	(2215.58)
29	Revenue subsidies received from State Government **D**	791	49.01	82.66
30	Add: Delayed payment surcharge considered as part of NTI **E**	0	409.84	0.00
31	**Revenue gap for FY 2022-23, F =(C+D+E)**	620	(3103.07)	(2132.92)
32	Reduction for non conversion of flat rate consumers **G**	10	0.00	10.00
33	Exceptional Income/(Expense) **H**		(487.89)	(487.89)
34	**Net Revenue gap for FY 2022-23 I=(F+G+H)**	**630**	**(3590.95)**	**(2610.81)**
35	**Deduction on account of non implementation of ERP J**			260.92
36	**Net Revenue Gap for FY 2022-23 K (I+J)**	630	(3590.95)	(2349.89)
37	**Gap worked out as per last true up order, L**	0	(18503.35)	(18503.35)
38	**Cumulative Revenue Gap to be carried forward, K+L**	0	(22094.30)	(20853.23)

Sr. No.	Particulars	As per order dated 01.09.2022	As per petition	Approved After truing up
39	**Cumulative Revenue Gap till FY 2022-23**		**(29318.33)****	**(20853.23)**

*** Discom has not claimed any impact of RVPN and SLDC True up for FY 2020-21.**

****As per audited accounts**

Analysis of True Up of ARR for FY 2022-23– AVVNL

Sale of Energy

3.199 The Discom has indicated total sale of 24359.46 MUs including 9.67 MUs sales to Agriculture flat rate category and 7343.06 MUs for agriculture metered category (including defective meter). It has been observed that at the beginning of the year, connected load of flat rate consumers was 165491 kW and after taking into account conversion of flat rate consumers to metered category the closing connected load became 5125 kW and Discom has filed flat rate sales considering specific consumption of 1945 kWh/kW/year.

3.200 In data gap reply, the Discom has also filed the detail of number of working meters, defective meters, their connected load and sales of such consumers as under:

Particulars	Consumers	Connected Load (KW)	Energy Sold (MU)
Ag. Working Meters	453566	2347550	3737
Ag. Defective Meters	156235	1851423	3606
Total Ag. Metered	**609801**	**4198973**	**7343**

3.201 It is observed from the above data that Discom is reporting the huge number under defective meters which is close to 26% of total consumers under this category and shown its serious concern, as according to RERC (Electricity Supply Code and Connected Matters) Regulations, 2021, no defective meter shall be allowed to remain for more than 2 billing cycle.

3.202 For computing the defective meters sales for FY 2022-23, Commission has considered average connected load, the Specific consumption of 1592 kWh/kW/year of working meters for 10 months and Specific consumption of 1945 kWh/kW/year for 2 months and the average for 12 months works out to be 1651 kWh/kW/year. Accordingly, the sales to consumers with defective meters work out to be 3056.21 MUs against Discom's claim of 3606 MUs. Thus, the Commission has disallowed 549.83 MUs in sales on account of higher specific consumption of defective meters as compared to working meters.

3.203 Commission has observed that the Discom has computed the flat rate sales on closing connected load which is work out to be 9.67 MUs and which is substantially lower than sales work out on average connected load with specific consumption of 1651/kWh/year used for computing the defectives meter sales as above. Therefore, the Commission has considered sales of flat rate consumers of 9.67 MUs as filed by Discom.

3.204 The Commission has noted that it has prescribed the target losses in its ARR Order based on sales to end consumers and any consideration of sales to franchisee at input level will show reduction in losses whereas revenue accounted by the Discom already stands reduced due to lower rate at input level. As the franchisee is acting on behalf of the licensee, the Discom should ensure that franchisee also functions in an efficient manner and also make adequate investment so that impact of working of franchisee should be reflected in overall efficiency improvement and Discoms are also able to achieve target loss level based on end consumer sale.

3.205 It is further observed that the above sale is inclusive of sale of power of 592.41 MUs to the Distribution Franchisee (DF). Whereas DF has sold 550.08 MUs to the end consumer. In accordance with view taken in previous true-up orders, Commission for the purpose of calculating distribution losses accepts the sales of energy to end consumer only, in view of above, after disallowing sales of defective meters and consideration of sales of DF at consumer level the sales for FY 2022-23 is work out to be as 23767.30 MUs, accordingly, the restated distribution loss comes out to be 12.19% as against 10.00% indicated by the Discom.

Power Purchase Cost

3.206 Power purchase cost approved by the Commission for FY 2022-23 was Rs. 12120 Crore vide ARR order dated 01.09.2022. For the purpose of truing up, AVVNL has claimed Rs. 15337.41 Crore as power purchase cost (including Short Term Power purchases and Transmission & SLDC charges).

3.207 The Discom has petitioned that they have purchased 29826.11 MUs out of which they have sold 397.04 MUs through exchange, which has been shown in revenue from sale of power through trading.

3.208 Details of power purchase cost submitted by Discom are given in the table below:

Table 19: Power purchase cost submitted by AVVNL for FY 2022-23

Sr. No.	Particulars	Units (MU)	Amount (in Crore)	Average Rate
	Energy petitioned by Discom			
1	Total Energy Purchased by Discom (A)	29826.11	13730.52	4.60
2	Less: Purchase From Short term sources (B)	1821.14	961.18	5.28
3	Balance Energy from approved Sources C= (A-B)	28004.97	12769.34	4.56

4	Add: Transmission and SLDC charges (D)		1606.89	
5	**Total Power Purchase Cost claimed E=(A+D)**		**15337.41**	

3.209 The Discom submitted it has achieved Distribution losses of 10% as against a target of 14.60% approved by the Commission, further, Commission appreciate the Discom to achieve target distribution losses for FY 2022-23.

3.210 The Commission has worked out the power purchase requirement based on the approved distribution losses, transmission losses and sales approved above.

3.211 The Discom has furnished total transmission losses (inter and intra state) in MUs terms, therefore, to segregate the same, the Commission has used the intra state losses of 4.38% based on RVPN true up petition for FY 2022-23 and the inter state transmission losses of 3.58% based on 52 weeks Average of All India Transmission Losses as discussed in previous paras. Discom is again directed to keep a separate account of interstate and intrastate losses and give bifurcation while filing next true up petitions. Failing which the Commission may also impose a penalty apart from disallowing the excess transmission losses.

3.212 Details of gross energy requirement worked out on the basis of sales and losses as indicated in foregoing Para is given below in table:

Table 20: Gross Energy Requirement of AVVNL for FY 2022-23 (MUs)

Sr. No.	Particulars	Approved as per Order Dated 01.09.2022	Actual/Audited	Restated Level	Normative Calculation
1	Gross Energy Requirement	27246	29826.11	29826.11	29863.92
2	Less:- Sale Through Exchange	0	397.04	397.04	397.04
3	Net Energy Requirement	27246	29429.07	29429.07	29466.88
4	Inter State Transmission Loss (MU)	295	1292.69	1122.02	361.50
5	Energy Availability at RVPN (MU)	26950	28136	28307.05	29105.38
6	Intra State Transmission Loss (%)	3.80%	3.80%	4.38%	4.38%
7	Intra State Transmission Loss(MU)	1024	1069.18	1239.85	1274.82
8	Energy Requirement at Distribution Periphery (MU)	25926	27067.20	27067.20	27830.56
9	Distribution Loss (%)	14.60%	10.00%	12.19%	14.60%
10	Distribution Loss (MUs)	3785	2707.74	3299.90	4063.26
11	Energy Sales (MUs)	22141	24359.46	23767.30	23767.30

3.213 It is observed that at approved distribution loss level of 14.60%, Discom has purchases 37.82 MUs in excess due to consideration of sale of power to end consumer of DF, consideration of sale of defective meters using specific consumption of working meters and high transmission losses. However during FY 2022-23, Discom restated distribution losses is 12.19% which is lower than approved distribution losses of 14.60%.

3.214 As per Regulation 75(5) of RERC Tariff Regulations, 2019, the gains arising on account of distribution losses being lower than the target fixed for any year by the Commission, shall be shared in the ratio of 50:50 between the Distribution Licensee and the consumers.

3.215 As the Discom restated distribution losses level is lower than approved distribution losses, the total excess energy allowed by the Commission at Discom periphery is 763.37 MUs, whereas as per above regulation gains arising on account of distribution losses being lower than the target fixed for any year by the Commission, shall be shared in the ratio of 50:50 between the Distribution Licensee and the consumers. Accordingly, the 50 % of gain of 763.37 MUs i.e. 381.68 MUs shall be shared by Discom with consumers. As per table above, excess normative power requirement of 37.82 MUs is to be disallowed and out of gain of 763.37 MUs, 50% is also shared with consumers in form of reduction of power purchase cost. Accordingly, disallowances towards this shall be considered as 419.50 MUs. The impact of sharing of gain by Discoms is that the revenue gap for the year to that extent shall be reduced.

3.216 As such the Commission disallows excess purchase, i.e. 419.50 MUs from actual purchase of 29826.11 MUs and accordingly purchase of energy allowed shall be 29406.61 MUs.

3.217 In view of discussion made earlier in this order, banking transactions are considered as cost neutral and no provision towards notional cost of banking is considered for true up of power purchase cost.

3.218 Discom has submitted the total power purchase cost of Rs. 13730.52 Crore including provision for banking of Rs. 213.63 Crore. However, the Commission has not considered the provision for banking cost and considered only the transaction cost. Further, as discussed in earlier paras, the service charges to RUVNL of Rs. 11.23 Crore are not considered by

Commission. Accordingly, the Commission has considered the power purchase cost of Rs. 13505.67 Crore.

3.219 Details of power purchase cost as approved by the Commission is given in the table below:

Table 21: Power Purchase Cost of AVVNL as approved for FY 2022-23

(Rs. In Crore)

Sr. No.	Particulars	Units (MU)	Amount	Average Rate
	Energy approved by Commission:			
1	Total Energy Purchased by Discom (A)	29826.11	13505.67	4.53
2	Less: Disallowed short term and unapproved sources (B)	419.50	221.41	5.28
3	Total Energy from approved sources (C=A-B)	29406.61	13284.26	4.52
4	Less: Disallowed approved sources (D)	0.00	0.00	0.00
5	**Power Purchase Cost Allowed E=(A-B-D)**	29406.61	13284.26	
6	Add: Transmission and SLDC charges (F)		1606.89	
7	**Total Power purchase cost allowed G= (E+F)**		**14891.15**	

3.220 While disallowing the excess purchase of 419.50 MUs by Discom, the Commission has considered the power purchase from short term sources (UI and Exchange).

3.221 With regard to submission of Discom regarding disallowance in power purchase cost be done at the average variable cost of power purchase instead of APPC, the Commission has already dealt with this issue in the true-up order for FY 2020-21 & FY 2021-22 where Commission has not considered the submission of Discom in the aforesaid order as discussed in previous paras.

3.222 Transmission and SLDC charges of Rs. 1606.89 Crore have been allowed by the Commission. Accordingly, the total power purchase cost including transmission & SLDC charges for FY 2022-23 is Rs. 14891.15 Crore.

Operations and Maintenance (O&M) Expenses

3.223 The O&M expenses approved by the Commission for FY 2022-23 were Rs. 1740 Crore including terminal benefit liability of Rs. 507 Crore vide ARR order dated 01.09.2022. For the purpose of true up, AVVNL has claimed Rs. 1887.90 Crore as O&M expenses (including terminal benefits of Rs. 536.95 Crore).

3.224 The Commission has worked out the normative O&M expenses as per the methodology explained in earlier part of this order.

3.225 Details of normative O&M expenses as allowed are given in table below:

Table 22: O&M Expenses of AVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particulars	Amount
1	Energy Sales approved by Commission excluding sales by DF (in MU)	23217.22
2	Normative Employee cost for FY 2022-23 (Rs. 0.534/unit)	1240.25
3	Normative A &G expenses (Rs. 0.072/unit)	167.95
4	Normative R&M expenses (k x GFAn-1 x (1+ER))	152.99
5	Less: Proportionate Employee Cost Capitalized	214.52
6	Less: Proportionate A&G cost capitalized (A&G)	17.14
7	**Total O&M Expenses Allowed after True Up**	**1329.54**

3.226 It is observed that during last year order dated 31.03.2023, the Commission has directed Discom that they may file the details of additional amount, if any, spent over and above O&M expenses towards safety compliance in next True up petition for FY 2022-23. In the instant petition, the Commission observed that the Discom has incurred expenses on safety device of Rs. 4.33 Crore, therefore the same is allowed in this true up order over and above O&M expenses. The Commission also directs the Discom to spend more amount on safety measures, the same shall be considered by the Commission over and above the O&M expenses of subsequent true up orders.

Terminal Benefit

3.227 The Commission had approved Rs. 507 Crore towards terminal benefit liability vide its tariff order dated 01.09.2022. AVVNL submitted that they have deposited a sum of Rs. 611 Crore as additional contribution towards terminal benefit liability. Accordingly, the terminal benefit liability to the extent of actual amount of Rs. 611 Crore deposited by the AVVNL has been considered by the Commission.

3.228 As Discussed in previous paras, Commission advises the top management of Discom & State Government to continue ensure appropriate funding towards terminal benefit liability so as to meet the liability of the Discom on this account.

Depreciation

3.229 The depreciation approved by Commission for FY 2022-23 was Rs. 516 Crore vide ARR order dated 01.09.2023 and Discom has claimed Rs. 962.97 Crore as depreciation charges for the purpose of true up.

3.230 It is observed in books of accounts that Rs. 536.95 Crore has been shown towards terminal benefit expenses and out of total employee cost capitalization of Rs. 208.15 Crore, the terminal benefit capitalization is Rs. 59.42 Crore. The Discom must have added the aforesaid terminal benefit capitalization to assets addition during FY 2022-23. As the Commission in above paras has already considered and allowed the terminal benefit without capitalization, therefore, the Commission has deducted the capitalization of terminal benefit from the assets addition during FY 2022-23.

3.231 **Grant under DDUGJY, R-APDRP, IPDS and Saubhagya:** Discom has consistently been asked to submit scheme wise equity, grant and loans. Commission is allowing the investment under central sponsored schemes and as per the provision of these schemes, Discom is also expected to meet the desired targets and efficiency level. The purpose of the direction of the Commission was to ensure efficiency of investment and to ensure that the Discom has performed according to the targets of that scheme and its impact is not passed on the consumer by way of non-receipt of grant. It is observed that during FY 2022-23, under central sponsored scheme such as DDUGJY Post Saubhagya scheme AVVNL has incurred Rs. 54.36 Crore and in additional submission Discom has indicated Rs. 32.62 Crore as grants receivables towards such works, whereas as per audited accounts of Discom Rs. 73.71 Crore has been shown as grant received during FY 2022-23. The difference of grant ought to be received and actually received has been considered as notional grant by the Commission. However, this year the grant received is more than grant receivable, therefore the difference amount has been added back to Capital cost. Accordingly, excess grant has been reduced by the Commission of Rs. 41.09 Crore.

3.232 It is made clear that the Commission will not pass on the interest burden to consumers for the additional borrowings taken against the shortfall in the grant/equity to be received as per funding pattern approved in Schemes.

3.233 **Grant on release of New Agriculture Connection under RE Works:** It is observed that during FY 2022-23, Discom has released of 43821 Nos. of new agriculture connections. As discussed in the previous para of this order, the Commission has considered 50% of difference between actual expenditure incurred on release of new agriculture connection and amount deposited by consumer as additional grant from the State Government which otherwise would have been paid by consumer as consumer contribution to Discoms.

3.234 The Commission as per additional submission of Discom has considered an average expenses of Rs. 225000/- per connection and consumer contribution of Rs 25000 per connection. The 50% difference of per connection expenses and consumer contribution of the above shall be Rs. 100000 per connection. Based on this the total grant from government towards release of 43821 new agriculture connection during the year work out to be Rs. 438.21 Crore.

3.235 In view of above, the Commission has considered total capital outlay financed by consumers contribution and grant of Rs 901.32 Cr. consisting of consumer contribution for services connection of Rs 430.49 Crore, capital grant actually received of Rs. 73.71 Crore towards central sponsored scheme, grant of Rs 438.21 Cr. towards release of New Agriculture Connection under RE Works and adjustment of excess of grant received of Rs. (41.09) Crore from central sponsored scheme

3.236 While dealing with Jodhpur Discom in the earlier paras of this order, the Commission has considered this amount as additional grant, Discom may obtain this amount from State Government.

3.237 The Commission in absence of detailed information has worked out the figure of grant on normative basis, in case of any discrepancy, Discom may come with actual figure of applicable grant and request to recalculate the impact of grant during next true up petition.

3.238 **Fixed Assets Register (FAR):** With regard to FAR, Discom has submitted FAR upto FY 2022-23 in compliance of Commission directions and Tariff Regulations.

3.239 The Commission appreciates the efforts of Discom towards preparation of FAR upto FY 2022-23. Accordingly, request of AVVNL to approve the amount deducted in the previous True Up order from FY 2021-22 to the tune of Rs. 58 Crore, has been considered by the Commission.

3.240 Further, as discussed earlier, the Commission directs AVVNL to plan implementation of ERP System, which will not only helps Discom in better planning of power purchase, inventory and capital expenditure but also reduces the losses and improve the productivity of expenditure incurred and efficiency of human resources deployed for such purpose. Serious actions are required to be taken by Discoms for implementation of ERP. Since AVVNL has implemented material management module, the Commission has withheld slightly lower amount compared to JdVVNL and JVVNL i.e. 0.90% of total approved ARR amounting to Rs. 190.85 Crore of AVVNL on this account and directs the Discom to effectively implement the ERP system for power purchase, inventory, loss reduction and capital expenditure planning and monitoring etc. After the satisfactory implementation of ERP the Discom may request to consider to allow the aforesaid disallowed amount.

3.241 The Commission has followed the methodology given earlier in the order for the calculation of depreciation being allowed.

3.242 Details of depreciation charges allowed for FY 2022-23 are given in table below:

Table 23: Depreciation Charges of AVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particulars	Amount
1	Depreciable assets at the beginning of the year (closing balance of Tue up FY 2021-22)	13813.99
2	Less: Deductions as per audited accounts	98.20
3	Capitalization during the year	1641.18
4	Less Capitalization towards terminal benefit	59.42
5	Less: Capital Outlay financed by Consumer Contribution and grant	901.32
6	Depreciable assets added during the year (3-4-5)	680.44
7	Closing balance of GFA (1-2+6)	14396.23
8	Average depreciable assets during the year	14105.11
9	Average depreciation rate	4.43%
10	**Depreciation Allowed after True UP**	**624.56**

3.243 The amount added back on account of preparation of fixed asset register has been considered as expenditure in the final table while allowing the ARR.

Interest and Finance Charges and Interest on Working Capital

3.244 The interest & finance charges approved by Commission for FY 2022-23 was Rs. 1837 Crore including interest on working capital as per the ARR order dated 01.09.2022. For the purpose of true up, AVVNL has claimed Rs. 2211.67 Crore as interest and finance charges including interest on working capital.

3.245 Further as discussed earlier AVVNL has booked an interest liability towards APRL of Rs. 114.22 Crore under interest expenses on the loans availed by the Discom to meet the APRL liability, the Commission has observed that against such expenses Discom has also filed income of special fuel surcharge of Rs. 114.22 Crore.

3.246 Therefore, net impact of such expenses and revenue claimed by Discom is Nil. As such same amount is being considered in cost and income.

3.247 Interest and finance charges have been calculated as per the methodology given earlier in the order as shown in table below:

Table 24: Interest and Finance Charges of AVVNL for FY 2022-23

(Rs. in Crore)

Sr. No.	Particulars	Amount
1	Opening balance of Long term Loan (LTL) (closing balance of true up 2021-22)	5646.92
2	Add: Capitalization during the year	1641.18
3	Less: Capital Outlay financed by Equity	132.16
4	Less: Capital Outlay financed by Consumer Contribution and grant	901.32
5	Less Capitalization towards terminal benefit	59.42
6	Addition to LTL for Capital Outlay {2-(3+4+5)}	548.28
7	Less: Repayments equal to depreciation	624.56
8	Closing balance of LTL (1+6-7)	5570.64
9	Average LTL	5608.78
10	Add: Revenue Gap recognized upto previous year FY 2021-22	12792.35
11	Total Long Term Loan Balance to be considered for allowing interest for FY 2022-23 (9+10)	18401.13
12	Average Interest rate of LTL	10.57%
13	Interest Charges on LTL and revenue gap	1945.70
14	Interest on security deposit from consumers - As per actual	40.67

15	Finance Charges-As per actual	165.97
16	Interest on loan for payment to APRL Ltd.	114.22
17	**Total Interest and Finance Charges Allowed after True UP (13+14+15+16)**	**2266.55**

3.248 The Commission has approved the interest on working capital as per Regulation 27 of RERC Tariff Regulations, 2019. Details of Interest on working capital are given in table below:

Table 25: Interest on Working Capital of AVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particular	Amount considering normative interest rate	Amount considering interest rate submitted by Discom
1	O&M expenses of one month	110.79	110.79
2	Maintenance spares @ 15% of operation and maintenance expenses specified in regulation 82;	199.43	199.43
3	Receivables as per above para	2588.03	2588.03
4	Less: Security deposit from consumers	1384.47	1384.47
5	**Total working capital requirement(1+2+3-4)**	**1513.79**	**1513.79**
6	Rate of Interest	10.00%	9.37%
7	Interest on working capital allowed after true-up	151.38	141.81
8	Less : 50% Loss arising from variation in Interest rate as per regulation 27 of RERC, 2019	4.78	
9	**Net Interest on working capital**	**146.60**	

3.249 It may be seen that gain on account of variation in interest rate is Rs. 9.57 Crore. As per Regulation 27 of RERC Tariff Regulations, 2019, 50% of such gain is to be passed on 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.

Interest on Uday Loan for FY 2022-23

3.250 The Discom has claimed the interest on UDAY loan FY 2022-23 of Rs. 538 Crore as approved by the Commission in the ARR and Tariff Order for FY 2022-23. The Commission has considered the same as claimed by the Discom as same being in accordance with Commission's order dated 06.02.2020.

Prior Period Expenses

3.251 AVVNL has claimed prior period expenses of Rs. 86.95 Crore. It has been observed that the major item of the prior period expenses is the "Short provisions for power purchase in previous year" of Rs. 34.82 Crore. The details of prior period expenses as per audited accounts are as follows:

Table 26: Prior Period expenses (Rs. in Crore)

Particulars	For the year ended 31st March, 2023	
Prior period expenses/loss :		
Short Provisions for Power purchase in previous year		34.82
Operating Expenses	22.61	
Employee Cost	(0.03)	
Depreciation	23.02	
Administrative Expenses	6.53	52.13
Total		**86.95**

3.252 While carrying out the true up of any financial year, the Commission allows the operation expenses, employee cost, depreciation, administrative expenses as per Tariff Regulations. Hence, expenses of Rs. 52.13 Crore on account of these as shown in AVVNL audited accounts have not been considered as prior period expenses as the Commission has already approved the above expenses in the earlier true up orders as per the norms specified in the Tariff Regulations.

3.253 Further, Discom has also claimed Rs. 34.82 Crore towards prior period power purchase, which are mainly pertains to inter Discom adjustment of previous years. This adjustment has been made in compliance of CAG Para, the same has been considered as claimed by Discom

3.254 Considering the above, for the purpose of current true up, the Commission has considered the prior period expenses of Rs. 34.82 Crore against the AVVNL claim of prior period expenses of Rs. 86.95 Crore.

Insurance Expenses

3.255 As per regulation 25 of RERC Tariff Regulations, 2019 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. The Commission accordingly has considered the insurance charges of Rs. 1.25 Crore claimed by the Discom.

Other Debits

3.256 AVVNL has claimed other debits of Rs. 110.10 Crore. It has been observed that major item of other debits are the compensation in case of injury/death of Rs. 9.86 Crore, Loss on obsolescence of fixed assets of Rs. 42.60 Crore, Loss due to theft of assets of Rs. 5.91 Crore, Loss on CPF Trust of Rs. 39.63 Crore and Bad & doubtful debts provision of Rs 11.96 Crore.

3.257 While carrying out the true up exercise, the Commission has not considered any provision towards bad and doubtful debts. The expenses are allowed only to the extent of debts actually written off by the Discom subject to limit stipulated in the Regulation 26 of RERC Tariff Regulations, 2019. Therefore, the Commission has considered the actual bad debts written off of Rs. 11.53 Crore.

3.258 Further, compensation paid of Rs. 9.86 Crore and Loss on obsolescence of fixed assets Rs. 42.60 Crore are considered at actual.

3.259 Further, Loss on CPF Trust of Rs. 39.63 Crore is considered at actual. The commission has not considered shortage on physical verification of stock of Rs 0.10 Crore and Loss due to theft of assets of Rs. 5.91 Crore and loss by fire at Store of Rs. 0.05 Crore.

3.260 Accordingly, the Commission has considered the other debit of Rs. 103.61 Crore against the Discom's claim of Rs. 110.10 Crore.

Rebate Allowed to Consumers

3.261 AVVNL has shown the rebate allowed to consumers of Rs. 639.71 Crore which is inclusive of LPS/DPS waived of Rs. 39.39 Crore and rebate on account of defective meters of Rs. 4.35 Crore. As per Regulation 36 of RERC Tariff Regulations, 2019, the Commission has not considered the income towards DPS, therefore the expenditure on account LPS/DPS waived of Rs. 39.39 Crore has also not been considered by the Commission. Further, Discom has shown rebate of Defective meter of Rs. 4.35 Crore which is also not considered in this order as it is the duty of the Discom to keep the meters correct and replace defective meters within the specified time.

3.262 Hence commission has considered the rebate allowed to consumer only to Rs. 595.96 Crore after adjustment as above.

RVPN and SLDC True UP for FY 2020-21

3.263 Commission in its order dated 01.09.2022 approved Rs. (36) Crore towards RVPN and SLDC True UP for FY 2020-21 as separate item of ARR. However, Discom has not claimed the same in the True up petition, accordingly, same has not been considered for FY 2022-23.

Revenue

3.264 Revenue from sale of power, Wheeling Charges, Cross Subsidy Surcharge, Additional Surcharge sale of power through trading and Prior Period Income as petitioned by Discom has been accepted.

3.265 **Fuel Surcharge/Special Fuel Surcharge:** Out of total income from sale of power, the income from fuel surcharge on account of regular fuel surcharge and special fuel surcharge on account of M/s APRL as per audited accounts is Rs. 850.40 Crore and Rs. 114.22 Crore respectively, which is considered by the Commission in this Order.

3.266 **Non Tariff Income**: During FY 2022-23, Discom has claimed total non tariff income of Rs. 879.43 Crore including deferred revenue income of Rs. 263.92 Crore and DPS received from consumers of Rs. 118.27 Crore, which have been dealt as under.

3.267 **Delayed Payment Surcharge (DPS):** The Discom has claimed Delayed Payment Surcharge (DPS) of Rs. 118.27 Crore as part of Non Tariff Income (NTI) and also claimed the same as separate item of expenditure under DPS head.

3.268 In accordance with Regulation 36 of RERC Tariff Regulations, 2019 the Commission has not considered Delayed Payment Surcharge (DPS) of Rs. 118.27 Crore as Non-Tariff income and accordingly has also not considered separate item of expenditure under DPS head.

3.269 **Deferred Revenue Income**: Discoms have stated that in their accounting policies consumer contribution for service connection & line, capital grants and subsidies received towards cost of capital assets have not

been reduced from the cost of assets. The same has been treated as Deferred Revenue Income which is being amortized/written off in 25 years from the year of its receipt. The depreciation pertaining to such fixed assets is fully charged to revenue.

3.270 However, while computing the depreciation, the Commission has reduced the capitalization amount funded by the consumer contribution, capital grant and subsidy received during the year. Therefore, the Commission has not considered the depreciation benefit on such assets and consequently deferred revenue of Rs. 263.92 Crore is not considered.

3.271 Accordingly, Non-Tariff income of Rs. 497.24 Crore is considered in this Order.

Revenue Subsidy received from Government

3.272 Discom has filed revenue subsidy of Rs. 15.89 Cr. against subsidy for Interest of REC Loan (NEF Subsidy). Accordingly, the Commission has considered the same, further Discom has not filed any loss subsidy claim during FY 2022-23.

3.273 It is observed that under GSDP scheme, Government of Rajasthan has taken 60% of adjusted operational Losses of Discom for FY 2021-22, however, in the last true up order for FY 2021-22, Commission has considered lower of prescribed % of the approved losses or actual loss subsidy receipt.

3.274 Further, as the Commission has approved surplus of Rs. 206.34 crore during the true up of FY 2021-22, therefore the approved losses considered for FY 2021-22 is zero. Accordingly, the Commission has considered loss subsidy as NIL for FY 2021-22.

Exceptional Items

3.275 **LPS:** Discom submitted that it has accounted reversal of LPS from RVUNL of Rs. 1204.63 Cr and from RVPNL of Rs. 139.86 Cr total Rs. 1344.49 Cr as exceptional income during the year. Discom further submitted that since the Commission does not consider LPS/ DPS payable as a pass-through expense in the True-up/ ARR Orders, hence requested the Commission to

not consider credit of LPS received from RVUN and RVPN as a pass-through item. Therefore, net impact of such reversal of LPS shall be Nil.

3.276 The Commission observed that it has not considered the LPS/DPS payable as a pass-through expense in the earlier True-up/ ARR Orders, hence Commission in this order also has not considered this as a pass through item.

3.277 **Written-off differential tariff subsidy**: Discom also submitted that it has written-off differential tariff subsidy receivable amounting to Rs. 843.59 Cr till 31.03.2022 as Finance Department, GoR has directed to Rajasthan Discoms for writing-off tariff subsidy receivables from Govt. on account of stopped and defective meters which has been calculated on the bases-of flat rate billing instead of metered rate billing. Discom further submitted that the Commission directed the Discom to take necessary action to ensure that all meters remain in working condition and directed the Discom to restrict the ratio of defective agriculture meters to total meters to a maximum of 10%. Furthermore, vide Tariff Order dated 31.03.2023, the Commission had disallowed sale assessed towards defective meters.

3.278 To ensure that the write-off of subsidy on account of stopped and defective meters does not result in additional burden on consumers, Discom requests the Commission to not consider tariff subsidy duly written-off as a pass-through item. Therefore, impact of write-off of tariff subsidy shall be Nil.

3.279 In respect of writing off the subsidy, Commission has already disallowed the excess energy sales due to defective meters in true up orders. In view of above, Commission is not considering the above exceptional items as per Discom's request.

Revenue Gap/Surplus

3.280 Based on above discussions and data provided by AVVNL, prayer of Discom for True-up of the expenditure and revenue for FY 2022-23 based on the actual performance and for approval of the revenue gap of Rs. (1981.34) Crore for the year has not been accepted as petitioned. The Commission has approved the same to the extent shown in following table:

Table 27: Summary of True up of AVVNL for FY 2022-23 (Rs. in Crore)

Sr. No.	Particulars	As per order dated 01.09.2022	As per petition	Approved After truing up
1	**Revenue**			
2	Sale of power	16946	17861.26	17861.26
3	Fuel Surcharge	0	964.62	964.62
4	Non-tariff income and other income	251	879.43	497.24
5	Wheeling charges, Cross Subsidy Surcharge and additional surcharge	79	3.88	3.88
6	Sale of power through trading	0	187.92	187.92
7	Prior Period Income	0	57.87	57.87
8	**Total Revenue, A**	**17276**	**19954.99**	**19572.81**
9	**Expenditure**			
10	Power purchase Cost	12120	15337.41	14891.15
11	**O & M Expenses**			
12	Employee cost	950	651.74	1025.73
13	A&G expenses	140	240.15	150.81
14	R&M expenses	143	459.05	152.99
15	Terminal Benefits	507	536.95	611.00
16	Insurance Expenses	23	1.25	1.25
17	Exp. on Safety measures	0	0.00	4.33
18	Depreciation	516	962.97	624.56
19	Interest & finance charges	338	916.72	913.92
20	Interest on working capital	109	1294.95	146.60
21	Interest on Regulatory Assets	1390		1352.64
22	Interest on Uday Loan	538	538.00	538.00
23	Prior period expenses	0	86.95	34.82
24	Other debits	0	110.10	103.61
25	Rebate allowed to consumers	0	639.71	595.96
26	RVPN and SLDC True UP for FY 2020-21*	(36)	0.00	0.00
27	Depreciation amount deducted in previous years on account of non-submission of Fixed Asset Register	0	58.00	58.00
28	**Total Expenditure, B**	**16738**	**21833.96**	**21205.36**
29	**Surplus/deficit, C = (A-B)**	538	(1878.96)	(1632.55)
30	Revenue subsidies received from State Government **D**	618	15.89	15.89
31	Add: Delayed payment surcharge considered as part of NTI **E**	0	118.27	0.00
32	**Revenue gap for FY 2022-23, F =(C+D+E)**	**1156**	**(1981.34)**	**(1616.66)**
33	**Deduction on account of non implementation of ERP G**	0	0.00	190.85
34	**Net Revenue Gap for FY 2022-23, H =(F+G)**	1156	(1981.34)	(1425.81)
35	**Gap worked out as per last true up order, I**	0	(12792.35)	(12792.35)
36	**Cumulative Revenue Gap to be carried**	0	(14773.69)	(14218.16)

	forward, H+I			
37	**Cumulative Revenue Gap till FY 2022-23**	**0**	**(28263.39)****	**(14218.16)**

*** Discom has not claimed any impact of RVPN and SLDC True up for FY 2020-21.**

****As per audited accounts**

3.281 While carrying out the true up the Commission has allowed losses upto the target prescribed by the Commission and disallowed excess transmission and distribution losses. O&M Cost, interest cost and other costs have also been allowed on normative basis.

3.282 Commission observe that during FY 2022-23, Discoms have claimed gap of Rs (3590.95) Crore, Rs. (1981.34) Crore and Rs. (4774.59) Crore for JVVNL, AVVNL and JdVVNL respectively against which Commission has approved the (gap)/surplus of Rs. (2350) Core, Rs. (1426) Crore and Rs. (798) Crore for FY 2022-23, Commission had approved the losses of Rs. 49250 Crore upto FY 2021-22 vide its order dated 31.03.2023 which has been increased to Rs. 53824 Crore Upto FY 2022-23, the Commission allows the approved unfunded revenue gap upto FY 2022-23 for all Discoms to be carried forward on which carrying cost shall also be allowed. Recovery of unfunded gap will be considered later appropriately in this and future ARR.

3.283 Discoms should stick to all efficiency parameters and carry out its functions ensuring requisite prudence and make all out efforts to amortize the unfunded gap

……

Section-4: Annual Revenue Requirement and Investment Plan

4. Annual Revenue Requirement for FY 2024-25:

4.1 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 Discoms with respect to various components of ARR, the Commission's analysis thereon after consideration of views expressed by the Stakeholders 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 and interest on working capital
(6) Depreciation
(7) Revenue from existing tariff
(8) Non-tariff and other income
(9) Revenue gap/surplus based on existing tariff

Energy Sales

4.2 Discoms in the petition have worked out the energy sales for FY 2024-25 on the basis of past growth in consumers, connected load and energy sales to forecast the category-wise energy sales. Projections are based on the methodology approved by the Commission in the past tariff orders. Discoms have computed category wise sales' CAGR for 3 years, 5 years and 7 years based on the historical data. 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.

4.3 The Discoms have projected the energy sales for FY 2024-25 for the following consumer categories:

(1) All consumer categories, except agriculture
(2) Agriculture consumers (Metered)
(3) Agriculture consumers (Flat Rate)

Petitioners' Submission
Energy Sales for Metered Categories (except Agriculture)

4.4 The Discoms have submitted that energy sales for FY 2024-25 are projected on the basis of historic sales data using the category wise CAGR as per the

methodology approved by the Commission in the previous year tariff orders. For all consumer categories except the agriculture category, past trends have been used while estimating sales. Wherever the trend has seemed unreasonable, the forecast has been appropriately adjusted after taking into consideration the latest available data.

4.5 For Domestic category, the sales grew at CAGR of 5% for JVVNL from FY 2013-14 to FY 2021-22. Further sales grew at a CAGR of 6% for AVVNL & JdVVNL from FY 2015-16 to FY 2022-23.

4.6 For Non-domestic category last five years except FY-2020-21 have shown an increasing trend in the energy sales. For FY 2020-21, the sales for Industrial and Non-Domestic categories were negatively impacted as compared to FY 2019-20 due to disruption in industrial and commercial activity owing to COVID pandemic. However, the sales of this category have returned has shown reasonable growth from FY-22 onwards, which provides an optimistic trend for the future years as well.

4.7 For Public Street Lights, Public Water Works and Mixed Load categories, energy sales are projected on the basis of historical data, using category wise CAGR, as per the methodology approved by the Commission in the previous year tariff orders.

4.8 Discoms submitted that in the tariff order for FY 2019-20 dated 06.02.2020, two new categories were introduced, namely Traction Load and EV charging stations. JVVNL & AVVNL submitted that the Electric Vehicle Charging Stations category has started to witness addition of consumers and is expected to witness a positive growth in the upcoming years. The AVVNL and JdVVNL submitted details of consumers and sales in traction load. Accordingly, the sales have been projected for EV & traction category considering the marginal entry of consumers in this category.

Energy Sales to Agriculture Metered (M) Consumers

4.9 For FY 2024-25, energy sales for agriculture metered category has been estimated on the basis of the following factors:

(a) Existing Consumers at the start of the Financial Year

(b) Proposed addition in the consumers during the Financial Year based

(c) Consumers converted from 'Agriculture Flat' to 'Agriculture Metered' category

(d) Connected load per consumer

(e) Estimated specific energy consumption

Agriculture Consumption = No. of consumers × Connected load per consumer × Specific Consumption

4.10 The Discoms submitted that, they have considered the following specific consumption for working out Agriculture(M) Consumption:

Table 28: specific consumption for FY 2024-25

Year	Specific Consumption		
	JVVNL	AVVNL	JdVVNL
FY 2024-25	2048	1784	1705

4.11 For sales projection of agriculture metered category, Discoms have considered the impact of KUSUM-C and RTS.

4.12 The Discoms have furnished the following information regarding number of metered consumers, connected load and specific consumption in their petition:

Table 29: Agriculture (M) sales for FY 2024-25 -JVVNL

Particulars	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing Consumers	643,208	8.25	5,205,075	2,048	10,120
New Consumers	45,000	8.25	371,199	2,048	380
Add: converted from flat rate	0	8.25	0	2,048	0
Total	**688,208**		**5,576,274**		**10501**
Less: Kusum and RTS					**1.02**
Net Sales					**10500**

Table 30: Agriculture (M) sales for FY 2024-25- AVVNL

Particulars	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing Consumers	681,380	7.02	4,693,826	1,784	8,375
New Consumers	50,000	7.02	350,835	1,784	313
Add: converted from flat rate	0	0	0	0	0
Total	**731,380**		**5,044,661**		**8,688**
Less: Kusum and RTS					27.67
Net Sales					**8,660**

Table 31: Agriculture (M) sales for FY 2024-25 JdVVNL

Particulars	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing Consumers	477,020	18.10	7,489,967	1,705	14387
New Consumers	45,000	18.10	814,374	1,705	694
Add: converted from flat rate	20,793	18.10	376,295	1,705	1021
Total	**542,813**		**8,680,635**		**16,103**
Less: Kusum and RTS					**1.81**
Net Sales					**16,101**

Energy Sales for Agriculture Flat Rate (FR) Consumers

AVVNL has already converted all flat rate consumers to metered category. Post hearing JVVNL submitted that they have converted all flat rate consumers to metered category and JdVVNL has proposed to convert flat rate consumers by 31.03.2025.

Therefore, Discoms have not projected any energy sales to flat rate consumers in FY 2024-25.

Total Energy Sales projected by Discoms:

4.13 The projection of energy sales of different consumer categories at end consumer level discussed in preceding sub-paras is given in the following table:

Table 32: Total Energy Sales for FY 2024-25-Discoms' Projection (MU)

Particular	JVVNL	AVVNL	JdVVNL	Total
Domestic	7,837	5,989	5,017	18,842
Non-Domestic	3,038	1,740	1,652	6,429
Public Street Light	204	115	99	419
Agriculture (Metered)	10,500	8,660	16,101	35,261
Agriculture (Flat)	0	0	0	0
Small Industry	472	338	258	1,067
Medium Industry	1,053	514	783	2,350
Large Industry	9,572	10,064	2,883	22,519
Public Water Works (S)	474	433	369	1,276
Public Water Works (M)	59	44	107	211
Public Water Works (L)	490	485	888	1,864
Mixed Load / Bulk Supply	215	120	406	740
EV	15	0.0043	0	15
Railway traction	0	35	34	69
Total	**33,928**	**28,536**	**28,596**	**91,061**

Commission's Analysis

Energy Sales for Metered Categories (except Agriculture Metered and Flat Rate Category)

4.14 For sales projection of FY 2024-25, considering approach followed in order dated 31.03.2023 and submission of the Discoms in the present petition, the Commission has computed the 3, 5 & 7 year CAGR (from FY 2016-17 to FY 2023-24):

4.15 Sales to Domestic, Public Street Light, Small Industry, Medium Industry, PWW(S), PWW (M), PWW (L) and Mixed Load have been escalated by 5 year CAGR for all Discoms. However, due to negative or very nominal growth, Public Street Light of JdVVNL are escalated at 5% and sales to Medium Industry of AVVNL escalated by 3 year CAGR and Mixed Load of AVVNL escalated by 7 year CAGR.

4.16 Discoms submitted that the sales for Industrial and Non-Domestic categories were negatively impacted as compared to FY 2019-20 due to disruption in

industrial and commercial activity owing to COVID pandemic. However, the sales of these category have shown reasonable growth in FY 22, which provides an optimistic trend for the future years as well. Therefore, in Non domestic and Large industry categories for all Discoms, Commission has considered 7 years CAGR, which is found to be reasonable.

4.17 For Electric traction the Commission has considered the actual sale for FY 2023-24, which is further escalated by 5% for FY 2024-25.

4.18 With regard to EV, as no past data is available, as such sales projection for FY 2024-25 has been considered as filed by Discoms.

4.19 While computing the aforesaid CAGR the Commission has considered the actual sale for FY 2023-24, which is further escalated as per above CAGR % on FY 23-24 for sales projection for FY 2024-25. The category wise growth rate and energy sales (excluding franchisee) for FY 2024-25 (except agriculture) are as given in the tables below:

Table 33: Growth Rate and Energy Sale for FY 2024-25 – JVVNL

Particulars	Energy Sales (MU) Actual FY 23-24	JVVNL			Growth Rate Adopted by Commission	Energy Sale (MU) Approved
		3-Year CAGR	5-Year CAGR	7-Year CAGR		FY 25
Domestic	6488	6.99%	6.21%	6.17%	6.21%	6891
Non-Domestic	2570	13.41%	3.33%	4.11%	4.11%	2676
Public Street Light	153	0.41%	0.98%	-0.57%	0.98%	155
Small Industry	371	9.00%	3.79%	2.97%	3.79%	385
Medium Industry	901	9.16%	3.18%	3.87%	3.18%	930
Large Industry	7993	15.25%	4.72%	11.40%	11.40%	8904
Public Water Works (S)	400	-0.28%	5.75%	7.58%	5.75%	423
Public Water Works (M)	49	12.68%	10.86%	2.94%	10.86%	54
Public Water Works (L)	371	3.88%	6.20%	5.34%	6.20%	394
Mixed Load / Bulk Supply	170	9.97%	2.63%	0.42%	2.63%	174
Electric Traction	0	0.00%	0.00%	0.00%	5.00%	0
EV	6	0.00%	0.00%	0.00%	as filed	15
Total	**19472**					**21000**

Table 34: Growth Rate and Energy Sale for FY 2024-25 - AVVNL

Particulars	Energy Sales (MU) Actual FY 23-24	AVVNL			Growth Rate Adopted by Commission	Energy Sale (MU) Approved
		3-Year CAGR	5-Year CAGR	7-Year CAGR		FY 25
Domestic	4836	4.04%	6.96%	6.05%	6.96%	5173
Non-Domestic	1485	12.88%	5.04%	5.69%	5.69%	1570
Public Street Light	100	6.59%	4.71%	5.19%	4.71%	105

Small Industry	279	1.54%	1.03%	0.44%	1.03%	282
Medium Industry	839	3.76%	0.00%	1.27%	3.76%	870
Large Industry	7762	25.47%	12.46%	18.56%	18.56%	9202
Public Water Works (S)	410	2.67%	2.70%	5.45%	2.70%	421
Public Water Works (M)	36	0.21%	0.37%	-8.70%	0.37%	36
Public Water Works (L)	400	7.37%	8.90%	10.29%	8.90%	435
Mixed Load / Bulk Supply	97	7.12%	-0.27%	1.26%	1.26%	98
Electric Traction	45	0.00%	0.00%	0.00%	5.00%	47
EV	0	0.00%	0.00%	0.00%	as filed	0.00
Total	**16289**					**18240**

Table 35: Growth Rate and Energy Sales FY 2024-25 - JdVVNL

Particulars	Energy Sales (MU) Actual FY 23-24	JDVVNL			Growth Rate Adopted by Commission	Energy Sale (MU) Approved
		3-Year CAGR	5-Year CAGR	7-Year CAGR		FY 25
Domestic	4355	5.16%	6.51%	5.41%	6.51%	4639
Non-Domestic	1405	10.72%	4.64%	5.17%	5.17%	1478
Public Street Light	77	-3.10%	-2.02%	-2.08%	5.00%	80
Small Industry	208	2.71%	0.72%	-0.49%	0.72%	209
Medium Industry	698	6.08%	2.20%	3.12%	2.20%	714
Large Industry	2738	26.00%	11.79%	14.14%	14.14%	3126
Public Water Works (S)	341	2.87%	3.58%	3.86%	3.58%	354
Public Water Works (M)	93	3.51%	0.20%	-0.03%	0.20%	94
Public Water Works (L)	734	5.81%	7.87%	7.21%	7.87%	791
Mixed Load / Bulk Supply	350	5.04%	0.50%	1.16%	0.50%	352
Electric Traction	41	0.00%	0.00%	0.00%	5.00%	43
EV	0	0.00%	0.00%	0.00%	as filed	0
Total	**11041**					**11879**

Agriculture Metered (M) consumers

4.20 For FY 2024-25, the Commission has accepted Discoms' submissions in respect of number of new consumers and consumers to be converted from flat rate to metered category.

4.21 For projecting the sale to metered agriculture consumers connected load and specific consumption as filed for metered category have been considered for existing consumers and for 6 months in case of new consumers and those converted from flat rate for working out their sales for FY 2024-25.

4.22 Further, Discoms have projected the impact of KUSUM Component C: pump solarzation and RTS scheme on agriculture sales and other category. The solar generation of KUSUM and RTS scheme to the extent of self-consumption by

consumers has been reduced from the sales. The Discoms have filed separate information of additional capacity during FY 2024-25 across all categories and accordingly, Commission has considered the same. The Excess generation have been shown as power purchase under renewable energy.

4.23 Accordingly, for FY 2024-25, based on information of connected load, specific consumption and consumers as filed by Discoms, the Commission has worked out the sale to agriculture metered category for FY 2024-25 as follows:

Table 36: Agriculture (M) sales for FY 2024-25-JVVNL

	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing Consumers	643,208	8.25	5,305,744	2,048	10,864
Add: New Consumers	45,000	8.25	371,199	2,048	380
Add: converted from flat rate	0	0	0	0	0
Less: impact of Kusum and RTS					0.82
Total	**688,208**		**5,676,943**		**11,243**

Table 37: Agriculture (M) sales for FY 2024-25-AVVNL

	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing Consumers	681,380	7.02	4,781,036	1,784	8,530
Add: New Consumers	50,000	7.02	350,835	1,784	313
Add: converted from flat rate	0	0.00	0	1,784	0
Less: impact of Kusum and RTS					14.83
Total	**731,380**		**5,131,870**		**8,829**

Table 38: Agriculture (M) sales for FY 2024-25-JdVVNL

	Consumers (Nos.)	Connected Load per consumer (kW)	Total Connected Load (kW)	Specific consumption (kWh/kW/year)	Consumption (Sales) MU
Existing Consumers	477,020	18.10	8,632,722	1,705	14,717
Add: New Consumers	45,000	18.10	814,374	1,705	694
Add: converted from flat rate	20,793	18.10	376,295	1,705	321
Less: impact of Kusum and RTS					0.90
Total	**542,813**		**9,823,390**		**15,731**

4.24 During FY 2024-25, the Discoms have projected to release 140000 number of new Agriculture connections which is going to impact their sales as well as power requirement. The Commission has accepted the specific consumption filed by Discoms. However, the Commission would like to put a word of caution to Discoms to keep all the meters healthy and working else they may face disallowances during the true up.

Energy Sales for Agriculture Flat Rate (FR) Consumers

4.25 In Compliance to the tariff order dated 31.03.2023, Discoms have projected conversion of all flat rate consumers to metered category for FY 2024-25. It is observed that JdVVNL has filed few flat rate consumers during FY 2024-25 which will be converted by 31st March, 2025. However, no sales have been projected against such flat rate consumers. Accordingly, no sales have been projected by Commission under flat rate category for FY 2024-25 and in future also no sales will be allowed under this category.

Energy Sales approved by the Commission for all categories

4.26 With regard to sales projection for Distribution Franchisee (DF) of FY 2024-25, Commission has considered the same approach as discussed above for sale projection of consumer, accordingly, the sale projection for DF consumers for FY 2024-25 is as under:

Table 39: Total Energy Sales of DF approved by the Commission for FY 2024-25 (MU)

Particular	JVVNL	AVVNL	JdVVNL	Total
Domestic	865	296	398	1559
Non-Domestic	264	124	121	509
Public Street Light	28	6	12	46
Agriculture (Metered)	11	8	46	66
Agriculture (Flat)	0	0	0	0
Small Industry	16	8	17	41
Medium Industry	49	15	56	120
Large Industry	434	127	128	690
Public Water Works (S)	2	0	2	4
Public Water Works (M)	1	1	7	9
Public Water Works (L)	71	0	15	86
Mixed Load / Bulk Supply	46	14	53	113
Electric Traction	0	0	0	0
EV	0	0	0	0
Total	**1789**	**600**	**854**	**3243**

4.27 Based on the approach as discussed in the preceding paragraphs and agriculture metered and flat rate sales, as worked out on the basis of connected load and accepted specific consumption, the energy sales for Discoms including sale to consumers of DF area are being approved as under:

Table 40: Energy Sales approved by the Commission for FY 2024-25 (MU)

Particular	JVVNL	AVVNL	JdVVNL	Total
Domestic	7,756	5,469	5,036	18,261
Non-Domestic	2,940	1,694	1,599	6,233
Public Street Light	182	111	92	386
Agriculture (Metered)	11,243	8,829	15,731	35,802
Agriculture (Flat)	-	-	-	-
Small Industry	401	290	226	917
Medium Industry	979	885	770	2,633
Large Industry	9,338	9,330	3,254	21,921
Public Water Works (S)	425	421	356	1,201
Public Water Works (M)	56	37	100	193
Public Water Works (L)	465	435	807	1,707
Mixed Load / Bulk Supply	221	112	404	737
Electric Traction	-	47	43	91
EV	15	0.01	-	15
Total	**34021**	**27661**	**28417**	**90099**

Note: The above sale is for projection purpose only, Commission will examine the actual figures and consumer mix at the time of True up.

Transmission and Distribution losses

Distribution Losses

Petitioners' Submission

4.28 The AVVNL and JdVVNL submitted that the collection efficiency of the Discoms was 100% as the State Government released the entire subsidy (including arrears) due to the Discoms during FY 2022-23 and the Discoms were able to collect 100% of the revenue billed from other consumers. Accordingly, the AT&C loss for FY 2022-23 stood at 10.00% and 20.99% for AVVNL & JdVVNL respectively against 14.60% and 15% as approved by the Commission in tariff order dated 01.09.2022. JVVNL submitted that in the tariff order for FY 2022-23 dated 01.09.2022, the Commission approved a distribution loss of 15%. However, the actual Distribution loss for FY 2022-23 stood at 14.59%. The collection efficiency during FY 2022-23 was 98.41%. Accordingly, the AT&C loss for FY 2022-23 stood at 15.96%.

4.29 The Discoms further submitted that they are focused on reducing its distribution losses. It is pertinent to mention here that the continuous and rigorous efforts of the Discoms in reducing the loss levels has borne fruits as the losses over time have been on decreasing trend except for in FY 21 wherein the losses increased due to the impact of Covid-19 owing to increase in LT sales and decrease in HT sales due to reduced sales in Industrial and NDS category resulting from lockdowns and also reduced vigilance activities. However, inspite of the same, the Discoms have reduced its losses significantly during FY 23 and have brought them to levels lower than pre-Covid period.

4.30 A few key measures taken by the Discoms for reduction of Distribution losses are:

<u>Initiative proposed by JVVNL</u>

A. Initiatives for Technical Loss Reduction:

a) Network enhancement

Technical losses are mostly due to losses at LT level. To reduce the technical losses, Discom plans to:

- Improve HT:LT ratio from current 1:0.46 (Deteriorated post DDUGJY & Saubhagya).

- For consumer service line, non-armored cable replacement with armored cable.
- The target for bifurcation of 33kV feeders under RDSS scheme is 1,342 cKm and 11 kV feeders is 9,192 cKm.
- Replacement of old/frayed conductors
- DTR Load balancing: Post DT metering, Discoms shall correct balance load of Distribution Transformers by augmenting / adding their capacity in required areas.
- Provision of Aerial bunched Cables (ABC) & High Voltage Distribution System (HVDS) in high loss areas.
- The target for laying of AB and UG cable in total under RDSS scheme is 21,221 km.
- The target for HVDS installation under RDSS scheme is of 6292 cKm.

b) Feeder Segregation

- Agriculture consumers consume about 40% of total energy, which is amongst highest in the country
- Segregation of agriculture feeders from mixed feeders will ensure:
  - Uninterrupted block hour power supply to Agriculture Consumers
  - Uninterrupted 24 hours supply to rural domestic consumers
  - Avoid misuse/theft of single-phase supply by Agriculture consumers
  - Better system planning and load management leading to reduction in T&D Loss
- The target for feeder segregation under RDSS scheme is of 10,463 Ckm by end of FY 2025 and is under progress.
- The Discom is also solarizing grid connected Pumpsets under Kusum-C scheme thereby reducing the agriculture consumption and corresponding losses. Also, use of distributed generation under Kusum-A and Kusum-C (feeder level solarization), wherein the generating source is close to the load center, reduces the line losses. Discom plans to install solar plants by utilizing the land available in existing 33 kV substations.

B. Initiatives for* Commercial *loss reduction

a) Metering and energy accounting

- 100% consumer metering done (except for few flat rate agriculture consumers, targeted to be metered by Oct-23)
- Smart Pre-paid metering shall be done on 100% i.e. total of 47,62,643 number of meters for consumer (except agriculture consumers) by FY March 2025 under RDSS scheme.

- 100% feeder metering and consumer indexing done
- About 70% DT metering has been done. Discom plans to complete 100% DT metering under the Revamped Distribution Sector scheme (RDSS).
- Smart Meters shall be installed on 5,799 feeders and 1,11,346 DT's respectively.
- Discom is already undertaking feeder wise AT&C loss analysis
- Capturing actual meter reading
- Verification of correct multiplying factor

b) Vigilance

- Massive drives by vigilance dept. (Vigilance officers, O&M officers, M&P officers) to increase checking, assessment and arrests
- Checking and removal of illegal DTs of the consumers; Checking single phase DT/ supply for agriculture purpose
- Connected load checking of Agriculture connections
- Checking of PDC consumers
- Checking of connections having less than 50 units consumption/ month
- Detection of cases of parallel service lines
- Feeder wise report of defective meter, low consumption, parallel service line, service line – AB cable cut, PDC connections service line, meter and DT not removed
- To rule out manipulation and discretionary power of checking officers and for increased transparency, vigilance-mobile app has been developed

c) Smart metering

- Installation of smart meters will help in improving billing efficiency and assist in undertaking data analytics.
- Jaipur Discom is installing smart meters in 28 nos. urban sub-division and all Govt. office falling under these sub-divisions will be covered as part of IPDS and NSGM schemes of GoI. About 3 lakh smart meters have been installed under this scheme.
- For the remaining consumers, the Discoms plans to install smart meters under the RDSS scheme as per phases stipulated in the scheme.

d) Use of IT

- The Discom plans to continuously leverage IT in order to address the gaps and improve upon the operational and financial efficiency of the organization while improving the customer satisfaction levels. The vision of the Discom is in-line with the Central and State Government's vision to

provide affordable and reliable 24x7 Power for All while focusing on the reduction in AT&C losses, improvement in electrical safety and reliability of the network infrastructure and to enhance customer services.

- JVVNL has been on forefront to adopt and implement IT/OT technologies in order to provide sustainable power supply to its 45 lacs consumers across 12 District of Rajasthan State.
- Also, GoR, in the Budget Speech for FY 2023-24, had announced an IT company for the power sector of Rajasthan to implement IT enabled services across the Discoms. Accordingly, Rajasthan Urja Vikas Nigam Limited has been renamed as Rajasthan Urja Vikas and IT Services Limited (RUVITL) w.e.f 09.10.2023.
- The objective of the RUVITL is to develop advanced analytics capabilities using data silos of various IT projects, enable intra-departmental synergy, creation of a centralized data repository and implementation of various IT/OT projects. It is envisaged that effective implementation of IT/OT initiatives are a key driver towards ensuring improved operational and financial efficiency of the Discoms.
- Furthermore, the Discoms are aligned with the vision of the Government of India and the Government of Rajasthan to provide affordable and reliable 24x7 Power for All while focusing on reduction of AT&C losses, improved safety and reliability of network infrastructure and to provide enhanced consumer services. Thus, RUVITL will ensure the setting up of a robust, unified and sustainable IT infrastructure for the power sector of the State thereby enabling the Discoms to leverage benefits accrued on account of digital transformation.

Following OT Projects have been implemented in JVVNL:

(i) SCADA-DMS

- Jaipur & Kota Towns covered under SCADA-DMS project as part of RAPDRP.
- Total 97 RTUs and 840 FRTUs installed and operational.
- Real Time Power flow monitoring and Outage management
- Unmanned operation of Substation at selected locations.
- Integrated with RMS & CCC/FRT for reporting and seamless workflow for fault reporting, rectification and restoration.

(ii) Feeder Monitoring System (FDRMS)

- Monitoring of 11kV Feeders at Substation
- GPRS Modem based Data Acquisition from Feeder Meters
- A total of 7500 + Feeders are being monitored in real-time basis.

- MIS & Integration to existing RMS system for energy accounting, Outrage management SAIFISAIDI and Power Quality Reporting.
- 5500+ Feeders under implementation for FDRMS.

(iii) FRT (Part of Customer Care Center)

- 235 nos. FRT vehicle in field for fault rectification with real time GPS location tracking.
- Call/Mobile based complaint closing and customer feedback.
- Integration with SCADA, GIS, Revenue Management System, Feeder monitoring system for seamless workflow.

(iv) Revenue Management System (RMS)

- Web & Mobile based Application SAAS Basis:
- Metering,
- Billing,
- Collection
- New Service Connection
- Energy Management
- Vigilance
- Asset mapping & Consumer Indexing.
- Comprehensive MIS and Work flow management.
- Spot Billing
- Digital Payment gateway integration
- SMS Service for CRM, Integration with ERP, CCC and FDRMS.

(v) CRM: Bijli Mitra Web/App

- Dedicated Web & Mobile Application for Consumers.
- Customer Services – New Connection, Load Change, Tariff Change, Name Change, Demand Payment, Application Tracking & Disconnection.
- Features : Bill History, Payment History, Duplicate Bills, Customer profile & Meter details, Complaints etc..

(vi) Enterprise Resource Planning (ERP)

- Web based ERP under implementation
- Human Resource Management
- Finance Accounting
- Material Management
- Works/Projects Management

(vii) Smart Customer Care Centre (CCC)

- 24 x 7 Customer care with 12 distinct way to report complaints.
- 250 nos. average agents with system generated call forwarding and escalation.
- Automated MIS with SLA & Penalty tool for operational excellence.

Initiative proposed by AVVNL

a) Mini-Lab to Analyze Actual Reading of Defective Meters

This initiative is intended to ensure that even in cases where the meter is found to be defective, the Discom can record a reading for the consumer.

b) Installation of Meters on Poles

To ensure that meters under various categories, i.e., Service Connection Order (SCO), Meter Change Order (MCO) and Reconnection Order (RCO) are to be installed on the poles to avoid potential theft.

c) Special Vigilance Drives during FY 2023-24

The Discom had conducted special vigilance drives for reducing theft of electricity apart from the regular vigilance drives frequently carried out by the petitioner.

Initiative proposed by JdVVNL

a) Loss Reduction Works*:* These works shall have direct impact on Distribution loss level of the Discom and accordingly shall be executed under priority.

- The Government of India has approved scheme for farmers for installation of solar pumps and grid connected solar power plants under KUSUM yojana which will provide daytime power to Agriculture Consumers of Discom, reduce dependency on conventional sources of energy and thus reducing burden of subsidy on agriculture consumption of electricity. Further decentralized generation and its consumption will be at tail end i.e. at consumer level, thus infrastructure investment cost will be low and thereby reduction in the losses of Discom.

- Proper consumer indexing of 11 KV Feeders and Distribution Transformers has enabled Discom to generate verified and validated correct data of consumers, ease in identification of theft and reduction in AT&C losses.

- The complaints of theft of electricity by any consumer/public men are being registered through Customer Care Centre (CCC) set up at the Corporate Office at Jodhpur. The complaint received is registered forthwith by the Customer Care Centre (CCC) and the same is escalated to the vigilance wing. Based upon the registration of complaint escalated through Customer Care Centre (CCC), the vigilance wing undertakes the vigilance activities with the help of O&M wing which has proved to be a very successful tool in curbing the malpractices of theft of electricity.

- Installation of single-phase transformers with a view to segregate the domestic/ Non-Ag. Consumers from Ag. Consumers to ensure regular and reliable power supply to non-Ag. Consumers in rural areas.

- Installation of smart meter on Distribution Transformer for Energy Audit in Urban areas for reduction in AT&C losses.

- Out of total 11,690 nos. of 11KV feeders in Jodhpur Discom, 11,627 nos. of 11 KV feeders have proper feeder metering, and 8,511 feeders have modem installed for data integration with billing system. Thus, system generated losses can be analysed.

- The SCADA DMS has been set up in Jodhpur and Bikaner cities of Jodhpur Discom under RAPDRP Part-A by Ministry of Power, Government of India. Due to implementation of SCADA, increase in operational efficiency and significant reduction in shutdown time of feeders have been witnessed. It has facilitated in providing uninterrupted power supply to consumers.

- Installation of Smart meters equipped with GPRS modems in Jodhpur city for reduction in AT&C losses and improvement in metering and billing. The details of automatic meter reading and alarm will be available on cloud technology-based datacentre on meter data management server and it will be integrated with the Jodhpur Discom's billing system, so that consumers will get big relief by having the correct billing. The information of stop meter will be notified at the same time and the meter can be replaced immediately.

- Installation of new sub-stations of 33/11 KV to provide separate feeders to each Panchayat/major villages. With installation of substations, there will be reduction in interruptions and improvement in quality power supply to rural areas.

- Laying of three phase or single-phase armoured cable/ABC of proper rating in place of existing overhead LT lines to feed single/three phase load to prevent theft of electricity/reduction in trippings.

- The Discom is installing capacitors, gradually upgrading primary distribution voltage from LT to 11 KV and 11 KV to 33 KV and constantly reorganizing/reinforcing of the network resulting reduction of losses in Distribution System. Thrust is also being paid for providing LT connections for step down point to individual consumers including farmers for energisation of wells and system improvement.

b) **Technology absorption:**

Efforts made towards technology absorption:

- Procurement of star rated energy efficient transformers and encouragement to purchase energy efficient Agriculture pumps to Ag-Consumers.

- Compact metering arrangement within Distribution transformer with MCB arrangement for prevention of use of excess load & theft in Ag-sector.

- Use of Insulated ACSR rabbit conductor and single phase and three phase Aerial Bunched Cable in theft prone areas.

- Use of piercing connectors (Specially designed as per NFC standards) for piercing Aerial Bunched Cable and inserting service cable to provide reliable service connections.

- Introduction of Smart meters with mobile App for real-time status of consumption, balance, load, supply status accessible to consumer on App.

- Use of 'Roaster' group operating switch (RGOS) specially designed for operating from ground for making through three phase supply or single-phase supply or isolating all the three phases and neutral to regulate domestic single phase supply round the clock.

- Energy Auditing as per BEE norms to optimize/monitor system losses.

- Urban area Distribution Transformers (DTs) meters are now being equipped with modems for energy auditing DT wise in urban areas.

- Consumer Centric services such as bill view/deposit, complaints of no-current/bill correction/meter replace/ Employee-behaviour etc. through Mobile App.

- Off Grid Solar to provide access of electricity to remote scattered households where network reach is not feasible.

- Discom has submitted a DPR to Power System Development Fund (PSDF), M&P, Govt. of India amounting Rs. 216 Cr. wherein 730 Nos. Automatic Power Factor Controller Capacitor Banks will be provided on various 33/11 KV sub-stations which will in turn increase the quality of Power Supply & reduction of T&D losses.

- ERP to improve internal business process applications for enhancing operational efficiency of System.

Benefits derived:

- By virtue of above efforts, the connected load of Discom increased by 5.12% during the year whereas energy supplied increased by 5.5% only.
- Improvement in voltage at consumer end and increased consumer satisfaction.
- Control on unauthorized use of three phase power supply during single phase period by feeder segregating work.
- Quality supply up to 24 Hours in Urban area and 22-24 Hours in Rural area could be possible to single phase domestic and non-domestic consumers.
- Reductions in unauthorized tapping of power supply with the use of armored cable/AB cable in L.T distribution system.
- Savings in kWh and peak demand by more than 100 MW separating single phase supply from three phase system in rural areas.

Loss trajectory submitted under RDSS scheme

4.31 Discoms submitted that Revamped Distribution Sector Scheme (RDSS) was notified by MoP on 20.07.2021 followed by the detailed guidelines dated 29.07.2021 and amendments from time to time.

4.32 The objective of the scheme is to bring down pan-India AT&C losses to 12 – 15% level, reduce ACS-ARR gap to Zero by 2024-25 and improve reliability and quality of power to consumers.

4.33 The Scheme provides for annual appraisal of the DISCOM performance against predefined and agreed upon performance trajectories on certain parameters which includes AT&C losses, ACS-ARR gaps, infrastructure upgrade performance, consumer services, hours of supply, corporate governance, etc.

4.34 Discoms have to score a minimum of 60% marks in the Result Evaluation Framework along with meeting the pre-qualification criteria as required under the RDSS scheme, to be eligible for receiving funding against the Scheme in that year.

4.35 Under the scheme, the Discom have prepared a detailed Action plan for achieving the scheme's objective of bringing down the AT&C losses to 15% by FY 2024-25. The DPR of various activities to be carried out under the scheme has also been prepared in order to achieve the targeted loss reduction.

4.36 JdVVNL have requested to approve the Distribution losses trajectory as adopted in RDSS scheme. However JVVNL & AVVNL has proposed the Distribution Losses lower than as approved in RDSS.

4.37 Accordingly, during FY 2024-25, Discoms have projected the following Distribution Losses:

Table 41: Distribution Losses: Projections of Discoms (%)

Year	JVVNL	AVVNL	JdVVNL
FY 2024-25	14.59%	10.00%	15.00%

Commission's Analysis

4.38 For FY 2024-25, JVVNL, AVVNL and JdVVNL have projected distribution losses at 14.59%, 10.00% and 15.00% respectively.

4.39 The actual distribution losses against the approved are as under for the period FY 2016-17 to FY 2022-23.

Table 42: Distribution Losses of Discoms (%) (As reported by Discoms)

YEAR	JVVNL		AVVNL		JdVVNL	
	Approved	Actual	Approved	Actual	Approved	Actual
2016 – 17	22.00	25.48	20.00	22.10	18.00	21.69
2017 – 18	18.50	21.06	17.50	20.15	16.50	19.33
2018 – 19	15.00	20.54	15.00	18.03	15.00	23.12
2019 – 20	15.00	17.21	15.00	14.48	15.00	19.38
2020 – 21	15.00	19.44	15.00	15.15	15.00	22.46
2021 – 22	15.00	16.81	15.00	12.73	15.00	21.88
2022 - 23	15.00	14.59	14.60	10.00	15.00	20.99

4.40 From the above table it is observed that none of the Discom has achieved the approved losses in any of the above past 7 years (Except Ajmer Discom for FY 2019-20, FY 2021-22 and for FY 2022-23 and Jaipur Discom during 2022-23) . It is observed that JdVVNL is making lot of investment for reducing the AT&C losses but the desired results are not visible.

4.41 The Regulation 7 (1) of the RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019 requires the Commission to approve a trajectory for the Control Period for certain variables like transmission losses, distribution losses and collection efficiency, having regard to the past performance.

4.42 With regard to distribution losses the Commission in earlier years has already set a benchmark of 15% distribution loss and 100% collection efficiency for Discoms. As JVVNL & AVVNL has proposed lower losses, the Commission appreciates and accepts that. Accordingly, the Commission approves the

target for distribution losses at 14.59% for JVVNL, 10.00% for AVVNL & 15% for JdVVNL and collection efficiency at 100%.

4.43 The summary of proposed distribution losses by Discoms and distribution losses approved by the Commission have been provided below:

Table 43: Proposed and Approved Distribution Losses (%)

YEAR	JVVNL		AVVNL		JdVVNL	
	Proposed	Approved	Proposed	Approved	Proposed	Approved
FY 2024-25	14.59%	14.59%	10.00%	10.00%	15.00%	15.00%

Collection Efficiency

4.44 The Discoms have projected 100% collection for FY 2024-25. The Commission has considered the collection efficiency at 100%, therefore the AT&C losses and Distribution Losses have been considered at same level, even if actual collection efficiency may be lower than 100%, adoption of lower collection efficiency will increase the revenue gap of Discoms which will indirectly burden the consumers of the State. Hence the target for collection efficiency shall be 100%.

Transmission Losses

4.45 The Discoms have filed the Intra-state and Inter-state transmission loss of 4.50% and 3.54% For FY 2024-25 respectively.

4.46 The Commission has considered the Intra-state transmission loss of 4.50% as per ARR and Tariff order for FY 2024-25 of RVPN.

4.47 As regards Inter State Losses, CERC has notified CERC (Sharing of Inter State Transmission Charges and Losses) Regulation, 2020. As per clause 10 of these regulations, transmission losses for ISTS shall be calculated on all India average basis for each week. The Commission has considered the above and accordingly, has considered the average losses from 01.04.2023 to 31.03.2024 for FY 2024-25 i.e. 3.56% on all central power stations.

4.48 In view of above discussions, the levels of transmission losses as proposed by the Discoms and considered by the Commission for FY 2024-25 have been shown in the following table:

Table 44: Levels of Transmission Loss (%)

Particulars	Proposed for FY 2024-25	Approved for FY 2024-25
Intra-State Transmission Losses	4.50%	4.50%
Inter-State Transmission Losses	3.54%	3.56%

Energy Requirement as approved vis-à-vis Petitioners' submission

4.49 On the basis of the sales and distribution & transmission losses discussed above, the energy requirement proposed by Discoms and approved by the Commission for FY 2024-25 are given in the following table:

Table 45: Energy Requirement for FY 2024-25 (MU)

Particulars	JVVNL		AVVNL		JdVVNL		Total	
	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved
Estimated Sales	33,928	34,021	28,536	27661	28596	28417	91061	90099
Distribution Loss (%)	14.59%	14.59%	10.00%	10.00%	15.00%	15.00%	13.34%	13.37%
Add: Distribution Loss (MU's)	5,797	5,813	3,172	3,075	5,046	5,015	14016	13903
Energy Required at Discom Periphery	39,726	39,834	31,708	30,735	33,643	33,432	105076	104002
Intra-State Transmission Loss (%)	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Intra-State Transmission Loss (MU's)	1,872	1,877	1,494	1,448	1,585	1,575	4,951	4901
Energy Required at State Periphery	41,597	41,711	33,202	32,184	35,228	35,007	110027	108902
Inter-State Transmission Loss (%)	3.54%	3.56%	3.54%	3.56%	3.54%	3.56%	3.54%	3.56%
Inter-State Transmission Loss (MU's)	519	463	400	357	469	419	1388	1238
Gross Energy Requirement	**42,116**	**42,174**	**33,602**	**32,540**	**35,697**	**35,426**	**111,415**	**110,141**

Power Purchase Cost

Petitioners' Submission

4.50 The Discoms have submitted that the energy availability for FY 2024-25 is projected on the basis of estimated generation from existing stations and projected generation from new stations. The Discoms submitted that the power purchase quantum applicable for FY 2024-25 for the existing stations has been estimated based on the actual energy received during FY 2023-24 till the month of Aug 23, subsequently projecting for the remaining part of the year. After analysing the existing power scenario the power purchase has been accordingly projected by the Discoms considering the energy

requirement and has also backed down certain plants based on the merit order principles as well as previous trends.

4.51 The Discoms also submitted that the total power purchase for FY 2024-25 also includes power from short term sources/ energy exchanges which has been considered based on the actuals till Aug'23 for FY 24 and estimated deficit during various time blocks during FY 25. This is because most of the states across the country were facing an acute power crisis situation due to a gap between the demand of power from consumers and the supply available from generators with whom the respective state Discoms have long term power purchase agreements.

4.52 The Discoms also mentioned that the Ministry of Power, GoI had also acknowledged the crisis and published a press note regarding the same on 09.10.2021. As per MoP, the major reasons for the crisis are:

a) Increase in demand of electricity due to revival of economy post Covid
b) Increase in prices of imported coal to unprecedent high level leading to substantial reduction in power generation from imported coal-based power plants leading to more dependence on domestic coal
c) Non-building of adequate coal stocks before the onset of Monsoon.

4.53 The Energy Assessment Committee (EAC) of the Discoms has also estimated shortfall in power availability during FY 2023-24 looking at the ongoing coal crisis besides and estimated demand and availability of power in various time blocks during the year.

4.54 Thus, looking at the above-mentioned facts, the Discoms requested to approve the submitted power purchase from short term sources for FY 2024-25.

4.55 Discoms submitted that for the estimation of quantum of power procurement, the availability of each station and the corresponding energy (in MU) purchased from that station for FY 2024-25 has been considered same as that projected for FY 2023-24. In case the energy requirement is more, the Discoms have considered energy procurement based on Merit Order Dispatch (MoD) duly keeping in mind the PLF of that particular station does not exceed a normative level of 85%. In case the energy requirement is less in any particular year vis-à-vis FY 2023-24, the Petitioner has reduced the energy procurement from the costliest plant as per the MoD principal duly keeping in mind the PLF of that particular station does not fall below a technical minimum level of 55%.

4.56 Discoms Further submitted that there are various Central Sector plants expected to come up, as per the data available from CEA and analysed by RUVN, energy availability from these Central Sector plants are in 'Unsure

Category' owing to issues such as land acquisition, pending clearances, non-achievement of financial closure, bidding not started etc. Accordingly, the Discoms have not considered any projections from such Central Sector plants.

Impact of KUSUM scheme on power purchase projections

4.57 Discoms submitted that impact of solar PV plant capacities being added or to be added under Component A and Component C (feeder level solarization) of KUSUM scheme have been considered while projecting power availability of the Discoms.

4.58 Discoms submitted that there are a lot of challenges faced in fulfilling the Renewable Purchase Obligation due to infirm nature of such power, lack of sufficient hydel sources which can be operated in integration with renewable sources to absorb the variations in generation from such renewable sources, inverse relation between generation from renewable sources and demand in the state of Rajasthan, financial burden on the Discoms, etc. It is very much important to note that the state already has sufficient tied up capacity. Many such stations are likely to be commissioned in near future. This will lead to increasing stranded capacity. The situation will only be worsened if more capacity is to be tied up in order to meet the increasing RPO obligations.

4.59 Summary of the power purchase quantum and cost as submitted by Discoms are as under:

Table 46: Power Purchase (MU) and Cost (Rs. Cr.) for FY 2024-25 submitted by Discoms

Particulars	JVVNL		AVVNL		JdVVNL		Rajasthan	
	Total Energy (MU)	Total Cost of Energy Received (Rs. Crore)	Total Energy (MU)	Total Cost of Energy Received (Rs. Crore)	Total Energy (MU)	Total Cost of Energy Received (Rs. Crore)	Total Energy (MU)	Total Cost of Energy Received (Rs. Crore)
Power from sources other than RVUNL (Net of surplus)	27822	11170	21245	8532	25483	10200	**74550**	**29902**
Power from RVUNL sources	16197	7914	12476	6096	14646	7157	**43318**	**21167**
Transmission Charges		2496		1923		2257		**6676**
Total Power Purchase	**44019**	**21580**	**33721**	**16550**	**40129**	**19614**	**117868**	**57745**

Commission's Analysis

4.60 While estimating energy availability and power purchase cost for FY 2024-25, the Commission has considered the generation in MUs and cost in Rs. Crore from State and Central generating units based on the twelve months actual data for FY 2023-24 as per additional information filed for FY 2023-24 by the Discoms.

4.61 For 2024-25, for all plants other than renewable energy, the Commission has considered energy availability for FY 2023-24 (as per additional information filed by the Discoms) and 2% escalation over FY 2023-24 for projection energy availability of FY 2024-25.

4.62 For Renewable plants, such as solar, wind, hydel and bio-mass, Commission has considered energy availability for FY 2024-25 at the same level of FY 2023-24.

4.63 Further, for plants other than NPCIL, RVUN, JSW (Energy) Barmer (Formely Known as Rajwest Ltd.) and renewable based sources, the Commission has considered cost for FY 2023-24 (as per additional information filed by the Discoms) and 3% escalation over FY 2023-24 for projection of cost for FY 2024-25. For NPCIL, RVUN and JSW (Energy) Barmer the Commission has considered cost on the basis of latest available relevant orders. Whereas for cost of Renewable plants, such as Solar, wind, hydel and bio-mass, Commission has dealt with same in the below section of RPO.

4.64 Discoms in their post hearing submissions have submitted revised dates of CoD and new plants which are expected in FY 2024-25. The same has been considered accordingly.

4.65 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 as per GoR, Energy Department, order dated 04.09.2023, in the ratio of 37.39%, 28.80% and 33.81% respectively, except that 100% allocation of RFF share has been considered for JVVNL.

Energy Availability and Cost for FY 2024-25

RVUN Stations

4.66 For RVUN generating stations, including KTPS (Unit 1-7) & STPS (Unit 1-6),

supercritical units i.e. SSCTPS Unit no. 7&8, CSCTPP Unit no. 5-6 , RGTPS (Stage I, II & III), Mahi, Chhabra (Unit 1-6) and Kalisindh (Unit 1&2), the Commission has considered the energy availability as per provisional purchase from April' 2023 to March' 2024 of FY 2023-24, with 2% escalation to project the availability for FY 2024-25.

4.67 The fixed and energy charges of SSCTPS (Unit 7-8) for FY 2024-25 have been considered as per RVUN order dated 22.07.2024 for FY 2024-25. The fixed and energy charges for the other RVUN plants are as per RVUN Tariff order dated 23.07.2024.

4.68 Tariff of Mini/Micro (MMH) plants have been considered as per Regulation 57 of RERC Tariff Regulations, 2019.

4.69 For the purpose of computing fixed charges of RVUN Stations, actual availability (provisional) of FY 2023-24 has been considered by the Commission. There may be a situation that Discoms may have to purchase higher quantum of energy from these plants due to higher power requirement or shortfall in any other sources. The actual impact will be considered in true up. The Discoms while making power purchase should strictly follow the Merit Order Dispatch. The Discoms are also directed to monitor the availability of these plants and pay fixed charges in accordance with provision of RERC Tariff Regulations.

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

Table 47: Energy Availability (MU) and Cost (Rs. In Cr.)- RVUN Stations for FY 2024-25

Station	Energy Availability (MU)	Cost (Rs. In Cr.)
KTPS(1 to 7)	7869	3473
STPS(1 to 6)	6731	3882
SSCTPP (7) &(8)	6473	3493
CTPP (1-4)	5977	2558
CTPP (5&6)	7286	3307
RGTP(1,2 & 3)	779	525
KaTPP#1 &2	6963	3249
MAHI	211	29
MAHI MMH	0.21	0.09
MANGROL	8.51	3.54
STPS MMH	0.80	0.33
Total RVUN	**42299**	**20522**

Lignite based projects

4.71 The lignite based projects include Giral Lignite Power Limited, JSW Energy (Barmer) and Neyveli Lignite Corporation Limited.

4.72 For Giral Unit 1 & 2, Commission has not determined any tariff for FY 2024-25 as these Units are not functioning for long period of time.

4.73 For Neyveil Lignite, the Commission has considered the energy availability and cost for FY 2024-25 based on the actual for FY 2023-24, with 2% escalation in energy availability and 3% escalation in cost over FY 2023-24 for projection of FY 2024-25.

4.74 For JSW (Energy) Barmer the Commission has considered the energy availability for FY 2024-25 based on the actual for FY 2023-24, with 2% escalation over FY 2023-24 for projection of FY 2024-25. The fixed charges for FY 2024-25 are as per JSW (Energy) Barmer Interim tariff order of FY 2020-21 dated 23.04.2020 and energy charges has been considered as per additional submission of Discoms.

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

Table 48: Energy Availability (MU) and Cost (Rs. In Cr.)- Lignite Plants for FY 2024-25

Station	Energy Availability (MU)	Cost (Rs. In Cr.)
JSW (Energy) Barmer	6456	3036
GLTPP	0	0
Neyveli Lignite Corporation Ltd.	1534	464
Total	**7989**	**3500**

Nuclear Power Corporation of India Ltd. (NPCIL)

4.76 The energy availability of NPCIL has been considered based on the actual purchase for FY 2023-24, with 2% escalation over FY 2023-24 for projection of FY 2024-25.

4.77 The Cost of NPCIL power plants has been considered as per DAE notification dated 22.03.2018.

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

Table 49: Energy Availability (MU) and Cost (Rs. In Cr.)- NPCIL for FY 2024-25

Station	Energy Availability (MU)	Cost (Rs. In Cr.)
NPCIL	3210	1172

Partnership Projects (PP)

4.79 The energy availability and cost of partnership projects have been considered at same level of FY 2023-24, for FY 2024-25.

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

Table 50: Energy Availability (MU) and Cost (Rs. In Cr.)- Partnership Projects for FY 2024-25

Station	Energy Availability (MU)	Cost (Rs. In Cr.)
Partnership Projects	3493	156

NTPC, NHPC & Others

4.81 The energy availability and cost of NTPC, NHPC and others have been considered as per discussion in preceding paras.

4.82 The energy availability and total power purchase cost for NTPC, NHPC and other plants have been summarized in the table below:

Table 51: Energy Availability (MU) and Cost (Rs. In Cr.)- NTPC & NHPC and Other Generating Stations for FY 2024-25

NTPC & NHPC and Other Generating Stations		
Station	FY 2024-25	
	Energy Availability	Cost
NTPC Stations	**11950**	**4689**
NHPC Stations	**1519**	**542**
Others	**22562**	**8919**
SJVNL-NATHPA-JHAKRI	462	122
Rampur	132	72
Tehri Hydro	241	98
KOTESHWAR	97	58
TALA THROUGH PTC (BHUTAN)	18	4
NVVN BUNDLED (SOLAR)	396	422
NVVN BUNDLED (THARMAL)	2049	811
COASTAL GUJARAT	1889	986
ADANI POWER RAJASTHAN LIMITED	8496	3803
SASAN POWER LTD	3053	427

NTPC & NHPC and Other Generating Stations		
Station	**FY 2024-25**	
	Energy Availability	**Cost**
KARCHAM WANGTOO (PTC)	381	119
PTC DB	2455	1001
PTC Maruti	1565	532
PTC(Sikkim Urja Ltd) (old Name-PTC (TEESTA)	306	150
SKS	833	242
R.F.F.	187	73
Total	**36030**	**14150**

4.83 While projecting the power purchase quantum for FY 2024-25, the Discoms have not considered power from five NTPC stations namely Anta GTPS, Auriya GTPS, Dadri GTPS, FGUTTPS Unit 1 and FSTPS. The same has not been considered as per the Commission's Order dated 28.10.2021 in which the Commission has allowed the Discoms to exit the PPAs due to the expiry of term of these PPAs.

4.84 Accordingly, Commission has not considered the energy availability and cost from these stations, which are subject to true up during FY 2024-25.

Non-Conventional Energy Sources

4.85 Discoms submitted that in order to meet the RPO target, the planning is as listed below:

- Discoms are in the process to initiate tender process for 1500 MW wind-solar projects. As per MoP guidelines atleast 33% capacity will be from either Wind/Solar projects. At least 500 MW wind capacity will come from hybrid project.
- Discoms are planning to initiate tender process for additional wind capacity of ~600 MW.
- In order to meet the HPO, Discoms have signed PPA with the following tabulated Hydro Power Plants

Power Station	Rajasthan Share (MW)	Expected commissioning
Tehri PSP	100	June–2024
Tapovan HEP (Vishnugad)	56	December–2024
Subansari Lower HEP	93	May–2025
Parvati HEP II	86	June–2024
Piplikoti HEP (Vishnugad)	37	June–2026
Total	**372**	

- Other RPO is targeted to be met by:

a) Existing Wind, Hydro capacities not meeting Wind RPO & HPO respectively; and projects not meeting the Distributed Generation targets

b) Existing and future Solar and Biomass projects (incl. waste to energy projects)

- Discoms have tied up Solar Capacity of 3435 MW (ACME-250 MW by FY 2024, NLC under CPSU Scheme-300 MW by FY 2025 and SECI-2,885 MW by FY 2026). Capacity of addition of 4,349 MW by FY 2027 in order to meet the RPO targets has been planned of.

Commission analysis:

4.86 It is observed that through additional information filed post hearing, Discoms have revised the anticipated dates and capacities of upcoming RE Plants.

4.87 The Commission has specified RPO targets to be met by Discoms during the FY 2024-25 under the RERC (Renewable Purchase Obligation) Regulations, 2023. For FY 2024-25 Commission has specified RPO targets as 2.46% Wind RPO, 1.08% HPO and Other RPO 26.37% totaling to 29.91%. To meet their RPO targets for FY 2024-25, in addition to their existing tie ups, Discoms will have to procure additional renewable energy.

4.88 Accordingly, considering total Energy Requirement as **1,10141 MU** the energy requirement of the Discoms to fulfill RPO during FY 2024-25 works out as under:

Table 52: RPO

S.No.	Particulars	Percentage	Energy required (MU)
1	Wind RPO	2.46%	2709
2	HPO	1.08%	1190
3	Other RPO	26.37%	29044
4	**Total RPO**	**29.91%**	**32943**

4.89 To meet the above RPO requirement, self-consumption by the Roof top Solar, shall be part of Discoms other RPO, without any cost burden. It is observed that till 31.03.2024 1154 MW of RTS plants were set up in the State and till May 2024, 1457MW capacity of RTS plants have been set up in the State. Further, under PM-Suryaghar: Muft Bijli Yojana one lakh solar plants are estimated to be set up in the State during FY 2024-25. Further, the Captive solar projects are also likely to be installed. In total, average capacity of 600 MW on account of the above

is likely to be set up during FY 2024-25.

4.90 The Commission has considered that approx. 2547 MUs shall be available from RTS, which shall form part of RPO, accordingly, the other RPO of 29044 MUs shall be reduced by 2547 MUs.

4.91 Further, 7404 MU of energy was available from solar power projects set up till 31.03.2024 (including Rooftop). In addition to the above, the Commission, so, far has approved around 3500 MW under KUSUM Component-C. It is expected that 500 MW out of this will be available to the Discoms during FY 2024-25. Besides this, a capacity of around 200 MW will also be available from the plants set up under Component-A of the PM KUSUM Scheme. Accordingly, energy estimated to be procured under Kusum Scheme C & Kusum A would be 1080 MUs. Further, in the post hearing submission Discoms have filed slipages in upcoming solar capacity, which are expected in FY 2025-26 now. Accordingly, total availability of solar energy for procurement from plants is considered as 8484 MUs for FY 2024-25.

4.92 The 422.37 MU of energy was available from the Biomass power projects set up till 31.03.2024. Commission has approved 105 MW Biomass power plants and out of this around 44 MW capacity is expected to come online during FY 2024-25. From which about 43.5 MUs energy is expected.

4.93 Further, the RERC (Renewable Purchase Obligation) Regulations, 2023, provides that

"Provided that Wind RPO Shall be met by energy produced from Wind Power Projects (WPPs) commissioned after 31.03.2022 and the wind energy consumed over and above 7% from WPPs commissioned till 31.03.2022. Hydro power Purchase Obligation (HPO) shall be met only by energy produced from Hydro Power Projects (Including PSPs and Small Hydro Pumps (SHPs)), commissioned after 8th March 2019. Other RPO may be met by energy produced from any RE based /green energy based power project not mentioned in Wind RPO and HPO."

4.94 The Energy availability from wind projects during FY 2023-24 was 5923 MU (commissioned before 01.04.2022) and as per the Regulations, the same is to be counted towards Other RPO for FY 2024-25. Further, in the post hearing submission Discoms have filed slipages in upcoming wind capacity, which are expected in FY 2025-26 now. Accordingly, 5923 MUs energy availability has been assessed for FY 2024-25 towards RPO fulfillment.

4.95 As far as hydel power is concerned 7201 MU energy was available during FY 2023-24 (commissioned before 08.03.2019) and as per the Regulations the same is to be counted towards "Other RPO". Around 279 MW is expected to become available to the State Discoms during FY 2024-25 at different points of the time. Based on their expected CODs, 438 MUs energy availability has been assessed for FY 2024-25 towards RPO fulfillment.

4.96 In view of above, the RPO energy requirement and based on average per unit rate, the RPO notional cost for FY 2024-25 would be as under:

Table 53: RPO Notional Cost

S.No.	Particulars	Energy required (MU)	Per Unit cost	Rs in Crore
1	Wind RPO	2709	2.78	753
2	HPO	1190	5.09	606
3	Other RPO*	26497	3.54	9388
4	**Total RPO**	**30396**		**10747**

** after adjustment of RTS power*

4.97 From past many years Commission has observed that Discoms have not been able to achieve the RPO target, therefore for the purpose of current ARR, Commission has considered the power purchase from renewable sources at current level of FY 2023-24 and additional capacities to be commissioned during FY 2024-25. Accordingly, the Commission has considered the following power purchase from Renewable Sources as under.

Table 54: Renewable Energy projection for FY 2024-25 (MUs)

Particuler	Units	Wind	Hydel	solar	Biomass	Total
Existing Sources	MUs	5923	7201	7404	422	**20950**
From New Sources	MUs	0	438	1080	44	**1562**
Total		**5923**	**7639**	**8485**	**466**	**22513**

4.98 For above renewable power projection for FY 2024-25, the Commission has considered cost of existing sources at FY 2023-24 level and for new capacities as per their PPA and approved tariffs. Accordingly, the power purchase cost is worked out as under:

Table 55: Renewable Energy projection for FY 2024-25

Particuler	Units	Wind	Hydel	solar	Biomass	Total
Existing Sources	Rs in Crore	2848	1507	2729	336	**7421**
Rate per Unit	Rs/kWh	4.81	2.09	3.69	7.96	3.54
From New Sources	Rs in Crore	0	223	366	33	**622**
Rate per Unit	Rs/kWh	0	5.09	3.38	7.57	3.98

*Including KUSUM

4.99 Further, RPO shall be met through wheeling by consumers for captive/third party consumption who would not claim RE attributes as per the relevant regulations/orders of the Commission.

4.100 As the present exercise is for assessment of energy availability to the Discoms during FY 2024-25, Accordingly, any shortfall in meeting the RPO shall be dealt separately in accordance with the RERC (Renewable Purchase Obligation) Regulations, 2023 and read with RERC (Renewable Energy Certificate and Renewable Purchase Obligation Compliance Framework) Regulations, 2010 as amended from time to time. Further these regulations also provides that Energy Storage Obligation shall be reviewed periodically, through a separate order, considering the commissioning/ operation of PSP capacity, to accommodate any new promising commercially viable Energy Storage technologies and also change in cost of Battery Energy Storage System (BESS).

Short term Sources

4.101 Discoms submitted that most of the states across the country have been facing an acute power crisis situation due to a gap between the demand of power from consumers and the supply available from generators with whom the respective state Discoms have long term power purchase agreements.

4.102 This crisis which began in the months of October- November 2021 have been continuing since after a brief period of relief in the first 2-3 months of FY 23. The same has been taken into cognizance by state and central governments. The Ministry of Power, GoI, has initiated multiple measures such as restarting idle imported coal-based plants, increasing allocation of railway rakes to power sector, directions to State Gencos for blending of imported coal (up to 10%), directions to all Gencos (including IPPs) under Section 11 of the Electricity Act 2003, for timely import of coal for blending thereby maximizing production in captive mines**.**

4.103 Discoms submitted that they have a Universal Service Obligation to its consumers wherein they have to provide continuous uninterrupted power. Accordingly, they are resorting to all possible measures to ensure a smooth and uninterrupted power supply**.**

4.104 Discoms submitted that Rajasthan's average electricity demand has observed an increasing trend from 9,227 MW in FY 2019-20 to 11,517 MW in FY 2022-23 (up to Feb-23). The average demand in night peak hours (12am to 6am)

increased from 8,982 MW to 10,208 MW during the same period. It is further anticipated that the demand in the coming summer months especially during the peak night hours will increase substantially.

4.105 Discoms submitted that Rajasthan Discoms, in order to maintain the supply-demand equilibrium and overall grid stability will have to resort to procure power from short term power markets power exchanges. During FY 2022-23, average cost of power purchased from exchange is Rs. 5.50/kWh. Considering entire deficit is met through exchange at weighted average tariff of 6 Rs/kWh, Discoms may need Rs. 2,017 Cr for exchange power purchase.

4.106 Discoms submitted that the considerable demand supply gap may be attributed to the following factors:

i. *Banking arrangements with UPPCL*- Rajasthan Discoms had entered into banking arrangement with UPPCL for meeting the power deficit during the Rabi Season (December-2022 to March-2023) and is under obligation to return this power to UPPCL during the period between April-2023 and September-2023.

ii. *Availability from State Gencos (RVUNL)*- historical actual availability from the State Genco owned units have been much lower than the assured and normative levels. *During the last 4 years between FY 20 to FY 23, weighted average availability was only 66% for State Genco units, while availability during FY 23 (up to March-23) is 61%*, which translates to 4,425 MW against ex-bus capacity of 7,274 MW.

4.107 Discoms submitted that the sale and purchase of power through exchange is a dynamic process. The market clearing prices in exchange are dependent on the bids submitted by buyers and other sellers and the power available in the entire market. It is important to note that the Discoms have no control over the mentioned factors. The variation in demand and supply over the country has resulted in exorbitantly high prices being discovered in the power market.

4.108 Discoms submitted that trend of high prices on power exchanges was observed in FY 24 (from April to September) as well owing to anticipated increase in overall demand for the country.

4.109 Further, in accordance with Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2019 under Regulation 78(6)(d) Discoms may carry out power procurement at a rate higher than the ceiling rate as approved by the Commission under unforeseen circumstances/emergency conditions that hamper the network stability. The same is reproduced as under:

" 78(6)(d) In case of short-term power requirement due to unforeseen contingency or circumstances resulting in purchase of power for less than 15 days or in purchase from power exchange or when faced with emergency conditions

that threaten the stability of the distribution system or when directed to do so by State Load Despatch Centre to prevent grid failure:
Provided that the Distribution Licensee may carry out power purchases in above mentioned situations at a rate higher or lower than the ceiling rate approved by the Commission for purchase of short-term power…"

4.110 Discoms submitted that the rate as approved by the Commission is nowhere reflective of the actual rates as dicovered in the power market during the peak hours and this proves to be serious hit on the already precarious financial condition of the Discoms.

4.111 Thus, considering the on-going crisis, high rates on power exchanges and financial position of Discoms, Discoms submitted that the rate of short-term power purchase, which is currently fixed at Rs 4.22/unit in the ARR Order for FY 2023-24 may be revised and ceiling capping on the same be removed. The rate be benchmarked with the actual exchange prices prevailing during the hours when power is procured by the Discoms and any variation in the same is allowed to be recovered through Fuel Surcharge Adjustment (FSA).

Commission's View

4.112 Regulation 9 (1) (e) of the RERC Tariff Regulations, 2019 specifies that variation in power purchase expenses for the distribution licensee is a "uncontrollable factor".

4.113 After considering the energy available to Discoms based on their respective allocated shares, the Commission has estimated a surplus/shortfall in energy availability for FY 2024-25.

4.114 It is observed that Discoms are facing several challenges in ensuring power supply to consumers with minimal disruptions for which it had to resort to purchase power from power exchanges at high prices. It is pertinent to note that the Commission has taken cognizance of situation wherein the Rajasthan Discoms may have to resort to short term power purchase, which shall be taken into consideration under MYT Regulation 78(6).

4.115 Commission has indicated a ceiling tariff for procurement of short-term power at Rs. 4.22/unit in the ARR Order for FY 2023-24. As observed, the Discoms had to resort to procure power at costs which may be higher than the ceiling limit mandated by the Commission to meet with the electricity demands of the State consumers. Furthermore, in accordance with Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2019, under Regulation 78(6)(d) Discoms may carry out power procurement at a rate higher than the ceiling rate as approved by the

Commission under unforeseen circumstances/ emergency conditions that hamper network stability. The Commission estimated the Rajasthan state to be in shortfall of 1649 MU for FY 2024-25. In that situation, the Regulation 78(6) provides that the Commission shall indicate a tariff for procurement of short term power. In view of above submission of Discoms regarding availability of costlier power the Commission deems it proper to fix the rate of short term purchase for the purpose of Regulation 78 (6) equivalent to variable cost of STPS i.e. Rs. 4.89 per/unit.

4.116 It is further noted that provisions to Regulation 78 (6) provides as under:

"Provided that the Distribution Licensee may carry out power purchases in above mentioned situations at a rate higher or lower than the ceiling rate approved by the Commission for purchase of short-term power"

4.117 The energy requirement for Discoms has been calculated based on sales estimated in this order and normative losses. There may be a situation when Discoms may have to purchase higher quantum of energy due to higher sales, losses or shortfall in generation from other sources.

4.118 The Discoms while making power purchase should strictly follow the Merit Order Dispatch. The Discoms are also directed to monitor the availability of plants and pay fixed charges in accordance with provisions of appropriate regulations.

4.119 With regard to Discoms proposal of revision in short term power purchase rate, it is observed that Discoms have to procure the short term power mainly on account of failure to get the power supply from regular power sources such as central and state generating stations, with whom they have long term PPA.

4.120 However, in case generator fails to supply power, Discoms do not have to pay fixed charges to generator for such non supply by Generator. Thus, it is pertinent to mention here that in case of failure to supply power by generators, Discoms are also likely to save on fixed charges payable to generators unless the plant is backed down or boxed up by Discoms.

4.121 Therefore, if the short term power is purchased through transparent bidding mode, the Discoms can purchase the same, not exceeding actual exchange prices prevailing during the hours when power is procured by the Discoms, further if the Discoms in their true up brings an average rate over and above Rs. 4.89/Unit they should also place before the Commission the saving on account of aforesaid non payment of Fixed charges during the true up of relevant year for consideration of the Commission for allowing short term

power purchase.

Total Power Purchase Cost

4.122 Based on the above, the summary of source wise breakup of power purchase quantum and cost for FY 2024-25 as considered by the Commission for the three Discoms is given in the table below and details are given at **Annexure-D**:

Table 56: Energy Availability (MU) and Cost for FY 2024-25 (Rs. in Crore)

Station	FY 2024-25							
	JVVNL		AVVNL		JdVVNL		Total	
	Units	Cost	Units	Cost	Units	Cost	Units	Cost
NTPC	4468	1753	3441	1351	4040	1585	11950	4689
NHPC	568	203	438	156	514	183	1519	542
NPCIL	1200	438	924	337	1085	396	3210	1172
Tehri+Koteshwar+Tala	133	60	103	46	121	54	357	159
RVUN/ State Generation	15816	7673	12182	5910	14301	6938	42299	20522
Shared Projects	1306	58	1006	45	1181	53	3493	156
NCES	4916	1979	3787	1525	4445	1790	13148	5294
Nathpa Jhakri and Rampur	222	72	171	56	201	65	594	193
NVVN BUNDLED	914	461	704	355	827	417	2446	1233
NEYVELI LIGNITE CORPORATION LTD	573	173	442	134	518	157	1534	464
ARAVALI POWER CO PVT LTD	0	0	0	0	0	0	0	0
COASTAL GUJARAT	706	368	544	284	639	333	1889	986
ADANI POWER RAJASTHAN LIMITED	3177	1422	2447	1095	2873	1286	8496	3803
SASAN POWER LTD	1141	160	879	123	1032	144	3053	427
PTC DB	918	374	707	288	830	339	2455	1001
KARCHAM WANGTOO (PTC)	142	45	110	34	129	40	381	119
PTC Maruti	585	199	451	153	529	180	1565	532
PTC(Sikkim Urja Ltd) (old Name-PTC (TEESTA)	115	56	88	43	104	51	306	150
SKS	311	91	240	70	282	82	833	242
GLTPP	0	0	0	0	0	0	0	0
JSW (Energy) Barmer	2414	1135	1859	874	2183	1027	6456	3036
R.F.F.	187	73	0	0	0	0	187	73
TOTAL	**39814**	**16793**	**30523**	**12879**	**35833**	**15120**	**106169**	**44793**
Less/add: Short Term	2361	1155	2017	987	-407	-199	3971	1943
Net power Purchase	**42174**	**17949**	**32540**	**13867**	**35426**	**14921**	**110141**	**46736**

Transmission Charges

Petitioners' Submission

4.123 The Discoms have considered a nominal annual escalation of 2% over that as incurred in FY 2022-23, while projecting transmission charges for FY 2023-24

and 2024-25.

4.124 The details of the PGCIL, RVPN, RLDC and SLDC charges submitted by Discoms have been summarized in the table below:

Table 57: Transmission Charges & SLDC Charges for FY 2024-25 (Rs. in Crore)

Particulars	Discoms' submission			
	JVVNL	AVVNL	JdVVNL	Total
PGCIL Charges	888	684	803	2375
RVPN, POC and Others Charges	1598	1231	1445	4274
RLDC Charges	1	1	1	3
SLDC Charges	9	7	8	24
Total Transmission Charges	**2496**	**1923**	**2257**	**6676**

Commission's Analysis

4.125 The Commission has considered the RVPN and SLDC charges for FY 2024-25 as per RVPN ARR and Tariff order dated 23.07.2024 for FY 2024-25 and SLDC ARR and Tariff order dated 19.07.2024 for FY 2024-25 respectively.

4.126 Further, the Commission has considered PGCIL & RLDC charges for FY 2024-25 as per filing of Discoms.

4.127 The transmission & SLDC charges approved by the Commission for FY 2024-25 are as under:

Table 58: Transmission Charges approved by the Commission for FY 2024-25 (Rs. in Crore)

Particulars	APPROVED			
	JVVNL	AVVNL	JdVVNL	Total
PGCIL Charges,	888	684	803	2375
RVPN Charges, POC and Others Charges	1371	1056	1240	3667
RLDC Charges	1	1	1	3
SLDC Charges	10	8	9	28
Total Transmission Charges	**2271**	**1749**	**2053**	**6073**

Investment Plan for FY 2024-25

4.128 The Discoms have proposed investment under various projects/schemes to be executed along with the proposed targets in FY 2024-25 as detailed below:

Table 59: Proposed Capital Expenditure for FY 2024-25 (Rs. in Crore)

Sr. No.	Name of schemes	Proposed for F.Y. 2024-25			
		JVVNL	AVVNL	JdVVNL	TOTAL
	Plan Work				
1	Sub-Transmission & Distribution	954.84	500.00	843.35	2,298.19
2	Rural Electrification Works	1,314.00	1,400.00	1,604.50	4,318.50
3	ERP (IPDS-Phase II)	1.00	-	-	1.00
4	DT Metering (IPDS Phase II)	-	14.82	-	14.82
5	RDSS*				
5.1	RDSS (infrastructure)	1,605.00	1,023.16	1,175.38	3,803.54
5.2	RDSS (IT/OT)	50.00	76.54	62.00	188.54
5.3	RDSS Smart Metering	171.45	-	257.63	429.08
5.4	Electrification of left out Rural Households (RHH's)	-	-	208.37	208.37
6	Post Saubhagya	-	50.00	-	50.00
7	IT - Implementation in Non R & NIC E-Power	-	-	50.00	50.00
	TOTAL	**4,096.29**	**3,064.52**	**4,201.23**	**11,362.04**

** AVVNL submitted that Expenditure under RDSS smart metering component for FY 2024-25 is Rs. 233.95 Crore. However, for the purpose of capital investment, expenditure attributed towards the smart metering component has not been included, as it is to be implemented on Total Expenditure (TOTEX) mode.*

4.129 To execute the above work, the Discoms have proposed the funding from following sources:

Table 60: Source wise details of funding for FY 2024-25 (Rs. in Crore)

Sr.No.	Sources of funding	JVVNL	AVVNL	JdVVNL	Total
1	Loan	1,993.22	768.66	1,922.45	4,684.33
2	Grant	1,164.45	666.44	1,079.38	2,910.26
3	Equity	854.24	1,504.43	823.91	3,182.57
4	Consumer Contribution	84.38	125.00	375.50	584.88
	Total	**4,096.29**	**3,064.52**	**4,201.23**	**11,362.04**

4.130 The proposed Capital Investment Plan is based on the philosophy focused on the following areas:

(a) Creation of new sub-transmission and distribution network to meet the increasing demand within the area of supply of Discoms.

(b) Strengthening of the existing sub-transmission and distribution network to cope up with the growing demand and connectivity to the new areas under development.

(c) Rural electrification to create distribution infrastructure in villages and release electricity connections in villages

(d) Scaling up of IT infrastructure and strengthening of IT backbone to improve the efficiency, capacity and reliability of distribution network.

(e) Demand side management for efficient and optimum utilisation of distribution network capacity.

4.131 Discoms submitted that the proposed Capital Investment Plan incorporates the basis and details pertaining to the budget allocation under various schemes, associated targets and sources of funding.

4.132 Discoms submitted that the capital investment planning plays a pivotal role in efficiency improvement of the Discoms. The growing number of consumers, load and per capita consumption, burdens the existing networks resulting to frequent outage and energy spillages. Therefore, the Capital Investment Plan requires to be planned appropriately.

4.133 The Discoms submitted that they are making concerted efforts for strengthening of distribution network. This will curb down the system spillages, improve efficiency and ensure sustainability against the revenue gap of the previous years.

Sub Transmission and Distribution Infrastructure Works:

4.134 The Discoms have proposed a total investment of Rs. 2298.19 Crore in FY 2024-25 for sub transmission and distribution infrastructure works. The Discoms wise proposed investment and physical targets are provided below:

Table 61: Proposed Investment and physical target for sub-transmission & distribution works in FY 2024-25

Sr. No.	Name of Schemes	Proposed Investment & Physical targets for F.Y. 2024-25			
		Units	JVVNL	AVVNL	JdVVNL
1	Sub- Transmission & Distribution				
a.	Proposed Investment	(Rs. in Crore)	954.84	500.00	843.35
b.	33/11 KV S/s	MVA	300	200	1,375
		Nos.	15	50	100
c.	33 KV Lines	KMs	305	300	800

4.135 The Discoms submitted that these schemes are identified on need basis, with the objective to increase reliability of the network, to strengthen the network and for improvement of the system to meet the demand growth; the circle planning department initiate the proposals along with the detailed technical due-diligence & after cost-benefit analysis of the proposed investment to be undertaken in the field. The proposals are being forwarded to the

headquarters for approval. The planning circle at headquarters selects the schemes on the priority and sanction allowed by the Government. All the projects under Sub-Transmission and Distribution works, RE works are under Rs. 10 Cr. and the same are being implemented after administrative, technical and financial sanctions of the competent authority and delegation of powers (DOP) given to the field offices.

Rural Electrification Works:

4.136 Discoms have proposed a total investment of Rs. 4318.50 Crore in FY 2024-25 respectively for rural electrification works which includes expansion of distribution network to release agriculture connection, reduction in system losses along with improvement of reliability parameters, providing domestic connections in rural areas and energization of wells with a view to increase water supply. The Discom wise proposed investment and physical targets are provided in table given below:

Table 62: Discom wise proposed investment for RE works in FY 2024-25

Sr. No.	Name of Schemes	Proposed Investment & Physical targets for F.Y. 2024-25			
		Units	JVVNL	AVVNL	JdVVNL
1	Rural Electrification Works				
a.	Proposed Investment	(Rs. in Crore)	1,314.00	1,400.00	1,604.50
b.	Domestic connection rural	Nos.	135000	100,000	100,000
c.	Agriculture Pump Set RE	Nos.	45,000	50,000	45,000

ERP (IPDS-Phase II)

4.137 JVVNL submitted that Government of India launched the Integrated Power Development Scheme (IPDS) to extend financial assistance against capital expenditure to address the gaps in sub transmission & distribution network and metering in urban areas to supplement the resources of DISCOMs/Power Dept.

4.138 The scheme for urban areas comprises of the following components:

a) Strengthening of Sub-transmission and Distribution network in urban areas including provisioning of solar panels on Govt. buildings including Net-Metering.

b) Metering of feeders / distribution transformers / consumers in urban areas and,

c) IT enablement of distribution sector and strengthening of distribution network, as per CCEA approval dated 21.06.2013 for completion of the targets laid down under R-APDRP for 12th and 13th Plans by subsuming R-APDRP in IPDS and carrying forward the approved outlay for RAPDRP to IPDS.

4.139 JVVNL submitted the projects under the scheme shall be formulated for urban areas (Statutory Towns) only and will cover works relating to strengthening of sub-transmission & distribution network, including provisioning of solar panels on Govt. buildings including Net-metering, metering of feeders /distribution transformers / consumers and IT enablement of distribution sector. Scope of IT enablement extended to the statutory towns having population more 5000 as per Census 2011.

4.140 JVVNL submitted the primary works to be carried out under this are the preparation and implementation of ERP system by the IT cell of the organization.

DT Metering (IPDS Phase II):

4.141 AVVNL proposed an investment of Rs. 14.82 Crore under DT Metering (IPDS Phase II).

Table 63: Discom wise proposed investment for DT Metering (IPDS Phase II) in FY 2024-25

Sr. No.	Name of schemes	Proposed investment for F.Y. 2024-25			
		Units	JVVNL	AVVNL	JdVVNL
1	DT Metering (IPDS Phase II)	(Rs. in Crore)	-	14.82	-

Post Saubhagya Scheme

4.142 AVVNL proposed an investment of Rs. 50 Crore under Post Saubhagya scheme.

Table 64: Discom wise proposed investment for Post Saubhagya in FY 2024-25

Sr.	Name of schemes	Proposed investment for F.Y. 2024-25

No.		Units	JVVNL	AVVNL	JdVVNL
1	Post Saubhagya	(Rs. in Crore)	-	50	-

REVAMPED DISTRIBUTION SECTOR SCHEME

4.143 Discoms have proposed a total investment of Rs. 4629.53 Crore in FY 2024-25 under Revamped Distribution Sector Scheme.

4.144 Discoms submitted that there has been major increase in Capital expenditure in FY 23 on account of inclusion of implementation of Revamped Distribution Sector Scheme which was notified by MoP on 20.07.2021 followed by a detailed guideline dated 29.07.2021 and amendments from time to time. The objective of the scheme is to bring down pan-India AT&C losses to 12 – 15% level, reduce ACS-ARR gap to Zero by 2024-25 and improve reliability and quality of power to consumers.

4.145 The Revamped Distribution Sector Scheme has the following parts:

Part A – (Metering & Distribution Infrastructure Works):

- This activity includes installation of Prepaid smart meters for all consumers (excluding Agriculture consumers) along with associated AMI, communicable meters for DTs & Feeders, ICT including Artificial Intelligence (AI), Machine Learning (ML), etc. based solutions for power Sector and a unified billing and collection system.
- Distribution infrastructure works as required for strengthening and modernizing the system as well as measures for loss reduction. The infrastructure strengthening works will include separation of Agriculture feeders to enable implementation of the KUSUM scheme, Aerial Bunch cables and HVDS for loss reduction, replacement of HT/LT lines as required, construction of new/ upgradation of substations, SCADA and DMS system etc.

Part B – (Training & Capacity Building and other Enabling & Supporting Activities):

- The activities covered under this part are up-gradation of Smart Grid Knowledge Centre, training and capacity building, awards and recognitions. It also includes other supporting and enabling components such as Nodal Agency fee, activities to be undertaken by MoP viz. communication plan, publicity, consumer awareness, consumer survey and other associated measures.

- Discoms have prepared the Action Plan for strengthening its Distribution

system and improving its performance by way of various reform measures. This would result in improvement of the operational efficiency and financial viability of Discoms as well as improvement in the quality and reliability of power supplied to the consumers. Discoms have prepared the Action plan, with several subcomponents for strengthening its Distribution system, and to improve its performance. Works that are required for AT&C loss reduction has been given priority.

- **Metering and Energy Accounting**: Implementation of the Scheme would lead to improvement in the quality & reliability of power supplied to the consumers by making the Distribution system more robust. The scheme envisages to strengthen the energy accounting system installation of Smart Pre-paid meters/System meters and adoption of Artificial Intelligence to analyze data generated through IT/OT devices. Such a robust energy accounting system shall enable DISCOMs to take informed decisions on loss reduction initiatives, demand forecasting, Time of Day (ToD) tariff, Renewable Energy (RE) Integration and for other predictive analysis.

- Metering activities are to be undertaken under two phases.

Phase I shall be completed by December 2023 and shall cover following areas:

- Prepaid Smart meters:
  - All Electricity Divisions of 29 AMRUT cities in Rajasthan, with AT&C Losses > 15% in base year.
  - Industrial and Commercial Consumers.
  - All Government offices/Autonomous Bodies/Boards/Corporations at Block level and above.
  - Other areas with high losses, which shall mandatorily include Electricity Divisions having more than 50% consumers in urban areas and with AT&C losses more than 15% and other Electricity Divisions with AT&C losses more than 25%, in the base year.
- All DTs (above 25 kVA) in areas where Prepaid Smart metering is being carried out in first phase to be metered.
- All feeders to be metered by December 2022.

Phase II shall be completed by Mar 2025 and shall cover all other consumers (Except agriculture) and DTs (above 25 kVA) to be metered.

Modernisation & System augmentation:

- The work of construction of conventional as well GIS substations shall be executed under this part along with associated 33 KV and 11 KV line works in load centres, anticipating present load and future load growth. Similarly, work of

Augmentation and additional Power Transformers at existing 33/11 KV Sub Stations shall also be carried out under Modernization.

4.146 Summary of metering works proposed to be undertaken by the Rajasthan Discoms under the RDSS scheme are as shown below:

Metering (in Nos)	Jaipur Discom	Ajmer Discom	Jodhpur Discom	Total
Consumer (Other than Agri.)	4762643	5432231	4080848	**14275722**
Distr. Transformers (DT)	111346	155453	167809	**434608**
Feeder & Boundary	5799	11007	10322	**26593**
Total	**4879788**	**5598691**	**4258979**	**14736923**

4.147 Estimated outlay proposed by the Rajasthan Discoms under RDSS is as shown below**:** **(Rs in Cr)**

Discom	Metering			Loss Reduction	Modernization& System augmentation	PMA	Total Outlay
	Phase –I	Phase -II	Total				
JVVNL	1466.74	1815.36	3282.10	3662.00	2473.80	104.34	9522.24
AVVNL	827.29	2835.81	3663.11	2770.06	2628.52	94.72	9156.40
JdVVNL	1103.98	1773.40	2877.37	3835.55	2874.90	111.44	9699.26
Total	**3398.01**	**6424.56**	**9822.58**	**10267.61**	**7977.22**	**310.50**	**28377.90**

4.148 Regarding the metering component under RDSS, Discoms submitted that the Rajasthan Discoms need to install prepaid smart meters for all consumers (other than agriculture) in phases. Also, the MoP has mandated installation of Prepaid Smart Meters in phases (as per timelines stipulated under RDSS scheme) for all Discoms irrespective of the participation of the Discoms in the RDSS scheme.

4.149 The MoP has recommended implementation of Smart Metering in TOTEX (Total Expenditure) mode through PPP. Under this mode, a single agency will be contracted for supplying, maintaining and operating the metering infrastructure for the purpose of meter related data and services to the DISCOM. It will make both capital and operational expenditure under DBFOOT (Design Build Fund Own Operate & Transfer) or similar modes and will be paid for a portion of its capital expenditure initially and the remaining payment over the O&M period.

4.150 Accordingly, expenditure associated with metering component of RDSS has

not been considered as a part of the total Capital Investment Plan. The Discoms submitted that they will file the details of such operational expenditure on Smart Meters at the time of Truing up of relevant year.

4.151 It is further intimated that a common tender for Utility Billing System is proposed to be floated by Jaipur Discom on behalf of all three Discoms under RDSS. The RFP for the said tender is to be floated shortly and the proposed contract period is 6 years. The proposed system shall have OPEX component for providing billing solution as per the approved DPR's for all three Discoms under RDSS with an estimated cost of Rs 350 Cr (Rs 150 Cr sanctioned under RDSS for all three Discoms with GBS @ 60%).

4.152 The RDSS component wise expenditure plan proposed for FY 2024-25 is as under:

Table 65: RDSS Component wise expenditure plan for FY 2024-25 (Rs in Cr)

Sr. No	Particulars	JVVNL	AVVNL	JdVVNL	Total
1	RDSS (infrastructure)	1,605	1,023	1,175	3,804
2	RDSS (IT/OT)	50	77	62	189
3	RDSS Smart Metering	171	-	258	429
4	Electrification of left out RHH's	-	-	208	208
5	**Total***	1,826	1,100	1,703	4,629

Note: * Expenditure under RDSS smart metering component for FY 2024-25 is Rs.171 Crore, Rs. 233.95 Crore Rs. 258 Crore for JVVNL, AVVNL and JVVNL respectively. However, for the purpose of capital investment, expenditure attributed towards the smart metering component has not been included by AVVNL, as it is to be implemented on Total Expenditure (TOTEX) mode.

IT - Implementation in Non R & NIC E-Power:

4.153 JdVVNL has proposed Rs. 50 Crore for IT - Implementation in Non R & NIC E-Power.

4.154 JDVVNL submitted that the E-Power IT Project is one such initiative taken up for development and implementation of software modules i.e. web based desktop applications and android based mobile applications as well. The same shall be addressing various pressing calls of the power distribution sector and is further divided into 10 further modules as mentioned under:

- Module 1: Meter Data Acquisition, Consumer Indexing & Asset Management
- Module 2: Billing
- Module 3: Collection
- Module 4: New Connections
- Module 5: Disconnection and Reconnection

- Module 6: Application for consumers
- Module 7: Dashboard for Rajasthan Discom officials (One Click Management)
- Module 8: Management Information System (MIS)
- Module 9: Data Analytics
- Module 10: Centralized Customer Care Services

In order to carry out the works under above mentioned modules, a MoU has been signed between the Rajasthan Discoms and NIC, for which the work order has also been placed upon NIC.

Analysis of the Commission and decision:

4.155 The capital expenditure in past years and the envisaged plan of FY 2024-25 is as under:

Table 66: Actual capital expenditure in past years and investment proposed for FY 2024-25 (Rs in Cr.)

Sr.No.	Financial Year	JVVNL	AVVNL	JdVVNL	TOTAL
1	2017-18 (ACTUAL)	1573	1349	1318	4241
2	2018-19 (ACTUAL)	2767	2454	2195	7417
3	2019-20 (ACTUAL)	1783	2405	2199	6388
4	2020-21 (ACTUAL)	1130	1169	1308	3607
5	2021-22 (ACTUAL)	1692	1416	1307	4415
6	2022-23 (ACTUAL)	1973	1741	1724	5438
7	2023-24 (PROPOSED)	4526	3498	6123	14147
8	2023-24 (APPROVED)	3451	2605	4667	10723
9	2023-24 (ACTUAL)	2842	2364	2675	7881
10	2024-25 (PROPOSED)	4096	3065	4201	11362

4.156 For investment approval, Commission has relied on Hon'ble APTEL judgment in appeal no. 84 of 2006, which has been discussed in subsequent paras.

4.157 The issue of according approval by Regulatory Commission of investment plan of a utility had come up before Hon'ble APTEL in appeal no. 84 of 2006. The said appeal had arisen against order of the Karnataka State Regulatory Commission, wherein investment plan of the State Transmission Utility was reduced by the Commission.

4.158 Hon'ble APTEL in that case had examined at length the powers and functions of the Regulatory Commission as regards investment approval and observed in following para as under:

"**XXXX**

9. *The only provision, if at all which has a relevance is Section 86 (2), which is advisory in nature. This being the position it is obviously clear that the legislature has left it to the utilities to decide their plans of investment or improvement of system or expansion to meet the demand of power within their area including up gradation and maintenance for a better and quality generation, transmission or supply as the case may be. It is the commercial decision of the utility and its source to raise funds which falls within the domain of the utility and not liable to be interfered, except at the stage when utility claims for return on such investment, interest on capital expenditure and depreciation. It is at that stage the Commission shall undertake a prudent check and if deemed fit allow the claim. In appropriate cases the Commission may disallow such claims of utility and it is for the utility to bear the brunt of such investment and it cannot pass it on to consumers.*

……

22. *The consumers interest also do not arise at this stage for consideration nor they could be an objector in respect of proposal or plan or investment by utility as the liability of the consumers, if any, arise or there could be a passing by way of return on equity or interest etc. as such contingency arises only when the Regulatory Commission subject to its prudent check allows such expenditure, while fixing the annual revenue requirement and determining the tariff. Till then, the consumers have no say and there could be no objection from their side. When the consumers complain poor service or failure to maintain supply, to face such a situation the utility has to plan in advance, invest in advance, execute the project or scheme for better performance and maintain."*

4.159 In the said judgment, it has been concluded that Regulatory Commission should confine itself to exercising prudent check on investment being made by licensee and should not delve in the area of micro management of utility. This inference has been drawn by Hon'ble APTEL after careful examination of the provisions of Electricity Act, 2003. 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.

4.160 In view of above, Hon'ble APTEL has clear findings on the subject of investment approval, that the Commission would be exercising only prudent check on the investment of the licensee and allow/dis-allow expenditure based on such prudent check instead of according project/scheme-wise approvals. Regulations have to be seen and applied within the overall mandate and objective of the Electricity Act.

4.161 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 RAPDRP, Saubhagya,

DDUGJY IPDS and RDSS etc. which are formulated, approved and implemented as per guidelines of the Govt. of India;

c) Items/works not eligible for inclusion in investment plan;
d) The nature of proposed investment and reasons thereof.

4.162 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. The deposit works shall be committed only to the extent such work do not affect annual works planned by the licensees. The annual size of investment plan will be based on criterion that with the addition of assets, cost of generation, transmission and distribution shall not exceed the respective current cost by the 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.

GFA = Gross Fixed Assets

4.163 It is observed that while computing the ceiling limit, the inflation rate as per above definition is work out to be negative, however, the no. of consumers and load is still growing, therefore the Commission has considered inflation of 2% for working out the ceiling limit for FY 2024-25.

4.164 Based on above formula, the ceiling limit for FY 2024-25 works out to be as under:

Table 67: Ceiling Limit for investment plan for FY 2024-25 (Rs. in Crore)

Sr. No.	Particulars	JVVNL	AVVNL	JdVVNL	Total
1	GFA closing figure of 2023-24 (as per tariff petition)-Rs. Crores	28459.31	25737.66	24596.65	78793.63
2	K	1.30	1.30	1.30	1.30
3	Sale for FY 24(MU) as per petition	31447.37	25647.01	26387.84	83482.23
4	Sale for FY 25(MU) as per petition	33928.29	28536.04	28596.37	91060.69

5	Growth rate for sale (%)	7.89%	11.26%	8.37%	9.08%
6	Inflation (%)	2.00%	2.00%	2.00%	2.00%
7	**Annual Plan ceiling -Rs. Crores**	**3717.05**	**4513.57**	**3369.33**	**11599.85**

4.165 In view of above table, the total Investment proposed by Discoms are within ceiling Limit. However, Commission in compliance to aforesaid Hon'ble APTEL Judgement confine himself to exercising prudent check on Investment proposal as under:

4.166 In respect of Sub Transmission and Distribution works, the Commission has observed that normally financial expenditure in Discoms is not commensurate with the physical target in a year and has exceeded the amount of the investment planned in past years. Care should be taken to initiate an investment in consonance with physical target or augmentation proposed. Unlike centrally sponsored scheme, the Discoms themselves are required to exercise prudence and control over such investment. In the previous orders the Commission directed the Discoms to carry out special audit of Investment made by Discoms in all circles and to start with Jaipur city, Ajmer city & Jodhpur city circle to justify the investment made along with cost benefit analysis within 3 months and furnish the same to the Commission. Further, Commission has also directed to issue internal guidelines for field officer indicating steps to exercise prudence while proposing/executing investments. In compliance to that Discoms submitted that a committee was constituted to study investment made by the Jaipur City Circle (JCC), Ajmer City Circle and Jodhpur City Circle respectively and report of committee has been furnished along with petition.

4.167 It is observed from the report of committee that some time losses have been reduced on account of investment made. However, Discoms further submitted that due to ever increasing urbanization of the capital city, expansion of the network at faster space and composition of LT lines and scattered consumer base may have also contributed towards not realizing the financial results in consonance with the capital investment made., yet capex is a regular phenomenon to cater to the need of ever-expanding urbanization of the city. Hence, in this perspective capital expenditure cannot be arithmetically linked to the reduction in losses.

4.168 AVVNL committee found that cater to the need of the masses, rapidly growing industries and fast-paced urbanization in Ajmer City Circle, the Discom has to adopt various modern technologies and create state-of-the-art

infrastructure. As per the directions of the Government of Rajasthan, agriculture connections have been released along with improvement and augmentation of substations for improved power supply during the day time to agriculture consumers. Discom is committed to ensure uninterrupted quality supply to industries and in lieu of the same, considerable investment has been incurred. Discom has also incurred expenditure on account of investment in Ajmer City Circle under various centrally sponsored schemes such as IPDS, DDUGVY, etc. As a result of the capital investment incurred in Ajmer City Circle, Ajmer Discom incurred a saving of 272.49 LUs in FY 2020-21 and 223.36 LUs in FY 2021-22. Furthermore, the losses of Ajmer City Circle are lower than that of the Ajmer Discom as a whole. Thus, the capital investment incurred in Ajmer City Circle has enabled the Discom to reduce losses and provide quality, reliable and affordable power to an increasing consumer base

4.169 JdVVNL submitted that T&D Losses of Jodhpur City Circle is lower than Jodhpur Discom as a whole. Further year on year T&D losses are also reducing continuously along with providing quality, reliable & affordable power to the constantly growing consumers. Considering constant increase in the efficiency (evident from saving 135.42 Lakhs units in last 2 years) along with satisfied consumers itself justifies the investment made during the FY 2021-21 & 2021-22.

4.170 In this regard the Commission observed that the Discoms themselves are required to exercise prudence and control over such investment.

4.171 As far as internal guidelines for field officer is concern, the Discoms submitted that Internal Audit manual is already in existence and the same is followed. Further, looking at the changing scenario Discoms are regularly issuing circulars and orders to meet out the requisite requirements. Necessary Directions have been imparted to place the manual circulars and orders on the website of the Discoms.

4.172 In view of above, the Commission observes that apart from discharging the prime responsibility of quality, reliable and affordable power supply to consumers through operationally efficient distribution system with the best use of manpower. The Discoms must ensure the continues watch on investment made so they reap the maximum benefit to both consumers and Discoms.

4.173 It is observed that against the planned allocation, JVVNL, AVVNL & JdVVNL have incurred approx. 99%, 103% and 75% respectively during FY 2023-24 under ST&D head. It is observed that JdVVNL is lagging behind the targets. Accordingly, Commission allows, 100% of JVVNL & AVVNL claim and 80% of JdVVNL claim of the projected capital expenditure plan under Sub-

Transmission & Distribution of Rs. 954.84 Crore, Rs. 500.00 Crore and Rs. 674.68 Crore respectively.

4.174 **Rural Electrification Works**: In this scheme every year the Discoms proposes the capital expenditure for release of new connection for domestic category in rural areas and for agriculture pump sets. It is observed that during FY 2024-25, the physical target sets for agriculture pump set are high as compared to FY 2022-23 as under:

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
JVVNL			
Domestic Connections Rural	95,485	97833	135000
Energisation of wells	22,266	45,000	45,000
AVVNL			
Domestic Connections Rural	137061	100000	100000
Energisation of wells	43821	70000	50000
JDVVNL			
Domestic Connections Rural	69159	100000	100000
Energisation of wells	33050	40000	45000

4.175 Accordingly, the higher capital expenditure has been proposed for FY 2024-25 by the Discoms as compared to FY 2022-23 as under:

Particular	FY 2022-23	FY 2023-24	FY 2024-25
JVVNL	957	1854	1,314
AVVNL	1,046	1518	1,400
JdVVNL	1,303	1583	1,605

4.176 The Commission while allowing sales has considered the additional no. of agriculture connection as proposed by Discoms. The Commission is of the view that though in the true up order Commission has considered 50% of cost of connection as grant but in case of continuous release of large number of Agriculture connections, the Discoms should take up the matter for funding the 100% cost except consumer contribution from the State Government for FY 2024-25 and Commission for the purpose of ARR has considered balance 100% cost as grant receivable from Government.

4.177 It is also observed that during FY 2023-24 against the planned allocation JVVNL, AVVNL and JdVVNL have incurred approx. 98%, 98% and 62% respectively. It is observed that under this scheme also JdVVNL is lagging behind the targets. Further, looking to the past trend of achievement in physical targets, it is likely that some slippages will be there. Accordingly, the Commission has considered the 90% of the proposed investment by JdVVNL to be incurred during FY 2024-25. However, the Commission will consider the actual cost at the time of true up.

4.178 **RDSS**: Discoms have proposed a substantial amount of capital investment under Revamped Distribution Sector Scheme with the objective to improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. The Scheme aims to reduce the AT&C losses to pan-India levels of 12-15% and ACS-ARR gap to zero by 2024-25 by improving the operational efficiencies and financial sustainability of all DISCOMs/ Power Departments. The Scheme has the following parts –

A. Metering, Component II: Distribution Infrastructure Works, Component III: Project Management

B. Training, Capacity Building and other Enabling & Supporting Activities

4.179 It is observed that Expenditure under RDSS smart metering component for FY 2024-25 is Rs. 171 Crore, Rs. 233.95 Crore Rs. 258 Crore for JVVNL, AVVNL and JdVVNL respectively. However, for the purpose of capital investment, expenditure attributed towards the smart metering component has not been included by AVVNL and wrongly included by JVVNL and JdVVNL. As it is to be implemented on Total Expenditure (TOTEX) mode, therefore, the same is not considered for the current investment plan of JVVNL and JdVVNL also. It is further observed that the metering is an important part of RDSS scheme. Discoms have almost included all the consumers in RDSS scheme for metering purpose. However, at the time of true up, the Commission will consider the actual expenditure made.

4.180 RDSS being an ambitious scheme, which will help Discoms in reducing both technical and commercial losses and improve operational efficiencies of Discoms. It is observed that during FY 2023-24, against the planned allocation, JVVNL, AVVNL and JdVVNL has incurred only approx. 31%, 39% and 37% under this scheme. The Commission expresses its displeasure against such under performance by Discoms. Accordingly, the Commission considered only 60% of proposed capex under the scheme for during FY 2024-25. Discoms are directed to achieve the target set under RDSS and fulfill all conditions and reap maximum benefit of RDSS. However, the actual expenditure will be considered during true up.

4.181 The Discoms have submitted that for power purchase, inventory and capital expenditure management & monitoring, the ERP is important tool and in the past orders also Commission reiterates the importance of ERP. In compliance to Commission directive regarding ERP, Discoms submitted that since the existing ERP developed by RISL is not as per requirement of Discoms business

process in totality, as such it was decided to close the existing ERP project as per provisions laid down in work order and to implement "Selection of System Integrator (ERPSI) for Supply, Installation, Commissioning, Implementation and Support for Enterprise Resource Planning (ERP) System in Rajasthan Discoms" on COTS basis as per Standard Bidding Documents/Guidelines of the RDSS. Discoms further submitted that for the implementation of common RMS across all three Discom's, as per the directions imparted in the 77th DCF meeting, Jaipur Discom's is taking up the tendering process as per the SBD issued by the Nodal Agency PFC. It is therefore, Commission direct the Discoms to expedite the implementation of ERP System, which will not only helps Discoms in better planning of power purchase, inventory and capital expenditure but also reduces the losses and improve the productively of expenditure incurred and efficiency of human resources deployed for such purpose.

4.182 Commission in the last order directed the Discoms that target of AT&C losses as given by Commission should be strictly monitored and adhered to while taking up various works and focus should be on IT enablement, Feeder/DT metering, Network strengthening and implementation of ERP system, etc. In compliance JVVNL reported that it has achieved AT&C loss of 16.81% as against the set target of 23.50% during FY 22. Further, the provisional AT&C loss for FY 23 stands at 15.66% against the set target of 20.15% under RDSS. AVVNL reported that AT&C loss recorded by the Ajmer Discom was 12.73% as against the target of 21.70% under the RDSS. Further, AT&C loss for FY 2022-23 stands at 10.00% against the set target of 17.91% under RDSS. JDVVNL reported AT&C Losses 21.88% against target of 27.25% for FY 2021-22 and 20.99% against target of 23.93% for FY 2022-23 under RDSS. In view of above, Discoms should continue to out perform and achieve the target sets in future also.

4.183 It has been observed that centrally sponsored scheme comprises funding from GoI/GoR and the resources of Discoms as per funding pattern of the schemes. Release of funds under the schemes from GoI/GoR is subject to the fulfillment of various conditions as stipulated in the guidelines of such scheme. Therefore, Discoms should ensure release of entire funds from GOI/GOR as per prescribed funding pattern.

4.184 The Commission in its various orders has stressed on the need of Compliance of CEA (Measures relating to Safety and Electric Supply) Regulations, 2010 and CEA (Safety requirements for construction, operation and maintenance of electrical plants and electric lines) Regulations, 2011 as amended from time to time and to ensure safety for its workmen, Public and Livestock. In the above section of true up order for FY 2022-23, Commission has already approved

expenditure towards safety of Rs. 7.33 Crore. The Commission reiterates that if Discoms need to spend any money for compliance of the Safety Regulations, the same can be claimed through Investment Plan/ARR and the Commission reiterate that it is willing to consider any additional amount spent on training of employees and for compliance of Safety Regulations.

4.185 It is observed that the Discoms have not proposed any specific investment on account of compliance of safety Regulation in ARR. The Discoms may file the details of additional amount, if any, spent over and above O&M expenses towards safety compliance in True up petitions.

4.186 The Commission reiterates that it is the duty of the Discoms to ensure that safety tools/ devices are made available to each and every worker and training has been imparted to each and every technical worker/officer of the Discom. They should also provide a copy of safety Manual in Hindi to each and every workmen and officer. Danger plates should be affixed everywhere, guarding/fencing should be provided wherever it is required and earthling and other protection should be checked /provided as per safety Regulations. Every circle officer should ensure that each line, plant or meter is checked from safety point of view as per the periodicity decided by the Discoms in accordance with safety Regulations. System of line patrolling must be followed vigorously and complaints related to safety must be given overriding priority. If need be, the Discoms may review their staffing pattern and working appropriately.

4.187 Investment proposal in ERP(IPDS-Phase II) and DT metering (IPDS Phase II), Post Saubhagya and Implementation in Non R & NIC E-Power, have been considered as proposed by Discoms.

4.188 As per RERC (Investment Approval) Regulations, 2006 Distribution Licensee can spent upto 1% of its Investment Plan on institutional strengthening. The Discoms can accordingly plan for training program & refresher program for all its employees and officers.

4.189 In previous orders, the Commission has directed the Discoms to submit the Fixed Assets Register. This year in data gap reply the Discoms have submitted FAR upto 31.03.2023. The Commission appreciates the efforts of Discoms in making Fixed Asset Register.

4.190 In the light of the position discussed above, the Commission considers it appropriate to allow the investment in respect of Discoms as under:

Table 68: Approved investment plan for FY 2024-25 (Rs. in Crore)

Sr. No.	Name of schemes	Approved for F.Y. 2024-25			
		JVVNL	AVVNL	JdVVNL	TOTAL
	Plan Work				
1	Sub-Transmission & Distribution	954.84	500.00	674.68	2,129.52
2	Rural Electrification Works	1,314.00	1400.00	1,444.05	4,158.05
3	ERP (IPDS-Phase II)	1.00	-	-	1.00
4	DT Metering (IPDS Phase II)	-	14.82	-	14.82
5	RDSS	993.27	659.82	867.23	2,520.32
6	Post Saubhagya	-	50.00	-	50.00
7	IT - Implementation in Non R & NIC E-Power	-	-	50.00	50.00
	TOTAL	**3263.11**	**2624.64**	**3035.96**	**8923.71**

Capitalization
Petitioners' Submission

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

Table 69: Capital Expenditure and Capitalization proposed for FY 2024-25

(Rs. in Crore)

FY 2024-25				
Particulars	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Capital Expenditure	4096	3065	4201	11362
Capitalization	3798	3151	3743	10692

Commission's Analysis

4.192 Following the methodology adopted in ARR order for FY 2023-24, the Commission has considered 80% of the proposed capitalization in this ARR order for FY 2024-25.

4.193 Accordingly Capitalisation has been considered as Rs. 8554 Crore for FY 2024-25.

Table 70: Projected Capitalization approved by the Commission for FY 2024-25

(Rs. in Crore)

FY 2024-25				
Particulars	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Capitalization	3039	2521	2994	8554

Operation and maintenance Expenses
Petitioners' Submission

4.194 Discoms have estimated O&M expenses based on the O&M norms specified in RERC Tariff Regulations, 2019.

4.195 The Operation and Maintenance (O&M) expenses comprise of Employee expenses, Repair and Maintenance (R&M) expenses and Administration and General (A&G) expenses.

4.196 The norms for each component of O&M expenses for the distribution business are based on per unit of energy sold and are specified under Regulation 82 of the RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019.

4.197 The Normative O&M expenses allowed at the commencement of the Control Period (i.e. FY 2019-20) under the aforesaid Tariff Regulations are to be escalated at the rate of 3.63% per annum for each year of the Control Period.

4.198 The O&M expenses projected by Discoms for FY 2024-25 have been summarized below:

Table 71: Operation and Maintenance Expenses for FY 2024-25

(Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	TOTAL
Employee Costs	1946	1637	1641	5224
Administrative & General Costs	264	222	222	707
Repairs & Maintenance Costs	338	298	285	921
Total O&M Costs	2548	2157	2148	6853
Less: Expenses to be Capitalized	410	404	349	1163
Net O&M Costs charged to revenue	**2138**	**1753**	**1799**	**5690**

Installation of Smart Meters under TOTEX mode and its impact on O&M expenses

4.199 The Discoms had filed a separate petition before the Commission for allowing the expenses incurred in the execution of smart metering works under RDSS, over and above the current normative O&M expenses.

4.200 Subsequently, the Commission issued order dated 21.10.2022, directing the Discoms to submit all relevant details including actual amount of payment made to AMISP, saving in various components of O&M cost and benefit derived from implementation of smart metering under TOTEX mode along with the true up petition of relevant year for consideration of the Commission. Accordingly, the details of such operational expenditure on Smart Meters shall

be submitted by at the time of Truing up of relevant year.

Commission's Analysis

4.201 Commission has allowed O&M expenses in accordance with Regulation 82 of RERC Tariff Regulations, 2019.

4.202 The per unit norms for each component for first year of the control period FY 2019-20 are as follows:

- Employee expenses-Rs. 0.48/per unit of sale
- A&G expenses-Rs. 0.065/ per unit of sale
- R&M Expenses – R&M Expenses for each year (n) of Control Period: k x GFAn-1 x (1+ER)

  Where, 'k' is a constant (expressed in %) governing the relationship between R&M expenses and Gross Fixed Assets (GFA) for the (n-1)th year and shall be considered as 1.2%; 'GFA' is the average value of the Gross Fixed Assets of the (n-1)th year;

  'ER' means the escalation rate as specified in Regulation 24; 'n' is the year for which R&M expenses is to be determined.

4.203 The Normative O&M expenses allowed at the commencement of the Control Period (i.e. FY 2019-20) under the aforesaid Tariff Regulations are to be escalated at the rate of 3.63% per annum for each year of the Control Period.

4.204 It is observed that stakeholders submitted that while working out the O&M expense, the sales should be excluding DF sales. Therefore, in view of above comments of stakeholder and view taken by the Commission in the last ARR Order the Commission has not considered O&M expenses on sales in DF area and also accounted for revenue of DF separately in this Order. For projecting normative O&M expenses sale of Distribution franchisee i.e. JVVNL 1789 MUs, AVVNL of 600 MUs and JdVVNL of 854 MUs for FY 2024-25 respectively have not been considered. Commission has considered the sales (excluding sale by DF) allowed for FY 2024-25 for projecting normative O&M expenses.

4.205 Capitalized O&M expenses have been considered in the same ratio as projected by Discoms.

4.206 O&M expenses approved by the Commission for Discoms for FY 2024-25 have been summarized below:

Table 72: Operation and Maintenance Expenses approved for FY 2024-25

(Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	TOTAL
Employee Costs	1849	1552	1581	4983
Administrative & General Costs	250	210	214	675
Repairs & Maintenance Costs	228	185	159	571
Total O&M Costs	2327	1947	1954	6228
Less: Expenses to be Capitalized	374	365	318	1057
Net O&M Costs charged to revenue	**1953**	**1582**	**1636**	**5171**

4.207 With regard to Smart Meters under TOTEX mode it has been observed that Discoms had filed a separate petition on dated 29.07.2022 to allow expenditure incurred in execution of Smart metering works over and above normative O&M expenses. Further, Commission in the aforesaid petition has issued order dated 21.10.2022, directing the Discoms to submit all relevant details including actual amount of payment made to AMISP, saving in various components of O&M cost and benefit derived from implementation of smart metering under TOTEX mode along with the true up petition of relevant year. It is observed that in this petition no such information has been filed by Discoms. Accordingly, the details of such operational expenditure on Smart Meters shall be examined in Truing up of subsequent relevant year.

Terminal Benefit Expenses

Petitioners' Submission

4.208 For determination of terminal benefits liability, the Discoms have adopted the guidelines specified under AS-15 (Employee benefit). The guidelines of implementing AS-15 states that the benefit involving employer established provident funds, which require interest shortfall to be provided, are to be considered as defined benefit plans. In compliance to the provisions of the AS-15, the company has provided for the shortfall in the terminal benefits in respect to pension and gratuity each year.

4.209 Discoms have estimated that the contributions based on the trend over the last 4 years and assuming a nominal hike of 3% that will be made towards terminal benefits for FY 2023-24 and FY 2024-25.

4.210 Terminal benefit expenses submitted by the Discoms for FY 2024-25 has been tabulated below:

Table 73: Terminal Benefit Expenses for FY 2024-25 (Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	TOTAL
Terminal Benefit Expense	605	570	370	1545

Commission's Analysis

4.211 The Commission has considered terminal benefit expenses for FY 2024-25 as submitted by Discoms. However, the Commission shall allow the payment made towards actuarial valuation liability in the true up of FY 2024-25 only to the extent of funds actually transferred to the designated Fund.

Table 74: Terminal Benefit Expenses for FY 2024-25 (Rs. in Crore)

	Approved			
Particulars	**JVVNL**	**AVVNL**	**JdVVNL**	**TOTAL**
Terminal Benefit Expense	605	570	370	1545

4.212 It is observed by the Commission that during FY 2022-23, AVVNL has deposited the amount towards terminal benefit which is higher than the amount allowed in the ARR for FY 2022-23. However, the JVVNL and JdVVNL have deposited the amount towards terminal benefit significantly lower than the amount approved by the Commission. This amount is being allowed to Discoms to meet its future liabilities in a planned manner. The Commission has time and again shows its serious concern regarding the continuous default in depositing the requisite amount by Discom. Accordingly, Commission directs the Discoms that they should deposit the amount at least equivalent to approved by the Commission based on Discoms submission in future and also make a plan to meet their liability towards terminal benefit.

Interest on Loans and Finance Charges & Lease rental

Petitioners' Submission

4.213 The Discoms submitted that closing balance of the normative loan for FY 2022-23 has been considered as the opening loan balance for FY 2023-24. The total capitalisation during the year (or additions to GFA) has been reduced by the grant amount, arrived at by proportioning it on the basis of grants against the proposed capital investment plan. The remaining capitalisation has been considered to be funded through equity and loans, which are again proportioned on the basis of equity and loans proposed against the Investment Plan for the year. The loan portion has been considered as

addition to long term loans during the year.

4.214 Discoms submitted that in accordance with the Regulation 21 of the RERC (Terms and Conditions for Determination of Tariff), the loan repayment has been considered, equal to the depreciation charged for the year. The closing normative loan is considered after deducting repayment for the year.

4.215 The interest on long term loans is estimated on the basis of actual weighted average interest rate for long term loans and applied on the average of normative loans (average of opening and closing normative loan) which works out to be 10.37%, 10.57% and 11.10% for JVVNL, AVVNL and JdVVNL respectively.

4.216 The Discoms have submitted that they have considered interest on security deposit for FY 2024-25 on the basis of average of actual security deposit per consumer in the previous two years as per the audited accounts and the projected growth in number of consumers. The interest rate has been considered equivalent to RBI Bank Rate as on 1st April 2023, which is in accordance with the RERC norms.

4.217 Discoms have projected the finance charges or other borrowing cost for FY 2023-24 estimated to increase by 5% per annum from actual of previous year.

Interest on unfunded revenue gap for past years

4.218 Discoms submitted that average unfunded gap for FY 2023-24 is arrived at by considering the opening balance for FY 23, additions during the year and closing balance. The same approach has been considered for FY 2024-25.

4.219 In order to calculate the interest on unfunded revenue gap, the Discoms have considered the weighted average rate of interest as per the audited accounts for FY 2022-23.

4.220 Accordingly, the interest charges and finance charges for FY 2024-25 have been summarized in the table below:

Table 75: Interest and Financing Charges for FY 2024-25 (Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
Opening balance of LTL (A)	8266	7020	7965	23251
Capitalization (B)	3798	3151	3743	10692
Capital expenditure financed by Equity (C)	792	873	782	2447
Capital expenditure financed by Consumer Contribution and grants (D)	1158	814	1136	3108

Particulars	JVVNL	AVVNL	JdVVNL	Total
Receipt of LTL for Capital expenditure E=(B-C-D)	1848	1464	1825	5137
Principal Repayment(F)	1333	1232	1355	3920
Closing balance of LTL, G=(A+E-F)	8781	7253	8434	24468
Average LTL, H=(A+G)/2	8524	7136	8199	23859
Average Interest rate of LTL (%)(I)	10.37%	10.57%	11.10%	
Interest Charges on LTL, J=(HXI)	884	755	910	2548
Interest on Security Deposit (K)	123	105	67	295
Finance Charges & Lease Rental (L)	223	183	353	759
Gross Interest Charges, M=(J+K+L)	**1229**	**1042**	**1330**	**3602**
Interest Expenses Capitalized (N)	31	94	86	211
Total Interest & Financing Charges (O)	**1199**	**948**	**1244**	**3390**
Average unfunded Gap upto 23-24 (p)	18,870	11,5001	19,717	**50087**
Interest on Carry Forward Revenue Gap, Q=(PXI)	**1956**	**1216**	**2188**	**5360**
Total Interest & Financing Charges after interest on carry forward Gap (O+Q)	**3155**	**2164**	**3431**	**8750**

Commission's Analysis

4.221 The interest and finance charges have been calculated by the Commission considering the following:

a) The closing balance of long-term loans for FY 2022-23 in this true up order has been considered by the Commission as the opening balance for FY 2023-24.

b) Capitalization, capital expenditure financed by equity, capital expenditure financed by consumer contribution and grants and receipt of long term loan for capital expenditure for FY 2023-24 have been considered as per order dated 31.03.2023 and principal repayment for FY 2023-24 has been considered equal to deprecation for FY 2023-24 to arrive at the opening balance of loan of FY 2024-25.

c) Capitalization for FY 2024-25 has been considered as discussed in foregoing paragraphs. Since only 80% capitalization has been allowed by the Commission, consumer contribution and grants have also been taken to the extent of 80% of the total projection by the Discoms.

d) The long-term loans required for capitalization during the FY 2024-25 have been reduced by the amount of consumer contribution, capital grants and equity projected for the year.

e) Repayment for FY 2024-25 has been considered equal to the depreciation allowed by the Commission.

f) Unfunded Gap- For computing the carrying cost, the unfunded gap upto FY 2022-23 has been considered as per above true up order for FY 2022-23. The aforesaid Unfunded gap has been adjusted by approved surplus of Rs. 1146 Crore of FY 2023-24.

g) The weighted average interest rate has been considered at 10.37%, 10.57% and 11.10% as claimed by JVVNL, AVVNL and JdVVNL respectively.

h) Finance charges and interest on security deposit has been considered as submitted by Discoms.

4.222 **Grant on release of New Agriculture Connection under RE Works:** Discoms has indicated release of 45000, 50000 & 45000 nos of new agriculture connections in their ARR.

4.223 The Commission while allowing sales has considered the additional no. of agriculture connection as proposed by Discoms. The Commission is of the view that though in the true up order Commission has considered 50% of cost of connection as grant but in case of continuous release of large number of Agriculture connections, the Discoms should take up the matter for funding the 100% cost except consumer contribution from the State Government for FY 2024-25 and Commission for the purpose of ARR has considered balance 100% cost as grant receivable from Government.

4.224 Further, the Discoms in the data gap reply filed the per connection cost of Rs. 229000, Rs. 225000 and Rs. 379000 with consumer contribution of Rs. 24375, Rs. 25000 and Rs. 50000 per consumer for JVVNL, AVVNL and JdVVNL respectively. Accordingly, the grant works out to be Rs. 920.81 Crore, Rs.1000.00 Crore and Rs. 1480.50 Crore for JVVNL, AVVNL and JdVVNL respectively.

4.225 The Commission has considered this amount as additional grant, Discoms may obtain this amount from the State Government.

4.226 The Commission in absence of detailed information has worked out the figure of grant on normative basis, in case of any discrepancy; Discoms may come up with actual figure of applicable grant and may request for recalculating the impact of grant during true up petition of respective year.

4.227 Based on the above, the approved interest and finance charges (with respect to the assets capitalized) approved for FY 2024-25 for the three Discoms have been summarized in the tables below:

Table 76: Interest and Finance Charges approved by the Commission for FY 2024-25 **(Rs. in Crore)**

FY 2024-25				
Particulars	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Opening balance of LTL (A)	7004	5548	3665	16217
Capitalization (B)	3039	2521	2994	8554
Capital expenditure financed by Equity (C)	413	321	270	1004
Capital expenditure financed by Consumer Contribution and grants (D)	1663	1451	2093	5207
Receipt of LTL for Capital expenditure E=(B-C-D)	963	749	631	2342
Principal Repayment(F)	868	701	706	2276
Closing balance of LTL, G=(A+E-F)	7099	5595	3590	16284
Average LTL, H=(A+G)/2	7051	5572	3627	16250
Average Interest rate of LTL (%)(I)	10.37%	10.57%	11.10%	
Interest Charges on LTL, J=(HXI)	731	589	402	1723
Interest on Security Deposit (K)	123	105	67	295
Finance Charges & Lease Rental (L)	223	183	243	648
Gross Interest Charges, M=(J+K+L)	**1076**	**877**	**713**	**2666**
Interest Expenses Capitalized (N)	27	79	46	152
Total Interest & Financing Charges (O)	**1050**	**798**	**666**	**2514**
Average unfunded Gap up to 2023-24 (P)	**20738**	**14083**	**17856**	**52678**
Interest on Carry Forward Revenue Gap, Q=(PXI)	**2150**	**1489**	**1981**	**5620**
Total Interest & Financing Charges after interest on carry forward Gap (O+Q)	**3200**	**2287**	**2648**	**8134**

Interest on Working Capital

Petitioners' Submission

4.228 Discoms estimated their working capital requirement for FY 2024-25 as per Regulation 27(1) (3) of the RERC Tariff Regulations, 2019 and the same has been tabulated below:

Table 77: Interest on Working Capital for FY 2024-25 (Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
O&M expenses (as per norms)	178	146	150	474
Maintenance Spare (as per norms)	321	263	270	853
Receivables (as per norms)	3,367	2,789	2,568	8,724
Less: Security deposit of Consumers	1,820	1,554	999	4,373
Total Working Capital	2,046	1,645	1,988	5,679
Interest Rate (%)	10.97%	10.97%	10.97%	
Interest on Working Capital	224	180	218	623

4.229 Discoms submitted that they have considered rate of interest as per the average Base Rate (1-year MCLR) for first six months of the year previous to the relevant year plus 300 basis points.

Commission's Analysis

4.230 The normative working capital requirement along with interest thereon has been calculated as per regulation 27(1)(3) of RERC Tariff Regulations, 2019, by the Commission as under:

a) Operation and Maintenance expenses for one month; **plus**
b) Maintenance spares @15% of O&M expenses as per Regulation 82 of the RERC Tariff Regulations, 2019; **plus**
c) Receivables equivalent to one and a half-months billing of consumers; **Less**
d) The security deposits as submitted by the Discoms have been considered;
e) For the purpose of calculating interest on working capital, the Commission has considered 300 basis points higher than average base rate prevalent during first six months of the previous year to the relevant year as per RERC Tariff Regulations, 2019. The rate of interest thus works out to 11.52% for FY 2024-25.

4.231 Accordingly, the interest on working capital considered by the Commission is as under:

Table 78: Interest on Working Capital approved by the Commission for FY 2024-25 (Rs. in Crore)

Description	JVVNL	AVVNL	JdVVNL	Total
O&M expenses (as per norms)	163	132	136	431
Maintenance Spare (as per norms)	293	237	245	776
Receivables (as per norms)	3317	2555	2775	8647
Less:				
Security deposit of Consumers	1820	1554	999	4373

Description	JVVNL	AVVNL	JdVVNL	Total
Total Working Capital	1952	1371	2158	5481
Interest Rate (%)	11.52%	11.52%	11.52%	
Interest on Working Capital	**225**	**158**	**249**	**632**

Depreciation

Petitioners' Submission

4.232 The Discoms have submitted that for computation of depreciation they have considered the specified rates as provided in the Regulation 22 of RERC (Terms and Condition for Determination of Tariff) Regulations, 2019 in Annexure-I based on Straight Line Method (SLM).

4.233 The depreciation has been determined by applying applicable depreciation rates on the average balance of opening and closing Gross Fixed Assets.

4.234 The Discoms have submitted the following Depreciation for FY 2024-25:

Table 79: Depreciation for FY 2024-25 (Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
Depreciation	1,333	1,232	1,355	3,920

Commission's Analysis

4.235 Commission has considered depreciation based on the following consideration:

a) The closing balance of depreciable assets allowed in the above true up section for FY 2022-23 has been considered by the Commission as the opening balance for FY 2023-24.
b) The capitalization during the year, capital expenditure financed by consumer contribution & grants and depreciable assets added during FY 2023-24 has been considered as per order dated 31.03.2023 to arrive at the opening balance of FY 2024-25.
c) Commission has considered 80% of the amount proposed by Discoms as capitalization and capital expenditure financed by consumer contribution & grants during FY 2024-25 respectively.
d) Depreciable assets for FY 2024-25 have been reduced by the amount of consumer contribution and capital grants projected for the year.
e) Average depreciation rate has been considered as per true up order for FY 2022-23, in which average depreciation rate are approved at 4.39%, 4.43% and 5.11% for JVVNL, AVVNL and JdVVNL respectively.

Fixed Asset Register:

4.236 The issue of fixed assets register has been discussed earlier in this order and Discoms are required to comply with Commission's directive in this regard. In this ARR order the Commission has not made any deduction on account of non furnishing of fixed assets register in the desired format. However, if the Discoms do not comply with direction of Commission, it may consider to deduct a suitable amount from depreciation while doing true up for future years.

4.237 Depreciation allowed by the Commission for each of the three Discoms have been tabulated below:

Table 80: Depreciation allowed by the Commission for FY 2024-25

(Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	TOTAL
Depreciable Assets at the beginning of the Year (A)	19096	15303	13381	47781
Capitalization during the year (B)	3039	2521	2994	8554
less: Consumer Contribution and Capital Grants during the year (C)	1663	1451	2093	5207
Depreciable Assets added during the Year D=(B-C)	1376	1070	901	3346
Depreciable Assets at the end of the Year (E= (A+D))	20472	16373	14282	51127
Average Depreciable Assets during the Year (F=(A+E)/2)	19784	15838	13832	49454
Average Depreciation Rate (G)	4.39%	4.43%	5.11%	
Depreciation (FXG)	**868**	**701**	**706**	**2276**

Insurance Expenses

Petitioners' Submission

4.238 Discoms have estimated the Insurance expenses for FY 2024-25 in accordance with Regulation 25 of RERC tariff Regulations 2019 on the basis of 0.2% of average Net Fixed Assets.

Table 81: Insurance Expenses- Discoms submission for FY 2024-25

(Rs. in Core)

Particulars	JVVNL	AVVNL	JdVVNL	Total
Insurance Expenses	39	36	33	107

Commission's Analysis

4.239 Commission has allowed Insurance expenses in accordance with Regulation 25 of RERC Tariff Regulations, 2019.

4.240 To compute the insurance expenses on average Net Fixed Assets (NFA) as per aforesaid regulation, the Commission has considered the following:

i. The closing balance of Net Fixed Assets allowed in true up order for FY 2022-23 is considered as opening balance for FY 2023-24 and closing balance of FY 2023-24 considered as opening balance for FY 2024-25.

ii. The capitalization as discussed in above Para's have been added and depreciation for FY 2024-25 has been deducted from the above opening balance to arrive at closing balance.

4.241 Accordingly, the following insurance expenses have been computed on the average NFA.

Table 82: Insurance Expenses Approved for FY 2024-25 (Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
Insurance Expenses	38	30	26	94

Rebate allowed to Consumer

4.242 Discoms have not projected any rebate to consumers for FY 2024-25.

Commission's Analysis

4.243 Commission has dealt with rebate allowed to consumer under revenue head of this order.

Return on Equity

Petitioners' Submission

4.244 Discoms submitted that as per Regulation 20 of Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2019"

(1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with Regulation 19.

(2) Return on equity shall be computed at the rate of 14% for Transmission Licensees and SLDC, 15% for Generating Companies and 16% for Distribution Licensees".

4.245 Discoms submitted that considering the additional burden on the consumers, it is in the interest of stakeholders that return on equity should not be claimed and therefore, Discoms are not claiming Return on Equity .

Commission's Analysis

4.246 It is observed that Discoms have not claimed RoE on Equity base. Therefore, the Commission has not allowed Return on Equity for FY 2024-25.

Non-Tariff Income and Wheeling Charges

Petitioners' Submission

4.247 Discoms submitted that for FY 2024-25 the non-tariff income (excluding Delayed Payment Surcharge) has been projected as per the norms in RERC (Terms and Conditions for Determination of Tariff) Regulations 2019.

4.248 Income from wheeling charges, cross subsidy surcharge and additional surcharge have been considered based on actuals of FY 2022-23, the same cost parameters have been projected and summarised below:

Table 83: Non-Tariff Income for FY 2024-25 (Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
Interest income from FDR	8	8	0	**16**
Interest on loans and advances to employees	0	0	9	**9**
Interest and other income from investments and deposits	0	17		**17**
Income from sale of scrap	45	107	40	**192**
Income from deferment of Govt. Grants & Subsidies	332	291	373	**996**
Rebate for prompt payment	22	0	12	**34**
Gain on sale of fixed assets	0	0	49	**49**
Rental From Staff Quarters	38	0	0	**38**
Incentive from PFC timely payment		8	8	**16**
Other miscellaneous receipts	105	175	0	**280**
Meter Rent/Service Line Rental/transformer rent	26	16	27	**69**
Recoveries for theft of Power/ Malpractice	24	37	23	**85**
Misc. Charges from Consumers	60	27	107	**195**
Revenue from use of Poles	0	8	5	**14**
Total	**660**	**695**	**653**	**2008**

Income from wheeling charges, cross subsidy Surcharge and Additional Surcharge				
FY 2024-25				
Particulars	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Income from Wheeling Charges	3	2	1	**6**
Cross Subsidy Surcharge	1	1	-	**2**
Additional Surcharge	1	1	-	**2**
Total	**5**	**4**	**1**	**10**

Commission's Analysis

4.249 Out of total non tariff income of Rs 2008 Crore, the Commission has excluded Deferred Income of Rs. 996 Crore. Thus, the balance non tariff income to be examined is Rs. 1012 Crore for FY 2024-25. Whereas the Commission assess that there is high potential of rental income from cables and poles specially in view of the Discoms latest order where they have allowed various types of cables on the poles. The Discoms should strive hard to increase the revenue from rental income of cable and poles. It is observed that the total non tariff income approved in the true order for FY 2022-23 is Rs. 1472 Crore, which is higher than Discoms claim of Rs. 1012 Crore, in view of above, the Commission has considered non tariff income of Rs. 1472 Crore for FY 2024-25 at the same level of FY 2022-23.

4.250 Further the Commission has considered wheeling charges, Cross Subsidy Surcharge and additional Surcharge and other income as per Discom's filing. However, actual income from these charges due to impact of this order shall be considered at the time of true up.

Table 84: Non-Tariff Income for FY 2024-25 **(Rs. in Crore)**

Particulars	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Non Tariff Income	568	497	406	1472
Total	**568**	**497**	**406**	**1472**

Income from wheeling charges, cross subsidy Surcharge and Additional Surcharge				
FY 2024-25				
Particulars	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Income from Wheeling Charges	3	2	1	**6**
Cross Subsidy Surcharge	1	1	-	**2**
Additional Surcharge	1	1	-	**2**
Total	**5**	**4**	**1**	**10**

4.251 It is observed that many of the stakeholders have raised the issue of disproportionate revenue and units billed of open access, therefore the Commission directs the Discoms to file the voltage wise/ category wise break-

up of number of units billed under open access and corresponding revenue collected under each head i.e. wheeling, CSS and Additional surcharge with the next true up petition for FY 2023-24 along with reasons for deviation if any.

Aggregate Revenue Requirement

Petitioners' Submission

4.252 The Annual Revenue Requirement for FY 2024-25 proposed by the three Discoms have been given in the table below:

Table 85: Summary of ARR for FY 2024-25 – Discoms' submission (Rs. in Crore)

Sr. No	Particulars	FY 2024-25			
		JVVNL	AVVNL	JdVVNL	Total
		Submission	Submission	Submission	Submission
1	Power Purchase Expenses	19,084	14,628	17,357	51069
2	Transmission charges				
	PGCIL	888	684	803	2375
	RVPN &others	1,598	1,231	1,445	4274
	RLDC	1	1	1	3
	SLDC	9	7	8	24
3	Operation & Maintenance Expenses	2,138	1,753	1,799	5690
4	Terminal Benefits	605	570	370	1545
5	Interest and Finance Charges	1,199	948	1,244	3390
6	Interest on Working Capital	224	180	218	623
7	Interest of Regulatory assets	1,956	1,216	2,188	5360
8	Depreciation	1,333	1,232	1,355	3920
9	Insurance Expenses	39	36	33	107
10	**Aggregate Revenue Requirement**	**29,074**	**22,485**	**26,821**	**78380**
11	Less: Non Tariff Income	660	695	653	2008
12	Less: Income from wheeling charges	3	2	1	6
13	Less: Cross Subsidy Surcharge	1	1	-	2
14	Less: Additional Surcharge	1	1	-	2
15	**Net Aggregate Revenue Requirement from Retail Tariff**	**28,409**	**21,786**	**26,167**	**76362**

Commission's Approval

4.253 Commission has approved the ARR for FY 2024-25 based on the items of expenditure discussed in the preceding sections and the same has been summarized in the table below:

Table 86: Summary of ARR for all the three Discoms for FY 2024-25– Approved by Commission (Rs. in Crore)

Sr. No.	Particulars	FY 2024-25			
		JVVNL	AVVNL	JdVVNL	Total
		Approved	Approved	Approved	Approved
1	Power Purchase Expenses	17,949	13,867	14,921	46736
2	**Transmission charges**				
	PGCIL	888	684	803	2375
	RVPN	1,371	1,056	1,240	3667
	RLDC	1	1	1	3
	SLDC	10	8	9	28
3	Operation & Maintenance Expenses	1,953	1,582	1,636	5171
4	Terminal Benefits	605	570	370	1545
5	Interest and Finance Charges	1,050	798	666	2514
6	Interest on Working Capital	225	158	249	632
7	Interest of Regulatory assets	2,150	1,489	1,981	5620
8	Depreciation	868	701	706	2276
9	Insurance Expenses	38	30	26	94
10	**Aggregate Revenue Requirement**	**27,108**	**20,944**	**22,609**	**70661**
11	Less: Non Tariff Income	568	497	406	1472
12	Less: Income from wheeling charges	3	2	1	6
13	Less: Cross Subsidy Surcharge	1	1	-	2
14	Less: Additional surcharge	1	1	-	2
15	**Net Aggregate Revenue Requirement from Retail Tariff**	**26,535**	**20,443**	**22,202**	**69179**

**Power purchase cost has been considered after adjustment of sale of surplus power.*

Revenue and Revenue Deficit based on Existing Tariff

Petitioners' Submission

Revenue on Existing Tariff

4.254 Discoms have projected the revenue based on energy sales forecasts for FY 2024-25 and the applicable retail tariff as per the RERC's Tariff Orders.

4.255 The revenue in FY 2024-25 from existing tariff as per Discoms' submission is as under:

Table 87: Revenue from existing tariff for FY 2024-25– Discoms' submission (Rs. in Crore)

FY 2024-25				
Particular	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Domestic	6226	4829	3975	15029

FY 2024-25				
Non-Domestic	3318	1905	1802	7026
Public Street Light	171	112	105	388
Agriculture (Metered)	6183	5055	9560	20798
Agriculture (Flat)	0	0	0	0
Small Industry	370	269	215	853
Medium Industry	935	521	731	2188
Large Industry	8772	8743	2698	20213
Public Water Works (S)	304	309	246	859
Public Water Works (M)	47	37	88	172
Public Water Works (L)	394	386	735	1514
Mixed Load / Bulk Supply	207	122	378	707
EV	10	0.00	0.00	10
Railway traction	0	26	9	35
Total	**26937**	**22314**	**20543**	**69793**

Base FSA

4.256 Discoms submitted that the Commission, vide the Tariff Order for FY 2023-24 dated 31.03.2023, approved the levy of Base FSA. The relevant extract is reproduced below:

*"**Tariff Rationalisation Proposal***

a. Levy of Base FSA

…
5.1.25 Accordingly, the Commission deems it appropriate to approve the determination and levy of Base FSA based on actual weighted average of FSA that was levied during all four quarters of the previous year on the monthly bills of the consumers on a provisional basis and subsequently, the Fuel Surcharge shall be computed on a quarterly basis as per Regulation 88 of the RERC Tariff Regulations, 2019 and any variation observed on account of such quarterly computation may accordingly be adjusted from the Base FSA."

4.257 Accordingly, the Discoms, notified the levy of Base FSA of Rs. 0.52/kWh for FY 2023-24. The Base FSA is being recovered from all categories of consumers on monthly basis from August 2023 on provisional basis and subsequently, Fuel Surcharge computed on quarterly basis shall be adjusted from the Base FSA deposited.

4.258 Accordingly, revenue from Base FSA has been estimated at the rate of Rs. 0.52/kWh FY 2024-25 (for 12 months), as illustrated in the table below:

Revenue from Base FSA

	FY 2024-25		
Particulars	**JVVNL**	**AVVNL**	**JdVVNL**
Base FSA (Rs. /kWh)	0.52	0.52	0.52
Sales (MU)	33,928	28,536	28,596
Revenue from Base FSA (Rs. Crore)	**1,764**	**1,484**	**1,487**

Revenue from Trading

4.259 During FY 2024-25 Discoms have projected revenue from trading of power through exchange of Rs. 803 Crore, Rs. 50 crore and Rs. 1870 Crore for JVVNL, AVVNL and JdVVNL respectively.

Subvention and Subsidy

4.260 Discoms have submitted that the State Government used to provide subvention against ED and subsidy against compounding charges. However, going forward, no subvention against ED shall be provided by the State Govt. hence no such projections have been for same are included in the current petition.

4.261 Discoms have shown Subsidy against loss subsidy under FRBM scheme , Grant from GoI-Rooftop Solar and Interest Subsidy under NEF (REC) for FY 2024-25 as under:

Table 88: Subvention and subsidy for FY 2024-25 (Rs. in Crore)

FY 2024-25				
Particular	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Loss Subsidy under FRBM Scheme	627	0	3690	4317
Grant from GoI-Rooftop Solar	41	0	5	46
Interest Subsidy under NEF (REC)	13	18	21	52
Total	**681**	**18**	**3716**	**4414**

Revenue Deficit/Surplus

4.262 The revenue deficits submitted by Discoms for FY 2024-25 at the existing tariff have been provided in the table below:

Table 89: Revenue Deficit/Surplus at existing tariff for FY 2024-25 (Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
	FY 2024-25			
Net Aggregate Revenue Requirement (A)	**28,409**	**21,786**	**26,167**	**76,362**
Revenue from Existing tariff (B)	**26,937**	**22,314**	**20,543**	**69,793**
Revenue From Trading Income (C)	**803**	**50**	**1,870**	**2,723**
Revenue Form Base FSA (D)	**1,764**	**1,484**	**1,487**	**4,735**
Grant from GoI-Rooftop Solar	41	0	5	46
Interest Subsidy Under NEF(REC)	13	18	21	52
Total of Grant from GoI-Rooftop Solar and Interest Subsidy under NEF(REC) (E)	**54**	**18**	**26**	**98**
Surplus/ (Deficit)including carrying cost F= (B+C+D+E-A)	1,149	2,079	(2,241)	987
Loss Subsidy under FRBM Scheme	627	0	3,690	4,317
Surplus /(Deficit)	**1,776**	**2,079**	**1,449**	**5,304**

Commission Analysis

Revenue

4.263 Commission has calculated the category wise revenue from existing tariff at tariff approved in order dated 31.03.2023 on the basis of consumer category wise energy sales (excluding DF sales) approved by the Commission in this order. The revenue from sale of power to DF has been computed separately in below table. Further impact of ToD rebate, incremental consumption rebate and various other rebates have been considered which is subject to true up.

BASE FSA

4.264 It is observed that Discoms have filed revenue from levy of Base FSA of Rs. of Rs. 4735 Crore @ 0.52/kWh for FY 2024-25. However, such revenue realization is towards the additional cost on account of increase in exiting power purchase cost (fuel surcharge). As the approval of power purchase does not account for such increase in current ARR, therefore, the expenses and revenue on this account shall be examined by the Commission at the time of true up of respective year and as such Commission is considering NIL revenue from base FSA for the purpose of ARR order of FY 2024-25.

Fuel Surcharge

4.265 It is observed that Discoms, on 05.06.2024, had submitted separate petition before RERC, requesting for the approval for levy of Rs. 1.33/unit and Rs. 0.90/unit as Fuel Surcharge for fourth quarter of FY 2022-23 (January'23 to

March'23) and first quarter of FY 2023-24 (April'23 to June'23), which is over and above the ceiling limit of Rs 0.59/unit i.e. 15% of approved average power purchase cost.

4.266 The Discoms submitted that, as per Regulation 88 of the RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019, the Discoms are allowed to recover the variation in the approved and actual variable cost of power purchased. The variation allowed is passed on to the consumers of the Discoms on quarterly basis as fuel surcharge.

4.267 Further, Regulation 88 (3) of the Regulations also specify that the FSA for any quarter should not exceed the ceiling limit of 15% of approved average power purchase cost. The Regulation also states that Distribution Licensee may file a separate Petition before the Commission for approval of recovery of the Fuel Surcharge over and above ceiling limit.

4.268 The Discoms submitted that the FSA for Quarter IV of FY 2022-23 and Quarter I for FY 2023-24 was computed at Rs. 1.33/unit and Rs. 0.90/unit , which was higher than the average ceiling limit of Rs. 0.59/kWh approved by the Hon'ble Commission (i.e., 15% of the weighted average power purchase cost approved by the Commission in its Tariff Order for FY 2022-23).

4.269 The Discoms have also submitted the independent auditor's report verifying the FSA computation of the mentioned quarters along with the Petition. The Discom wise impact of the mentioned FSA's is as under:

S.no	Discom	Quarter IV FY23 @ Rs. 1.33/unit (Rs Cr)	Quarter I FY24 @ Rs. 0.90/unit (Rs Cr)	Total (Rs Cr)
1	JVVNL	992	649	1,642
2	AVVNL	829	541	1,370
3	JdVVNL	849	589	1,437
	Total	**2,670**	**1,779**	**4,449**

4.270 Discoms submitted that they have already incurred the above-mentioned cost against which FSA amount is recoverable. It is observed although the out flow due to additional variable cost is incurred by the Discoms on monthly basis (on account of payment made to power generators), it is recovered from the consumers only on quarterly basis (prior to the levy of base FSA). In this scenario, any under-recovery in the FSA shall bear further negative impact on the existing cash flow constraints, which considering the high financing cost of the Discoms acts as a double blow. Timely recovery of the power purchase cost holds utmost importance in the present scenario to maintain a healthy cash flow cycle for the Discoms. Lately the demand for power is also

increasing and the rates during certain time periods are quite high and the Discoms ultimately requires funds to cater to consumer's requirement.

4.271 Commission observed that considering the existing level of Regulatory Assets it is not tenable for the Discoms to have any further under-recovery of their prudent costs. This shall subsequently impact the consumers of the State only, which shall either be embedded into the consumer retail tariff or in regulatory assets on which interest liability will accrue on the consumers.

4.272 Considering the above-mentioned facts, the Commission finds it appropriate to allow the recovery of FSA for fourth quarter of FY 2022-23 (@ Rs. 1.33/unit) and first quarter of FY 2023-24 (@ Rs. 0.90/unit) appropriately.

4.273 The Commission has considered the aforesaid revenue from FSA of Rs. 4449 Crore for the projections of FY 2024-25. However, Discom shall bring in the details of recovery of aforesaid amount along with their true up petitions for consideration of the Commission.

4.274 Accordingly, the petition no. 2236/2024 in the matter of levy of FSA for Quarter IV of FY 2022-23 and Quarter I of FY 2023-24 stands disposed of hereby.

Revenue from Trading

4.275 During FY 2024-25 Discoms have projected revenue from trading of power through exchange of Rs. 2723 Cr. However, while dealing with power purchase Commission has already dealt such surplus/shortfall from the power purchase cost.

4.276 The estimated revenue at existing tariff for different consumer categories for all the three Discoms for FY 2024-25 have been summarized in the table below:

Table 90: Revenue from Existing Tariff for FY 2024-25 Approved by the Commission (Rs. in Crore)

	FY 2024-25			
Particular	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Domestic	5471	4208	3656	13335
Non-Domestic	2951	1744	1627	6322
Public Street Light	130	97	78	305
Agriculture (Metered)	6598	5160	9354	21112
Agriculture (Flat)	0	0	0	0

FY 2024-25				
Particular	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Small Industry	311	233	180	724
Medium Industry	839	768	675	2282
Large Industry	8340	7566	2860	18766
Public Water Works (S)	297	303	258	858
Public Water Works (M)	44	31	78	153
Public Water Works (L)	321	351	663	1336
Mixed Load / Bulk Supply	167	103	329	599
EV	10	0	0	11
Railway Traction	0	34	30	63
Total	**25480**	**20598**	**19788**	**65866**
add DF income	1173	378	614	2165
less: Rebate*	337	315	135	787
Total	**26316**	**20661**	**20267**	**67244**

***Rebate: ToD rebate, incremental rebate etc.**

Subvention and Subsidy

4.277 As discussed in the true up section, GoR, as part of the above-mentioned scheme has provided an undertaking to the GoI for taking over of future losses of the Discoms as per the following trajectory:

2022-2023	2023-2024	2024-2025	2025-2026 onwards
60% of the loss for the year 2021-22	75% of the loss for the year 2022-23	90% of the loss for the year 2023-24	100% of the loss for the year 2024-25 & onwards

4.278 It is observed that as per Discoms submission, for FY 2022-23, the Government of Rajasthan has taken 75% of adjusted operational audited Losses of JVVNL, AVVNL and JdVVNL for FY 2022-23 of Rs. 191.31 Crore, Rs. 574.63 Crore and Rs. 2468.38 Crore respectively.

4.279 As per methodology adopted for losses taken over in the last ARR order dated 31.03.2023, the Commission has considered lower of subsidy received or 75% of approved losses in for FY 2022-23. Accordingly, JVVNL, AVVNL and JdVVNL Commission has considered loss subsidy for FY 2022-23 as under:

Particular	**JVVNL**	**AVVNL**	**JdVVNL**	**Total**
Gap as per True up Order FY 2022-23	**2349.89**	**1425.81**	**798.11**	**4573.81**
A : 75% of Loss Subsidy	1762.42	1069.36	598.59	**3430.37**
B : Actual Loss Subsidy Received	191.31	574.63	2468.38	**3234.32**
Approved loss subsidy (whichever is lower A or B)	**191.31**	**574.63**	**598.59**	**1364.53**

4.280 Based on above working, for FY 2022-23, Commission has considered the loss subsidy of Rs. 191.31 Crore for JVVNL, Rs. 574.63 Cr. for AVVNL and Rs. 598.59 Crore for JdVVNL, which has been adjusted from unfunded gap.

ARR and Revenue

4.281 Considering the ARR and Revenue at existing tariff and subsidy & subvention as determined by the Commission, , the revenue surplus for all the three Discoms for FY 2024-25 has been worked out as under:

Table 91: Revenue Deficit/Surplus at existing tariff for FY 2024-25 Approved by the Commission (Rs. in Crore)

Particulars	JVVNL	AVVNL	JdVVNL	Total
	FY 2024-25			
Net Aggregate Revenue Requirement (A)	**26535**	**20,443**	**22,202**	**69,179**
Revenue from Existing tariff (B)	**26316**	**20,661**	**20,267**	**67,244**
Revenue frome FSA	**1,642**	**1,370**	**1,437**	**4,449**
Grant from GoI-Rooftop Solar	41	0	5	46
Interest Subsidy Under NEF(REC)	13	18	21	52
Total of Grant from GoI-Rooftop Solar and Interest Subsidy under NEF(REC) (C)	54	18	26	98
Revenue From Base FSA	0	0	0	0
(Gap) /Surplus D= (A-B-C)	**1,477**	**1,606**	**(472)**	**2,612**

Section- 5 Tariff Proposals and Approved Tariff

5.1 Tariff proposal for FY 2024-25

5.1.1 Discoms projected an ARR of Rs. 76362 Crore and net surplus of Rs. 5304 Crore after receipt of Govt. subsidy and loss subsidy under FRBM at existing tariff for FY 2024-25.

5.1.2 Commission in section 4 has worked out ARR for the three Discoms wherein after considering losses as per approved trajectory and considering other costs on normative basis, the Commission has determined the net ARR as Rs. 69179 Crore with a net surplus of Rs. 2612 Crore at existing tariff for FY 2024-25 taking all Discoms together.

5.1.3 The Commission would like to mention that the combined unfunded gap of Rs. 53824 Crore for Discoms as per above true up order for FY 2022-23 has been adjusted with loss subsidy consider of Rs. 1364.53 crore for FY 2022-23 and approved surplus of Rs. 1146 Crore for FY 2023-24. Accordingly, unfunded gap considered in this order at the end of FY 2023-24 is Rs. 51313 Crore which is subject to true up of FY 2023-24.

5.1.4 The Commission in its order has approved a surplus of Rs. 2612 Crore for 2024-25 at existing tariff. Accordingly, unfunded gap considered in this order at the end of FY 2024-25 is Rs. 48701 Crore at existing tariff, which is subject to true up of FY 2024-25. It is observed that as per order dated 31.03.2023, the unfunded gap at the end of 31.03.2024 was considered as Rs. 47578 Crore, whereas as per above order, the unfunded gap as on 31.03.2025 is worked out as Rs. 48701 Crore at existing tariff, which lead to a position of creating new Regulatory Assets. Commission in last year tariff order dated 31.03.2023 mentioned that in future years the Commission will not create any additional Regulatory Assets as per guidelines of RDSS and various directions of MoP, no new regulatory assets should be created.

5.1.5 The Commission has to imply prudent check and judgement on the data provided by the Discoms to analyze their financial requirement for the year. The Commission also has to assess the financial health of Discoms as it will affect Discoms' capacity to serve consumers. It is observed that major components of Discoms' cost are power purchase with transmission cost and interest on unfunded revenue gap. Recently there is a surge in demand as well as prices in exchange. Without tariff increase, Discoms will not be able to pay generators for the power purchase or may default in service of debt and its repayment. Such a scenario would result in large power cuts and inability

of Discoms to maintain Standards of Performance and quality of supply.

5.1.6 It is also observed that the present tariff structure is not truly cost reflective in nature as the revenue from fixed charges do not commensurate with the fixed cost incurred by the Discoms. Discom's most cost components are fixed in nature like O&M costs, Interest, Depreciation, Fixed cost of PPA's etc. The Commission notices that the Fixed Costs make up for 48% of the total costs being incurred by the Discoms.

5.1.7 However, when the revenue side is considered, only 16% of the recovery is being made through the fixed charges being levied on the consumers. This highlights the skewed recovery from the fixed charges in comparison to the fixed cost of the Discoms. This on one hand puts distortion in tariff and on the other hand puts the Discoms in a financially precarious situation leading to additional borrowings which further tends to burden the consumers of the State in the long run.

5.1.8 If the Discoms do not collect enough revenue to cover their costs, they may face financial instability. This could affect their ability to maintain infrastructure, invest in upgrades, or meet debt obligations. As per order there exist an accumulated regulatory gap of Rs. 48701 Crore upto FY 2024-25 at existing Tariff, which is also need to be served. Insufficient revenue can result in reduced investments in maintenance and upgrades, leading to deteriorating infrastructure and potentially lower reliability of electricity supply. This could increase the risk of outages or service disruptions. Moreover inability to meet debt obligation may put Discoms in vicious cycle of debts.

5.1.9 The Commission aims to establish a cost-reflective tariff that accurately represents the cost of distributing electricity, ensuring a fair and equitable pricing structure. The tariff structure should be reasonable and justified considering the interest of both the consumers and the Discoms. The National Tariff Policy also recommends revenue from charges should reflect fixed costs incurred.

5.1.10 It is also observed that the Discoms have not filed any proposal for revision in tariff with their petition under consideration. However looking into gap and the fact that there has been no tariff hike since the Commission's order dated 06.02.2020, the Commission, to fill the revenue gap, has considered certain tariff rationalization measures. The Commission is empowered by the provisions of Electricity Act, 2003 and the National Tariff Policy, 2016, to make suo-moto decisions regarding tariff determination if deemed necessary based on its diligent analysis and prudence check of the related facts and

data.

5.1.11 Section 61(g) of the Act specifies that the tariff should progressively reflect the cost of electricity. Also, clause 8.2.1 (7) of the National Tariff Policy, 2016, also reiterates that Section 61 of the Act mandates that the Appropriate Commission, while determining tariff, shall not only ensure safeguarding of consumer's interests but also the recovery of the cost of electricity in a reasonable manner.

5.1.12 Commission has also observed that Hon'ble APTEL vide Order OP No.1 of 2011, has ruled that in the absence of a tariff proposal by the Licensee, Commission can determine the tariff suo-moto."

5.1.13 The Commission is aware that the skewness in the tariff cannot be removed in a single shot and the fixed charges should gradually reflect the full fixed cost. Accordingly, the Commission finds it justified to revise the existing fixed charges being levied on the consumers of the State. The Commission approves a revision in the fixed charges of all consumer categories except Agriculture category.

5.1.14 Further, the Commission also observes that the present domestic tariff structure comprises of a number of slabs and simplification is required in the same.

5.1.15 Earlier vide its Tariff Order dated 06.02.2020, the Commission had directed the Discoms to submit suitable proposals for merging Small Domestic category with General Domestic consumers along with next tariff petition.

5.1.16 Subsequently, the Discoms in compliance to the directive of the Hon'ble Commission, had proposed a methodology to gradually merge the above-mentioned categories in their Tariff Petition for the period from FY 20-21 to FY 23-24 filed on 24.11.2020. However, due to COVID-19 and the stakeholder submissions regarding the practical implementation of the proposed rationalization measure during the period of COVID-19, the Commission had not approved the proposal of the Discoms.

5.1.17 However, considering the current socio-economic scenario and complexity of the existing domestic tariff structure, cost of supply, increase in power purchase cost and transmission charges, the Commission finds it appropriate to now start rationalizing the same by merging slabs of BPL/Astha Card holder and small domestic consumers to form a single slab with consumption up to 50 units/month.

5.1.18 Based on the Commission's detailed analysis, the existing and revised tariff structure is as under:

DOMESTIC CATEGORY (LT-1 and HT-1)

(BPL, Astha Card Holders and Small Domestic having consumption upto 50 units per month)

BPL and Small Domestic

Domestic Category			Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
BPL and Astha card Holders*					
(i) For consumption upto first 50 units per month	Rs. 3.50/ unit	Rs. 100/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 150/ connection / month
Small Domestic*					
(i) For consumption upto first 50 units per month	Rs. 3.85/ unit	Rs. 125/ connection / month			

**Note: The BPL and Astha card Holder domestic tariff shall be exclusively applicable to individual consumer person and shall not be applicable to any institution. In case any BPL, Astha Card Holder 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.*

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. 4.75/ unit	Rs. 230/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 250/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ 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. 4.75/ unit	Rs. 275/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 300/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit	
(iii)For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit		(iii)For consumption above 150 units and upto 300 units per month	Rs. 7.35/ 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. 4.75/ unit	Rs. 345/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 400/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit	
(iii)For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit		(iii)For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit	
(iv)For consumption above 300 units and upto 500 units per month	Rs. 7.65/ unit		(iv)For consumption above 300 units and upto 500 units per month	Rs. 7.65/ 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. 4.75/ unit	Rs. 400/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 450/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit	
(iii) For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit		(iii) For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit	
(iv)For consumption above 300 units and upto 500 units per month	Rs. 7.65/ unit		(iv)For consumption above 300 units and upto 500 units per month	Rs. 7.65/ unit	
(v)For consumption above 500 units per month	Rs. 7.95/ unit		(v)For consumption above 500 units per month	Rs. 7.95/ 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. 7.15/ unit	Rs. 250 per kVA of Billing Demand per month	For contract demand over 50 KVA	Rs. 7.15/ unit	Rs. 275 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. 7.55 /unit	Rs. 300/ connection / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs. 330/ 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. 7.55 /unit	Rs. 300/ connection / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs. 330/ connection / month
Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit		Consumption above 100 units and upto 200 unit per month	Rs. 8.50 /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. 7.55 /unit	Rs. 380/ connection / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs. 420/ connection / month
Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit		Consumption above 100 units and upto 200 unit per month	Rs. 8.50 /unit	
Consumption above 200 unit and upto 500 units per month	Rs. 8.85 /unit		Consumption above 200 unit and upto 500 unit per month	Rs. 8.85 /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. 7.55 /unit	Rs. 460/ connection / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs. 500/ connection / month
Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit		Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit	

Non-Domestic Category			Non-Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
Consumption above 200 units and upto 500 units per month	Rs. 8.85 /unit		Consumption above 200 units and upto 500 units per month	Rs. 8.85 /unit	
Consumption above 500 units per month	Rs. 8.95 /unit		Consumption above 500 unit per month	Rs. 8.95 /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. 7.55 /unit	Rs.135/ KW of SCL / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs.150/ KW of SCL / month
Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit		Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit	
Consumption above 200 units and upto 500 units per month	Rs. 8.85 /unit		Consumption above 200 units and upto 500 units per month	Rs. 8.85 /unit	
Consumption above 500 units per month	Rs. 8.95 /unit	Rs. 150/ KW of SCL / month Or Rs. 270 per kVA of Billing Demand per month (If SCL is more than 18.65 KW)	Consumption above 500 units per month	Rs. 8.95 /unit	Rs. 165/ KW of SCL / month Or Rs. 300 per kVA of Billing Demand per month (If SCL is more than 18.65 KW)

NDS –Contract Demand Over 50 kVA

HT-NDS (HT-2)	Existing Tariff		HT-NDS (HT-2)	Approved Tariff	
For contract demand over 50 kVA	**Energy Charges**	**Fixed Charges**	**For contract demand over 50 kVA**	**Energy Charges**	**Fixed Charges**
All units	Rs. 8.85 /unit	Rs.270/ kVA of Billing Demand per month	All units	Rs. 8.85 /unit	Rs. 300/ kVA of Billing Demand per month

PUBLIC STREET LIGHTING (LT-3)

Particulars	Existing Tariff		Particulars	Approved Tariff	
Public Street Lighting	**Energy Charges**	**Fixed Charges**	**Public Street Lighting**	**Energy Charges**	**Fixed Charges**
Population <1 Lakh	Rs. 7.55/ unit	Rs. 115/ Lamp point/ month subject to a maximum of Rs. 1150 /service connection/month	Population <1 Lakh	Rs. 7.55/ unit	Rs. 130/ Lamp point/ month subject to a maximum of Rs. 1300 /service connection/month
Population = >1 Lakh	Rs. 8.10/ unit	Rs. 145/ Lamp point/ month subject to a maximum of Rs. 2835 /service connection/month	Population = >1 Lakh	Rs. 8.10/ unit	Rs. 160/ Lamp point/ month subject to a maximum of Rs. 3120 /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	**Energy Charges**	**Fixed Charges**	**Agriculture Supply**	**Energy Charges**	**Fixed Charges**
(i) General (getting supply in block hours)	Rs. 5.55 /unit	Rs.30 per HP per Month of SCL	(i) General (getting supply in block hours)	Rs. 5.55 /unit	Rs. 30 per HP per Month of SCL
(ii)All others not covered under items (i) and getting supply more than block hours	Rs. 7.10 /unit	Rs.60 per HP per Month of SCL	(ii)All others not covered under items (i) and getting supply more than block hours	Rs. 7.10 /unit	Rs. 60 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. 745/ HP /Month	Rs.30 per HP per Month of SCL	(i)General (getting supply in block hours)	Rs. 745/ HP /Month	Rs. 30 per HP per Month of SCL
(ii)All others not covered under items (i) above and getting more than block hour supply	Rs. 895/ HP /Month	Rs.60 per HP per Month of SCL	(ii)All others not covered under items (i) above and getting more than block hour supply	Rs. 895/ HP /Month	Rs. 60 per HP per Month of SCL

SMALL INDUSTRIES (LT-5)

Particulars	Existing Tariff		Particulars	Approved Tariff	
Small Industrial Service (LT-5) (Load not exceeding 18.65 kW (25HP)	**Energy Charges**	**Fixed Charges**	**Small Industrial Service (LT-5) (Load not exceeding 18.65 kW (25HP)**	**Energy Charges**	**Fixed Charges**
Upto first 500 units	Rs.6.00/ unit	Rs. 80/ HP/ month of sanctioned connected load	Upto first 500 units	Rs. 6.00/ unit	Rs. 90/ HP/ month of sanctioned connected load
Above 500 units	Rs.6.45/ unit	Rs. 110/ HP/ month of sanctioned connected load	Above 500 units	Rs. 6.45/ unit	Rs. 120/ HP/ month of sanctioned connected load

MEDIUM INDUSTRIES (LT-6 and HT-3)

Particulars	Existing Tariff		Particulars	Approved Tariff	
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
Medium Industrial Service (LT-6)	Rs. 7.00/ unit	Rs. 115 per HP per month of sanctioned connected load or Rs. 230 per kVA of Billing Demand per month	Medium Industrial Service (LT-6)	Rs. 7.00/ unit	Rs. 130 per HP per month of sanctioned connected load or Rs. 255 per kVA of Billing Demand per month
Medium Industrial Service (HT-3)	Rs. 7.00/ unit	Rs. 230/ kVA of Billing Demand per month	Medium Industrial Service (HT-3)*	Rs. 7.00/ unit	Rs. 255/ kVA of Billing Demand per month

After considering all rebates minimum energy charges for HT-3 will be Rs. 6.30/ kWh

BULK SUPPLY FOR MIXED LOAD (LT-7 and HT-4)

Particulars	Existing Tariff		Particulars	Approved Tariff	
	Energy Charges	Fixed Charges		Energy Charges	Fixed Charges
Schedule ML/LT-7	Rs. 8.05/ unit	Rs. 105 per HP per month of sanctioned connected load OR Rs. 215 per kVA of Billing Demand per month	Schedule ML/LT-7	Rs. 8.05/ unit	Rs. 115 per HP per month of sanctioned connected load OR Rs. 240 per kVA of Billing Demand per month
Schedule ML/HT-4	Rs. 8.05/ unit	Rs. 215/kVA of Billing Demand per month	Schedule ML/HT-4	Rs. 8.05/ unit	Rs. 240/kVA of Billing Demand per month

LARGE INDUSTRIES (HT-5)

Particulars	Existing Tariff		Particulars	Approved Tariff	
	Energy Charges (on whole consumption)	Fixed Charges		Energy Charges (on whole consumption)	Fixed Charges
(A) SCL above 150 HP or having Contract/Maximum Demand above 125 kVA	Rs. 7.30/ unit	Rs. 270/ kVA of Billing Demand per month	(A) SCL above 150 HP &/or having Contract/Maximum Demand above 125 kVA	Rs. 7.30/ unit	Rs. 300/ kVA of Billing Demand per month
(B)Consumer having Billing demand of 1 MVA or more for the billing month and having load factor 50% or more for the billing month	Rs. 6.30/ unit	Rs. 270/ kVA of Billing Demand per month	(B)Consumer having Billing demand of 1 MVA or more for the billing month and having load factor 50% or more for the billing month	Rs. 6.30/ unit	Rs. 300/ kVA of Billing Demand per month

VOLTAGE-WISE TARIFF * FOR LARGE INDUSTRIES CATEGORY

Voltage wise Tariff* for Consumer having SCL above 150 HP or having Contract/Maximum Demand above 125 kVA					
Particulars	Existing Tariff		Particulars	Approved Tariff	
Voltage Level	Energy Charges	Fixed Charges	Voltage Level	Energy Charges	Fixed Charges
11 kV	7.300	Rs. 270 per KVA of Billing Demand per month	11 kV	7.300	Rs. 300 per KVA of Billing Demand per month
33 kV	7.081		33 kV	7.081	
132 kV	7.008		132 kV	7.008	
220 kV	6.935		220 kV	6.935	
Voltage wise Tariff* for Consumer having Billing demand of 1 MVA or more for the billing month and having load factor 50% or more for the billing month					
Voltage Level	Energy Charges	Fixed Charges	Voltage Level	Energy Charges	Voltage Level
11 kV	6.300	Rs. 270 per KVA of Billing Demand per month	11 kV	6.300	Rs. 300 per KVA of Billing Demand per month
33 kV	6.111		33 kV	6.111	
132 kV	6.048		132 kV	6.048	
220 kV	5.985		220 kV	5.985	

**No other voltage rebate shall be applicable for Large Industrial category.*

MINIMUM ENERGY CHARGES*

Particulars	Existing Tariff	Particulars	Approved Tariff
Voltage Level	**Energy Charges**	**Voltage Level**	**Energy Charges**
11 kV	6.00	11 kV	6.00
33 kV	5.82	33 kV	5.82
132 kV	5.76	132 kV	5.76
220 kV	5.70	220 kV	5.70

*No other voltage rebate shall be applicable for Large Industrial category

ELECTRIC VEHICLE CHARGING STATION (LT-8 and HT-6)

Existing Tariff			Approved Tariff		
Category	**Energy Charges**	**Fixed Charges**	**Category**	**Energy Charges**	**Fixed Charges**
Public charging station (LT-8)	Rs. 6.00/ unit	Rs. 40/ HP/ month of sanctioned connected load	Public charging station (LT-8)	Rs. 6.00/ unit	Rs. 45/ HP/ month of sanctioned connected load
Public charging station (HT-6)	Rs. 6.00/ unit	Rs. 135/kVA/Month	Public charging station (HT-6)	Rs. 6.00/ unit	Rs. 150/kVA/Month

TRACTION LOAD (HT-7)

Existing Tariff			Approved Tariff		
Category	**Energy Charges**	**Fixed Charges**	**Category**	**Energy Charges**	**Fixed Charges**
Traction load (HT-7)	Rs. 5.70/ unit	Rs. 135/kVA/Month	Traction load (HT-7)	Rs. 5.70/ unit	Rs. 150/kVA/Month

5.1.19 There are also other proposals in the petition of Discoms which require consideration of the Commission i.e. wheeling charges, Cross subsidy surcharge and additional surcharge etc. which are discussed after below mentioned Green tariff Proposal and other clarifications.

PROPOSAL FOR GREEN POWER TARIFF

5.1.20 Discoms submitted that it is well established fact that there has been a growing acceptance and demand for a rapid transition towards net zero economy at a global level. Given the existing climatic disruptions and fluctuations, mainly attributed to the long-standing carbon emissions, economies around the globe have shown unprecedented urgency to push towards net-zero emissions for climatic stabilization.

5.1.21 India has set a target of having Net Zero emissions by 2070. The need for energy and resources in India would likely increase as its growth story develops. The amount of energy used has doubled during the past 20 years,

and by 2030, it is anticipated to increase by another 25%. Large Industries and Corporates/Companies are also showing their responsibilities towards the climate and associated changes by taking various measures towards being zero carbon companies. In this context the companies are dedicatedly opting to procure green power generated through renewable sources.

5.1.22 The Ministry of Power, Government of India vide notification dated June 6th, 2022, has published Green Open Access Rules,2022 stipulating norms for grant of Open Access for consumption of Green Energy. These rules also have provisions for Green Tariff.

5.1.23 According to above rules, the consumer may purchase on a voluntary basis, more renewable energy, than he is obligated to do and for ease of implementation, this may be in steps of Twenty-five per cent and going up to Hundred per cent. The green energy purchased from distribution licensee or from Renewable Energy sources other than distribution licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted towards Renewable Purchase Obligation compliance of the distribution licensee.

5.1.24 Discoms further submitted that power consumers of India are becoming increasingly conscious about the source of electricity consumed by them. A growing number of consumers, especially in the C&I segment, are opting to switch to renewable energy (RE) and to enable this transition, there are various methods of RE procurement existing in the Indian market. One of these methods is the purchase of electricity through green energy tariff. Green tariff is a price structure offered by an electricity distribution company (DISCOM) which enables a consumer to purchase electricity bundled with RE attributes.

5.1.25 Further, Green Power Tariff will have the following advantages:

a) Consumers will have the option to opt for Green Energy under a Green Power Tariff since it is entirely voluntary.

b) Such procurement will form part of the power purchase requirement of Discoms and may be utilized to meet its RPO requirement as well in case of shortfall.

c) Distribution Licensees will issue a monthly certificate to the consumer stating that 100% of their power requirement has been met through green energy.

d) Consumers can opt for Discom's proposal for Green Power Tariff when they want the green credit without installing their own solar systems.

5.1.26 Discoms further submitted that the Commission vide its letter dated 3.11.2022 had also asked Discoms to file a suitable proposal for determination of green tariff.

5.1.27 To facilitate this requirement of 100% green Energy, the above mentioned Green open Access Rules and Amendment thereof and the Commission's directions regarding filing of proposal for determination of Green Power tariff, the Discoms have submitted the proposal of Green Power Tariff before the Commission.

5.1.28 Discoms submitted that the relevant part of Clause 4 of the Green Open Access Rules, 2022 which stipulates the norms for grant of Open Access for consumption of Green Energy is as under:

"4. Renewable Purchase Obligation.– (1) On and from the date of commencement of these rules, there shall be an uniform renewable purchase obligation, on all obligated entities in area of a distribution licensee.

(2) …….

(C) By requisition from distribution licensee.–(a) Any entity may elect to purchase green energy either up to a certain percentage of the consumption or its entire consumption and they may place a requisition for this with their distribution licensee, which shall procure such quantity of green energy and supply it and the consumer shall have the flexibility to give separate requisition for solar and non-solar;

(b) The consumer may purchase on a voluntary basis, more renewable energy, than he is obligated to do and for ease of implementation, this may be in steps of Twenty-five per cent and going up to Hundred per cent;

(c) The tariff for the green energy shall be determined separately by the Appropriate Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy charges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy;

(d) Any requisition for green energy from a distribution licensee shall be for a minimum period of one year;

(e) The quantum of green energy shall be pre-specified for at least one year;

(f) The green energy purchased from distribution licensee or from Renewable Energy sources other than distribution licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted towards Renewable Purchase Obligation compliance of the distribution licensee;

(g) The Accounting of renewable energy supplied at distribution licensee level shall be on a monthly basis;"

5.1.29 In view of above the Discoms have submitted proposal of Green Power Tariff to Commission as under:

Green Power Tariff

5.1.30 As per the above-mentioned Clause 4 (2) (c) of the Green Open Access Rules, 2022, the Green Power Tariff shall comprise of:

Average pooled power purchase cost of Renewable Energy Cross Subsidy charges if any Service charges covering the prudent cost of the distribution licensee for providing the green energy.

5.1.31 The detailed computation of each component is mentioned in forthcoming sections.

A. Average pooled power purchase cost of Renewable Energy-

5.1.32 Discoms submitted that the average pooled power purchase cost of RE may comprise of the three sub-components namely:

- ***Cost of RE power purchase-*** The cost of power proposed to be procured from Renewable Energy (RE) sources for FY 2024-25 is enumerated in the table below:

Power Procurement of RE Sources FY 2024-25 (Rs. Crore)

Power Procurement of RE Sources FY 2024-25 (Proposed)			
RE Sources	**Energy (MU)**	**Cost (Rs Cr)**	**Rs. /Unit**
Wind	7,687	3,966	5.16
Solar	7,189	1,967	2.74
KUSUM A & C	1,336	454	3.40
Biomass	588	471	8.01
NTPC Bhadla	438	229	5.22
NSM Bundled	1,413	667	4.72
NVVN Bundled	393	397	10.11
Total	**19,043**	**8,151**	**4.28**

- ***Backing down cost or Additional Surcharge-*** Discoms submitted that in cases where the demand for green power is considerably higher than what is available from the existing tied up sources, additional RE procurement shall be required. In such a scenario, generation from conventional sources would be required to backed down. For the ensuing year, FY 2024-25, the Petitioner is envisaging that the demand for green energy shall be met through the existing tied up renewable sources. Accordingly, no additional cost of backing down has been considered for FY 2024-25. The same shall be analysed in future petitions based on the response received during FY 2024-25 and if requirement arises the additional backing down cost component also shall be included.

- ***Transmission Charges-*** Discoms further submitted that the transmission cost for FY 2024-25 also needs to be factored in to arrive at the landed cost of RE power. The transmission charges proposed in this Petition is summarized in the table below:

Transmission Charges for FY 2024-25 (Rs. Crore)

Total Power Purchase (MU)	Total Transmission Charges (Rs Cr)	Rs. /unit
117,868	6,676	0.57

5.1.33 Considering the above-mentioned cost parameters, the landed cost of renewable energy is worked out as under:

Landed Cost of Renewable Energy (Rs. Crore)

S.No	Particulars	Cost (Rs. /unit)
1	Cost of RE power purchase	4.28
2	Backing down cost/additional surcharge	-
3	Transmission Cost	0.57
4	***Total Cost of RE energy (1+2+3)***	***4.85***
5	Proposed Transmission and Distribution Loss (%)	17.52%
	Total cost of RE power purchase grossed up with T&D loss	**5.88**

B. Distribution Service Charges-

5.1.34 The distribution service cost proposed for FY 2024-25 is illustrated in the table below:

Distribution Service Cost

S.No	Particulars	Rs. Crore
1	O&M	5,690
2	Terminal Benefits	1,545
3	Insurance	107
4	Depreciation	3,920
5	Interest Charges	9,373
6	Gross ARR	20,635
7	NTI	2,018
8	Net ARR	18,617
9	Sales (MU)	91,061
10	**Distribution Service Cost (Rs./Unit)**	**2.04**

C. Cross Subsidy Surcharge-

5.1.35 As per Section 42 of the Electricity Act 2003, Cross-subsidy surcharge is payable by Open Access Consumers. The Cross-Subsidy Surcharge proposed for FY 2024-25:

Proposed Cross Subsidy Surcharge for FY 2024-25

Category	Voltage Level (kV)	Cross Subsidy Surcharge (Rs./unit)
LIP	**132**	1.72
	33	1.74
	11	1.56
NDS (HT)	**132**	2.30
	33	2.32
	11	2.39

5.1.36 As the concept of green power tariff is to be implemented for the first time, it is proposed that the same be applicable only for LIP and NDS (HT) category to start off. The same also holds merit as it is envisaged that the Large Industrial and Non-Domestic (HT) consumers are most likely to opt for green power owing to their commitment/vision towards clean energy and zero carbon emissions.

5.1.37 Accordingly, computation of green power tariff for LIP and NDS (HT) categories is tabulated below:

Green Power Tariff

LIP Category		
Particulars		**Rs./unit**
Average pooled power purchase cost of renewable energy grossed up with T&D Loss		*5.88*
Distribution Service Charge		*2.04*
Cross Subsidy Surcharge	*132 kV*	*1.72*
	33 kV	*1.74*
	11 kV	*1.56*
Green Power Tariff	**132 kV**	**9.64**
	33 kV	**9.66**
	11 kV	**9.48**

NDS (HT) Category		
Particulars		**Rs./unit**
Average pooled power purchase cost of renewable energy grossed up with T&D Loss		*5.88*
Distribution Service Charge		*2.04*
Cross Subsidy Surcharge	*132 kV*	*2.30*
	33 kV	*2.32*
	11 kV	*2.39*
Green Power Tariff	**132 kV**	**10.22**
	33 kV	**10.24**
	11 kV	**10.31**

Thus, as per methodology explained above, the Commission is requested to approve the green power tariff as submitted.

Discoms also submitted that in addition to above Green Energy Tariff, other RERC specified charges such as demand surcharge, PF rebate/surcharge, ToD rebate/surcharge, voltage rebate etc. shall be applicable on such consumers.

Treatment of Revenue Generated from Green Power Tariff-

a) If Green Tariff is approved, the revenue recovery from the same represents tariff revenue only i.e., Revenue from Sale of Power.

b) Revenue, if any, generated, is to be passed on in entirety in the retail supply ARR. should be utilized to lower the overall tariffs of consumers.

c) Distribution Licensee shall keep a separate account for it so as to understand the quantum of the sales.

d) The amount collected under the Green Power Tariff shall be separately maintained and the details of the same shall be furnished to the Commission at the time of filing of tariff petition.

e) Distribution Licensee shall issue monthly certificate to such consumers stating that all power requirement of such consumer has been sourced through RE sources.

Commission's View

5.1.38 It is observed that in this matter, Discoms vide petition no. RERC/2120/2023 filed petition for approval for levying Green Power Tariff. While disposing the above petition, in the above order, Commission finds that *since the cost component of the ARR are determined by the Commission based on ARR/Tariff petitions, therefore it would be appropriate that the Discoms should file the proposal for levying Green Power Tariff alongwith their ARR & Tariff petition for FY 2024-25*.

5.1.39 It is also observed that RERC (Terms and Conditions for Tariff Determination from Renewable Energy Sources) (First Amendment) Regulations, 2023 provide as under;

"94A. Green Energy Tariff
(1) Any consumer may elect to purchase green energy either up to a certain percentage of the consumption or its entire consumption and they may place a requisition for this with their distribution licensee, which shall procure such quantity of

green energy and supply it and the consumer shall have the flexibility to give separate requisition for solar and non-solar;
(2) The consumer may purchase on a voluntary basis, more renewable energy, than he is obligated to do and for ease of implementation, this may be in steps of Twenty-five per cent and going up to Hundred per cent;
(3) The tariff for the green energy shall be determined separately by the Commission through a separate order, considering various cost components of the Distribution Licensee;
(4) Any requisition for green energy from a distribution licensee shall be for a minimum period of one year;
(5) The quantum of green energy shall be pre-specified for at least one year;
(6) The green energy purchased from distribution licensee or from Renewable Energy sources other than distribution licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted towards Renewable Purchase Obligation compliance of the distribution licensee;
(7) The Accounting of renewable energy supplied at distribution licensee level shall be on a monthly basis.

5.1.40 In view of above, in addition to the normal retail tariff, the Commission is also required to determine the tariff for supply of green energy (in place of normal mix energy) for the consumers opting for same under aforesaid Regulation 94A of RERC (Terms and Conditions for Tariff Determination from Renewable Energy Sources) (First Amendment) Regulations, 2023.

5.1.41 In order to formulate the methodology for determination of green power tariff, Commission has also examined the methodologies being followed by the other State Commissions.

5.1.42 Some of the other State Commissions i.e. MERC, MPERC, UPERC and Telangana and Punjab are already determining the Green energy Tariff for certain category of consumers based mainly on the following methodology;

i) The amount of energy consumed by consumer remains the same and only source of such energy is considered to be 100% RE. Thus quantum of energy flow remains unchanged. However, since the Distribution Licensees would have to incur additional expenses for arranging RE for such consumers, the same need to be recovered from them without burdening other consumers.
ii) As such, consumers who opt for Green Energy should bear the additional power purchase cost of Renewable Energy sources over and above the normal tariff approved for such consumers.
iii) However, no separate administrative cost is considered as Distribution licensee, it has to undertake power purchase irrespective of consumer opting for 100% of RE power or otherwise.
iv) Accordingly, the Green Power Tariff is worked out as the difference

between pooled power purchase cost of non-conventional and conventional sources of energy (only variable cost) in the State.

v) Also, as the distribution licensee would be able to use such power consumed by consumers towards fullfilment of its RPO target, certain benefit of the same needs to be passed on to concerned consumers. Hence, the levy shall be only 50% of charge determined as Green Power Tariff.

5.1.43 The Commission has considered the above philosophy further as if now no addition has been made towards balancing costs to provide maximized benefit to consumers.

5.1.44 Based on above methodology and considering the power purchase cost approved for FY 2024-25, the Green Energy tariff for FY 2024-25, for consumers opting for same under the RERC (Terms and Conditions for Tariff Determination from Renewable Energy Sources) (First Amendment) Regulations, 2023 and Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022, works out as under:

	RE Power Purchase			Conventional	
Particular	**MU**	**Rs in Crore (fixed +variable)**	**RE Power (Rs/kWh) (A)**	**Variable cost of Conventional Sources (Rs/kWh) (B)**	**Difference (A-B)**
Wind	**5923**	**2848**			
Hydel	**7639**	**1731**			
Others	**8951**	**3464**			
	22513	**8043**	**3.57**	**3.16**	**0.41**
50% of Difference (Rs/kWh)					**0.21**

5.1.45 Green power tariff of Rs. 0.21/kWh, which is over and above the normal tariff of the respective category as per tariff order, be levied to the consumers opting for meeting their demand of green energy.

5.1.46 Apart from above green tariff approved by the Commission, Treatment of revenue generated from Green Power Tariff shall be in accordance with Discoms proposal as under:

a) The revenue recovery from green tariff will be booked under Revenue from sale of power.

b) Revenue, if any, generated, is to be passed on in entirety in the retail supply ARR. should be utilized to lower the overall tariffs of consumers.

c) Revenue recovery from green tariff shall be separately maintained and the details of the same shall be furnished to the Commission at the time of filing of true up and tariff petition.

d) Distribution Licensee shall issue monthly certificate to such consumers stating that all power requirement of such consumer has been sourced through RE sources.

Other Proposals

Discoms in their petitions have also sought following clarification:

New industry and Incremental Consumption Rebate*:*

5.1.47 The Discoms submitted that as per provisions laid down in Tariff for Supply of Electricity, 2023, effective from 01.04.2023, the new connection rebate is allowable from 01.04.2023 onward till the completion of one year from the date of release of connection.

5.1.48 The Discoms further submitted that allowing new connection rebate from the date of commercial operation based on certificate issued by Industry Department, GoR is now no more effective. The consumers may not be allowed to claim the new connection rebate from date of commercial operation based on entitlement certificate/ minutes of meeting or any other documents submitted on or after 01.04.023. The same shall be provided based on the date of connection as mentioned in the certificate issued by the sub-division office.

5.1.49 The Discoms also submitted that consumer, to whom the incremental rebate was not allowed in part months due to transfer of connection in the mid of year 2018-19 from any other category to HT-LIP category, shall be eligible for incremental rebate for the rest of the months in which incremental rebate was not allowed due to unavailability of consumption or any other reason.

5.1.50 The Discoms also submitted that Incremental rebate may not be applicable on the connections which belong to Government Department/Public Sector Undertakings.

Commission's View

5.1.51 Commission observes that the proposal of Discoms regarding new connection rebate provides more clarity in the existing provision, therefore the Commission accepts the proposal of Discoms. However Commission is of

the view that as the connection is being released by Discoms itself there will be no need of any certificate from Sub division officer and the rebate should be automatically released right from the date of connection.

5.1.52 Further, with regard to incremental rebate in case of transfer of connection in the mid of year 2018-19 from any other category to HT-LIP category, the Commission's earlier orders are already clear, therefore no further clarification is required.

5.1.53 The Commission also accepts Discom's proposal that incremental rebate may not be applicable on the connections which belong to Government Department/Public Sector Undertakings. Accordingly, the Commission directs the Discoms to make the necessary changes in tariff booklet.

5.1.54 As it is difficult to carryout the revenue impact of above, the Commission will consider the actual revenue from Large industries consumers during true up of FY 2024-25.

Excess Demand Surcharge:

5.1.55 The Discoms submitted that as per the provisions of tariff, a consumer shall not cause a demand more than his contracted demand. In case a demand of more than 105% of the contracted demand in a particular month is caused, apart from being disconnected, an extra charge equal to the same percentage of fixed and energy charges by which percentage the excess demand has actually been caused shall be levied.

5.1.56 Further, Discoms submitted that presently, the excess demand surcharge is being levied on the energy charges arrived after allowing the applicable rebates like ToD rebate, load factor rebate, incremental consumption rebate etc.

5.1.57 The Discoms has sought clarification on the methodology to calculate excess demand surcharge on net energy charges arrived after allowing ToD rebate, load factor rebate, incremental consumption rebate and rebate for new HT connections or the gross energy charges as specified in the Tariff order (without considering the rebates).

Commission's View

Commission observes that as per the provisions of tariff, in case a demand of more than 105% of the contracted demand in a particular month is caused, apart from being disconnected, an extra charge equal to the same percentage of fixed and energy charges by which percentage the excess demand has actually been caused shall be levied.

In view of the above existing provisions and Discom's submission excess demand surcharge is to be levied on the gross energy and fixed charges as specified in the Tariff order (without considering the rebates or surcharges).

ToD Tariff for EV Charging stations:

5.1.58 The Discoms submitted that as per the ARR and Tariff Order dated 31.03.2023, ToD rebate of 7.5% on energy charge is being provided to LIP consumers and EV charging stations. The Petitioner has submitted that it has no infrastructure to record the same in cases of LT consumers. The same shall only be possible after installation of smart meters. Hence, for the time being, ToD rebate for EV charging stations may only be allowed for HT consumers.

Commission's View

5.1.59 The Commission observes that Discoms can record the ToD consumption for LT consumers with Connected Load above 18.65 kW having TVM and other LT EV consumers having smart meters, therefore the ToD tariff for EV charging stations for above two type of LT consumers should be continued.

5.1.60 However, where such meters are not available, the Discom may not implement ToD tariff, till meters with ToD capabilities are installed. Discoms are directed to expedite the installation of smart meters on priority on the feeders where such consumers exist, so that ToD tariff can be applied on all EV consumers.

ToD Tariff

5.1.61 Commission in its order dated 06.02.2020 for FY 2019-20, had introduced Time of Day (ToD) tariff wherein looking to power surplus scenario and back down position of State power plants a rebate was offered on consumption during off-peak hours:

5.1.62 Further in the order dated 24.11.2021, for FY 2020-21, it was brought to the notice of the Commission that only round the clock industry are taking benefit of night time tariff and during peak hours Discoms had to purchase the costlier power, therefore peak hours surcharge is essential. Accordingly, ToD rebate and Surcharge on Large Industrial consumers (HT-5) and Electric Vehicle charging station (LT-8 and HT-6) was allowed.

5.1.63 Commission in its orders examined this issue of ToD and observed that the very purpose of introduction of ToD rebate was to balance the load curve for FY 2021-22 to FY 2023-24 at that time and ideally ToD tariff should be revenue neutral and envisaged a road map where rebate and surcharge will be equal.

5.1.64 Accordingly in past orders, Commission approved the ToD Tariff as under:

FY	Rebate	Surcharge
FY 19-20	15% (23:00-06:00)	-
FY 20-21	15% (23:00-06:00)	-
FY 21-22	15% (24:00-06:00)	5% (06:00-10:00)
FY 22-23	7.5% (24:00-06:00)	5% (06:00-10:00)
FY 23-24	7.5% (02:00-06:00)	7.5% (06:00-10:00)

5.1.65 To have a clear view on ToD, Commission vide order dated 03.08.2022 Appointed M/s Prayas (Energy Group), Pune for conducting independent study of ToD tariff design in Rajasthan. Commission also directed Discoms to appoint nodal officers for providing the necessary data and coordinating with M/s Prayas regarding the study.

5.1.66 M/s Prayas has recently submitted its report on the ToD study, wherein it is observed that with growing renewable energy capacity addition, day-time (solar hours) power purchase costs incurred by the Discoms will be significantly lower. Further, with consumers opting for net metering, open access and captive as well as shift of agricultural demand to day time, there will be substantial changes in load shapes going forward. Hence, there is a need to re-calibrate ToD tariff to reflect demand and supply changes for the Rajasthan electricity sector.

5.1.67 Based on data provided by the utilities, Prayas analysed 15 min/ block-wise data on demand and generator-wise supply for the past 3 to 5 years. Prayas also projected the likely load and generation profiles for the state for the year 2030 based on likely increase in demand and anticipated RE capacity addition. The study estimated the block-wise and slot-wise average and marginal cost incurred by the Discom in each month and season.

5.1.68 Based on this study, Prayas has recommended as under:

- *Day time rebates*
- *Discontinuation of existing rebates provided from 2 AM to 6 AM*
- *Instead, there is the possibility of surcharge from 10 PM to 6 AM especially from March to August.*
- *Evening (6 PM to 10 PM) surcharge.*
- *Seasonal variation in tariffs especially for Summer and Monsoon (March to August) and Post-Monsoon, Winter seasons (September to February)*

5.1.69 Thus, with alignment of consumer tariffs to Discoms supply availability, significant benefits would be passed onto consumers as well as help balancing load curve.

5.1.70 In addition, the study has also recommended levy of ToD tariff on all HT categories from FY25. From FY26, based on existing metering infrastructure, the study also recommends levy of ToD tariff on consumers with connected load > 25 HP.

5.1.71 The Commission has considered the submission of M/s Prayas and has also considered clause 8A of the Electricity Consumer Rules, 2023 dated 14th June 2023, which stipulates that:

"The Time of Day tariff for Commercial and Industrial consumers having maximum demand more than ten Kilowatt shall be made effective from a date not later than 1st April, 2024 and for other consumers except agricultural consumers, the Time of Day tariff shall be made effective not later than 1st April, 2025 and a Time of Day tariff shall be made effective immediately after installation of smart meters, for the consumers with smart meters:

Provided that, the Time of Day Tariff specified by the State Commission for Commercial and Industrial consumers during peak period of the day shall not be less than 1.20 times the normal tariff and for other consumers, it shall not be less than 1.10 times the normal tariff:

Provided further that, tariff for solar hours of the day, specified by the State Commission shall be at least twenty percent less than the normal tariff for that category of consumers: Provided also that the Time of Day Tariff shall be applicable on energy charge component of the normal tariff:

Provided also that the duration of peak hours shall not be more than solar hours as notified by the State Commission or State Load Despatch Centre."
Considering these factors, the Commission has decided to revise the quantum of rebate and surcharge as well applicable hours to better reflect the cost incurred by the DISCOMs.

5.1.72 *Commission* observes that any major shift in ToD tariff structure should be gradual and it should also give time to consumers to adjust their consumption pattern and Discoms to study consumers behavior and adjust their procurement. However, the Commission broadly agrees with the trajectory given in the table above and direct the Discoms to file necessary proposals for ToD tariff in future years also keeping in view seasonal variations and variation in power purchase cost.

5.1.73 Though the rules suggest that all consumers other than agriculture above 10 KW are to be brought under the ambit of ToD. However, the present status of metering infrastructure does not support recording of ToD consumption for all consumers. With installation of smart meters, the Discoms may propose further inclusion of more consumers under ToD regime. Presently, to expand the coverage area of ToD base, the Commission also deem it proper to include HT medium Industrial and HT NDS category consumers in the ambit of ToD Tariff. Further, with lots of solar influx and the recent approvals given by the Commission for renewables, there will be a surplus situation in solar hours and it would be appropriate that consumers should shift their load to solar hours. Keeping in view above discussions the Commission presently approves following ToD tariff for FY 2024-25.

Approved ToD Tariff for FY 2024-25

Slots	6:00 AM to 8:00 AM (2 Hrs) **Surcharge on energy charges**	12:00 PM to 4:00 PM (4 Hrs) **Rebate on energy charges**	6:00 PM to 10:00 PM (4 Hrs) **Surcharge on energy charges**
Approved ToD	5%	10%	10%

5.1.74 The approved ToD tariff shall be applicable to HT (Medium-HT-3 and Large HT-5) Industries, Non-Domestic HT-2 and Electric Vechicle Charging Station LT-8 & HT-6 supply.

5.1.75 Above approved ToD tariff shall be applicable for the duration covered by this tariff order. Considering the need to further fine-tune ToD structure, the Commission directs Discoms to submit proposal for ToD tariff structure every year after making detailed analysis. Further, such ToD structure should include parameters such as hours of rebate and surcharge, seasonal variation in Time

of Day Tariffs, and applicability of ToD tariff for consumers with load more than threshold limit say 10 kW.

5.1.76 The financial impact of above ToD tariff shall be examined in the true up order of FY 2024-25.

5.2 Wheeling Charges

5.2.1 The Discoms have projected the wheeling charges as per the Regulation 86 of RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019, estimated voltage- wise losses and the projected ARR for FY 2024-25 in line with the RERC regulations.

5.2.2 Discoms submitted that wheeling charges for open access consumers have been computed based on the following assumptions.

Basis for Apportionment of network costs & losses at each voltage

i. Apportionment at 132 KV Level: As per the provisions under Regulation 86 (2), the wheeling charges so worked out shall be apportioned supply voltage wise on the basis of fixed asset at each voltage level. The Discoms have submitted that at present they do not have any fixed assets at 132 KV Voltage level, however, the Discoms help the open access consumers in installation of lines & poles and claim fee on account of customer service cost (mainly costs associated with metering, billing and collection at this voltage).

The Discoms also submitted that although the cost associated with metering, billing and collection at 132 KV level has increased but the Discoms do not propose any change in the wheeling charges at 132 kV level of Rs. 0.01/kWh at 132 KV level as the cost of providing customer service to 132 KV level consumers.

Discoms submitted that practically there is no apportionment of gross fixed assets at 132 KV level as the assets attributable to supply at 132 KV level include transformers (220/132 KV) and lines (132 KV). The transformers belong to RVPN and are considered in transmission charges. The Discoms submitted that there are minor system losses at 132 KV level. The procurement of power happens at the periphery of Discom (i.e. GSSs of RVPN). Therefore, transmission charges & losses - whether inter-state or intra-state, have already been considered in determining cost of power purchase in the ARR and tariff petition and accordingly, distribution losses at 132 KV are considered as nil.

ii. Apportionment at 33 KV, 11 KV and LT Level: The cost of wheeling has been apportioned voltage wise on the basis of the length of network lines and transformation capacity for voltage wise segregation of GFA. Similar methodology is followed by other SERCs like MPERC, PSERC, etc.

5.2.3 Further, Discoms submitted that RERC in its Order dated 19th September 2006 has also considered the voltage-wise length of lines and transformation assets as basis for apportionment of wheeling cost at all voltages. The relevant extract of the above-mentioned Order has been summarized below:

"As current cost was to form only the basis of inter-se allocation of operating cost of distribution system among 33 KV, 11 KV & LT distribution systems, current cost of lines and substations, based on that of AVVNL, have been considered for the voltage wise line length plus substation of each Discom. Accordingly, percentile allocation of 33 KV, 11 KV & LT system, worked out as 11.81%, 53.14% and 35.04% has been considered."

Discoms submitted that to even out any difference due to geography and pace of development, the operational cost and sales for all Discoms has been considered together for apportionment at each voltage. This is in line with the methodology adopted by the Commission in Order dated 19 September 2006. The relevant extract of the above-mentioned Order has been summarized below:

"Distribution system of three Vitran Nigam differs due to geographical conditions and pace of development. The present proportion may get altered in later years. Further, as apportionment is based on assumptions that may reflect the realistic values, so considering them separately for each Discoms may not be appropriate. Considering operational cost and sales for three Discoms together in determining wheeling charges, will even out differences."

5.2.4 The Discoms have submitted the following assumptions to segregate the assets into voltage levels as shown below:

a. Network Statistics as on 31st March 2023 has been considered as the basis for segregation of assets and losses. 33 KV lines have been considered to constitute the assets at 33 KV level, both 11 KV lines and transformation capacity at 33/11 KV have been considered to constitute the assets at 11 KV level and both LT lines and transformation capacity at 11/0.4 KV have been considered to constitute the assets at LT level. These voltage-wise network statistics as on 31 March 2023 have been summarized in following tables.

Table 92: Network Length in KM

S. No.	Lines at Voltage Level (KV)	JVVNL	AVVNL	JdVVNL	Total
1	132	-	-	-	**-**
2	33	16,735	16,993	25,771	**59,499**
3	11	195,182	174,445	271,872	**641,498**
4	LT	164,323	203,862	188,786	**556,971**
Total		**376,240**	**395,300**	**486,429**	**1,257,969**

Table 93: Network Transformation Capacity in MVA

S. No	Transformation Capacity at Voltage Level (KV)	JVVNL	AVVNL	JdVVNL	Total
1	33/11	13,814	10,763	12,920	**37,496**
2	11/0.4	19,492	18,452	19,471	**57,414**

b. The existing distribution network of Rajasthan is a mixture of old and new assets. Also, the Discoms updated fixed asset register upto 31st March 2023 for these assets, owing to which the present cost of these assets cannot be ascertained. Therefore, the Discoms have apportioned the Gross Fixed Asset as on 31 March 2023 in proportion to the cost of voltage wise distribution lines and transformation capacity as determined through cost estimates from Store Rates issued on 1st April 2023.

c. Estimated cost of single circuit dog conductor having span of 66 meters with 9 meter PCC pole line and single circuit weasel conductor having span of 66 meters with 8 meter PCC pole line has been considered for reckoning the average line cost of 33 KV lines and 11 KV lines respectively.

d. Similarly, the estimated cost of three phase aerial bunch conductor line, for the supply of industrial connection, having span of 40 meter with 8 meter PCC pole line, has been considered for computation of average cost of LT lines.

Table 94: Average cost of lines

S.No.	Voltage Level (kV)	Per Unit Cost (Lakh Rs./Km)
1	33	13.81
2	11	5.31
3	LT	3.92

e. Transformation cost of 33/11 KV substation has been determined by averaging the estimated cost of 3.15 MVA substation of all the three Discoms, calculated based on the Store Rates issued on the 1st April, 2023.

For determination of transformation cost of 11/0.4 KV asset, forty percent of average cost of 33/11 KV substation has been considered.

Table 95: Average transformation cost on substation

S.No.	Transformation Capacity (MVA)	Per Unit Cost (Lakh Rs./MVA)
1	33/11 KV	27.62
2	11/0.4 KV	48.32

f. On the basis of network statistics and average cost as mentioned above, the estimated voltage-wise network cost for Rajasthan Discoms is shown below:

Table 96: Voltage-wise Infrastructure network cost (in Rs lakh)

S No	Line at voltage Level (KV)	JVVNL	AVVNL	JdVVNL	Total
1	132	-	-	-	**-**
2	33	231,181	234,751	356,004	**821,937**
3	11	1,035,679	925,643	1,442,611	**3,403,932**
4	LT	644,944	800,131	740,959	**2,186,034**

g. The cost of transformation capacity for three Discoms is summarized as under:

Table 97: Infrastructure transformation capacity cost (in Rs. lakh)

S. No.	Transformation Capacity at Voltage Level (KV)	JVVNL	AVVNL	JdVVNL	Total
1	33/11	381,598	297,306	356,894	**1,035,798**
2	11/0.4	941,853	891,585	940,820	**2,774,258**

h. The Discom-wise total infrastructure cost derived on the basis of the above data is as under:

Table 98: Total infrastructure cost derived (in Rs. lakh)

S. No.	Network at Voltage Level	JVVNL	AVVNL	JdVVNL	Total
1	132 KV Line Only	-	-	-	**-**
2	33 KV Lines Only	231,181	234,751	356,004	**821,937**
3	11 KV Lines and 33/11 KV S/S	1,417,277	1,222,949	1,799,504	**4,439,730**
4	LT Lines and 11/0.4 KV S/S	1,586,798	1,691,716	1,681,779	**4,960,292**
Total (As per GFA)		**3,235,255**	**3,149,416**	**3,837,288**	**10,221,959**

i. The above apportionment of estimated cost at each voltage level is being determined to apportion the approved value of depreciable gross fixed assets (as on 31st March 2025) as submitted in the ARR and Tariff petition for FY 2024-25. This voltage wise break-up of fixed assets along with the network usage is worked out to calculate the wheeling charges at 33 KV, 11 KV and LT level.

Table 99: Apportionment of original cost of Fixed Assets (in Rs. lakh)

S.No.	Network at Voltage Level	JVVNL	AVVNL	JdVVNL	Total
1	132 kV	-	-	-	-
2	33 kV	2,305	2,153	2,629	7,087
3	11 kV	14,131	11,218	13,287	38,636
4	LT	15,821	15,518	12,418	43,757
Gross fixed Asset		**32,257**	**28,889**	**28,334**	**89,480**

j. Sales Projections for FY 2024-25 for Jaipur, Ajmer and Jodhpur Discoms have been apportioned to the voltage levels based on the approved character of service. The wire costs at higher voltage levels has been further apportioned to lower voltage levels, since the HT system is also being used for supply to the LT consumers. The apportioned sales as per above estimates and losses for EHT and HT consumers has been considered as per the Commission's order dated 19.09.2006 (in absence of voltage wise losses at EHT and HT level), to calculate the input energy at

various voltage levels. The balance losses have been allocated to the LT level. The calculations are provided below for Jaipur, Ajmer and Jodhpur:

k. Apportionment of sales of Rajasthan Discoms for FY-2024-25 is as under:

Table 100: Apportionment of voltage-wise sales- JVVNL

Voltage Level	Wheeling Cost in Rs Crores	Input (MU)	Sales (MU)	Losses in %age	Loss (in MU)	Assets (Rs Cr.)
132 KV	6427.58	2,375	2,375	0.00%	-	-
33 KV		2,821	2,714	3.80%	107	2,305
11 KV		5,580	5,089	8.80%	491	14,131
LT		28,949	23,750	17.96%	5,199	15,821
Total		**39,726**	**33,928**	**14.59%**	**5,797**	**32,257**

Table 101: Apportionment of voltage-wise sales- AVVNL

Voltage Level	Wheeling Cost in Rs Crores	Input (MU)	Sales (MU)	Losses (%)	Loss (in MU)	Assets (Rs Cr.)
132 KV	4894.92	1,998	1,998	0.00%	-	-
33 KV		2,373	2,283	3.80%	90	2,153
11 KV		4,693	4,280	8.80%	413	11,218
LT		22,644	19,975	11.79%	2,669	15,518
Total		**31,708**	**28,536**	**10.00%**	**3,172**	**28,889**

Table 102: Apportionment of voltage-wise sales- JdVVNL

Voltage Level	Wheeling Cost in Rs Crores	Input (MU)	Sales (MU)	Losses (%)	Loss (in MU)	Assets (Rs Cr.)
132 KV	6265.13	2,002	2,002	0.00%	-	-
33 KV		2,378	2,288	3.80%	90	2,629
11 KV		4,703	4,289	8.80%	414	13,287
LT		24,560	20,018	18.49%	4,542	12,418
Total		**33,643**	**28,596**	**15.00%**	**5,046**	**28,334**

l. Discoms have considered overall distribution losses at LT level which includes commercial losses which is line with methodology followed by PSERC and other SERCs also. Moreover, as open access can be availed by consumers having contract demand of 1 MVA and above, such consumers can be connected at voltages of 11 kV and above only. The Commission is requested to allow the segregation of losses at LT level as per the methodology proposed by the Discoms and followed by other SERCs.

m. Based on the voltage wise asset segregation, the Discoms have allocated the wheeling cost to the asset at respective voltage levels which is depicted in the table below:

Table 103: Wheeling cost allocation into assets at different voltage levels

(Rs. in Crore)

Wheeling Cost Allocation into Assets at different Voltage Levels	JVVNL	AVVNL	JdVVNL
33KV	459	365	581
11KV	2,816	1,901	2,938
LT	3,153	2,629	2,746
Total	**6,428**	**4,895**	**6,265**

n. The assessed wheeling cost (as derived above) at each voltage level have been reallocated to the different voltage levels in the proportion of their contribution to energy input at each voltage levels:

Table 104: Wheeling cost apportioned on the basis of network usage

(Rs in Crore)

Derived wheeling cost, apportioned on the basis of usage of network	JVVNL	AVVNL	JdVVNL
33KV	35	29	44
11KV	455	326	472
LT	5,938	4,539	5,749
Total	**6,428**	**4,895**	**6,265**

o. The apportioned wheeling cost as estimated above is used to calculate the wheeling charge applicable at each voltage level on the basis of estimated sales at each voltage level for Rajasthan.

5.2.5 The Discoms submitted that since uniform tariff is prevailing in the State of Rajasthan, therefore, the proposal of average wheeling charges is to be made applicable as the wheeling charges for the open access users in the Rajasthan. Thus, the Discoms have proposed following charges at each voltage to maintain uniform wheeling tariff across the State.

Table 105: Proposed Wheeling Charges for FY 2024-25

Wheeling Charges at 132 KV Voltage Level (Rs/kWh)	**0.01**
Wheeling Charges at 33 KV Voltage Level (Rs/kWh)	**0.14**
Wheeling Charges at 11 KV Voltage Level (Rs/kWh)	**0.84**

Commission's view:

5.2.6 For Computation of wheeling charges, Regulation 86 of the RERC tariff Regulations, 2019 provides the following:

" 86 (1) For determination of Wheeling charges of a Distribution Licensee, shall be computed by deducting the following amounts from its aggregate revenue requirement worked out under Regulation 76 (1):
(a) Cost of power purchase as per Regulation 78,
(b) Interest payable on security deposits of consumers,
(c) Transmission & SLDC charges and
(d) 10% of O&M expenses

86 (2) Wheeling charges so worked out shall be apportioned supply voltage-wise on the basis of fixed asset at each voltage level, as submitted by the Distribution Licensee:

Provided that the Distribution Licensee shall work out the voltage wise asset allocation and losses within one year of coming into force of these Regulations or the extended period as approved by the Commission. The Distribution Licensee shall also give the basis of allocation of fixed costs to the different voltage levels, energy supplied at each voltage level and prevalent distribution losses at each voltage level in the petition for determination of wheeling charges:

Provided further that till the time Distribution Licensee submits the actual allocation of fixed assets at each voltage level, the Commission shall apportion fixed assets at each voltage level on the basis of length of distribution lines in ckt. km and transformation capacity in MVA as furnished by the Distribution Licensee or any other methodology which it feels appropriate,

86 (3) Payment of wheeling charges:
Wheeling charges may consist of the following or any one or combination thereof:
(a) Fixed charge in Rs. per month per KW of contracted power.
(b) A charge in Rs. per KWh of energy wheeled separately for
(i) Wire business
(ii) Installation, operation and maintenance of meters, metering system and any other equipment at consumer's premises.
(iii) Billing & collection of payment
(iv) Consumer services.
(c) Connectivity fee.
(d) Reactive energy charge / incentive

5.2.7 Discoms submitted that, presently they do not have audited accounts for voltage wise assets. As per present accounting practices of Rajasthan Discoms, it is difficult to segregate the GFA among the voltage levels directly. Moreover, voltage wise gross fixed asset register would also require the original cost of each asset to be determined, present cost after applying

depreciation and allocation to voltage level. Thus, as mentioned earlier, the study is a time intensive exercise considering the quantum of work and data limitation.

5.2.8 Discoms have requested to consider the apportionment of present value of fixed assets and losses based on the network cost, transformation capacity at 33 KV, 11 KV and LT level and system losses to determine the voltage wise wheeling charges and losses.

5.2.9 Discoms have proposed uniform wheeling charges based on the combined figure of three Discoms. Accordingly, the Commission has also determined uniform wheeling charges.

5.2.10 In view of above regulations and submission of Discoms, the Commission has worked out the segregation of wheeling charges at each voltage level based on the cost of line and transformer submitted by the Discoms and losses as approved in order dated 19.09.2006 have been considered. Further, to work out the per unit wheeling charges, sales as approved in the instant order has been considered.

5.2.11 The Commission has determined the wheeling charges for FY 2024-25 based on ARR for FY 2024-25.

a) Based on the approved ARR for FY 2024-25, the wheeling charges as per Regulation 86 of RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019 is as under:

Table 106: Wheeling Charges **(Rs in Crore)**

S. No.	Particulars	FY 2024-25			
		JVVNL	AVVNL	JdVVNL	Total
1	**Net Aggregate Revenue Requirement**	26535	20443	22202	69179
2	Cost of Power Purchase	17949	13867	14921	46736
3	Interest Payable on security deposit of consumers	123	105	67	295
4	Transmission Charges	2271	1749	2053	6073
5	10% of O&M Expenses	256	215	201	672
	Subtotal	**20598**	**15936**	**17242**	**53776**
6	**Wheeling Charges (in Crores)**	**5937**	**4507**	**4960**	**15403**

b) As regards wheeling charges at 132 KV and above the Commission accepts submission of the Discoms.

c) Based on the following cost of lines and Transformer as submitted by the Discoms, the aforesaid wheeling charges has been segregated at each voltage level in the following percentage:

Table 107: Cost of lines and Transformer (Rs. In Lakhs)

S. No.	Network at Voltage Level	FY 2024-25			
		JVVNL	AVVNL	JdVVNL	Total
1	132 KV Line Only	-	-	-	**-**
2	33 KV Lines Only	231,181	234,751	356,004	**821,937**
3	11 KV Lines and 33/11 KV S/S	1,417,277	1,222,949	1,799,504	**4,439,730**
4	LT Lines and 11/0.4 KV S/S	1,586,798	1,691,716	1,681,779	**4,960,292**
Total		**3,235,255**	**3,149,416**	**3,837,288**	**10,221,959**
132 KV Line Only		-	-	-	
33 KV Lines Only		7.15%	7.45%	9.28%	
11 KV Lines and 33/11 KV S/S		43.81%	38.83%	46.90%	
LT Lines and 11/0.4 KV S/S		49.05%	53.72%	43.83%	
Total		100.00%	100.00%	100.00%	

d) Based on the aforesaid percentage, the assets as on 31st March, 2025 has been segregated at each voltage level as under:

Table 108: Assets Allocation at different Voltage Levels (Rs in Crore)

	JVVNL	AVVNL	JdVVNL
33KV	2,305	2,153	2,629
11KV	14,131	11,218	13,287
LT	15,821	15,518	12,418
Total	**32,257**	**28,889**	**28,334**

e) Further, based on the losses as approved in order dated 01.12.2016 and sales as approved in the instant order has been considered at each voltage level as under:

Table 109: JVVNL sales and losses at each voltage level

Voltage Level	Wheeling Cost in Rs Crore	FY 2024-25				
		Input (MU)	Sales (MU)	Losses in %age	Loss (in MU)	Assets (Rs Crore)

132 KV	5937	2382	2382	0.00%	0	0
33 KV		2829	2721	3.80%	107	2305
11 KV		5595	5103	8.80%	492	14131
LT		29029	23815	**17.96%**	5213	15821
Total		**39834**	**34021**	**14.59%**	**5813**	**32257**

Table 110: AVVNL sales and losses at each voltage level

Voltage Level	Wheeling Cost in Rs Crore	FY 2024-25				
		Input (MU)	Sales (MU)	Losses in %age	Loss (in MU)	Assets (Rs Crore)
132 KV	4507	1937	1937	0.00%	0	0
33 KV		2300	2213	3.80%	87	2153
11 KV		4549	4149	8.80%	400	11218
LT		21949	19362	11.79%	2587	15518
Total		**30735**	**27661**	**10.00%**	**3075**	**28889**

Table 111: JdVVNL sales and losses at each voltage level

Voltage Level	Wheeling Cost in Rs Crore	FY 2024-25				
		Input (MU)	Sales (MU)	Losses in %age	Loss (in MU)	Assets (Rs Crore)
132 KV	4960	1989	1989	0.00%	0	0
33 KV		2363	2274	3.80%	90	2629
11 KV		4673	4262	8.80%	411	13287
LT		24406	19892	**18.49%**	4514	12418
Total		**33432**	**28417**	**15.00%**	**5015**	**28334**

f) Based on the voltage wise asset segregation, Commission has allocated the wheeling cost to the asset at respective voltage levels which is depicted in the table below:

Table 112: Wheeling cost allocation into assets at different voltage levels

(Rs.in Cr.)

Wheeling Cost Allocation into Assets at different Voltage Levels	JVVNL	AVVNL	JdVVNL
33KV	424	336	460
11KV	2601	1750	2326
LT	2912	2421	2174
Total	**5937**	**4507**	**4960**

g) The assessed wheeling cost (as derived above) at each voltage level have been reallocated to the different voltage levels in the proportion of their contribution to energy input at each voltage levels:

Table 113: Wheeling cost apportioned on the basis of network usage (Rs in Cr.)

Derived wheeling cost, apportioned on the basis of usage of network	JVVNL	AVVNL	JdVVNL
33KV	32	27	35
11KV	420	300	374
LT	5484	4180	4551
Total	**5,937**	**4,507**	**4,960**

h) The apportioned wheeling cost as estimated above is used to calculate the wheeling charge applicable at each voltage level on the basis of estimated sales at each voltage level for Rajasthan.

5.2.12 Per unit wheeling charges approved in this order is as under:

Table 114: Per unit Wheeling charges

	Existing	Approved
Wheeling Charges for	**FY 2024-25**	**FY 2024-25**
Wheeling Charges at 132 KV and above Voltage Level (Rs/kWh)	**0.01**	**0.01**
Wheeling Charges at 33 KV Voltage Level (Rs/kWh)	**0.15**	**0.13**
Wheeling Charges at 11 KV Voltage Level (Rs/kWh)	**0.79**	**0.74**

5.2.13 The above Wheeling Charges shall be levied and collected with effect from the date of applicability of this order and remain in force till Wheeling Charges are re-determined by the Commission. Wheeling losses which are in force shall also be continued to remain applicable.

5.3 Cross Subsidy Surcharge

5.3.1 The Discoms have projected the cross-subsidy surcharge for FY 2024-25 as per the formula provided by the Commission in RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019. The relevant clause of the said regulations for cross-subsidy surcharge is as under:

"***90. Cross-subsidy Surcharge***

The surcharge payable by consumers opting for open access on the network of the Distribution Licensee or transmission Licensee will be determined by the Commission as per the following Formula:

S = T - [C /(1 - L/ 100) + D+R]

Where,

***S** is the surcharge;*

***T** is the Tariff payable i.e., Average Billing Rate of the relevant category of consumers;*

***C** is the per unit weighted average cost of power purchase by the Licensee;*

***D** is the aggregate of transmission, distribution and wheeling charges applicable to the relevant voltage level;*

***L** is the aggregate transmission, distribution and commercial losses, expressed as percentage applicable to the relevant voltage level;*

***R** is the per unit cost of carrying Regulatory Assets or unfunded gap recognised by the Commission:*

Provided that if S is computed to be negative as per above Formula, S shall be considered as zero."

5.3.2 Discoms submitted that categories of consumers for whom cross-subsidy surcharge is applicable are Large Industries, Mixed Load-HT & Non-Domestic-HT. The details of the tariff for said categories of consumers at different voltage levels is provided below:

Table 115: Tariff for FY 2024-25

Category	Tariff (Rs./kWh)		
	11 kV	33 kV	132 kV
LIP	8.98	8.71	8.62
Mixed Load	9.55	9.27	9.17
NDS (HT)	11.96	11.60	11.48

5.3.3 The Discoms have considered distribution losses at different voltage levels for calculation of cross-subsidy surcharge as per the Commission's Order dated 01.12.2016. The transmission losses have been considered as per the losses projected in ARR for FY 2024-25. The details of the same are provided below:

Table 116: Transmission and Distribution losses considered for cross-subsidy surcharge

Losses	11kV	33kV	132kV
Distribution	12.60%	3.80%	0.00%
Transmission	5.93%	5.93%	5.93%
Total	**18.53%**	**9.73%**	**5.93%**

5.3.4 The Discoms submitted that so far open access consumers are only in the HT category. For these categories, the collection efficiency is 100% and as such there is no commercial loss. So, in calculation of 'L', commercial losses are taken as 0%.

5.3.5 The Discoms submitted that Transmission Cost per unit has been considered as per the projected transmission cost and sales in ARR for FY 2024-25. The aggregate transmission and wheeling cost at different voltage levels has been summarized below:

Table 117: Wheeling and Transmission Costs for FY 2024-25

Discom	Cost per unit (Rs/kWh)	11kV	33kV	132kV
JVVNL	Wheeling cost	0.84	0.14	0.01
	Transmission cost	0.74	0.74	0.74
	Total	**1.57**	**0.88**	**0.75**
AVVNL	Wheeling cost	0.84	0.14	0.01
	Transmission cost	0.67	0.67	0.67
	Total	**1.51**	**0.82**	**0.68**
JdVVNL	Wheeling cost	0.84	0.14	0.01
	Transmission cost	0.79	0.79	0.79
	Total	**1.63**	**0.93**	**0.80**
RAJASTHAN	Wheeling cost	0.84	0.14	0.01
	Transmission cost	0.73	0.73	0.73
	Total	**1.57**	**0.88**	**0.74**

5.3.6 The per unit carrying cost of Regulatory Assets (element 'R') for FY 2024-25 has been determined on the basis of approved interest on unfunded gap by the Commission. The summary of carrying cost for FY 2024-25 is summarized below:

Table 118: Carrying Cost of Regulatory Assets for FY 2024-25

Discom	Interest on unfunded gap (Rs. Cr.)	Total Sales (MU)	Carrying Cost (Rs./unit)
JVVNL	1,956	33,928	0.58
AVVNL	1,216	28,536	0.43
JdVVNL	2,188	28,596	0.77
RAJASTHAN	**5,360**	**91,061**	**0.59**

5.3.7 Based on the above cost parameters, the cross-subsidy surcharge for FY 2024-25 as submitted by Discoms is as under:

Table 119: Cross Subsidy Surcharge for FY 2024-25 –JVVNL, AVVNL & JdVVNL

Category	Voltage (kV)	Tariff (Rs./ kWh)	Weighted average power purchase cost (Rs./kWh)	Aggregate T&D and commercial losses (%)	Aggregate transmission, distribution and wheeling charges (Rs./kWh)	Carrying cost of regulatory assets (Rs./kWh)	CSS (Rs./ kWh)	20% of Tariff (Rs./ kWh)	Applicable CSS (Rs./ kWh)
LIP	132	8.62	4.33	5.93%	0.74	0.59	2.68	1.72	1.72
	33	8.71	4.33	9.73%	0.88	0.59	2.44	1.74	1.74
	11	8.98	4.33	18.53%	1.57	0.59	1.50	1.80	1.50
Mixed Load-HT	132	9.17	4.33	5.93%	0.74	0.59	3.23	1.83	1.83
	33	9.27	4.33	9.73%	0.88	0.59	3.00	1.85	1.85
	11	9.55	4.33	18.53%	1.57	0.59	2.08	1.91	1.91
NDS-HT	132	11.48	4.33	5.93%	0.74	0.59	5.54	2.30	2.30
	33	11.60	4.33	9.73%	0.88	0.59	5.34	2.32	2.32
	11	11.96	4.33	18.53%	1.57	0.59	4.48	2.39	2.39

Commission's view:

Computation of Cross Subsidy Surcharge

5.3.8 Commission has observed that Discoms have submitted uniform proposal for Cross subsidy Surcharge. Therefore, Commission has determined uniform Cross subsidy Surcharge as the tariff for these category is uniform across all the Discoms.

5.3.9 Discoms in their petition have submitted the calculation of Cross Subsidy Surcharge for FY 2024-25. The Commission has also determined the ARR for FY 2024-25. Thus, the Commission has determined the Cross Subsidy Surcharge for FY 2024-25 based on approved ARR for FY 2024-25.

5.3.10 For the purpose of computation of Cross Subsidy Surcharge for FY 2024-25, the Commission has considered the formula as specified in the RERC Tariff Regulations, 2019. Based on the formula as per Tariff Regulations, 2019, the item wise computation of Cross Subsidy Surcharge is as follows:

(1) **"T" (Average Billing Rate of the relevant category of consumers):**

As per Regulation 90 of the Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2019, T is the Tariff payable i.e., Average Billing Rate of the relevant category of consumers.

Table 120: Calculation of "T" for FY 2024-25

Particulars	Avg. Realisation (Rs./per Unit) FY2024-25
Non Domestic Category (NDS)	11.30
Bulk Supply for Mixed Load (ML)	9.77
Large Industries (LIS)	9.06

(2) **"C" (is the per unit weighted average cost of power purchase by the Licensee):**

Based on the figures as approved in foregoing paras, the weighted average cost of power purchase is worked out to be Rs. 4.24/unit for FY 2024-25.

(3) **"L" (is the aggregate transmission, distribution and commercial losses, expressed as percentage applicable to the relevant voltage level):**

Commission has considered voltage wise Distribution losses as per the Commission's Order dated 01.12.2016. The transmission losses have been considered average of Intra and Inter state transmission losses as per the losses approved in foregoing paras as under :

Table 121: Transmission and Distribution losses considered for FY 2024-25

Losses	11kV	33kV	132KV
Distribution	12.60%	3.80%	0.00%
Transmission	4.27%	4.27%	4.27%
Total	**16.87%**	**8.07%**	**4.27%**

(4) **"D" (is the aggregate of transmission, distribution and wheeling charges applicable to the relevant voltage level):**

Table 122: Transmission, Distribution and Wheeling Charges for 2024-25

Cost per unit (Rs/kWh)	11kV	33kV	132kV
Wheeling cost	0.74	0.13	0.01
Transmission cost	0.67	0.67	0.67
Total	**1.41**	**0.80**	**0.68**

(5) **"R" (is the per unit cost of carrying Regulatory Assets or unfunded gap recognised by the Commission):**

a. While working out the per unit cost of Regulatory Assets, Commission has considered interest on unfunded gap as approved in forgoing paras.

Table 123: Carrying Cost of Regulatory Assets

Particulars		FY 2024-25
Interest on unfunded gap	Rs. in Crore	5620
Total Sales	(MU)	90099
Carrying Cost	(Rs./unit)	0.62

(6) **"S" (is the surcharge) i.e.,**

S = T - [C /(1 - L/ 100) + D+R]

5.3.11 The stakeholders have contended that CSS should not be increased.

5.3.12 Whereas, many of the stakeholders submitted that CSS should be kept at 20% of average cost of supply as per Electricity (Amendment) Rules, 2022 is reproduce hereunder:

"13. Surcharge payable by Consumers seeking Open Access.-The surcharge,determined by the State Commission under clause (a) of sub-section (1) of section 86 of the Electricity Act,2003 shall not exceed twenty per cent of the average cost of Supply."

5.3.13 There is no dispute that the CSS should be reduced progressively but the reduction should relate to the actual cost and not to historical facts. While determining CSS in the present order, the Commission has to rely on the present values and accordingly has taken the values as approved in its Tariff Order for FY 2024-25.

5.3.14 The Commission in the last ARR order for FY 2023-24 has observed that "*As this is the last year of current control period, Commission shall review the same for the next control period based on the Regulations framed for the control period, after considering Electricity (Amendment) Rules, 2022.*"

5.3.15 The CSS determined in the order is in accordance with the spirit of the Act on Cross Subsidy Surcharge. Accordingly in this order the Commission has capped CSS at the rate of 20% of Average cost of supply as per provisions of Electricity (Amendment) Rules, 2022.

5.3.16 Based on the above discussions, the Cross Subsidy Surcharge payable for FY 2024-25 by the open access consumers works out as below:

Table 124: Cross Subsidy Surcharge for FY 2024-25

(Rs/kWh)

CATEGORY OF CONSUMER	VOLTAGE LEVEL	TARIFF (T)	WEIGHTED AVERAGE COST OF POWER (C)	SYSTEM LOSSES (L)	TRANSIMISSION, DISTRIBUTION AND WHEELING CHARGES (D)	PER UNIT COST OF CARRYING REGULATORY ASSETS (R)	CROSS SUBSIDY SURCHARGE (S)	20% of Acos	Cross Subsidy Surcharge to be Levied
		(A)	(B)	(C)	(D)	(E)	S=T-[C/(1-L/100)+D+R] (F)	G	Min (F,H)
NON DOMESTIC SERVICE	11 KV	11.30	4.24	16.87%	1.41	0.62	4.16	1.59	1.59
	33 KV	10.96	4.24	8.07%	0.80	0.62	4.92	1.59	1.59
	132 KV	10.84	4.24	4.27%	0.68	0.62	5.10	1.59	1.59
MIXED LOAD/ BULK SUPPY	11 KV	9.77	4.24	16.87%	1.41	0.62	2.63	1.59	1.59
	33 KV	9.47	4.24	8.07%	0.80	0.62	3.44	1.59	1.59
	132 KV	9.38	4.24	4.27%	0.68	0.62	3.64	1.59	1.59
LARGE INDUSTRIAL SERVICE	11 KV	9.06	4.24	16.87%	1.41	0.62	1.92	1.59	1.59
	33 KV	8.78	4.24	8.07%	0.80	0.62	2.75	1.59	1.59
	132 KV	8.69	4.24	4.27%	0.68	0.62	2.95	1.59	1.59

5.3.17 Accordingly, the Commission determines the following Cross Subsidy Surcharge payable for FY 2024-25 by Open Access Consumers of the respective category who are liable to pay CSS in accordance with the Electricity Act, 2003 and Rules and Regulations made there under:

Table 125: CSS as Approved by the Commission

Category of Open Access Consumer	Voltage Level	Cross Subsidy Surcharge (Rs./Unit) FY 2024-25
NON DOMESTIC SERVICE	11 KV	1.59
	33 KV	1.59
	132 KV and above	1.59
MIXED LOAD/ BULK SUPPY	11 KV	1.59
	33 KV	1.59
	132 KV and above	1.59
LARGE INDUSTRIAL SERVICE	11 KV	1.59
	33 KV	1.59
	132 KV and above	1.59

5.3.18 The above Cross Subsidy Surcharge shall be levied and collected with effect from the date of applicability of this order and remain in force till CSS is re-determined by the Commission.

5.4 Additional Surcharge

5.4.1 The Discoms have submitted the following regarding the additional surcharge.

Section 43 of the Electricity Act, 2003 provides for a duty on the distribution licensees of the area of supply to develop and maintain an efficient, coordinated and economical distribution system and to supply electricity to all in the area in accordance with the provisions of the Act. Section 43 (1) of the Electricity Act reads as under:

"Section 43. (Duty to supply on request): --- (1) 1[Save as otherwise provided in this Act, every distribution] licensee, shall, on an application by the owner or occupier of any premises, give supply of electricity to such premises, within one month after receipt of the application requiring such supply:
Provided that where such supply requires extension of distribution mains, or commissioning of new sub-stations, the distribution licensee shall supply the electricity to such premises immediately after such extension or commissioning or within such period as may be specified by the Appropriate Commission: Provided further that in case of a village or hamlet or area wherein no provision for supply of electricity exists, the Appropriate Commission may extend the said period as it may consider necessary for electrification of such village or hamlet or area.
1[Explanation.- For the purposes of this sub-section, "application" means the application complete in all respects in the appropriate form, as required by the distribution licensee, along with documents showing payment of necessary charges and other compliances.]"

To meet the universal supply obligation, Discoms have entered into long term PPAs with Generating Companies which inter-alia provide for payment of the

guaranteed fixed charges payable irrespective of the fact whether Discoms are able to off take the entire power made available over the plant load factor.

In exercise of the powers under Section 181 of the Electricity Act, 2003, the State Commission has notified the Open Access Regulations, 2016, inter alia, providing for a person with contract demand of one MVA and above to draw electricity from sources other than the distribution licensees of the area through the Open Access.

Whenever any consumer opts for open access, the Petitioner continues to pay fixed charges to its contracted generation stations as per the PPAs. However, the Petitioner is not able to sufficiently recover such fixed cost obligation from the open access consumers. The cost recovered from fixed tariff schedule is less than the fixed costs incurred by the Petitioner which leads to the situation where the Petitioner is saddled with the stranded cost on account of its universal supply obligation.

To ensure that the burden of fixed cost of stranded power due to open access does not adversely impact the Discoms and is also not passed onto the general consumers at large, the Discoms are entitled to collect Additional Surcharge as per Section 42 (4) of the Electricity Act, 2003.

"Section 42 (4): Where the State Commission permits a consumer or class of consumers to receive supply of electricity from a person other than the distribution licensee of his area of supply, such consumer shall be liable to pay an additional surcharge on the charges of wheeling, as may be specified by the State Commission, to meet the fixed cost of such distribution licensee arising out of his obligation to supply."

Regulation 17 of the RERC (Terms and Conditions for Open Access) Regulations, 2016 also entitle the Petitioners to collect additional surcharge from consumers opting for open access.

"17. Additional Surcharge

(1) A consumer availing open access and receiving supply of electricity from a person other than the Distribution Licensee of his area of supply shall pay to the Distribution Licensee an additional surcharge, in addition to wheeling charges and cross subsidy surcharge, to meet the fixed cost of such Distribution Licensee arising out of his obligation to supply as provided under sub-section (4) of section 42 of the Act."

The Commission in its order dated 24th August 2016 has determined the additional surcharge payable by open access consumers using the following methodology.

"114. The lower of the back-down quantum and open access quantum has been considered as power surrendered due to open access for each of the 96 time blocks in a day, i.e., if the back down quantum is more than the open access quantum, the open access quantum has been considered, and if the back down quantum is less than the open access quantum, then the back down quantum has been considered as the quantum stranded due to Open Access Consumers not sourcing power from Discoms. This ensures that only the power stranded because of Open Access Consumers is taken.

115. Since the quantum of power surrendered every day is not from a specific power plant, and fixed cost associated with every power plant is different, the Commission has calculated an effective per unit fixed cost for every month by calculating weighted average fixed cost per unit based on the relevant tariff order of generating station against fixed charges and the quantum of energy drawn from each station for FY 2015-16 (up to Jan 2016).

116. To work out a total effective per unit fixed cost of generation backed down, the fixed costs for the individual power plant units as per tariff order have been taken in the same proportion as the proportion in which individual power plant units have contributed to the surrendering of power. As compared to the consideration of actual payments made to generators, taking the fixed costs as per tariff orders eliminates all apprehensions about the period for which payments pertain. Thus, the rates of fixed costs are consistent.

117. This fixed cost has been considered for calculating the amount of total fixed charges that the Petitioner has paid because of the total stranded power owing to corresponding open access for FY 2015-16 (up to Jan.16).

118. To compute the Additional Surcharge recoverable, the effective per unit fixed cost obtained as explained above is multiplied to the quantum of stranded power (in MUs) which has been considered to be surrendered because of consumers opting for open access.

119. To compute per unit Additional Surcharge to be levied on Open Access Consumers, it has been assumed that the Open Access scenario will remain the same in FY 2016-17. Therefore, the total Additional Surcharge recoverable for the FY 2015-16 (up to Jan.16) computed above has been spread over the total open access quantum for the FY 2015-16 (up to Jan.16) to arrive at Additional Surcharge of Rs. 0.80 per unit."

Accordingly, the computation of additional surcharge for FY 2024-25 is based on the following methodology.

The lower of the stranded power (backdown quantum + boxup quantum) and open access quantum has been considered as power surrendered due to open access for each of the 96 time blocks in a day, i.e., if the quantum of stranded power is more than the open access quantum, the open access quantum has been considered, and if the stranded power quantum is less than the open access quantum, then the stranded power quantum has been considered as the quantum stranded due to Open Access Consumers not sourcing power from Discoms. This ensures that only the power stranded because of Open Access Consumers is taken.

Since the quantum of power surrendered every day is not from a specific power plant, and fixed cost associated with every power plant is different, the Discoms have calculated an effective per unit fixed cost by calculating weighted average fixed cost per unit based on the relevant tariff order of generating station against fixed charges and the quantum of energy drawn from each station for FY 2022-23.

To work out a total effective per unit fixed cost of generation stranded, the fixed costs for the individual power plant units as per tariff order have been taken in the same proportion as the proportion in which individual power plant units have contributed to the surrendering of power. As compared to the consideration of actual payments made to generators, taking the fixed costs as per tariff orders eliminates all apprehensions about the period for which payments pertain. Thus, the rates of fixed costs are consistent.

This fixed cost has been considered for calculating the amount of total fixed charges that the Petitioner has paid because of the total stranded power owing to corresponding open access for FY 2022-23.

To compute the Additional Surcharge recoverable, the effective per unit fixed cost obtained as explained above is multiplied to the quantum of stranded power (in MUs) which has been surrendered because of consumers opting for open access.

To compute per unit Additional Surcharge to be levied on Open Access Consumers in the FY 2024-25, it has been assumed that the Open Access scenario will remain the same in FY 2024-25 as in FY 2022-23. Therefore, the total Additional Surcharge recoverable for the FY 2024-25 computed above has been spread over the total open access quantum for the FY 2022-23 to arrive at the payable Additional Surcharge.

For the sake of brevity, the daily block wise details of station wise power backed down, power boxed up and bilateral purchases along with net open access have been provided.

5.4.2 Based on the above submission, the Discoms proposed additional surcharge for FY 2024-25 based on data of FY 2022-23 below.

i. Stranded power due to Open Access (MW):

Table 126: Stranded power due to Open Access (MW):

Month	Backdown Aggregated over 96 Time Blocks	Boxup Aggregated over 96 Time Blocks	Boxup + Backdown aggregated over 96 time blocks	Open Access Aggregated over 96 Time Blocks	Backdown due to Open Access Aggregated over 96 Time Blocks
	1	2	3	4	5
	MW	MW	MW	MW	MW
April	223,196	3,420,385	3,643,581	683,901	628,051
May	1,136,219	1,504,250	2,640,469	971,245	720,685
June	1,082,430	533,500	1,615,930	793,053	384,540
July	2,135,837	3,733,525	5,869,362	1,298,840	1,210,255
August	1,660,213	4,516,645	6,176,858	814,229	729,630
September	945,803	1,775,490	2,721,293	2,148,858	1,450,988
October	1,343,967	2,054,120	3,398,087	1,357,812	967,905
November	552,732	2,108,680	2,661,412	2,930,000	1,759,554
December	977,446	2,589,930	3,567,376	2,090,459	1,483,732
January	1,355,210	2,446,170	3,801,380	1,516,108	1,139,999
February	689,255	2,148,830	2,838,085	1,593,828	961,997
March	1,399,715	6,481,215	7,880,930	783,804	744,246
Total	**13,502,023**	**33,312,740**	**46,814,763**	**16,982,137**	**12,181,582**

It may be observed that there is continuous stranded capacity over the entire period for which data has been submitted. It has to be noted that stranded capacity may vary in a day, a month and the year depending upon the load conditions and therefore, the overall situation needs to be considered. It is clearly demonstrable through the data that there is stranded capacity occurring on account of the consumers availing open access to source power from sources other than Discoms.

ii. Effective fixed cost of generation stranded (Rs./kWh):

Table 127: Effective fixed cost of generation stranded (Rs./kWh)

Station	Power Stranded in FY 2022-23 (MU)	% of surrender	Fixed charges (approved Rs./kWh)	Component of fixed cost
DADRI-CRF	0	0.00%	0.52	0.00
AURIYA-CRF	0	0.00%	0.77	-
ANTA-CRF	0	0.00%	0.61	-
DADRI T1	357	3.05%	0.97	0.03
DADRI T2	171	1.46%	1.44	0.02
UNCHAHAR 2	117	1.00%	1.10	0.01
UNCHAHAR 1	16	0.14%	1.08	0.00
UNCHAHAR 3	72	0.61%	1.19	0.01
UNCHAHAR-4	128	1.09%	1.68	0.02
FARAKKA	0	0.00%	0.93	0.00
MEJA	31	0.27%	3.20	0.01
TANDA II	145	1.23%	1.47	0.02
KAHALGAON 1	41	0.35%	1.05	0.00
KAHALGAON 2	157	1.34%	0.91	0.01
AURIYA-GF	0	0.00%	0.77	-
ANTA-GF	0	0.00%	0.61	-
DADRI-GF	0	0.00%	0.52	-
PTC MCCPL	11	0.09%	1.72	0.00
CGPL	129	1.11%	0.91	0.01
PTC DB POWER	18	0.15%	2.18	0.00
SINGRAULI	54	0.46%	0.74	0.00
RIHAND 1 STPS	25	0.21%	0.81	0.00
RIHAND 2 STPS	31	0.26%	0.77	0.00
RIHAND 3 STPS	27	0.23%	1.44	0.00
Sasan	21	0.18%	0.17	0.00
DHOLPUR	0	0.00%	-	0.40
STPS-(I-VI)	6044	51.64%	0.77	0.13
KTPS Unit(I-VII)	2299	19.64%	0.67	0.00
STPS-VII	14	0.12%	2.04	0.01
STPS-VIII	53	0.45%	1.92	0.04
KALISINDH	296	2.53%	1.68	0.40
CHABRA1,2,3,4	212	1.81%	1.43	0.03
ADANI	1028	8.78%	1.27	0.11
RAJWEST POWER	135	1.16%	1.70	0.02
CTPP-V,VI	69	0.59%	1.76	0.01
NLC Barsinghsar	3	0.03%	2.31	0.00
Total	**11,704**	**100.00%**		**0.91**

iii. Additional surcharge to be levied in the FY 2024-25:

Table 128: Additional surcharge to be levied in the FY 2024-25

	Open Access Aggregated over each time block	Total Open Access	Back-down due to Open Access Aggregated over 96 Time Blocks	Back-down due to Open Access	Effective Fixed Cost	Additional Surcharge
	MW	MU	MW	MU	Rs. / kWh	Rs. Cr.
Total	1,69,82,137	4,246	1,21,81,582	3045	0.91	276.11
Additional Surcharge Recoverable per unit considering same open access scenario for the next year (Rs./kWh) (Total Additional Surcharge/Total Open Access*10)						0.65

Commission View

5.4.3 The Commission has determined the Additional Surcharge for FY 2024-25 based on data submitted by Discoms.

5.4.4 Since the quantum of power surrendered every day is not from a specific power plant, and fixed cost associated with every power plant is different, the Commission has calculated an effective per unit fixed cost for every month by calculating weighted average fixed cost per unit based on the relevant tariff order of generating station against fixed charges and the quantum of energy drawn from each station for FY 2022-23.

5.4.5 To work out a total effective per unit fixed cost of generation backed down, the fixed costs for the individual power plant units as per tariff order have been taken in the same proportion as the proportion in which individual power plant units have contributed to the surrendering of power. As compared to the consideration of actual payments made to generators, taking the fixed costs as per tariff orders eliminates all apprehensions about the period for which payments pertain. Thus, the rates of fixed costs are consistent.

5.4.6 This fixed cost has been considered as per ARR order for FY 2024-25 and in case ARR order of plant for FY 2024-25 is not available, the prevailing order has been considered. It is further clarified that Commission has not considered power from NTPC stations i.e. DADRI T1 as power is not expected from this plant in 2024-25.

5.4.7 To compute the Additional Surcharge recoverable, the effective per unit fixed cost obtained as explained above is multiplied to the quantum of stranded power (in MUs) which has been considered to be surrendered because of consumers opting for open access.

Calculation of Additional Surcharge based on the above method

5.4.8 In view of the above, Additional Surcharge for FY 2024-25 is worked out as below:

i. Calculation of back down due to Open Access (MW):

Table 129: back down due to Open Access (MW)

Month	Backdown Aggregated over 96 Time Blocks	Boxup Aggregated over 96 Time Block	Boxup + Backdown aggregated over 96 time blocks	Open Access Aggregated over 96 Time Blocks	Backdown due to Open Access Aggregated over 96 Time Blocks
	MW	MW	MW	MW	MW
April	223,196	3,420,385	3,643,581	683,901	628,051
May	1,136,219	1,504,250	2,640,469	971,245	720,685
June	1,082,430	533,500	1,615,930	793,053	384,540
July	2,135,837	3,733,525	5,869,362	1,298,840	1,210,255
August	1,660,213	4,516,645	6,176,858	814,229	729,630
September	945,803	1,775,490	2,721,293	2,148,858	1,450,988
October	1,343,967	2,054,120	3,398,087	1,357,812	967,905
November	552,732	2,108,680	2,661,412	2,930,000	1,759,554
December	977,446	2,589,930	3,567,376	2,090,459	1,483,732
January	1,355,210	2,446,170	3,801,380	1,516,108	1,139,999
February	689,255	2,148,830	2,838,085	1,593,828	961,997
March	1,399,715	6,481,215	7,880,930	783,804	744,246
Total	**13,502,023**	**33,312,740**	**46,814,763**	**16,982,137**	**12,181,582**

ii. Calculation of effective fixed cost of generation back down:

Table 130: Effective fixed cost of generation back down

Station	Power Stranded in FY 2022-23 (MU)	% of surrender	Fixed charges (approved Rs./kWh)	Component of fixed cost
DADRI T2	171	1.51%	1.33	0.02
UNCHAHAR 2	117	1.03%	1.12	0.01
UNCHAHAR 1	16	0.14%	1.05	0.00

Station	Power Stranded in FY 2022-23 (MU)	% of surrender	Fixed charges (approved Rs./kWh)	Component of fixed cost
UNCHAHAR 3	72	0.63%	1.21	0.01
UNCHAHAR-4	128	1.13%	1.79	0.02
MEJA	31	0.28%	2.05	0.01
TANDA II	145	1.27%	1.47	0.02
KAHALGAON 1	41	0.36%	1.05	0.00
KAHALGAON 2	157	1.38%	0.93	0.01
PTC MCCPL	11	0.09%	1.68	0.00
CGPL	129	1.14%	0.91	0.01
PTC DB POWER	18	0.16%	2.18	0.00
SINGRAULI	54	0.47%	0.66	0.00
RIHAND 1 STPS	25	0.22%	0.83	0.00
RIHAND 2 STPS	31	0.27%	0.78	0.00
RIHAND 3 STPS	27	0.23%	1.48	0.00
Sasan	21	0.19%	0.17	0.00
STPS-(I-VI)	6044	53.27%	0.58	0.31
KTPS Unit(I-VII)	2299	20.26%	0.57	0.12
STPS-VII	14	0.12%	1.60	0.00
STPS-VIII	53	0.47%	1.60	0.01
KALISINDH	296	2.60%	1.34	0.03
CHABRA1,2,3,4	212	1.87%	1.15	0.02
ADANI	1028	9.06%	1.05	0.10
RAJWEST POWER	135	1.19%	1.70	0.02
CTPP-V,VI	69	0.61%	1.51	0.01
NLC Barsinghsar	3	0.03%	2.05	0.00
Total	**11347**	**100.00%**		**0.74**

iii. Calculation of Additional Surcharge based on above for FY 2024-25:

Table 131: Additional Surcharge

	Open Access Aggregated over each time block	Total Open Access	Back-down due to Open Access Aggregated over 96 Time Blocks	Back-down due to Open Access	Effective Fixed Cost	Additional Surcharge
	MW	**MU**	**MW**	**MU**	**Rs. / kWh**	**Rs. Cr.**
Total	**16,982,137**	**4246**	**12,181,582**	**3045**	**0.74**	**226.54**
Additional Surcharge Recoverable per unit considering same open access scenario for the next year (Rs./kWh) (Total Additional Surcharge/Total Open Access*10)						**0.53**

5.4.9 In view of the foregoing discussion, the Commission hereby allows of Additional Surcharge at Rs. 0.53/unit to be recoverable from all the Open Access consumers except CPPs to the extent they consume the electricity generated by them for their own use.

5.4.10 The above additional Surcharge shall be levied and collected with effect from the date of applicability of this order and remain in force till additional surcharge is re-determined by the Commission.

5.4.11 A few stakeholders during the hearing requested to further reduce cross subsidy surcharge and additional surcharge in line with rules framed by Central Government. The Commission has noted their suggestion. Presently the cross subsidy surcharge and Additional Surcharge have been in accordance with the existing RERC (Terms and Conditions for determination of Tariff) Regulations, 2019 and FY 2024-25 is the last year of current Control period. This year both the charges have been reduced as compared to charges for FY 2023-24. The Commission will appropriately consider the rules and based on the Regulations for the next control period, will determine cross subsidy surcharge and additional surcharge for the next control period.

5.5 Approved tariff for FY 2024-25

5.5.1 In the light of discussions as above, the approved tariff for FY 2024-25 for different categories has been approved as discussed under relevant category and also appended with the order.

5.6 Revenue due to tariff revision

5.6.1 Discoms while making the tariff proposal for FY 2024-25 have shown a combined Surplus of Rs. 5304 Crores.

5.6.2 However, the Commission has re-worked out a standalone surplus of Rs. 2612 Crores at existing tariff as discussed above. However, due to gap in true up of FY 2022-23, unfunded gap has shown an increase and to reduce the unfunded gap the Commission has undertaken various rationalization measures.

5.6.3 Discoms are expected to generate additional revenue as given in the tables 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 existing incentive/surcharge or rebates, whose implication may be same as existing. The impact of these as well as newly considered other measures like green tariff, change in rebate, CSS & Additional surcharge etc. shall be considered at the time of true up. 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, 2019, the Discoms may apply the subsidised rate to that category.

5.6.4 Discom wise revenue at existing and revised tariff as approved by the Commission are as follows:

Table 132: Jaipur Discom- Revenue at Existing & Revised Tariff for full year as approved by the Commission for FY 2024-25: (Rs. Cr.)

Consumer Categories	Revenue at Existing Tariff	Revenue at Revised Tariff	Increase Allowed
Domestic	5,471	5,701	231
Non-Domestic	2,951	3,018	66
Public Street Light	130	132	1
Agriculture (Metered)	6,598	6,598	-
Agriculture (Flat)	-	-	-
Small Industry	311	319	7
Medium Industry	839	861	22
Large Industry	8,340	8,572	232
Mixed Load / Bulk Supply	167	170	3
Public Water Works (S)	297	299	2
Public Water Works (M)	44	44	1
Public Water Works (L)	321	325	4
EV	10	11	0.18
Railway Traction	-	-	-
Total Discom	**25,480**	**26,050**	**570**
DF Income	**1173**	**1199**	**26**

Table 133: Ajmer Discom- Revenue at Existing & Revised Tariff for full year as approved by the Commission for FY 2024-25: (Rs. Cr.)

Consumer Categories	Revenue at Existing Tariff	Revenue at Revised Tariff	Increase Allowed
Domestic	4,208	4,478	270
Non-Domestic	1,744	1,785	40
Public Street Light	97	99	2
Agriculture (Metered)	5,160	5,160	-
Agriculture (Flat)	-	-	-
Small Industry	233	239	6
Medium Industry	768	786	18

Large Industry	7,566	7,731	164
Mixed Load / Bulk Supply	103	105	3
Public Water Works (S)	303	306	3
Public Water Works (M)	31	32	1
Public Water Works (L)	351	355	4
EV	0	0	0
Railway Traction	34	34	1
Total Discom	**20,598**	**21,110**	**512**
DF Income	**378**	**386**	**8**

Table 134: Jodhpur Discom- Revenue at Existing & Revised Tariff for full year as approved by the Commission for FY 2024-25: (Rs. Cr.)

Consumer Categories	Revenue at Existing Tariff	Revenue at Revised Tariff	Increase Allowed
Domestic	3,656	3,889	233
Non-Domestic	1,627	1,663	36
Public Street Light	78	79	2
Agriculture (Metered)	9,354	9,354	-
Agriculture (Flat)	-	-	-
Small Industry	180	186	5
Medium Industry	675	695	20
Large Industry	2,860	2,925	65
Mixed Load / Bulk Supply	329	334	5
Public Water Works (S)	258	262	3
Public Water Works (M)	78	80	2
Public Water Works (L)	663	673	10
EV	0	0	0
Railway Traction	30	30	1
Total Discom	**19,788**	**20,169**	**381**
DF Income	**614**	**628**	**14**

5.7 Cross Subsidy

5.7.1 As per Regulation 89 of RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019, 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.

5.7.2 Regulation 89 of RERC (Terms & Condition of Tariff) Regulations, 2019 read with National Tariff Policy makes it evident that average cost of supply has to be the benchmark in assessing cross-subsidy from any consumer category. The

National Tariff Policy states that SERC shall notify a road map with a target that tariff are 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.

5.7.3 Average cost of supply for the three Discoms as per ARR and sales considered by the Commission earlier in this order for FY 2024-25 are as under:

Table 135: Average Cost of Supply for FY 2024-25

Particular	JVVNL	AVVNL	JdVVNL	Total
Net ARR (Rs. In Crore)	26535	20443	22202	69179
Sales (MU)	32232	27061	27563	86856
AVG. COS (Rs./Unit)	**8.23**	**7.55**	**8.05**	**7.96**

5.7.4 The Average Cost of Supply as filed by Discoms is Rs 8.39 per unit. The Commission has worked out Average Cost of Supply of Rs. 7.96 per unit (excluding DF sales). However, the actual impact will be visible at the time of consideration of true up petition.

5.7.5 Based on **revised** tariff approved by the Commission, the cross subsidy for major categories is as under:

Table 136: Cross Subsidy for FY 2024-25

Cross Subsidy	JVVNL	AVVNL	JdVVNL	Rajasthan
Domestic	0.51%	14.60%	4.08%	5.75%
Non-Domestic	37.00%	50.49%	39.69%	41.82%
Public Street Light	3.57%	25.17%	22.45%	14.62%
Agriculture (Metered)	-28.64%	-22.55%	-25.96%	-25.83%
Small Industry	0.55%	12.03%	10.16%	6.46%
Medium Industry	12.54%	19.59%	20.90%	17.01%
Large Industry	16.94%	11.21%	16.18%	13.70%
Public Water Works (S)	-14.11%	-3.82%	-8.21%	-9.17%
Public Water Works (M)	-0.60%	14.80%	5.80%	6.12%
Public Water Works (L)	0.24%	7.85%	5.57%	4.80%
Mixed Load	18.51%	41.48%	18.12%	22.63%

5.8 Revenue Deficit

Submission of Discoms

5.8.1 Discoms in their petition have shown a combined surplus of Rs. 5,304 Crore for FY 2024-25.

Commission's View

5.8.2 After the increase in tariff due to rationalization measures the Discoms will have additional revenue of Rs. 1511 Crore, it is observed that JVVNL and AVVNL have Surplus of Rs. 2073 Crore and Rs. 2126 Crore respectively, whereas JdVVNL has a gap of Rs. 77 Crore, as per FRBM scheme, GoR will take over 100% of loss of FY 2024-25, Accordingly the approved gap for JdVVNL is Nil and surplus for FY 2024-25 will be Rs. Rs. 4199 Crore of resulting the unfunded gap as considered at the end of the FY 2024-25 of Rs. 47114 Crore. As the tariff increase is not sufficient to meet the entire accumulated gap, Discoms should attempt to bridge the accumulated gap by taking measures for loss reduction, efficiency improvement and cost optimization and if need be come up with a suitable proposal for tariff increase.

5.8.3 Further, after the tariff revision the Commission has approved the combined surplus of Rs. 4199 Crore on annualized basis. However, the tariff will not be applicable for full year for FY 2024-25. However, even if in future year the surplus situation arises any surplus shall be adjusted against the accumulated revenue gap of previous years. Discoms should attempt to bridge the accumulated gap by taking measures for loss reduction, efficiency improvement and cost optimization.

5.8.4 Based on discussion held above, the estimated revenue increase for FY 2024-25, assuming revised tariff remains applicable for the full year, is Rs. 1511 Crore. As 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 ,impact of which will be considered during true up.

5.8.5 In the last ARR order dated 31.03.2023, Discoms during the proceeding suggested levying of regulatory surcharge to liquidate Regulatory Assets and the Commission *advised the State Govt. to take back the interest of Rs. 7730 Crore charged by it on UDAY loan. Further, 100% losses of FY 2024-25 onwards are being taken up by the Govt. of Rajasthan as such there will not be any Regulatory Asset for any Discom and on the other hand Regulatory surplus arising in any of the Discom will help in reduction of overall Regulatory Assets.*

This year Commission has increased revenue by 1511 crore on annual basis and estimated a revenue surplus of Rs. 4199 crore. Accordingly, a decision to amortize regulatory assets by levying of Regulatory surcharge or further tariff increase or further adjustment of regulatory asset against revenue surplus or a combination of these will be taken during successive years."

5.8.6 Before parting the Commission would like to mention again that the Commission in future will not increase any unfunded gap or create additional Regulatory Assets. For FY 2024-25 onwards Discoms may request State Government to grant additional subsidy to reduce accumulated losses apart from taking over 100% losses of Discoms to further reduce regulatory assets.

5.8.7 In the Section 6, the Commission has reviewed compliance of its directives and issued fresh directives to the Discoms. MDs of each Discom are directed to personally submit a compliance report of these directives as well as directions given earlier as per the periodicity called for.

5.8.8 This tariff order shall come into force from 01.08.2024 and remain in force till the next tariff order of the Commission. 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. Discoms shall revise the existing tariff booklet 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 at a nominal price.

5.8.9 The petitions stand disposed of accordingly. Copy of this order may be sent to the petitioners, stakeholders, CEA, Rajasthan Renewable Energy Corporation and Government of Rajasthan.

(Dr. Rajesh Sharma)	(Hemant Kumar Jain)	(Dr. B. N. Sharma)
Member	Member	Chairman

Section 6- Commission Directives

6.1 The Commission in its last True up and ARR order dated 31.03.2023 issued certain directives/ measures for improvement in working of the Discoms. The submission of the Discoms on these is summarized below:

S.No	Directive	Compliance Status
1.	**Bijli chaupal in rural areas**	
	There is a need for two-way communication between panchayats and the Discoms not only to improve service but also to create an understanding for better load management, reduction of theft etc. Accordingly, the Discoms are directed to arrange regular "Bijli Chaupals" in association with Panchayat in rural areas. Wherein they shall take up matters related to consumer awareness programme regarding safety, hours of supply for agriculture, consumer grievance redressal, billing, DSM measures, new schemes etc. and take necessary corrective action as per feed-back from the consumers. This will not only create a dialogue with public but also increases the trust for Discoms and consumer will result in better	**JVVNL & JdVVNL:** Discoms submitted that Govt. of Rajasthan (GoR) regularly organizes Jan Sunwai camps on monthly/weekly basis involving different departments including the Energy department. Officials from Discoms are a part of such camps organized at various levels in which the consumers present their grievances before the officials. The grievances are duly noted and resolved to the satisfaction of the aggrieved consumers. The camps/meetings are organized at the Gram Panchayat level on the first Thursday of every month which is attended by the JEN/AEN of the Discom. On the second Thursday of the month, the Sunwai Camp is held at sub-division/tehsil level during which the AEN/XEN's attend to the views and grievances put forward by the consumers. Further, on the third Thursday of the month, such Sunwai Camps are held at district level which is attended by the concerned Circle SE's. Further, the Discoms submitted that they sincerely acknowledges the importance of having a transparent two-way communication between the Discom and its consumers and directions have been imparted to plan exclusive Bijli Chaupals related to consumer awareness, safety, agriculture hours supply, consumer grievance redressal, new schemes etc. and take corrective actions as per the feedback received from the consumers.

	collection & low losses for Discoms. A team of officers of Discoms should visit Noida and study the intervention made by their distribution company by holding dialogue with farmers regarding issues related to supply hours, billing, metering, collection efficiency, loss reduction etc.	In compliance with the Commission directive regarding Discom officers visiting Noida, Jaipur Discom submitted that officers visited to Noida and submitted their report. The committee recommended that JVVNL may introduce VCP (Village Contact Person) program, Colour coding, Unique QR code on bills and awareness campaign on electrical, fire safety and theft. In this regard, Jodhpur Discom submitted that a Committee has been formed and the Committee shall coordinate with officials of Jaipur Discom and accordingly study the practices and models being implemented by them. The same shall be analyzed and best practices identified shall be incorporated in Jodhpur Discoms also. The Jodhpur Discom requested to grant some time for the implementation of findings of this visit. **AVVNL:** Discom submitted that they have a well-developed practice over the years of conducting Jan Sunwai camps. The grievances are noted and resolved to the satisfaction of the aggrieved consumers. The Discom sincerely acknowledges the importance of having a transparent two-way communication between the Discom and its consumers. In this regard, directions have been imparted to plan exclusive Bijli Chaupals in every sub-division of AVVNL to improve consumer awareness on matters related to safety, agriculture hours supply, consumer grievance redressal, new schemes etc. and take corrective actions as per the feedback received from the consumers. Bijli Chaupals are planned at Sub-division level to enable the Officers of the Discom to better interact with consumers at the ground level. Directions have been accorded to conduct Bijli Chaupal along with the Jan Sunwai camps conducted by the Discom.

		Regarding Discom officers visite to Noida to study the intervention made by their distribution company, a team from AVVNL visited Noida and had fruitful discussions with Officers of Noida Power Company Limited (NPCL) and submitted the report. The committee submitted that the main back bone of NPCL in rural area is VCP. NPCL has separate surveillance teams which identify the pilferage of energy and damage system.
2	**<u>Principles for day to day working</u>**	
	Discoms are directed to keep in mind following principles in their day to day working: Standardization, simplification, modernisation, decentralisation, loss reduction, turnaround, Cost optimization, efficiency improvement, and consumer friendly environment.	**JVVNL, AVVNL & JdVVNL:** The Discoms submitted that they are making conscious efforts to incorporate the principles of standardization, modernization, simplification, loss reduction, and turnaround, cost optimization, efficiency improvement and consumer friendly environment in its day to day working. Future plans and processes are designed and implemented based on the mentioned principles and Strategies are discussed upon and devise in order to simplify and standardize the existing processes of the Discoms in order to aid consumer satisfaction and create a better and friendly environment for the consumers of the Discom. Various schemes being implemented by the Discoms are targeted towards reduction in losses and improvement of the Discoms efficiency. Ajmer Discom also submitted that these principles have borne admirable results, as evidenced by the AT&C loss of FY 2022-23, which stands at 10.00%. The Discom has implemented various best practices. In keeping with the direction of the Commission to work with the principle of decentralization, the Discom submitted that it is cognizant of the need to ensure successful implementation of the PM-KUSUM

		scheme and ensure successful implementation of the Rooftop Solar Program.
3	**<u>Net Zero and National goal for year 2030 and 2070</u>**	
	a) Distributed Generation – The Discoms are accordingly directed to chalk out the plan for purchase of distributed renewable energy and take up the matter with the Central Govt. for higher Central Financial Assistance (CFA) under KUSUM Scheme. The State Govt. is also advised to consider if they can provide additional assistance to the Discoms /farmers so as to fast track the solarisation of the grid. Discoms are directed to remove and mitigate procedural and other problems faced by prosumers, farmers and investors in installation of solar power.	**JVVNL:** a) The Discom has been making conscious efforts to boost the distributed renewable energy through decentralized solar power generations. Component-A of PM-KUSUM Scheme includes setting up of decentralized ground / stilt mounted grid connected solar or other RE based power plants of 0.5 to 2 MW for which RRECL as implementing agency has selected 112 sub-stations in JVVNL with project allocated capacity 105 MW. However, due to difficulty in land identification and getting the projects financed from banks / financial institutions, slow progress has been observed. Discom submitted that availability of solar power plant developer and land are two key cost contributors as well as basic requirement of setting up of a solar power project and therefore, JVVNL (on behalf of all three Discoms) launched Saur Krishi Ajivika Yojna (SKAY), a dedicated platform for farmers / land-owners and solar power developers to address 'land identification, its procurement and associated cost' related challenge and to boost decentralized distributed solar generation as per MNRE guidelines dated 04.12.2020 under Component C (Feeder Level Solarization). Levelized tariff in the range of Rs 3.33/unit (L1) to Rs. 3.55/unit has been awarded under Component C (Feeder Level Solarization). The farmers of the Discom would be able to reap benefits from the scheme. Some of them are presented as under:

		– The primary benefits under this for the farmers would be the availability of day-time solar power to farmers. This is a major step forward in the power supply scenario to the farmers of the Discoms who earlier had to be dependent on the allocated time blocks in which power was provided. – The farmers also have the opportunity to earn additional income in the form of lease rent for the barren land. The State of Rajasthan experiences shortfall in rains which leads to lends getting non-fertile and barren over a period of time. This scheme provides them with a genuine opportunity to earn additional income on such barren lands. Also, the Discom stands to benefit from the mentioned scheme. Some of the benefits are: – Availability of cheap solar power at distribution end leading to reduction in power purchase cost and AT&C losses – Reduction in power transmission cost owing to avoided transmission infrastructure as power generation and consumption is at distribution end – Better RPO compliance translating to savings of around Re 1 per unit (currently borne by Discoms due to shortfall in compliance) Further, JVVNL floated tender under Component C (pump level Solarization) for installation of solar PV system (12 kW) as pilot project for solarization of agriculture pumps (24 nos.) having load upto 7.5 HP which were successfully installed. In similar lines, JVVNL floated tender (TN-04) for appointment of turnkey contractors

		towards implementation of Component C (pump level solarization) for target of 6,367 nos. grid connected water pumps and works were awarded. However, as farmers were reluctant to pay 10% of total system cost upfront to Discoms, the allotted projects were cancelled, and decisions were made to proceed with Feeder Level Solarizations under Component C of PM-KUSUM Scheme. Subsequently, JVVNL has floated tender for 113 MW (TN-01) solar power plants for solarization of agriculture consumers connected on 11 kV feeders of various GSS under KUSUM Scheme – Component C (Feeder Level Solarization). Out of 113 MW, aggregate capacity of 52.66 MW was finalized after negotiation and petition was filed before Hon'ble RERC dated 10.05.2023 for approval of levelized tariff discovered transparent competitive bidding process. The same was approved on 16.6.23. Subsequently, work order for 20 number of solar power projects was allocated. Additionally, other tenders are floated under JVVNL with total Solar Power Capacity of around 351 MW (TN-02 till TN-06) under Component C (Feeder Level Solarization) which is under tendering stage and finalized capacity (MW) shall be likely accounted in the next financial year. Further Discom has taken up matter with MNRE for higher CFA under KUSUM scheme. **AVVNL:** **(a)** Discom submitted that they have floated various tenders for solarization of agriculture consumers connected on 11 kV feeders of various GSS under KUSUM Scheme – Component C (Feeder level Solarization). The required information pertaining to the solar power plants for solarization of agriculture consumers connected on 11 kV feeders of various GSS under KUSUM

Scheme – Component C (Feeder level Solarization) is presented below:

S.No	Tender No.	No. of Plants	SPV Capacity (MW)	Current Status
1	TN-DSM-04	16	35.4	LoA Issued
2	TN-DSM-06	20	46.54	LoA issued
3	TN-DSM-07	25	76.86	LoA issued
4	TN-DSM-11	97	240.74	Tender uploaded
5	TN-DSM-12	69	140.01	
6	TN-DSM-13	74	182.40	Tender uploaded.
7	TN-DSM-14	93	188.62	
	Grand Total	**394**	**910.57**	

In Kusum C for achieving target, AVVNL has floated tender for individual pump solarization TN-DSM-03 for design, survey, supply, installation, testing, commissioning & 5 years comprehensive maintenance of distributed grid connected solar pv systems for solarization of grid connected agriculture consumers (along with mandatory replacement of existing grid connected AC pumps with BLDC pump sets) under PM KUSUM Component C – (Pump Level Solarization) for selected agriculture consumers connected on 11 kV feeders of 36 No. and total 3011 agriculture consumer. LOA Issued on 07/10/2023 and survey under progress.

As regards directive of the Commission on higher CFA under KUSUM Scheme, it is submitted that Discoms had requested MNRE that the CFA limit of 7.5 HP may be waived off under the guidelines and CFA should be available as per actual pump capacity. Additionally, the matter has been requested repeatedly to MNRE in various meetings.

JdVVNL:

(a) The Discom submitted that it has been making conscious efforts to boost the distributed renewable energy through decentralized solar power generations.

I. Power purchase agreements under PM

KUSUM Scheme

II. Signed 489 PPAs equivalent to 602 MW capacities. Out of which 80.5 MW stands commissioned.

Consumers (non-obligated entities) of Rajasthan Discom's have installed Rooftop Solar projects and the energy generated from such consumers will meet the RPO compliances of Rajasthan Discom's. Details are as follows:

Particulars (in MW)upto	JdVVNL
FY 2019-20	47.91
FY 2020-21	137.22
FY 2021-22	171.27
FY 2022-23	204.65

Discom submitted that availability of solar power plant developer and land are two key cost contributors as well as basic requirement of setting up of a solar power project and therefore, JVVNL (on behalf of all three Discom's) launched Saur Krishi Ajivika Yojna (SKAY), a dedicated platform for farmers / land-owners and solar power developers to address 'land identification, its procurement and associated cost' related challenge and to boost decentralized distributed solar generation as per MNRE guidelines dated 04.12.2020 under Component C (Feeder Level Solarization).

The farmers of the Discom would be able to reap benefits from the scheme. Some of them are presented as under:

The primary benefits under this for the farmers would be the availability of day-time solar power to farmers. This is a major step forward in the power supply scenario to the farmers of the Discom's who earlier had to be dependent on the allocated time blocks in which power was provided.

– The farmers also have the opportunity to earn additional income

		in the form of lease rent for the barren land. The State of Rajasthan experiences shortfall in rains which leads to lends getting non-fertile and barren over a period of time. This scheme provides them with a genuine opportunity to earn additional income on such barren lands. – Also, the Discom stands to benefit from the mentioned scheme. Some of the benefits are: – Availability of cheap solar power at distribution end leading to reduction in power purchase cost and AT&C losses – Reduction in power transmission cost owing to avoided transmission infrastructure as power generation and consumption is at distribution end – Better RPO compliance translating to savings of around Re 1 per unit (currently borne by Discom's due to shortfall in compliance) – Subsequently,JdVVNL has identified 2076 nos. 33/11 kV Sub-Stations & 2973 nos. plants with total SPV capacity of 7,923MWp and the plant wise list has been made available on the SKAY portal for landowners / farmers as well as for developers. Based on response received on SKAY portal, JdVVNL has floated tenders TN DSM-01 to TN DSM-02 & TN DSM-04 to TN DSM-43for646 nos. 33/11 kV Substations & 832 nos. Plants having 1,55,557 nos. agriculture consumers connected with total capacity of 2209.21MWp nos. of for the purpose of setting up grid connected solar power plant to meet the annual power requirement of feeders using solar energy.
	b) *Maximising*	**(b & c)** **JVVNL,AVVNL & JdVVNL :-**

	RE power purchase by the Discoms - Discom should buy maximum power from them also so as to reap benefits of cost effectiveness and scalability. The Discoms can initiate action to purchase energy through competitive bidding upto RPO under intimation to the Commission without any prior specific approval for the same and directly approach the Commission for adoption of Tariff to maximize the benefit for the consumer of the State they should even purchase the RE beyond their RPO. As Rajasthan Urja Vikas Nigam Limited (RUVNL) is managing purchase of electricity on behalf of Discom, they are adviced to explore the possibility of engaging themselves in trading of green power either bilateral or through exchange and earn trading margin which can be used to set off power purchase cost of Discoms. Discoms are directed to furnish quarterly information of solar & wind capacities	The Discoms submitted Rajasthan Urja Vikas and Information Technology Limited (RUVITL) formerly known as Rajasthan Urja Vikas Nigam Limited (RUVNL) has been entrusted in the duty of making power purchase on behalf of Rajasthan Discoms. RUVITL has been making substantial efforts in procuring more RE Power and comply with the RPO targets as specified by the Commission. RUVITL/Discoms signed PSAs for procurement of RE power and the capacity, which is yet to be commissioned, the details of which are delineated: -

Particular	PPA/ PSA/ PUA	Developer/ Intermediary Procurer	Capacity (MW)	Annual Energy (MUs)	SCOD/ extended SCOD
Wind	PSA	SECI	1200 (545 MW commissioned)	3589.69	10.06.2023/ Sept 2024
Solar+ PSP	PSA	SECI	490	1653.70	02.08.2023
Solar	PSA	SECI	1070	2599.47	(signed in Jan, 2021 & original SCOD was Oct 2023 & extended till 31.03.2024. Now SCOD revised as 2025.
Solar	PSA	SECI	1785	4538.16	30.11.2023 & extended till 31.03.2024. Now SCOD revised as May 2025.

	installed & contracted. **c) *RE Skill Development -*** The Commission advice State Govt. to direct Rajasthan Renewable Energy Corporation to introduce the concept of Saur Mitra / Vayu Mitra where technically qualified persons are trained and appointed in suitable numbers at all major places in the State so as to: (i) Assist prospective prosumers in installation of solar rooftop systems and guide them for resolution of technical and procedural problems. (ii) Assist farmers to install plants under various components of KUSUM (iii)Assist prospective investors to understand the benefits of investing in RE in the State. Rajasthan Renewable Energy Corporation may also be directed to create Renewable Skill Development Centres where not only Saur/Vayu Mitra are trained but other unemployed youth is also given hands on	Biomass	PPA	TNA Renewable Energy Pvt. Ltd,	14.9	184.66	FY 2025-26
				VCA Power Pvt. Ltd.	14.9		
				KTA Power Pvt. Ltd.	14.9		
				Nano Green Power Pvt. Ltd.	8		
		Waste to Energy	PPA	JUWML	18	107.28	July 2024
		Solar	PUA	NLCIL	300	749.50	03.04.2024
		Solar	PUA	SJVNL	500	1257.24	03.04.2024
		Solar	PPA	7 Developers	1000	2729.38	Sept 2025
		Total			6415.70	17409.08	
		RUVITL/Discoms has always endeavored to contract required capacity in a timely bound manner to achieve the RPO targets of Discoms and have still lagged behind owing to reasons beyond the control of RUVITL/Discoms. The repeated extensions provided to generators have led to delay in commissioning of projects and ultimately non-fulfillment of RPO. The projects of around 2000 MW (Tranche-III 1070 MW/IV-1785 MW) under pipeline are still far from seeing the light of the day as SCOD has been further extended till May/June 2025 on account of non-readiness of evacuation system of RVPN. RUVITL has persistently taken up the matter with RVPN for timely expediting the work of Jaisalmer-2 GSS Sub-station. RUVITL/Discoms have also propelled the execution of Escrow agreements under PM						

	training for installation, operation and maintenance of RE plants so that Rajasthan may also become the RE Skill Capital of the country. The existing ITI / Skill development center may be developed as RE Skill development center with the help of "Skill Council of Green Jobs", an initiation of Govt. of India aligned to National Skill Development Mission.	KUSUM-A and PPAs under PM KUSUM-C so that the projects are implemented timely and enhance the RPO fulfillment. Moreover, the Discoms are aggressively implementing the PM KUSUM Scheme Component-C and have awarded around 3000 MW capacity under the said Scheme. The energy from these projects will significantly contribute towards RPO achievement. ***Roof Top Solar:-*** Under Phase-II Rooftop Solar Program, AVVNL (on behalf of all three Discoms) floated RFP (TN-DSM-02) for empanelment of vendors for setting up rooftop solar systems on 15.03.2022. Implementation of the rooftop solar in Rajasthan is being carried out through State Level Implementation Framework (Unified Web Portal) & National Solar Portal. Also, cumulative RTS capacity of 423 MW is installed under JVVNL till FY 2022-23. Discoms submitted quarterly and total renewable energy capacity and capacity contracted as below:

Particular	Solar		Wind	
	Capacity Installed	Capacity Contracted by Discom	Capacity Installed	Capacity Contracted by Discom
	MW	MW	MW	MW
At beginning of the FY (1.04.2023)	3362	-	3730.35	-
Addition during the Ist Quarter(Till 30.06.23)	19	-	129.6	-
Addition during the 2nd Quarter(Till 30.09.2023)	366	300	100.65	-
Addition during the 3rd Quarter(Till 31.12.23)	26.5	-	100.93	-
Addition during the 4th Quarter(Till 31.03.24)	237	1500	284.6	-

<table>
<tr><td></td><td>d) Developing Rajasthan as a manufacturing hub - With setting up of more and more RE power capacity in the State, more RE manufacturing facilities are to be brought in the State also. To cater this demand OEMs may be attracted to set up such facilities within the State which, in turn, will increase the industrial category consumption. This will lead to increase in revenue to the Discoms and also enhanced GST collections.</td><td>JVVNL,AVVNL & JdVVNL:-
(d)
The Discom has approached RRECL regarding the Commission direction of skill development in Renewable Energy. Further discussions shall be initiated towards this direction and a suitable roadmap for shall be chalked out the skill development and appointment of technical workers/officers by RRECL.
RUVNL is putting in constant efforts to analyze and tap into the immense potential of RE power in the State of Rajasthan. In this regard future projects have been earmarked and work towards implementation of the same are in process. Accordingly, all possible options for promoting the manufacturing industries shall also be explored.</td></tr>
<tr><td>4</td><td colspan="2"><u>Road map for EV charging stations</u></td></tr>
<tr><td></td><td>Discoms should study the type of chargers availability, their impact on transformers and system, possibility of integration of Smart charger with Smart Meters so as to introduce ToD tariff where such charger/Meters are installed alongwith other technical interventions required.
Discoms shall initiate the process of setting up of Charging Infrastructure either through themselves or through appropriate model so</td><td>JVVNL, AVVNL & JdVVNL: The Discoms are in process of analyzing the EV influx in the State and its associated parameters. Network strengthening for EV charging stations is also a part of the loss reduction interventions planned by the Discom under RDSS. The circle wise target for same of three Discoms is presented as under:
<table>
<tr><th>Circle of JVVNL</th><th>Target</th></tr>
<tr><td>Alwar</td><td>6</td></tr>
<tr><td>Baran</td><td>2</td></tr>
<tr><td>Bharatpur</td><td>2</td></tr>
<tr><td>Bundi</td><td>2</td></tr>
<tr><td>Dausa</td><td>4</td></tr>
<tr><td>Dholpur</td><td>2</td></tr>
<tr><td>JCC</td><td>10</td></tr>
<tr><td>JPDC</td><td>10</td></tr>
<tr><td>Jhalawar</td><td>2</td></tr>
<tr><td>Karauli</td><td>2</td></tr>
<tr><td>Kota</td><td>4</td></tr>
<tr><td>SWM</td><td>2</td></tr>
<tr><td>Tonk</td><td>2</td></tr>
<tr><td>Total</td><td>50</td></tr>
</table></td></tr>
</table>

	as to meet the targets given in the revised guidelines notified by Ministry of Power, Discom shall propose Capital Investment Plan for upgrading its network accommodating Charging Infrastructure, Discoms may also encourage other energy companies (like IOCL, HPCL, IGL etc.) to invest in providing a charging network. EV Cells of Discoms shall also conduct a study regarding smart charging features and for implementation of Smart Charging. The Discoms shall install smart meter at all Public Charging Stations etc. The Discoms are directed to furnish the status of compliance of aforesaid direction along with next ARR and Tariff Petition.	<table><tr><th>Circle of AVVNL</th><th>Target</th></tr><tr><td>ACC</td><td>3</td></tr><tr><td>ADC</td><td>3</td></tr><tr><td>Banswara</td><td>1</td></tr><tr><td>Bhilwara</td><td>3</td></tr><tr><td>Chittorgarh</td><td>2</td></tr><tr><td>Dungarpur</td><td>1</td></tr><tr><td>Jhunjhunu</td><td>2</td></tr><tr><td>Nagaur</td><td>2</td></tr><tr><td>Pratapgarh</td><td>1</td></tr><tr><td>Rajsamand</td><td>2</td></tr><tr><td>Sikar</td><td>2</td></tr><tr><td>Udaipur</td><td>3</td></tr><tr><td>Total</td><td>25</td></tr></table> <table><tr><th>Circles of JdVVNL</th><th>Target</th></tr><tr><td>Barmer</td><td>1</td></tr><tr><td>Bikaner</td><td>5</td></tr><tr><td>Churu</td><td>1</td></tr><tr><td>Hanumangarh</td><td>1</td></tr><tr><td>Jaisalmer</td><td>1</td></tr><tr><td>Jalore</td><td>1</td></tr><tr><td>Jodhpur</td><td>12</td></tr><tr><td>Pali</td><td>1</td></tr><tr><td>Sriganganagar</td><td>1</td></tr><tr><td>Sirohi</td><td>1</td></tr><tr><td>Total</td><td>25</td></tr></table> Presently, Discoms have initiated survey works associated with the loss reduction works as specified under RDSS. The Discoms are committed towards meeting up the targets as specified under RDSS and are working relentlessly towards the same. Also in this matter Jaipur Discom has requested M/s Rajasthan Electronics & Instruments Ltd, Jaipur to provide the required information about smart chargers and further study will be conducted as and when required information is received. The Hon'ble Chief Minister has announced establishment of 250 charging station across the State. The Finance Department, GOR has designated the Transport & Road Safety department, GoR and the Urban Development & Housing Department, GoR as the Nodal Agency for the same. It is further submitted that the complete capital investment of setting up of EV

charging stations is to be borne by the Charging Point Operator and the subsidies may be given by the State Government as per Rajasthan EV Policy 2022. Oil companies are already undertaking works towards the establishment of charging stations.

AVVNL:

Discom submitted that Capacity-wise details of EV charging stations sanctioned under RDSS for all Circles of the Discom are as under:

Circle	***No. of EV Charging Stations with Capacity of 100 kVA***	***No. of EV Charging Stations with Capacity of 160 kVA***	***Total EV Charging Stations Sanctioned under RDSS***
ACC	0	3	3
ADC	2	1	3
Banswara	1	0	1
Bhilwara	1	2	3
Chittorgarh	2	0	2
Dungarpur	1	0	1
Jhunjhunu	1	1	2
Nagaur	2	0	2
Pratapgarh	1	0	1
Rajsamand	2	0	2
Sikar	2	0	2
Udaipur	0	3	3
Total	***15***	***10***	***25***

5	**<u>Flat rate category</u>**	
	Despite Commission's direction to convert all flat rate consumers by 31st March 2023, Jaipur and Jodhpur Discoms have proposed to continue with flat rate consumers in FY 2023-24 also. In Commission's view continuation of flat rate consumers tantamount to noncompliance of the Act and	**JVVNL:** Discom is continuously pushing to convert all its Agriculture Flat Rate consumers to metered category and due to the persistent efforts of the Discom it has been able to reduce the number of flat rate consumers to 144 Nos. as on 31.01.2024. Post hearing Jaipur Discom submitted that they have converted all Flat Rate consumers to metered category. **AVVNL:** Discom submitted that all Agriculture Flat Rate consumers have been converted to metered category. Therefore, there are no Agriculture Flat Rate consumers in its area of supply.

<table>
<tr><td></td><td>Commission's Directions.

The Commission directs the Discoms that in next year tariff petition; they should come up with a proposal of abolishing the flat rate category.</td><td>JdVVNL: Discom submitted that the conversion of flat rate agriculture is a laborious procedure. The Discom continues to make all necessary efforts on a consistent basis, and all field officers have been instructed to expedite the process. The Discom has also recognized that the conversion benefits both Discom and the consumers, and it has requested Commission for extension of time,
Discom argues that their enormous agriculture customer base presents intrinsic disadvantages, despite their best attempts to convert all flat-rate customers to metered customers. Discom also submits that, by end of March-25, they would strive to convert all agriculture flat rate consumers to metered consumers.</td></tr>
<tr><td>6.</td><td colspan="2"><u>High percentage of defective meters</u></td></tr>
<tr><td></td><td>Commission directs the Discoms to keep all meters in healthy condition and if a meter gets defective same should be replaced within 2 months. The Commission shall not allow higher consumption to be assessed in the garb of defective meters.</td><td>JVVNL: Discom submitted that the meters getting defected, and their subsequent replacement is an ongoing process. The directions for timely replacement of defective meters imparted to the concerned officers.

The category wise number of defective meters as on 31.03.2023 is given below:

<table>
<tr><th>Category</th><th>Defective Meters</th></tr>
<tr><td>Domestic</td><td>1,07,869</td></tr>
<tr><td>Non-Domestic</td><td>5,826</td></tr>
<tr><td>Public Street Light</td><td>181</td></tr>
<tr><td>Agriculture Metered</td><td>1,04,654</td></tr>
<tr><td>Small Industry</td><td>2,147</td></tr>
<tr><td>Medium Industry</td><td>26</td></tr>
<tr><td>Large</td><td>7</td></tr>
<tr><td>Bulk</td><td>160</td></tr>
<tr><td>Grand Total</td><td>2,20,870</td></tr>
</table>

AVVNL: The Discom submitted that it is committed to ensuring that meters are kept healthy and to replace defective meters at the earliest. The replacement of meters is an ongoing process and the Discom is</td></tr>
</table>

continuously working to the best of its ability to ensure replacement of defective meters within the stipulated timeframe. It is submitted that replacement of defective meters is subject to availability of material in the Discom's inventory. Additionally, it is submitted that the Discom needs to allocate its limited financial resources judiciously while incurring capital expenditure while at the same time adhering to its various commitments under the relevant Rules, Policies and Regulations.

Discom submitted that despite all the challenges enumerated above Discom submitted that directions for timely replacement of defective meters are regularly imparted to the concerned officers in various meeting like Sr. Officers meeting, Discom review meeting etc. held from time to time. As a result of the highest priority accorded to the replacement of defective meters by the management of the Discoms, it is submitted that except for agriculture category, defective meters account for ~ 1% of total number of meters. The number of defective meters in agriculture category as on 31.03.2023 was 156,235. However, as on February 2024, the number of defective meters in agriculture category as on 31.03.2023 was 103,910.

JdVVNL: Discom understands and values the importance of having the meters in a healthy state. It is submitted that the meters getting defected, and their subsequent replacement is an ongoing process. The Discom works continuously for the analysis and replacement of defective meters. The category wise status of replacement of meters for FY 2022-23 attached in table below:

S. No.	CATEGORY	Nos.
1	Agriculture	37091
2	Domestic	153204

		3	LIP	207
		4	MIP	836
		5	Mixed load	476
		6	Non-Domestic	19957
		7	Public Street light	491
		8	SIP	6092
		Grand Total		**217556**

7. **Fixed Assets Register**

Discoms have not complied completely with Commission directives. The Discom have did not file the information of voltage wise assets and the reconciliation of same with scheme wise capitalization. In compliance to Commission directives, the Discom has submitted that till date accounts are being prepared manually and field offices neither maintain voltage wise physical quantity of assets nor scheme wise assets. The above details can be maintained only after an effective implementation of ERP which facilitates the recording of assets voltage wise and details of scheme/end use is entered when material is issued from the stores. In compliance to

JVVNL, AVVNL & JdVVNL: The Discoms submitted that the FAR is being maintained manually in the Microsoft excel worksheets on the basis of information as received from the field offices.

Further, it is submitted that the process of inviting tenders to carry out the study of voltage wise sales and losses as desired is under progress.

Additionally, under the RDSS, the Discoms are planning to implement and execute the ERP system. The planned ERP system is envisaged as part of IT/OT works in Loss Reduction under RDSS. IT/OT projects have been distributed among the three Discoms as under by DCF in the 77th meeting:

Name of IT/OT activities	Tendering process to be done by
1.Revenue management System and 2.Upgradation of ERP System	Jaipur Discom
3.Cyber Security and implementation of security measures 4.Roaster Management and Load Forecasting System for AG- Supply 5. Power Transformer Tracking and Health Monitoring System.	Jodhpur Discom
6. GIS , NA & AM , NMS & EMS System 7. BI, Data Analytics & warehousing	Ajmer Discom

Jaipur Discom shall take up Tendering

	direction of the Commission for digitization of asset, Discoms submitted that once the ERP is successfully implemented, the required digitization of the assets register shall be completed. The Commission in last few years at many occasions has directed Discoms for Implementation of IT and ERP; However, this year also the compliance status is limited to making of cells and intimation of non-definitive tender process. Therefore, the Commission directs Discoms that they must plan and execute implementation of ERP System. Discoms are directed to update and furnish Fixed Assets Registers on year-to-year basis along with True up petitions and also place the same on website.	process for ERP under RDSS. Additionally, it is also submitted that the FAR till FY 2022-23 has duly been uploaded on the website of all Discoms. **JdVVNL:** JdVVNL also submitted the following to be incorporated in line with the requirements for FAR. A) Capabilities to update Fixed Asset Register upon Capitalization of Asset manage assignment. B) Centralized definitions of content of Fixed Asset Register to support companies (Auditor Report) order 2013 or latest [CARO] and other statutory requirement. Further State e-governance mission team (SeMT) accorded approval for recommendations of PeMT for implementation of ERP common for all Discoms as per the Standard Bidding Document (SBD) issued under RDSS. With data gaps reply JdVVNL has submitted Fixed Asset Registers of all circles of FY 2022-23. Discom submitted that the same is being prepared as per the discussions of JVVNL officials with RERC and the same shall not cover voltage wise details of assets as the same is not submitted.
8.	**<u>Claim of subsidy from GOR due to directive regarding Bi-Monthly billing</u>**	
	Discoms are directed to compute the impact of additional working capital requirement and claim the interest on working capital from the Government of Rajasthan and furnish	**JVVNL & AVVNL:** The Discoms submitted that during the Budget Announcement for FY 2021-22, the Government of Rajasthan had announced and directed Discoms to issue bi-monthly bills to certain category of consumers. Accordingly, bills are being issued to agriculture and domestic

	the compliance with next ARR Petition.	consumers on bi-monthly basis. In view of the RERC's Advisory to compute the impact of additional working capital requirement for the same, it is submitted that tariff subsidy is being provided to such consumers under Mukhyamantri Nishulk Bijli Yojana and Mukhyamantri Kisan Mitra Urja Yojana. Maximum bills to such subsidized agriculture and domestic consumers are being issued of zero amounts and 100% subsidy is being borne by the Government of Rajasthan. Thus, Discom has no loss on account of interest on working capital. **JdVVNL:** As per the directions of Commission, Jodhpur Discom has claimed subsidy of Rs 103.48 crore in FY 23-24 from GoR regarding bi-monthly billing. Further, Discom in post hearing submitted that GoR has issued directions for issue of monthly billing except agriculture consumers.
9.	**<u>Voltage wise Losses</u>**	
	Commission directs the Discoms to conduct sample study of voltage wise losses for at least 2 Nos. 33/11KV urban and 2 Nos. 33/11 KV rural substations by an independent third party and associated lines representing proper sample for each circle. Voltage wise losses for the circle should be extrapolated based on that data and scientific methods. The concerned circle officers shall be made responsible for ensuring that the study is	**JVVNL:** The Discom is in process of inviting independent agency to carry out the required study. The same shall be finalized shortly. **AVVNL:** The Discom submitted that in order to conduct the voltage-wise study, it is prerequisite to establish metering at 33kV substation incomer, all 11kV feeders, all DTs associated to these 11kV feeders and AMR of all the consumers/prosumers with proper indexing and correct consumer tagging, with Meter Data Acquisition System, dynamic consumer tagging system and energy audit at various voltage levels. At present, such infrastructure is not in place for all 48 33/11 kV substations for 12 O&M circles. Furthermore, none of the energy meters at 33kV and 11kV level are provided with AMR. Additionally, in rural

	completed in time. Thereafter, the losses at Discoms level be reworked out. The data report of such study be furnished to the Commission within four months of the order and based on that the Commission may consider fixing voltage wise losses.	areas, the DTs are not metered and no AMR system is available. However, the Discom has engaged M/s Idea Infinity IT Solutions Pvt. Ltd, Bengaluru to establish AMR of all 11kV feeders and 33kV KIOSK meter installed at 33/11 kV substations through GPRS based communication technology. The Discom also submitted that zone-wise tenders have been published to appoint Advanced Metering Infrastructure Service Provider (AMISP) who will install AMI system for all consumers and DTs as well as consumer tagging on de-nova basis under the RDSS. The discom submitted that in view of the above, the study of voltage-wise losses may take some time. Thus, the Discom requested the Commission to provide an appropriate timeframe to ensure that the necessary infrastructure is in place, taking full advantage of the RDSS. **JdVVNL:** The Discom submitted that regular discussions are being held by Discom. Further progress on the same shall be intimated to the Commission in due course of time. The Discom requested to grant some more time regarding the same.
10.	**<u>Medium Term Business Plan</u>**	
	Commission again directs Discoms to prepare a medium-term business plan indicating likely impact and strategy to deal with electric vehicles, distributed generation, prosumers and influx of renewable energy and other related trends of power sector. The plan should also	**JVVNL, AVVNL & JdVVNL**: Discoms submitted that they are in process of studying the aspects as directed by the Commission. Discoms also submitted that the detailed study of all such aspects is a time-consuming process and accordingly the Discoms requested to kindly grant some more time for the same.

<table>
<tr><td></td><td>cover an action plan for reduction of losses, efficiency improvement, need for finances and turnaround strategy of Discoms. Such plan should be prepared and be submitted to the Commission within six months from the date of order.</td><td></td></tr>
<tr><td>11.</td><td colspan="2"><u>Special Audit</u></td></tr>
<tr><td></td><td>The Commission directs Discoms to carry out the special internal audit in all the circles starting with Circles mentioned in ARR order dated 24.11.2021 to justify the investment made and furnish a detailed report to the Commission along with next ARR and Tariff petition.
Discom should also issue internal guidelines for field officers indicating steps to exercise prudence while proposing/executing investments. If need be earlier guidelines and procedures be compiled and new comprehensive guidelines keeping in view of prevailing system be prepared and placed on website of the Discoms also.</td><td>JVVNL: The Discom submitted that in compliance to the Commission's directive, a committee was constituted to study the Jaipur City Circle(JCC) and the committee furnished the report, findings of which is being briefed as below.
The capital expenditure for financial year 2019-20, 2020-21 & 2021-22 made in the circle is as given below:
<table>
<tr><th>Year</th><th>Total (in Cr.)</th></tr>
<tr><td>2019-20</td><td>117.11</td></tr>
<tr><td>2020-21</td><td>65.04</td></tr>
<tr><td>2021-22</td><td>81.46</td></tr>
</table>
Aforesaid capex invested with a primary objective to expand infra to cater to the requirement of consumers. As such capital investment was not with the specific objective of bringing down the level of losses.
Though, it is very subjective to carry out cost benefit analysis in purely commercial terms, in respect of a public sector undertaking aspiring to serve a range of socio-economic larger goals. Further, very purpose of capex investment is not only to bring down the distribution losses but also to ensure reach of electricity at the grassroots level, following the larger socio-political agenda. As such, the findings of the committee are subject to these underlying inherent conditionality's.</td></tr>
</table>

The year wise distribution losses of the city is as under :

Particular/Year	2019-20	2020-21	2021-22
Distribution loss (In %)	7.00	6.95	7.37

The committee has observed that circle could reduce its distribution losses from 7 to 6.95 % in FY 2020-21 and on account of this JVVNL could capture a saving of Rs. 104.85 lacs.

The committee has found that the circle by a capex of around Rs. 117 cr. could bring its distribution losses by 0.05% in the following year 2020-21. However, despite an additional capex of around Rs. 65 cr. in the next FY 2020-21, its distribution losses rebounded to 7.37 per cent. However, it may be nated that the capex so invested might have contributed its due but there may be other reasons which had actually contributed towards not reaping the expected results. Hence, capex can't alone be attributed to the failure to realize the envisaged results. Furthermore, due to ever increasing urbanization of the capital city, expansion of the network at faster space and composition of LT lines and scattered consumer base may have also contributed towards not realizing the financial results in consonance with the capital investment made. Besides this, the current distribution loss level of Jaipur city circle is around 7 % which is most idealistic particularly in the context of a developing country like India. As such, it is very hard to expect for any further aggressive reduction, yet capex is a regular phenomenon to cater to the need of ever-expanding urbanization of the city. Hence, in this perspective capital expenditure cannot be arithmetically linked to the reduction in losses.

AVVNL: Discom submitted that in

		compliance with the directive of the, the Discom constituted a committee to conduct Special Audit of investment made by the Discom in Ajmer City Circle along with a cost-benefit analysis. It is submitted that the Committee has submitted its report. The summary of the report is provided below :- Ajmer City Circle is at the heart of Ajmer Discom with 2 divisions and 10 sub divisions. The circle has 35 nos of 33/11/kV substations, 160 kms of 33 kV lines and 1345 kms of 11 kV lines. Rule 3 of the Electricity (Rights of Consumers) Rules, 2020 obligates the Discom to supply electricity on request in line with the provisions of the Electricity Act, 2003. Furthermore, Discom is obligated to provide minimum standards of service for supply of electricity to its consumers. Thus, Ajmer Discom considers its prime duty to ensure the following: 1. Reliable, affordable, and good quality of power supply to consumers through operationally efficient distribution system with the best use of manpower 2. Improvement of electricity supply to agriculture consumers for agriculture purpose in day time 3. Redressal of consumer grievances in a timely manner. To achieve the above objectives, Discom has incurred investment as under: • The population of Ajmer City Circle is increasing by the day. The increase in domestic connections over the period from 2019 to 2022 is illustrated in the table below:-

Year	Population (Lakh)	% Growth	Domestic Consumers (Lakh)	% Growth	Connected Load (MW)	% Growth
2019	7.15	-	2.35	-	4.3	
2020	7.28	1.81	2.46	4.6	4.57	6.27
2021	7.40	1.64	2.58	4.8	4.78	4.60
2022	7.49	1.21	2.69	4.2	5.20	8.78

- To cater to the increased demand, 33/11 KV substations and feeders equipped with required transformer cables, poles, meters and 11/kV LT OH/UG lines are required
- To cater to the need of the masses, rapidly growing industries and fast-paced urbanization in Ajmer City Circle, the Discom has to adopt various modern technologies and create state-of-the-art infrastructure
- As per the directions of the Government of Rajasthan, agriculture connections have been released along with improvement and augmentation of substations for improved power supply during the day time to agriculture consumers
- Discom is committed to ensure uninterrupted quality supply to industries and in lieu of the same, considerable investment has been incurred
- Discom has also incurred expenditure on account of investment in Ajmer City Circle under various centrally sponsored schemes such as IPDS, DDUGJY, etc.

The table below illustrates the Distribution Loss in Ajmer City Circle in FY 2019-20 (prior to incurred capital investment), FY 2020-21 and FY 2021-22:

Particulars	Before Investment	After Investment	
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Energy Drawn (LUs)	7826.03	7790.82	8374.76
Energy Sold (LUs)	6861.52	7098.75	7633.56
Distribution Loss (LUs)	964.56	692.07	741.20
Distribution Loss (%)	12.32	8.88	8.85
Saving (LUs)	-	272.49	223.36

Thus, as a result of the capital investment incurred in Ajmer City Circle, Ajmer Discom incurred a saving of 272.49 LUs in FY 2020-21 and 223.36 in FY 2021-22. Furthermore, the losses of Ajmer City Circle are lower than that of the Ajmer Discom as a whole. Thus, the capital investment incurred in Ajmer City Circle has enabled the Discom to reduce losses and provide quality, reliable and affordable power to an increasing consumer base.

JdVVNL: Discom submitted that in compliance of Investment Audit of City Circle, Jodhpur has been carried out and further investment audit of remaining circles will be carried out in the same manner.

Discom further submitted that T&D Losses of Jodhpur City Circle is lower than Jodhpur Discom as a whole. Further year on year T&D losses are also reducing continuously along with providing quality, reliable & affordable power to the constantly growing consumers. Considering constant increase in the efficiency (evident from saving 135.42 Lakhs units in last 2 years) along with satisfied consumers itself justifies the investment made during the FY 2020-21 & 2021-22.

The Discom further submitted that, if any

		other improvement is required in the report, then necessary guidance may be imparted by the Hon'ble Commission. The Discom also submitted that Internal Audit manual is already in existence and the same is followed since the era of RSEB. Further, looking at the changing scenario Jodhpur Discom is regularly issuing circulars and orders to meet out the requisite requirements. Necessary Directions have been imparted to place the manual circulars and orders on the website of the Discom.
12.	**<u>Franchisee</u>**	
	The Commission directs the Discoms to furnish report on the performance of the franchisees by independent auditor within 3 months of issuance of this order and place the same on the website also.	**JVVNL:** Discom submitted the independent audit report of the Distribution Franchisee till March'21. **AVVNL:** Discom submitted that the report for the period upto FY 2021-22 is presently being examined by the Officers of the Discom. It is submitted that after completion of due process, the report will be submitted to the Commission and placed on the website of the Discom. Thus, the Discom requested the Commission to grant some time in this regard. **JdVVNL:** Discom submitted that M/s CRISIL Ltd, independent auditor was awarded for auditing of M/s BKESL in Bikaner City for 3 years i.e. from April -17 to March-20 and all 12 audit reports has been received, lastly in Aug-23 and the same are under verification. Once the reports are approved, same shall be uploaded on website. It is also submitted that the new tender of audit of M/s BKESL has been done and LOA (work order) awarded to M/s KPMG, work has been started.

13.	**Skill Development and Training**	
	Discoms are directed to incur at least 1% of total capex on the skill development and training of staff including training on safety and intimate the same to the Commission along with true up of ARR. Commission has directed the Discoms to ensure the availability of safety equipment to their staff.	**JVVNL:** Discom submitted that as per the Commissions directive, 1% of the CAPEX for FY 2024-25 shall be allotted to the skill development and training of the Discom officials. The Discom submitted that it conducts regular training and workshops for its technical and non-technical staff members. Specific module-oriented training regarding safety and other domains is provided. As directed by the Commission, the Discom shall continue to provide such training and strive to spend 1% of the CAPEX on the same. **AVVNL:** Discom accords the highest priority to skill development and training of the Discom's Officers and Staff. Accordingly it is ensured that there is adequate availability of safety equipment for the staff members. During FY 2022-23, the Discom had incurred an expenditure of Rs. 13.56 Lakh towards training programs. Furthermore, the Discom has incurred an expenditure of Rs. 61.65 Lakh towards skill development and training of staff for FY 2023-24 (till January 2024). **JdVVNL:** Discom accords the highest priority to skill development and training of the Discom's Officers and Staff. • Various safety/best practices in O&M trainings were organized for Executive Engineers/Assistant Engineers/Junior Engineers for the FY 2022-23 to reduce accidents in Discoms. Above safety/best practices in O&M trainings were sponsored by REC-IPMT for engineers of JdVVNL. • Various safety trainings were conducted for technical workmen at

		division level by JdVVNL training wing for FY 2022-23. • Also, induction/ Refresher training programs were conducted for Junior Accountants by JdVVNL, Accounts professionals have been trained at New Powerhouse, Jodhpur. • Online trainings for Engineers/ Technical helpers were conducted through google meet on regular basis for skill development and capacity building. • HCM RIPA had conducted various sponsored training for accounts/personal wing of JdVVNL under skill development initiative for FY2022-23. • Furthermore, safety of the Discom's staff is considered of utmost priority and accordingly it is ensured that there is adequate availability of safety equipment for the staff members. The Discom notes the directive of the Commission and shall submit requisite details for additional expenditure for compliance of Safety, if required.
14.	**<u>Monetization of Discom's Assets</u>**	
	Discoms are again directed that Circle wise no of poles and cables be reported along-with their income. In case income is shown as zero, the concerned Assistant Engineer should furnish an affidavit within three months of date of issue of this order to the concerned SE that he has checked all his area and no poles or assets are being used by Telecom operators, cable operators etc. or for any other	**JVVNL:** The Discom submitted the revenue realized against the assets monetization in FY 2022-23 and 2023-24 is 23.06 Cr. and 20.19 Cr. respectively. The Discom submitted that necessary directions were issued to concerned circle SE to issue necessary directions for the compliance of above directive. Moreover, circle AO's have been directed to generate list of subdivisions with zero pole rent and provide to SE for the necessary compliance. Also, circle SE's may be asked to provide the compliance report for the subdivisions in their area. **AVVNL:** Discom submitted that all Circles were requested to ensure compliance with

	commercial purpose. Concerned SE then deputes an internal audit team to verify the claim and take necessary action if some misreporting is found. Concerned SE shall be personally responsible for monitoring the income from monetization of Discoms asset in his circle. Commission will also get such claim verified through independent agency/consultant. The Discoms may accordingly comply with the directions given in the previous orders. MD(s) of Discoms are again personally directed to implement the concept of asset monetization and institute a transparent mechanism for identification of the assets, measurement and verification of revenue and create necessary accounting framework and thereafter submit quarterly compliance report in this regard indicating action taken and circle wise revenue realized.	the directive of the Commission. Discom submitted that during FY 2022-23, the Discom recorded revenue of Rs. 7.68 Crore as recorded in the financial statements for FY 2022-23. Moreover, in compliance with the directive in this regard, the Discom has set up a committee headed by the Director (Technical) to review progress of the Discom towards monetization of assets of the Discom. The Committee, in its meeting held on 28.03.2024 discussed the matter in great detail. Strict directions were issued and the Discom is expected to submit a detailed statement to the Commission after completion of due process. In view of the same, the Discom requested to grant some more time to comply with the aforementioned directive of the Commission. **JdVVNL:** The Discom submitted that regarding monetization of Discom's Assets, a separate code head (62.362) has also been issued for the use of poles of the Jodhpur Discom and income is booked under the code head 62.362 is Rs. 4,44,23,688.00 in FY 2022-23.
15.	**<u>Intrastate and Interstate Losses</u>**	
	Discoms should file the information of inter and intra state losses	**JVVNL, AVVNL & JdVVNL:** The Discoms submitted that a committee has been formed and multiple deliberations have

	separately, in next true up petition failing which the Commission will take an adverse view on the same.	been done regarding the segregation of inter and intra state transmission losses. The findings of the Committee shall be submitted along with the next true up petition.
16.	**<u>Implementation of IT and ERP</u>**	
	The Discoms are directed to look into the progress of IT & ERP implementation. DISCOMs are also directed to integrate FAR with IT and ERP systems. Discoms should also ensure that targets and benchmark of RDSS are achieved, so that Discoms can avail full grant available to them under RDSS.	**JVVNL, AVVNL & JdVVNL:** • Govt. Of India has approved a RDSS Scheme and this scheme seeks to improve the quality & reliability of power supply to consumers through a financially sustainable and operationally efficient Distribution Sector. PFC & REC Ltd are the designated nodal agencies for the scheme. As per guidelines under Part A of RDSS, IT/OT related work including ERP project has been envisaged with the objective of establishment of integrated platform for data collection, analysis and sharing across various functional areas which can make distribution business processes more efficient, robust, and reliable to meet the present and future challenges. Therefore Power Finance Corporation (PFC) has prepared Standard Bidding Document (SBD) covering QR, Payment terms, Evaluation methodology and Model Technical Specifications etc for ERP. • Then Discom Coordination Forum discussed the joint Plan for execution of IT/OT activities sanctioned under RDSS and directed to float the common tender for Üpgradation of ERP/any other application/ERP Implementation (New Modules). The Nodal agency for tendering shall be Jaipur Discom. • Discoms are very much committed for the successful implementation of the RDSS scheme

and rigorous works in this regard are being carried out by the Discom officials. A dedicated RDSS working cell has been formulated which regularly monitors the progress made in various works being carried out under this scheme. The progress of the scheme is constantly being monitored by the senior management as well.

- It is pertinent to mention and highlight here that Jaipur Discom has complied with all the specified pre-qualification criteria as per the RDSS guidelines for FY 2021-22. A brief of the same is presented as under:

S.No	Criteria	Compliance Status
1	Publication of un-audited quarter accounts	Complied. All quarterly accounts published as per scheme guideline
2	Publication of annual audited accounts	Complied. The audited annual accounts for FY-2022 had been adopted by AGM after CAG audit within the timelines specified in the scheme guidelines.
3	No creation of new regulatory assets	Complied. No new regulatory asset created in the Tariff Order or FY23
4	Timely payment of tariff subsidy	Complied. Full tariff subsidy for FY 22 received. Target recovery of legacy tariff subsidy in FY22 received.

- Jaipur Discoms has achieved and bettered the AT&C Loss target for FY 2021-22 as set in RDSS. Jaipur Discom has achieved AT&C loss of 16.81% as against the set target of 23.50% during FY 22.Further, it is submitted that the provisional AT&C loss for FY23 stands at 15.66% against the set target of 20.15% under RDSS.
- During FY 2021-22, AT&C loss recorded by the Ajmer Discom was 12.73% as against the target of 21.70% under the RDSS. Thus, the Discom has

		not only achieved the target under the RDSS but has also surpassed the same during FY 2021-22. Further, it is submitted that the AT&C loss for FY 2022-23 stands at 10.00% against the set target of 17.91% under RDSS. • For the implementation of common RMS across all three Discom's, as per the directions imparted in the 77th DCF meeting, Jaipur Discom is taking up the tendering process as per the SBD issued by the Nodal Agency PFC.
17.	**<u>Voltage wise cost of supply</u>**	
	Discoms are again directed to submit Voltage wise cost of supply based on actual voltage wise losses and sales in the next year ARR and Tariff Petition for FY 2024-25.	**JVVNL, AVVNL & JdVVNL:** Discoms submitted that they are in process for rolling out the tender regarding sample study for voltage wise sales and losses. Further, Discoms submitted that detailed report shall be submitted once the same is completed.
18.	**<u>Consumer Awareness and Compensation</u>**	
	The Commission directs that wherever smart meters are installed Discom should start reporting all parameters including above based on smart meters and pay direct compensation immediately. For other consumers also they shall institute a system for direct compensation and report the same in formats being submitted to the Commission as well as along with next ARR. The licensee is required	**JVVNL, AVVNL & JdVVNL:** The Discoms submitted that the smart meters are being installed as per the targets mentioned in RDSS. All out efforts are being made by the Discoms to adhere to the timelines as specified in the RDSS for the installation of smart meters. The Discom submitted that the complying with the SAIFI and SAIDI Norms as specified in the SOP Regulations, 2021 and accordingly no compensation has been provided on this account. The Discoms also submitted that regular campaigns are carried out with an aim of spreading awareness amongst the consumers of the Discom. Social media, newspapers, billboards and public hoardings are some of the platforms that

	to maintain SAIFI and SAIDI and need to pay compensation for this as well as the shortfall in other services. The Discoms are required to provide uninterrupted power supply to the Consumers. In order to create awareness in consumers, the licensee/franchisee shall publish a manual of practice for handling consumer complaints and wide publicity shall be arranged by the distribution licensee through media, TV, newspaper, website and by displaying in boards at consumer service-related offices. The Discoms are directed to furnish the compliance report in this regard. The Commission directs that to spread awareness among consumers Discoms should also start conducting workshops at their level and at least one workshop per year be conducted at each Division level. The information as placed under the tab 'consumer corner' should also be updated regularly. Efforts should also be	the Discoms use for advertisement and awareness purposes. More options shall also be explored by the Discom in future to further reach out to the consumers and spread awareness amongst them. **AVVNL:** Discom submitted that the system for direct compensation to consumer without smart meter as specified by Commission is under development and shall be implemented at the earliest in the Billing System. **JdVVNL:** Discom has floated below mentioned tenders for Smart metering implementation under RDSS for all consumers except AG consumers:- TN-IT-32 - Jodhpur Zone TN-IT-33 - Bikaner Zone TN-IT-34 - Barmer Zone Jodhpur Discom submitted that all the provisions for compensations to consumers as per Standard of Performance-21 shall be fully implemented along with roll out of aforesaid common tender/works for all three Discoms.

	made to educate the consumers towards their duties also like use of energy efficient devices, switch off power when not required and not to waste energy, regular checking of the meter and in case of any defect is found should report the Discom immediately, reporting of theft of electricity etc.	
19.	**<u>ToD Tariff</u>**	
	The Jaipur Discom is directed to act as a nodal agency to be in touch with M/s. Prayas and provide the data/ information on behalf of all Discoms. If some information is required from SLDC/Transmission company same shall also be arranged by Jaipur Discom along with all essential documents within 2 months of this order.	**JVVNL, AVVNL & JdVVNL:** The Discoms submitted that requisite data and information is being shared as and when requested by M/s Prayaas Energy. The practice will be continued in the future as well.
20.	**<u>Reduction of Losses –adoption of circles by MD and Director (Tech)</u>**	
	The Commission directs that MDs shall continue to furnish the information of Losses and revenue realized in the three (3) circles with highest losses adopted by their MD/Director also indicating interventions made and outcome in terms of	**JVVNL:** The circles of Bharatpur, Dholpur and Karauli have been adopted by MD (JVVNL), Director (Technical) and Director (Finance) respectively and directions have been issued to SE (O&M) of the concerned circles to regularly monitoring and reporting the losses. Nodal officers were appointed for various circles and sub-division and advised to make all out efforts that are also

	reduction of losses and with next year ARR they will give a snapshot of losses of FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24(till filing)	authorized to recommend disciplinary action against poor performers.

S.No.	Circle	FY 2021-22	FY 2022-23	FY 2023-24 provisional
1	Bharatpur	37.48%	32.79%	25.45%
2	Dholpur	38.86%	31.85%	19.66%
3	Dausa	24.93%	22.62%	25.26%

AVVNL: Discom submitted that the Managing Director, AVVNL had adopted Nagaur circle for review, monitoring and reduction of losses.

A snapshot of the losses in Nagaur circle is given below:

Circle	Distribution Loss (%) FY 2020-21	Distribution Loss (%) FY 2021-22	Distribution Loss (%) FY 2022-23	Distribution Loss (%) January 2024
Nagaur	28.46	27.57	23.49	21.69

JdVVNL: In pursuance of Commission's directive, the following circles are found to be having highest level of losses and are hereby adopted.

S. No.	Circle	Up to February-24 Losses (%)	Adopted by
1.	Churu	27.87	MD, JdVVNL
2.	Bikaner (DC)	34.11	Director (Tech.), JdVVNL
3.	Jodhpur(DC)	33.67	Director (Fin.), JdVVNL

These circles are pain areas for the Discom's and historically, had significant high losses. Discom has been closely and regularly monitoring the progress of various

		interventions for loss reduction in these areas. It is further stated that Directions have been imparted to review the status of reduction of T&D and AT&C Losses, 101 Nodal officers are being allotted one sub-division each for implementation and monitoring the progress of matters related to financial and technical parameters.
21.	**<u>Energy Audit</u>**	
	Discoms shall submit the name of feeder where meter remained defective for more than one billing cycle and details of action taken against the Officer/Official responsible for it. Discoms should also submit the analysis of circle wise energy audit data and reason for reporting of negative T&D losses in same circles and subsequent corrective action taken based on that data in these circles during FY 2023-24 along with next Tariff Petition.	**JVVNL & JdVVNL:** Discoms submitted the status of circle wise 11kV feeder meters. The replacement of defective meters is an ongoing process, which is carried out with utmost urgency. The Discoms shall further submit requisite information circle wise energy audit data as per the Commission's direction along with the next Tariff Petition. **AVVNL:** Discom submitted that in compliance to the Bureau of Energy Efficiency (Manner and Intervals for Conduct of Energy Audit in electricity distribution companies) Regulations, 2021, energy accounting report is submitted on quarterly basis. The same has already been placed on the website of the Discom.
22.	**<u>Mode of Payments</u>**	
	Discoms were directed to comply with RERC (Electricity Supply Code and Connected Matters) Regulations, 2021: "In respect of energy bill payments, i.e., monthly power supply charges up to and inclusive of Rs 10,000/- or such other limit as may be notified	**JVVNL & JdVVNL:** The Discoms submitted that it has complied with the respective RERC (Electricity Supply Code and Connected Matters) Regulations, 2021: "In respect of energy bill payments, i.e., monthly power supply charges up to and inclusive of Rs 10,000/- or such other limit as may be notified by the Commission from time to time may be made by cash or cheque or Demand Draft or any electronic mode. Payments above the amount notified shall be made by a

	by the Commission from time to time may be made by cash or cheque or Demand Draft or any electronic mode. Payments above the amount notified shall be made by a cheque or Demand Draft or electronic mode only" Discoms were also directed to review/withdraw any orders issued by them in contravention to Regulations of the Commission and submit the compliance within one month. It is observed that XEN (O&M) is given a discretion to accept payment of more than Rs. 20000/- by cheque and DD based on merit of the case. In commission's view the Regulations do not permit such discretion and the high value consumer should not run from pillar to post to deposit the bill. The Discoms are accordingly directed to suitably modify the orders.	cheque or Demand Draft or electronic mode only". It is further submitted that the mentioned order also directs that payment of energy bills and payments for amount above Rs. 20,000 shall be accepted through online/digital mode only. However, agriculture consumers and all Govt. Departments/Local Bodies/Nigams etc. may make payment for any amount through cheque, demand draft or through digital/online mode also. **AVVNL:** Discom submitted the following: The Commission, in its Tariff Order for FY 2018-19 dated 28.05.2018 had directed that all categories of consumers except domestic, NDS consumers consuming below 500 units and agriculture consumers shall be encouraged to pay their bills online. The relevant extract of the Order is reproduced below: *"7.3. With adoption of sms/e-mail based information system and availability of all information on portal of Discoms the consumers may be able to avail prompt payment rebate which is introduced as an incentive measure. The Commission further feels that there is a need to shift consumers to online payment mode as it cuts short the time between receipt of cheque/DD and its realisation in the Bank and also reduces burden on bill collection centre. The Commission accordingly mandates that all categories of consumers except Domestic, NDS consumers consuming below 500 units and agriculture consumers shall be encouraged to pay their bills online."* In the Tariff Order for FY 2019-20 dated 06.02.2020, the Commission had also directed as under: *"5.17 Commission has emphasised on Metering, Billing and Collection, three*

		important commercial activities which is the financial backbone of Discom. Online billing and collection of payment is the need of the hour. Therefore, Discoms must focus on considering the smart/AMR metering, e-billing and e-Collection." At the same time, the Discom was also accorded directions from the Government of India and the Government of Rajasthan to promote digital payments. In lieu of the same, the Discom had embarked on initiative to promote digital payments of bills and issued Circular AJ-821 dated 08.02.2021. Subsequently, the Commission had notified the RERC (Electricity Supply Code and connected matters) Regulation, 2021 on 17.02.2021. Regulation 10.6 of these Regulations mandate as under: **"<u>10.6 Mode of Payments to licensee</u>** a) The consumer shall pay the power supply charges at the office of issue or at the jurisdictional cash counters on or before due date as indicated hereunder: i. In respect of energy bill payments, i.e., monthly power supply charges upto and inclusive of Rs 10,000/- or such other limit as may be notified by the Commission from time to time may be made by cash or cheque or Demand Draft or any electronic mode. Payments above the amount notified shall be made by a cheque or Demand Draft or electronic mode only. ii. Payments under other heads of accounts, i.e., other than energy bill payments may be made by cash or D.D. or any electronic mode upto and inclusive of Rs 10000/- or such other limit as may be notified by the Commission from time to time and above the amount notified shall be by Demand Draft or electronic mode only."

		In compliance with these provisions of the Supply Code Regulations, the Circular AJ-821 was suitably modified to allow for those consumers who are not well versed with digital payment of bills to pay their bills of value higher than Rs. 20,000/- through cheque or demand draft. Ajmer Discom humbly submits that it is committed to carrying out its functions within the scope and ambit of the Hon'ble Commission's directions and Regulations. **JdVVNL:** The Discom submitted that they have noted the point of bill payment and will take the necessary steps to address the issue of cosumer bill payment and asks Commission to allocation some time for the same.
23.	**<u>Interest on Security Deposit</u>**	
	Discoms were directed to send a communication by email or SMS to the consumer regarding amount of interest on security deposit being credited and adjusted in their bills of July every year. The Commission directs that in July while the Discoms credit the interest they should also issue a press release in major newspapers and at the same time inform the consumer through e-mail and SMS about credit of Interest on Security Deposit.	**JVVNL & JdVVNL:** Discoms submitted that necessary directions have been issued to intimate consumers on their registered mobile numbers and e-mails regarding the amount of interest on security deposit credited and adjusted in bills. **AVVNL:** Discom submitted that as on July 2023, 5,119 SMS was sent to consumers of the Discom regarding amount of interest on security deposit credited and adjusted in bills.
24.	**<u>Bifurcation of Cross Subsidy Surcharge and Additional Surcharge</u>**	
	The Commission directs the Discoms to file the voltage wise/ category wise breakup of number	**JVVNL, AVVNL & JdVVNL:** The Discoms submitted the required information.

	of units billed under open access and corresponding revenue collected under each head i.e. wheeling, CSS and Additional surcharge with the next true up petition for FY 2022-23 along with reasons for deviation if any.	
25	**<u>Merit Order Dispatch</u>**	
	The Discoms while making power purchase should strictly follow the Merit Order Dispatch. The Discoms are also directed to monitor the availability of these plants and pay fixed charges in accordance with provision of RERC Tariff Regulations	**JVVNL, AVVNL & JdVVNL:** The Discoms submitted that RUVNL makes power purchase on behalf of the Discoms and it is ensured by RUVNL that the principles of merit order dispatch are duly followed.
26	**<u>Terminal Benefits</u>**	
	Commission directs the Discoms that they should deposit the amount atleast equivalent to approved by the Commission in future and also make a plan to meet their liability towards terminal benefit	**JVVNL, AVVNL & JdVVNL:** The Discoms have been making sincere efforts to deposit the Terminal Benefits as approved by the Commission in the designated trust. Additional contributions are also being made along with regular contribution in the said trust pertaining to terminal benefits. The Discoms also submitted that they are confident that it shall cover up the prior liability towards terminal benefits in coming years. **JdVVNL:** In this regard, Jodhpur Discom also submitted that Commission has approved Rs. 635 Cr. towards terminal benefits in the FY 2023-24. Therefore, the Discom shall try to deposit Rs. 50 Cr. every month in installments on daily basis subject to availability of funds. Any shortfall in any

		month shall be met out on priority basis in next month subject to availability of funds.
27	**<u>Ring Main System</u>**	
	AVVNL is directed to establish Ring main System for uninterrupted power supply in industrial area	**AVVNL:** Discom submitted that the Managing Director, AVVNL had issued directions to Officers in Madri Subdivision, Udaipur Circle to initiate efforts to ensure establishment of Ring main system on pilot basis in industrial area. The Officers of Madri Subdivision have submitted a Proposal after undertaking detailed analysis considering all technical parameters to comply with the directive of the Hon'ble Commission. The Proposal is currently being examined and the process of approval is ongoing. Therefore, the Discom requested the Commission to grant some more time to enable the Discom to effectively implement a Ring main system.
28	**<u>Creation of a special slab for Armed forces</u>**	
	Discoms are directed to consider the submission of Armed forces and file suitable proposal, if need be with the next tariff petition.	**JVVNL & JdVVNL:** The Discoms submitted that no such proposal is made as a part of the ARR and Tariff Petition for 2024-25. **AVVNL:** The Discom submitted that in the instant Petition the Discom has only incorporated certain points for more clarity and approval from the Hon'ble Commission. No tariff revision/rationalization proposals have been included in the instant Petition.
29	**<u>Online sharing of power purchase data among RUVNL and Discoms</u>**	
	Discoms are directed to get an online system developed in association with RUVNL for instant sharing of data related to power purchase i.e. power scheduling, short term purchase, wheeling and	**JVVNL & JdVVNL:** Discoms submitted that discussion and deliberations have been held between the officials from Discoms and RUVNL to explore the options for instant online sharing of power purchase related data. Further suitable action shall accordingly be taken up. It is also submitted that the detailed quarterly FSA computation duly audited by

	payment related matters etc. to monitor power purchase or workout the fuel surcharge or other parameters on regular basis.	the independent auditor is uploaded on the Discoms website. **AVVNL:** Discom submitted that a mechanism for sharing of data related to power purchase already exists in the Discom. A Cell constituted by the Office of SE (M&P) coordinates with RUVNL for all requisite details related to power requirement. The Discom gets details of actual drawl in 15 minute time blocks for the previous day on daily basis. Based on the actual drawl, anticipated demand of the following day is worked out and shared with RUVNL based on which the RUVNL duly handles power powers on behalf of the Discom.
30	**Determination of Green Tariff**	
	The Discoms are directed to file a suitable proposal for determination of Green Tariff in accordance with provision of Rule 4(2)(C)(c) of Green Energy Open Access Rules, 2022 along with next tariff petition or separately.	**JVVNL, AVVNL & JdVVNL:** The Discoms have filed the Petition for Determination of Green power tariff before the Hon'ble Commission, in accordance with provision of Rule 4(2)(C)(c) of Green Energy Open Access Rules, 2022.

Directives to Discoms:

The Commission has consistently insisted upon Discoms for improvement in their performance and issued certain directions in previous orders. The Commission has noted compliance as submitted by Discoms. However, the Commission shows its displeasure with working of Discoms as many of the directions were not specifically complied with and instead of giving a result oriented reply, the submission of the Discoms are limited to issuing of directions to the management. Again in this order the Commission directs MDs of Discoms to personally look into the status of compliance and furnish pinpointed compliance report of each directive.

Considering the submissions of the stakeholders, discussion in this order, directives issued earlier, directions during the hearing, compliance of directives

furnished by Discoms, the Commission issues following follow up as well as fresh directives to Discoms for compliance and has also issued some useful advice to Govt. of Rajasthan for consideration.

1. Reporting of Govt. Subsidy:

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 it provides subsidy, should pay such subsidy in advance as per RERC (Terms & Conditions for Determination of Tariff) Regulations, 2019.

MoP's Electricity (Second Amendment) Rules, 2023 provides that if subsidy accounting and raising bills for subsidy is not found in accordance with the Act or Rules or Regulations, the Commission shall take appropriate action against the concerned officers of the licensee for non-compliance. Accordingly, Commission directs that Discoms should furnish a quarterly report indicating demand for subsidy raised by the Discoms, energy consumed by the subsidized category, consumer category wise per unit subsidy declared by the state Govt., actual payment of subsidy received in accordance with the section 65 of the Act, gap in subsidy due and paid as well as other relevant details. The quarterly report shall be submitted by the Discoms within 30 days from the end date of respective quarter. For this purpose, Discoms may appoint nodal officer for collecting such information and sending quarterly report to the Commission along with reasons for non-receipt of subsidy and action taken for receipt of subsidy.

2. Smart grid

Discoms submitted that Rajasthan Discoms participated in Smart Grid Projects under Integrated Power Development Scheme (IPDS) and National Smart Grid Mission (NSGM) schemes. The petitioner further submitted that the smart metering works carried out are a step in the direction of smart grid.

Discoms also submitted that the Commission vide order dated 20.09.2023 observed that even at the present stage the Discoms are free to constitute smart grid cells and also to initiate and execute various activities proposed in the petition and whenever required they may also submit suitable proposals for smart grid interventions if the same are considered progressive and beneficial to the electrical system of the Discoms and the consumers in their annual investment plan, ARR & Tariff petition for consideration and approval of the Commission.

In view of above, the Commission observes that Discom earlier requested for framing smart grid regulations with focus on smart metering works and in the instant petition also Discoms' submitted that smart metering works being carried out is a step in the direction of smart grid. Apart from smart grid, Demand Side Management is also an important activity. Accordingly, Commission directs Discoms to take following measures to promote demand side management and smart grid activities:-

I. Constitution of Smart Grid and demand side management Cell(s) with well-defined roles & responsibilities. The discom at its own option may form joint or separate cells.
II. Conduct baseline study and data development.
III. Formulation & approval of Demand side management and Smart Grid Plan/Programme and all related reports.
IV. Develop a mechanism for Cost Recovery.
V. Develop and act upon a plan for Monitoring, Evaluation, Measurement and Verification of execution and performance of the Smart Grid Programme and DSM activities.

The Discoms are at liberty to bring in suitable proposal for DSM and Smart Grid Programme along with their petition for approval of Investment Plan & ARR.

3. Green transition:

India has set ambitious targets to reduce its carbon emissions to combat climate change and promote sustainable development. India's Nationally Determined Contributions (NDCs) under the Paris Agreement include a target of reducing the country's emissions intensity of GDP by 33-35% below 2005 levels by 2030 and achieving the target of 500 GW of renewable energy capacity by 2030. Additionally, India has set a target to achieve net-zero emissions by 2070.

To meet the target mentioned above and promote renewable energy, Discoms are directed to meet the RPO targets notified by the Commission from time to time.

The present status of the Solar and Wind power potential at the National Level vis-à-vis State level and its achievement is as follows:

(Figures in GW)

Resource	Potential			Installed capacity		
	All India	Rajasthan	% Share	All India	Rajasthan	% Share
Solar	748.99	142.31	19.00%	85.47	22.415	25.59%
Wind	695.51	127.76*	18.36%	46.56	5.195	11.15%
Total	1444.5	270.07		105.87	27.61	

(*284 GW @ 150 M Hub height) (MNRE, 30.06.2024)

Presently country is having Solar and Wind Potential of around 1444.50 GW out of which around 270.07 GW potential (≈around 18.70%) is available in the Rajasthan State alone. Rajasthan is blessed with abundant Solar and Wind resources and is having potential for being the Renewable Energy Capital of the Country. The State Government in its Modified Budget 2024 has declared the development of Solar Parks in Pugal, Chhatargarh–Bikaner and Bodana–Jaisalmer, which will boost the harnessing of the vast solar potential of the State. It is observed that Rajasthan though has crossed the threshold of 10% in harnessing it solar and wind combined potential, still lot more progress is required to become the solar hub of India. It is once again directed that, the maximum generation capacity needs to be added specifically from solar power.

Distributed Energy Resources (DER)

a) Commission in its earlier orders has stressed on the need of promotion of renewables and need to promote decentralised generation for which adoption of the DER Management system need to be deployed across the distribution network.

b) DER Management System optimizes grid operations by efficiently integrating and managing various DER assets such as solar panels and energy storage systems. Such system enhances the grid reliability, reduces energy costs, and enables better utilization of renewable energy sources. Additionally, it supports the transition towards a more decentralized and sustainable energy infrastructure, ensuring greater resilience and flexibility in the distribution network.

c) It is observed that the Rajasthan agriculture category has a major share in consumption. Commission in its various orders has stressed the need for

integrating more and more distributed power. The Commission is of the view that if schemes like KUSUM Component-C (feeder level solarization) are implemented in the right earnest by the Discoms, it can prove to be a game changer for the sector as a whole. The farmers can not only have the power supply during the daytime but will also reduce overall losses and the cost of the Discom.

(i) PM-KUSUM Yojana

a) As per the MNRE against the target of 550 MW around 201 MW capacity (out of the total 256.78 MW installed on the All India level) has been installed in the State under component-A and the State is the National leader in this segment. Further under the Component- C (FLS) against the sanctioned 2 lakh solar pumps, so far 1268 pumps have been installed.

b) Commission has approved more than 4000 MW capacity under the KUSUM component- C (FLS). The Discoms have been directed to approach MNRE for more allocation under Component-C (FLS) so as to reap the associated benefits as well as take benefit from the Central Government by availing the maximum CFA.

c) MNRE in its Guidelines for Component-C (FLS) has capped the CFA to the pump capacity of 7.5 HP. Due to this, the Discoms are not able to get the maximum benefit of subsidy as compared to other States where the pump capacity is 7.5 HP or lower.

d) In this regard, the Discoms are directed to take up the matter with MOP/MNRE for the suitable increase in the CFA for the pump size of more than 7.5 HP.

e) In addition to the above, the State Govt. is also advised to consider if they can provide additional assistance to the Discoms /farmers so as to fast track the solarisation of the grid.

(ii) Roof Top Solar (RTS)

a) The Commission during the hearing has expressed its concern about the slow progress in rooftop installations in the State. To expedite the installation process Commission has taken the following steps:

1. Allowed the RTS installations up the cumulative capacity of 80% instead of 50%.

2. In the case of the domestic category segment covered under the Net Metering arrangement, the buyback rate has been increased to bid

rate plus incentive of 25%. For the Net billing arrangement, the purchase rate has been increased to bid rate plus incentive of 40%.

3. Net metering arrangement to be applicable for loads up to the 1 MW, for all categories of consumers.

4. The requirement of the technical feasibility study for the renewable generating systems up to 10 kW dispensed of. Amendment) Regulations,2024.

5. The flexibility has been granted to the Educational Institution recognized by the GoI/GoR originally under Net-Metering arrangement to opt the Net- Billing arrangement for a period of any two months during a financial year.

b) Recently PM Surya Ghar Yojana has been launched, which is expected to give a push to the RTS installations in the State. In the Modified Budget 2024 the Government of Rajasthan Under "Har Ghar-Har Khet Bijli" the State Government has declared various Energy Access Reforms:

1. Under the PM Surya Ghar Muft Bijli Yojana, in every district "Adarsh Saur Gram" is to be developed.

2. Each such village Decentralised Solar Power plants of capacity 2 MW will be established for which 40% subsidy will be provided by the State Government.

c) The State Government has also announced Solar Energy based electricity for all government offices in a time bound manner.

d) In light of the above, Discoms are directed to create an enabling environment so as to bring in more and more RTS systems online.

A. Maximising RE power purchase by the Discoms:

a) As stated earlier Rajasthan is blessed with abundant solar and wind resources potential from which harnessing the same significant generation can be availed.

b) It is observed that Discoms in Rajasthan have traditionally suffered due to the high cost of thermal power due to distance from mines and the non-

availability of hydropower in the State and the setting up of plants far from the load centers.

c) In such a case the availability of low-cost renewable energy, which can also be used as a distributed energy resource, will not only improve the reliability and resilience of the grid but the Discoms would be able to serve its end consumers with affordable supply, especially in the remote areas.

d) The low-cost Renewable energy especially Solar is a boon for Rajasthan which unlike coal can also be used as distributed energy Resources that have benefits of improved reliability and resilience, increased access to electricity in remote areas and reduction of electricity transmission and distribution losses.

e) As per the Modified Budget 2024, in order to implement 'Viksit Rajasthan@2047 the State Government has prepared a working plan for the next 10 years assuming 6% increase in the anticipated demand. To boost renewable energy through the private sector the State Government has declared the plan of setting up solar parks in the State.

f) Given the above, large-scale solar plants will be installed in Rajasthan and the Discom should buy maximum locally produced power from solar plants to reap the benefits in terms of cost-effectiveness and scalability.

g) At present Discoms are not able to fulfill their RPO. However, in the Commission's view, to maximize the benefit for the consumer of the State they should even purchase the RE beyond their RPO.

h) As Rajasthan Urja Vikas Nigam Limited (RUVNL) is managing the purchase of electricity on behalf of Discom, they are advised to explore the possibility of engaging themselves in trading of green power either bilateral or through exchange and earn the trading margin which can be used to set off power purchase cost of Discoms.

i) The Commission also once again directs that to fulfill the RPO obligation for which the Discoms can initiate action to purchase energy through competitive bidding up to RPO under intimation to the Commission without any prior specific approval for the same and directly approach the Commission for the adoption of Tariff.

j) To keep a tab on the progress of Renewable energy capacity addition and capacity contracted by Discoms of Rajasthan, the Discoms are

directed to furnish the following information on quarterly basis.

FY:……..	**Quarter:…….**			
Particular	**Solar**		**Wind**	
	Capacity Installed	**Capacity Contracted by Discom**	**Capacity Installed**	**Capacity Contracted by Discom**
	MW	**MW**	**MW**	**MW**
At beginning of the FY(1.04…..)				
Addition during the Ist Quarter				
Addition during the 2nd Quarter				
Addition during the 3rd Quarter				
Addition during the 4th Quarter				
Total at the end of Financial Year				

k) Further, RRECL is also directed to submit information on the progress of Renewable capacity addition and Energy availed on the quarterly status at the end of each quarter in the following format:

FY……..					Quarter……..			
Particulars	Solar				Wind			
	Total Capacity installed in the State	Total Energy generation in the State	Capacity Contracted by Discoms and other entities within the State	Energy availed by the State	Total Capacity installed in the State	Total Energy generation in the State	Capacity Contracted by Discoms and other entities within the State	Energy availed by the State
	MW	MU	MW	MU	MW	MU	MW	MU
At the beginning of the FY (01.04..)								
Addition during the 1ST quarter								
Addition during the 2nd quarter								
Addition during the 3rd quarter								
Addition during the 4th quarter								
Total at the end of Financial year								

B. Land Availability to RE Projects:

a) In setting up a RE project, the availability of land has been a critical factor. To facilitate faster setting up of RE Projects in the State, the State Government was advised to explore the Land Aggregating Agency owned by Govt. like RIICO which may identify encumbrance-free chunks of the land in the State. Such lands may be offered to the solar power developers so as to save time and improve the investment climate in the State. However, initiatives and outcomes in this regard are yet to become visible.

b) Once again, the State Government is advised to take appropriate steps in this regard. This will definitely provide a boost to the process of setting up RE plants in the State.

C. Energy Storage Systems (ESS):

With increase of share of RE in the total energy mix, for the stable grid operations the Energy Storage Systems are required. Commission in the RERC (Renewable Purchase Obligations) Regulations,2023 has also provided for Energy Storage Obligation (ESO) for the Distribution Licensee including the deemed licensee The ESO can be fulfilled by BESS as well as PSPs.

(i) Battery Energy Storage (BESS)

a) Battery Energy Storage Systems (BESS) in electricity distribution companies offer significant advantages. BESS enhances grid stability by providing frequency regulation and voltage control, improving reliability and reducing the risk of outages. It facilitates efficient peak demand management by storing excess energy during off-peak periods and releasing it during peak demand, lowering operational costs.

b) BESS also integrates renewable energy sources by storing surplus energy and smoothing out intermittencies, maximizing renewable energy utilization. Moreover, BESS enhances grid resilience by providing backup power during outages, ensuring uninterrupted service for critical infrastructure. Overall, BESS implementation enhances grid performance, reduces costs, and promotes sustainability in electricity distribution.

(ii) Pumped Storage Plants (PSPs)

a) In the high RE scenario, the Pumped Storage Plants can play a vital role in meeting the ever-increasing electricity demand by providing a reliable and flexible energy storage solution. These plants store excess energy when power is surplus in the Grid and release it during high demand time can be crucial in the energy transition.

b) The State Government in its Modified Budget 2024 has also announced

that for the development of Energy Storage a Policy will be developed under which will also include PSPs for which sites for PSPs will be identified based on feasibility in the State.

c) The Commission observes that for managing the intermittency of the RE Power being injected into the Grid and to manage grid stability, Energy Storage based solutions like Pump Storage, are one of the most suitable options and more emphasis should be put by the RE rich states like Rajasthan.

d) The Discoms are directed to take appropriate steps to tie up the requisite storage capacity which will also help them to meet their ESO targets.

D. <u>Exploring Innovative Tender options:</u>

a) In the recent past several innovative RE tender designs have been observed such as wind-solar hybrid, Round-The-Clock (RTC), RE+Storage, Peak Power Supply, Firm and Dispatchable Renewable Energy (FDRE) etc., With evolving tender design the Discoms have more options of firm RE power in contrast to the earlier plain vanilla tenders. Recently following tenders have been opened showing encouraging results:

1. SECI Solar + ESS (1200 MW Solar with 600 MW/1200 MWh) a tariff of Rs 3.21/kWh has been discovered.
2. SECI (SECI-FDRE-IV) FDRE tender by for 630 MW, the winners have quoted a rate below Rs. 5/kWh fixed for 25 years.

b) The Discoms are directed to explore innovative tender designs considering the Round-The-Clock (RTC), RE+Storage, Peak Power Supply, Firm and Dispatchable Renewable Energy (FDRE)etc., which will benefit them not only in terms of the price but will also provide them with more firm RE power.

c) In addition to the above, Discoms are also directed to take suitable steps for the in-house capacity building to develop the capability to conduct the auctions/ tenders independently for the RE purchase. This will not only help them to cater the state-specific requirement, but they can also save on the trading margin.

d) Further, the Discoms may renegotiate their existing PPAs, if need be and may also negotiate with intermediaries on trading margin to bring it down in the vicinity of 1 or 2 paise/kWh.

4. Road map for EV charging stations:

The Discoms in its order dated 31.03.2023 has directed Discoms to initiate the process of setting up of Charging Infrastructure either through themselves or through appropriate model so as to meet the targets given in the revised

guidelines notified by Ministry of Power and also directed Discom to propose Capital Investment Plan for upgrading its network accommodating Charging Infrastructure. Discoms were also directed to encourage other energy companies to invest in providing a charging network and furnish the status of compliance of aforesaid direction along with next ARR and Tariff Petition.

Discoms submitted that they have initiated survey works associated with the loss reduction works as specified under RDSS and are committed towards meeting up the targets as specified under RDSS. Also in this matter Jaipur Discom has requested M/s Rajasthan Electronics & Instruments Ltd, Jaipur to provide the required information about smart chargers and further study may be conducted as and when required information is received.

Discoms further submitted that Hon'ble Chief Minister has announced establishment of 250 charging station across the State. The Finance Department, GOR has designated the Transport & Road Safety department, GoR and the Urban Development & Housing Department, GoR as the Nodal Agency for the same. Discoms, also submitted that the complete capital investment of setting up of EV charging stations is to be borne by the Charging Point Operator and the subsidies may be given by the State Government as per Rajasthan EV Policy 2022. Oil companies are already undertaking works towards the establishment of charging stations.

Commission observes that EV charging infrastructure in electricity distribution companies fosters several advantages. It opens revenue streams through charging services while supporting the transition to electric mobility. Additionally, it enhances grid reliability by incentivizing smart charging strategies and load management. Moreover, by catering to the growing EV market, distribution companies position themselves as key players in sustainable transportation, contributing to environmental goals and customer satisfaction.

Accordingly, Commission directs Discoms to expedite the setting up of EV charging stations and also propose necessary investment for upgrading their network for seamless integration of EV infrastructure along with next Investment Plan & ARR petition.

5. Flat rate category:

It is observed that for many years Commission has been directing Discoms to convert the agriculture flat rate consumers to meter category. However, Jaipur and Jodhpur Discom could not convert them into meter one, due to such non-compliance, Commission vide its tariff order dated 31.03.2023 had deducted

Rs. 20 Crore on this account from the ARR of JVVNL and JdVVNL. Further, Commission directed Discoms vide its order date 31.03.2023 that Discoms should come up with a proposal of abolishing the flat rate category in next year tariff petition.

JdVVNL has submitted that Discom has wide area and scattered consumers. Due to geographical problem, its take more time to convert the agriculture flat rate consumers to metered category.

JdVVNL has also submitted that their enormous agriculture customer base presents intrinsic disadvantages, despite their best attempts to convert all flat-rate customers to metered customers. Discom also submits that, by end of March-25, they would strive to convert all remaining 20793 agriculture flat rate consumers to metered consumers.

In compliance to above, Commission observes that Jaipur Discom reported to have converted all flat rate consumers into metered category. However, Jodhpur Discom submitted that the conversion of flat rate agriculture is a laborious procedure and Discom has requested for extension of time. Jodhpur Discom also submitted that by the end of March-25, they would strive to convert all agriculture flat rate consumers to metered consumers.

Despite Commission's direction to convert all flat rate consumers by 31st March 2023, Jodhpur Discoms have proposed to continue with flat rate consumers in FY 2024-25 also. In Commission's view continuation of flat rate consumers tantamount to non-compliance of the Act and Commission's Directions.

The Commission directs the Discoms that in next year tariff petition, they should come up with a proposal of abolishing the flat rate category.

6. High percentage of defective meters:

It is observed that Discoms have reported huge number of defective meters under agriculture metered category and the matter is of serious concern for Discoms. Details of defective meters under agriculture metered category as on 31.03.2023 as submitted by the Discoms are as below:

Particular	JVVNL	AVVNL	JdVVNL
Ag OK meters	489652	453566	216586
Ag defective meters	104654	156235	202198
Total Ag meters	594306	609801	418784

The Commission while approving the truing up of ARR has disallowed the higher sale assessed for defective meter and made it equivalent to sale of working

meters. The Discoms instead of complying with directions of the Commission have replied that it's a continuous process and they are making efforts and target given by the Commission to keep atleast 90% Meters in healthy condition is a stringent target.

However, in Commission's view the Discoms are duty bound to keep all the meters in correct condition and no leeway can be granted to Discoms. The Commission again directs the Discoms to keep all meters in healthy condition and if a meter gets defective same should be replaced within 2 months. The Commission reiterates that shall not allow higher consumption to be assessed in the garb of defective meters.

7. Fixed Assets Register (FAR):

JVVNL, AVVNL and JdVVNL have submitted the Fixed Assets Registers up to 31.03.2023 of all circles to the Commission. Commission has accordingly released the amount withheld till 2022-23.

Commission observes that an order was issued by the Commission to M/s RFSDL for carrying out compliance audit of FAR. The M/s RFSDL has submitted its report wherein RFSDL identified certain issues and furnished their recommendations. The salient points are as under:

I. To develop a comprehensive financial management and accounting manual covering asset accounting, capitalization, depreciation, and disposal. Conduct capacity building programs for staff, gather feedback, and refine the manual and training programs.

II. To implement ABC (always, better, control) approach for physical verification, appoint third-party agency for unbiased verification, and form a team with field staff for cross-functional checks.

III. To Utilize IT tools for physical asset verification, capturing GPS coordinates, photographs, and videos and store data on a web server for centralized access and management. Demonstrate the Asset Register Tool to relevant personnel for adoption and use.

IV. To incorporate voltage ratings and capacities into Asset Data Collection for better organization and management during physical verification.

V. To identify Historical costs and associate with assets at capitalization and already capitalized assets using Bills of Quantities (BOQs) and asset items in the FAR.

VI. To create and implement an integrated IT/ERP system to streamline tasks, improve efficiency, and enhance data accuracy across various departments.

The Discoms are directed to go through the report and take all necessary action including those materials in the report to update their process and make asset register as per the requirement of the Regulations.

Commission also observes that Geographical Information System (GIS) for distribution assets offers several benefits, including enhanced asset management through accurate spatial data, optimized maintenance schedules, and improved operational efficiency. It also facilitates better customer service by enabling quicker response to incidents and minimizing downtime. Additionally, GIS aids in risk management by identifying vulnerabilities and supporting proactive mitigation strategies. Overall, its implementation leads to cost savings, regulatory compliance, and better decision-making through integrated data analysis.

Accordingly, Discoms should also consider to implement the Geographical Information System (GIS) for all distribution assets for enhancing the operational efficiency and other benefits.

8. Claim of subsidy from GOR due to directive regarding Bi Monthly billing:

The Commission has observed the replies of Discoms that they are claiming interest on working capital on normative basis is not acceptable as had the Discoms complied with the direction of the Commission their cash flow would have been much better resultant into better interest rates on loan from Banks/FI and they would have shared the gain on account of reduction in interest.

Discoms submitted that Government of Rajasthan has issued an order dated 05.07.2024 that monthly bill should be issued to all consumers except for Agriculture consumers.

Commission has noted the reply of Discoms.

9. Voltage wise Losses:

Commission observes that the Discoms have not submitted the voltage wise losses and sales.

In compliance to Commission directives, JVVNL submitted that Discom is in process of inviting independent agency to carry out required study. AVVNL has requested to provide an appropriate timeframe to ensure that the necessary infrastructure is in place, taking full advantage of the RDSS. JdVVNL has also requested to grant some more time.

Considering the request of the Discoms, the Commission again directs the Discoms to conduct sample study of voltage wise losses for at least 2 Nos. 33/11KV urban and 2 Nos. 33/11 KV rural substations by an independent third party and associated lines representing proper sample for each circle. Voltage wise losses for the circle should be extrapolated based on that data and scientific methods. The concerned circle officers shall be made responsible for ensuring that the study is completed in time. Thereafter, the losses at Discoms level be reworked out. The data report of such study be furnished to the Commission within four months of the order and based on that the Commission may consider fixing voltage wise losses. In case report is not furnished timely, Commission may impose penalty in terms of reduction of ARR in the next ARR & Tariff petition.

10. Medium term business plan:

It is observed that in the previous ARR orders, Commission directed Discoms to submit medium term business plan. In compliance, Discoms submitted that they are in process of studying the aspects as directed by the Commission. Discoms also submitted that the detailed study of all such aspects is a time-consuming process and accordingly the Discoms requested to grant some more time for the same.

Commission observes that Rajasthan is blessed with abundance of renewable energy potential. Solar radiations in Rajasthan are highest in the country and the State is leader in RE generation in India. In latest scenario, only 25% of the capacity is being used by the Discoms of the Rajasthan. There is a need to increase the ratio and reap the maximum benefit of RE. Therefore, Discoms should take appropriate action to expeditiously prepare such plan for utilization of maximum RE power generation and may revisit the PPA's so that more RE power may be utilized.

Though the Rajasthan is leading in Kusum 'A' as well as Kusum 'C', but it has only achieved a fraction of its potential. Commission has recently approved approximately 4500 MW capacity under KUSUM. If, the Kusum C scheme is implemented in its right spirit, it will help to reduce power shortage, reduce losses as well as enable to provide the power to the farmers which is a long pending demand.

The Discom added approximately 300 MW rooftop capacity in last two months but the present penetration of rooftop solar in Rajasthan is still low. Commission hopes that the Discoms will take the maximum benefit out of PM-Surya Ghar

Muft Bijli Yojana.

Pump hydro storage is also a major advantage to meet out the shortage of peak hour demand. It appears that Discom have not taken any appropriate steps for tying up any major storage capacity.

Accordingly, Commission directs Discoms to prepare a medium-term business plan indicating likely impact of above observations and strategy to deal with electric vehicles, distributed generation, prosumers and influx of renewable energy, Smart metering and other related trends of power sector. The optimization of capacity charges may be incorporated in medium term plan where a resource adequacy study should also be made which captures all type of sources including need for Battery Energy Storage System and pumped hydro Storage.

The plan should also cover an action plan for reduction of losses, efficiency improvement, need for finances and turnaround strategy of Discoms. Such plan should be prepared and be submitted to the Commission within six months from the date of order.

11. Franchisee:

The Commission in previous ARR & Tariff orders directed Discoms to finalize the report on the performance of the franchisees by independent auditor within 3 months from the from the date of the issuance of that order and also place the same on the website.

The Commission observes that JVVNL has submitted the independent audit report of the Distribution Franchisee till March'21. AVVNL has submitted that the report for the period upto FY 2021-22 is under examination and requested to grant some time. JdVVNL has submitted that the reports from April -17 to March-20 are under verification.

Considering the request of the Discoms, the Commission again directs the Discoms to furnish report upto last financial year and submit a copy alongwith next ARR petition and be placed on the website also.

12. Skill Development and Training:

The Commission in previous ARR & Tariff orders directed Discoms to incur at least 1% of total capex on the skill development and training of staff and intimate the same to the Commission in the True up for FY 2022-23.

Commission observes that Discoms have not complied with the above direction.

Commission also observes that if a Skill Development Centre is established in Discoms it will boost workforce competency and adaptability. It may offer tailored training programs, fostering innovation and reducing dependency on external agency. By investing in employee growth and safety, Distribution licensees ensure operational efficiency and enhance overall performance, staying competitive in a dynamic industry landscape.

Therefore, the Discoms are directed to create their own skill development and training centre. Further, Discoms are again directed to incur at least 1% of total capex on the skill development and training of staff including training on safety and intimate the same to the Commission alongwith next Tariff petition.

13. Monetization of Discom's Assets:

The Commission in previous ARR & Tariff orders have issued directions regarding Monetization of Discom's Assets.

In compliance to Commission directives, JVVNL has submitted that the revenue realized against the assets monetization in FY 2022-23 and 2023-24 is 23.06 Cr. and 20.19 Cr. respectively. JVVNL also submitted that necessary directions were issued to concerned circle SE. AVVNL has submitted that revenue realized during FY 2022-23 is Rs. 7.68 Cr. and Discom has set up a committee headed by the Director (Technical) to review progress of the Discom towards monetization of assets. JdVVNL has submitted revenue realized during FY 2022-23 is Rs. 4.44 Cr.

Commission also assigned a task to RFSDL for carrying out compliance audit of Monetization of Discom's Assets. The RFSDL has submitted its report and suggested some procedural changes and various ways & forms through which asset monetization can be leveraged. The salient points of recommendation for procedural changes are as under:

i. A three-tier team should be structured at Top Level, Mid-Level, and Junior Level.

ii. Establish Nodal Officers at AE/SE Levels for activities, address HR resources for resource planning, and ensure actions are integrated into performance evaluation systems for employee accountability.

iii. Establish clear deliverables and KPIs, and regularly monitor and correct the course to ensure progress, address challenges, and implement necessary corrections.

iv. Clear policies with power delegation of program execution by competent authority and defining contractual procedures, market assessments, and rental charges to effectively meet market needs.

v. Before exploring monetization options create a comprehensive asset registry/accounting system and assess resource adequacy, including both tangible and intangible resources, to determine viable options.

VI. Internal team needs to engage a third-party agency for asset monetization, evaluating options, preparing revenue models, and facilitating project implementation**.**

Commission observes that Discoms have not furnished the details of circle wise No. of poles & cables where income is shown as zero. Commission also observes that there is substantial difference in revenue generated from pole rent among Discoms.

Commission further observes that replies of Discoms are not satisfactory and holds that mere issue of orders or holding of meetings is not enough and the matter calls for serious action at the level of MD and field officers. Commission also observes that in stakeholder submission's reply, Jaipur Discom has furnished an asset monetization policy of JVVNL. The policy envisaged pole rental charges, EV charging infrastructure at available land, leasing out building, staff quarter, asset based advertising and development of solar power plants on vacant land and rooftop of Nigam's building. However, other Discoms have not made such policies.

Accordingly, the Discoms are again directed that Circle wise no of poles and cables be reported along-with their income In case income is shown as zero, the concerned Assistant Engineer should furnish an affidavit within three months of date of issue of this order to the concerned SE that he has checked all his area and no poles or assets are being used by Telecom operators, cable operators etc. or for any other commercial purpose. Concerned SE will get such subdivision verified at his level.

The Discoms are also directed to go through the report of RFSDL and take necessary action to monetize the assets through various other modes.

Stakeholder submitted that there is continuous noncompliance of Commission directive especially in respect of monetization of assets. The issue is of non-recovery of potential revenue of huge amount by way of rental amount to be

recovered through pole rental. It was also submitted that in the year 2021-22, 22896 Nos of poles are shown with total amount of Rs. 29,34000/- in JPDC and the per pole rate recovered comes out to just Rs. 108/- against the applicable rate of Rs. 3543/-. For JCC in the year 2021-22, 71417 Nos. of poles were shown with total amount of Rs.15,51,23,000/- and the per pole rate recovered comes out to just Rs. 1840 against the applicable rate of Rs. 3543/-, causing a huge loss to the public exchequer.
Stakeholder also submitted that the reply given by JVVNL in respect of JCC is fictitious. Similar situation exist in other Discoms where reporting is not proper.

It was also submitted that in some circle like Dausa and Tonk, zero poles are shown to be used, which is not possible. In some circles the quantity of poles is reducing over years which also appears to be manipulated.

In view of above, Commission has taken the non compliance and causal attitude of Discoms very seriously and directs the CMD/MD of each Discom to report the Commission, within 30 days of this order stating that why the Discoms have not complied with the Commission's order and also take action against erring employee.

Further, to have an independent assessment of the status of compliance and reporting of pole rental revenue, the Commission constitutes a committee of the following retired Engineers:-

1) Sh. Arjun Singh,
2) Sh. D P Chirania
3) Sh. D D Agarwal

a. The committee will carry out complete census of poles in JCC and revenue potential therefrom.

b. RERC will reimburse the actual essential expenditure of the committee. The committee shall furnish the report within 3 months.

14. Intrastate and inter State Losses:

Discoms submitted that a committee has been formed and multiple deliberations have been done regarding the segregation of inter and intra state transmission losses. Discoms further submitted that the findings of the committee have been put up before the senior management for further suitable action.

Commission has observed that Discoms have again replied the same as during last year filing and no report on accounting of losses has been submitted.

The Commission has viewed it seriously and Discoms are again directed to keep a separate account of interstate and intrastate losses and give bifurcation while filing next ARR petitions, failing which the Commission may also impose a penalty apart from disallowing the excess transmission losses.

15. Implementation of IT and ERP:

Discoms submitted that as per RDSS guidelines under Part A, IT/OT related work including ERP project has been envisaged with the objective of establishment of integrated platform for data collection, analysis and sharing across various functional areas which can make distribution business processes more efficient, robust, and reliable to meet the present and future challenges. Discom Coordination Forum directed to float the common tender for ERP Implementation. The Nodal agency for tendering shall be Jaipur Discom.

Commission also observes that ERP for distribution assets streamlines operations, enhances visibility, and improves inventory management through real-time insights and centralized processes. It also facilitates better customer service by enabling faster order processing and improved communication. Additionally, ERP ensures compliance with regulations and internal policies, reducing risks and liabilities. Overall, its implementation boosts efficiency, profitability, and customer satisfaction in distribution asset management.

Commission further observes that Data analytics and AI/ML usage analyzes vast amounts of data to optimize operations, predict equipment failures, and detect anomalies in real-time. By enhancing decision-making processes, they improve grid reliability, reduce downtime, and enable proactive maintenance, ultimately driving efficiency and cost savings while facilitating the integration of renewable energy sources.

The Commission notes that Discoms are still under the tendering stage for ERP implementation. The desired progresses not achieved so far and Discoms have been submitting more or less a standard reply and not taking benefits of latest IT tools and softwares.

Accordingly, due to noncompliance of IT & ERP implementation, the Commission in this order has withheld an amount upto 1% of ARR for non-implementation of ERP. The Discoms are again directed to look into the progress of IT & ERP implementation. DISCOMs are also directed to integrate FAR with IT and ERP systems. Discoms should also ensure that targets and benchmark of RDSS are achieved, so that Discoms can avail full grant available to them under RDSS.

16. Voltage wise cost of supply:

Discoms submitted that they are in process for rolling out the tender regarding sample study for voltage wise sales and losses. Further, Discoms submitted that detailed report shall be submitted once the same is completed.

The Commission again shows its displeasure towards non-compliance of direction related to submission of voltage wise Cost of Supply based on a study. Therefore, Discoms are again directed to submit Voltage wise cost of supply based on actual voltage wise losses and sales in the next year ARR and Tariff Petition for FY 2025-26.

17. Consumer Awareness and Compensation:

The Discoms submitted that the smart meters are being installed as per the targets mentioned in RDSS. The Jaipur Discom submitted that the Discom is complying with the SAIFI and SAIDI Norms as specified in the SOP Regulations, 2021 and accordingly no compensation has been provided on this account. AVVNL submitted that the system for direct compensation to consumer without smart meter as specified by Commission is under development and shall be implemented at the earliest in the Billing System. JdVVNL submitted that all the provisions for compensations to consumers as per Standard of Performance-21 shall be fully implemented along with roll out of common tender/works for all three Discoms.

The Discoms also submitted that regular campaigns are carried out with an aim of spreading awareness amongst the consumers of the Discom. Social media, newspapers, billboards and public hoardings are some of the platforms that the Discoms use for advertisement and awareness purposes.

Commission observes that The RERC (Standards of Performance for Distribution Licensees) Regulations, 2021 provides for compensation provisions to be paid by the Licensee/franchisee to the affected person upon lodging of a claim for compensation, in case of failure of a licensee/franchisee to meet the Guaranteed SoP as specified in these Regulations.

These Regulations also provides mechanism for complaints related to "No Current complaints", "no- current complaint due to meter" and "testing of Meters parameters, wherein, there shall not be a need to file the complaint for compensation purpose and the licensee, based on its records, shall credit the compensation amount in next bill i.e. provide automatic compensation.

The Commission again directs that wherever smart meters are installed Discom

should start reporting all parameters including above based on smart meters and pay direct compensation immediately. For other consumers also they shall institute a system for direct compensation and report the same in formats being submitted to the Commission as well as alongwith next ARR.

The licensee is required to maintain SAIFI and SAIDI and also need to pay compensation for this as well as the shortfall in other services. The Discoms are required to provide uninterrupted power supply to the Consumers.

From Stakeholders response it also appears that, Discoms are not intimating the information of power cut well in advance. Commission observes that RERC (Standards of Performance for Distribution Licensees) Regulations, 2021, provides that interruption in power supply due to schedule outages, other than the load shedding, shall be notified by licensee at least 24 hours in advance for planned shutdown and intimation of power cuts should be provided through news paper, email, SMS and other electronic mode.

Accordingly, Commission directs Discoms to intimate information of power cuts as per provision of RERC (Standards of Performance for Distribution Licensees) Regulations, 2021. Even for unscheduled load shedding the Discom should intimate consumers as soon as possible through SMS, Whatsapp etc.

18. ToD tariff:

The Commission directs Discoms to submit proposal for ToD tariff structure every year after making detailed analysis. Further, such ToD structure should include parameters such as hours of rebates and surcharge, seasonal variation in Time of Day Tariffs, and applicability of ToD tariff for consumers with load more than threshold limit say 10 kW.

19. Reduction of Losses –adoption of circles by MD:

Commission observes that in compliance to Commission directives, MD, JVVNL & JdVVNL has adopted 3 circles each and MD, AVVNL has adopted only one circle. JdVVNL has given losses only upto Feb-24, however, no comparison of losses have been submitted. Therefore, improvement in losses, if any, of JdVVNL cannot be ascertained.

Accordingly, MD, AVVNL is directed to adopt two more circles. The Commissions also directs that MDs shall continue to furnish the information of Losses and revenue realized in the three (3) circles with highest losses adopted by their MD/Director also indicating interventions made and outcome in terms of reduction of losses and with next year ARR they will give a snapshot of losses

of FY 2021-22, FY 2022-23, FY 2023-24 and FY 2024-25(till filing).

20. Energy Audit:

Commission observes that JVVNL & JdVVNL have not submitted circle wise energy audit data. Discoms submitted the status of circle wise 11kV feeder meters. Discoms also submitted that replacement of defective meters is an ongoing process, which is carried out with utmost urgency.

AVVNL submitted that as per Bureau of Energy Efficiency, Regulations, energy accounting report is submitted on quarterly basis and has been placed on the website of the Discom.

The Commission after reviewing the compliance, again directs that Discoms shall submit the name of feeder where meter remained defective for more than one billing cycle and details of action taken against the Officer/Official responsible for it. Commission also directs that Discoms should publish the same on website.

Stakeholder pointed that Discom are not taking energy audit seriously and are reporting unreasonable losses. The Commission would like to point out that implementing energy audits up to the distribution transformer level enhances efficiency, reduces costs, and improves reliability by pinpointing energy losses and inefficiencies. It enables proactive maintenance, optimized load management, and data-driven decision-making, contributing to environmental sustainability and operational excellence for Discoms. If energy Audit is carried out, Discom can easily workout voltage wise as well as circle wise losses.

21. Mode of Payments:

Discoms were directed to comply with RERC (Electricity Supply Code and Connected Matters) Regulations, 2021: "In respect of energy bill payments, i.e., monthly power supply charges up to and inclusive of Rs 10,000/- or such other limit as may be notified by the Commission from time to time may be made by cash or cheque or Demand Draft or any electronic mode. Payments above the amount notified shall be made by a cheque or Demand Draft or electronic mode only"

Discoms were also directed to review/withdraw any orders issued by them in contravention to Regulations of the Commission and submit the compliance within one month.

Discoms referred to their orders dated 02.11.2021(AVVNL) and

08.11.2021(JVVNL) submitted that they are complying with the Regulations. However, in the orders it is observed that XEN (O&M) is given a discretion to accept payment of more than Rs. 20000/- by cheque and DD based on merit of the case.

Commission observes even after repeated directions in the matter, Discoms have not complied with the above direction. Commission viewed it seriously. The Discoms are accordingly directed to suitably modify the orders within one month from the date of issue of this order.

22. Interest on Security Deposit:

Discoms were directed to send a communication by email or SMS to the consumer regarding amount of interest on security deposit being credited and adjusted in their bills of July every year.

Commission observes that JVNNL & JdVVNL has only issued internal direction. AVVNL only sent SMS to 5119 nos. consumers. As such, Discoms have not fully complied with the direction. From Stakeholders response it also appears that consumers are not aware about credit of interest in their account.

Accordingly, the Commission again directs that in July while the Discoms credit the interest they should also issue a press release in major newpapers and at the same time inform each consumer through e-mail and SMS about credit of Interest on Security Deposit.

23. Terminal benefit:

Commission observes that Discom have not deposited the terminal benefits as approved by the Commission in the designated trust. Commission viewed it seriously.

Therefore, Commission again directs the Discoms that they should deposit the amount atleast equivalent to approved by the Commission in future and also make a plan to meet their liability towards terminal benefit.

24. Merit Order Dispatch:

The Discoms while making power purchase should strictly follow the Merit Order Dispatch. The Discoms are also directed to monitor the availability of these plants and pay fixed charges in accordance with provision of RERC Tariff Regulations.

25. Safety measures:

Stakeholders submitted that material like earth rods, earth wire, stay wire, stay insulators are not made available as per CEA safety Regulations 2023 in field, causing undesirable accidents of public and personnel of Discoms.

Commission has viewed it seriously. Commission once again directs Discoms to comply with the safety regulations. Discoms should provide safety tools to the workman and focus on earthing, guarding and fencing.

Commission observes that Discoms should also use advance technology. For example, Robotic Portable Grounding tools to measure voltage from distance etc.

Further, the Commission has reiterated many times that if Discoms need to spend any money for compliance of the Safety Regulations, the same can be claimed through Investment Plan/ARR and the Commission reiterates that it is willing to consider any additional amount spent on training of employees and for compliance of Safety Regulations.

Other Directives:

26. Inspection from Drone are very useful for Geo route Mapping, Automatic Network Creation, Identification of Unsafe Conditions , Theft Detection, Thermo scanning, Identify Tree Trimming and Flood identification & restoration. Accordingly, Commission directs Discoms to take necessary initiatives to implement the mechanism for inspection from Drone for difficult terrains to start with.

27. Commission directs Discom that electricity bills are distributed on time and bills should also be sent through email, SMS and any other electronic mode. So as to reach consumer before the timeline specified in the Regulation.

28. Commission directs Discoms that while planning for power purchase, Discom should consider seasonal demand and ensure that there is no shortage during upcoming Rabi season.

29. Commission directs that polyhouses be covered under Mixed Load category under HT/ LT tariff schedule based on their voltage level as per supply code Regulations. As far as creation of separate schedule for Agriculture consumers is concerned, the Discoms may examine the issue and if need be, they may file suitable proposal based on government policy with their next tariff petition.

30. Commission observes that appropriate implementation of following measures shall also be suitably considered by the Discoms. These measures are beneficial for reliability of supply, power cuts, monitoring, consumer satisfaction etc.:-

(i) Automated Meter Reading for high-value consumers which enables Discoms to enhance accuracy, efficiency, and customer service by eliminating manual reading errors, providing real-time data insights, and improving billing accuracy. Additionally, it helps in revenue protection through quick detection of unauthorized usage and enhances compliance with regulatory standards.

(ii) Outage Management System (OMS) which allows Discoms to respond faster to outages, improve customer communication, enhance operational efficiency, and optimize resource allocation, ultimately leading to increased reliability and customer satisfaction.

(iii) Substation Automation which revolutionizes grid management by enhancing reliability, operational efficiency, and safety. Through real-time monitoring and control, it enables faster fault detection and restoration, reducing outage durations and improving customer satisfaction. Automation streamlines routine tasks, such as monitoring and maintenance, leading to cost savings and optimized resource allocation. By providing valuable data on substation performance and power quality, it empowers utilities to make informed decisions for network optimization. Integration with smart grid technologies facilitates a more holistic approach to grid management, fostering innovation and resilience. Moreover, Substation Automation enhances safety by minimizing the need for manual intervention, ensuring a secure working environment for personnel. Overall, it transforms distribution networks into smarter, more efficient, and reliable systems capable of meeting the evolving demands of modern energy distribution.

(iv) AMI/Smart Meter is useful for Outage Management(Last Gasp Integration with ADMS, Meter Ping in consumer complaint), Asset Utilisation (Load Monitoring & Forecasting), Power Quality Improvement, Behavioral Demand Response and Revenue Protection.

<u>Commission's Advice(s) to State Government</u>:

1. During previous years the Commission has issued certain advices to the State Government, the Commission based on proceedings of this order and the working of ARR and Tariff deems fit to give few more advices to

the Government and also repeat some of the advices given earlier.

2. The State Government, as the principal owner of the Discoms, is advised to constitute a task force to monitor performance of Discoms and to take corrective measure to improve their operational efficiency and financial management.

3. The Government of Rajasthan is advised to discontinue the subsidy being provided to flat rate consumers and also ask Discoms to propose for abolition of flat Rate Tariff.

4. The Government of Rajasthan may start Voluntary Disclosure Scheme (VDS) to increase the load of agricultural power connections in rural areas. The consumers at times tend to install higher HP motors to water their fields than the permissible load causing overloading of transformers and ultimately breakage of machinery and financial loss to the electricity department. The Government may make such scheme lucrative for more participation.

5. It is observed that while paying the tariff subsidy, grant towards capital works and loss subsidy under other schemes etc. to Discoms, there has been a delay by Government in payment of such subsidy & grants, which causes financial burden on the Discoms and deteriorate the financial position of Discoms. Therefore, the Government of Rajasthan is advised to pay the subsidy and grant due to Discoms on time, further carrying cost may also be paid on such dues by Government to Discoms.

6. The Government of Rajasthan (GoR) has approved participation of Discoms in RDSS and to take maximum benefit of the Scheme it is imperative that the State fulfills the Pre-Qualification Criteria. The Commission accordingly again advises the Government of Rajasthan (GoR) to ensure :

(i) That DISCOMs do not create new Regulatory Assets in latest tariff determination cycle, the Government should undertake to give additional subsidy to each Discom so as Regulatory Assets are not created for any of the Discom.
(ii) 100% payment of subsidy for the previous year and advance payment of subsidy up to current period in line with section 65 of EA, 2003 and wipe out the remaining subsidy amount by the end of the project period.

(iii) All Government Departments/ Attached Offices/ Local Bodies/ Autonomous Bodies/ Boards/Corporations have made 100% payment of current electricity dues.

7. Till FY 2023-24 the Commission has allowed additional interest burden of Rs. 7730 Crore due to additional interest being charged by Govt. on UDAY loans. All this has added to Regulatory Assets of the Discom. The Government of Rajasthan (GoR) may consider to waive off the additional interest being charged by it on UDAY loans so that the Regulatory Assets are reduced to that extent and its impact on consumers will also be reduced.

8. State Government, as per Section161 (2)(b) of the Electricity Act, 2003 may ask the Electrical Inspector or any other agency to inquire and report to it (i) cause of accident and (ii) the manner and extent to which the rules and regulations pertaining to safety are being complied by the Discoms or any other utility. State Government may also monitor the compliance of CEA Safety Regulations and issue necessary directions to Discoms & Electrical Inspector whenever required for ensuring safety.

9. State Government shall appoint required Chartered Electrical Safety Engineer as per CEA (Measures relating to Safety and Electric Supply) Regulations, 2023 to assist the owner or supplier or consumer of electrical installations for the specified voltage for the purpose of self certification under regulation 32 & 45 of these regulations. State Government should also issue guideline to regulate their working.

10. GOR may provide cheap land and facilitate Discoms by providing additional financial assistance under feeder solarization of KUSUM C and work out innovative model to handle plants under KUSUM C as feeder level monitoring units/ profit centres.

11. The Govt. may allow Discoms to continue to retain Electricity Duty FY 2023-24 onwards over and above the loss subsidy. This will help the Discoms to curtail their accumulated losses and also reduce the Regulatory Assets.

12. The Commission also advises State Govt. to direct Rajasthan Renewable Energy Corporation to introduce the concept of Saur Mitra / Vayu Mitra where technically qualified persons are trained and appointed in suitable numbers at all major places in the State so as to:

(i) Assist prospective prosumers in installation of solar rooftop systems and guide them for resolution of technical and procedural problems.

(ii) Assist farmers to install plants under various components of KUSUM

(iii) Assist prospective investors to understand the benefits of investing in RE in the State.

13. Commission advises the State Government to ensure to continue appropriate funding towards terminal benefit liability so as to meet the liability of the Discom on this account.

Annexure A

Sr. No.	Name
1	Sh. Bhanuprakash Yetru, Chairmain Discoms & MD, JVVNL for the Petitioners
2	Sh. K.P. Verma, MD, AVVNL
3	Sh. Ompraksh Kasera, MD, JdVVNL
4	Sh. Munindra Pegu for Militiary Engineer Services
5	Sh. Raghupati Das for Shri krishna Balram Seva Trust
6	Sh. Jayant Kumar Modal for ICICI Bank
7	Sh. Aditya Singh, Advocate for Hindustan Zink Ltd.
8	Sh. Amit Kumar for Eeki Automation Pvt Ltd.
9	Ms Susan Methew, Advocate for RTMA
10	Sh. Rajesh Kumar Gupta for Alwar Chamber of Commerce & Industries.
11	Sh. Y.K. Bolia for Udaipur Chamber of Commerce & Industries.
12	Sh. Ravi Sharma for Marble Gangsaw Association, Rajsamand
13	Sh. Manoj Kumar Jain, for Vyapar Mandal, Udaipur
14	Sh. D.D. Agarwal, Stakeholder
15	Sh. Sharad Gangwar, Stakeholder
16	Sh. Anil Kumar Gupta, Stakeholder
17	Sh. V.K. Gupta, Stakeholder
18	Sh. Manideep Gudela for CEEP
19	Sh. Pramod Kumar Jhanwar, for Maruti Seva Samiti
20	Sh. A.R. Mohnot for Shri Bhagwan Mahaveer Viklang Sahayata Samiti
21	Sh. Narendra Bafna for ASI Industries Ltd.
22	Sh. G. L. Sharma, Stakeholder
23	Sh. B.M. Sanadhya for Samta Power
24	Sh. Hastimal Chordia for Samta Power, Chittorgarh
25	Sh. D.P. Chirania, Retired Abhiyanta evam Adhikari JanKalyan Trust Jaipur
26	Sh. Y.K. Bolia for Consumer Rights Organisation
27	Sh. Mukesh Sharma for Laghu Udhyog Bharti, Chopanki Unit
28	Sh. Rajesh Kumar Gupta for Laghu Udhyog Bharti, Alwar Unit

Annexure- B

List of abbreviations		
A&G	:	Administrative and General Expenses
AMR	:	Automatic Meter Reading
APTEL	:	Appellate Tribunal for Electricity
APRL	:	Adani Power Rajasthan LTD.
ARR	:	Aggregate Revenue Requirement
AT & C	:	Aggregate Technical and Commercial
AVVNL	:	Ajmer Vidyut Vitran Nigam Ltd.
BEE	:	Bureau of Energy Efficiency
CAGR	:	Compound Annual Growth Rate
CEA	:	Central Electrical Authority
CPP	:	Captive Power Plants
CTPP	:	Chhabra Thermal Power Plant
DF	:	Distribution Franchisee
DISCOM	:	Distribution Company
DSM	:	Demand Supply Management
EA, 2003	:	Electricity Act, 2003
ED	:	Electricity Duty
EMS	:	Energy Management System
ERP	:	Enterprise Resource Planning
EV	:	Electric Vehicle
FR	:	Flat Rate
FRBM	:	Fiscal Responsibility and Budget Management
FY	:	Financial Year
GIS	:	Geographic Information System
GFA	:	Gross Fixed Assets
GoR	:	Government of Rajasthan
GLTPP	:	Giral Lignite Thermal Power Plant
HPO	:	Hydro Power Purchase Obligation
HT	:	High Tension
JdVVNL	:	Jodhpur Vidyut Vitran Nigam 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
MNRE	:	Ministry of New and Renewable Energy

List of abbreviations		
MMH	:	Mini Micro Hydro
ML	:	Mixed Load
MoU	:	Memorandum of Understanding
MU	:	Million Unit
MW	:	Mega Watt
NCES	:	Non Conventional Energy Sources
NDS	:	Non Domestic Supply
NFA	:	Net Fixed Assets
NHPC	:	National Hydro Power Corporation
NLC	:	Neyveli Lignite Corporation
NMS	:	Network Management System
NPCL	:	Noida Power Company Limited
NPCIL	:	Nuclear Power Corporation
NTPC	:	National Thermal Power Corporation
NVVN	:	NTPC Vidyut Vyapar Nigam
O&M	:	Operation & Maintenance
PGCIL	:	Power Grid Corporation of India Ltd.
PLF	:	Plant Load Factor
PMA	:	Project Management Agency
PM KUSUM	:	PM Kisan Urja Surksha Uthan Mahabhiyan
POC	:	Parallel Operation Charges
PP	:	Partnership Projects
PPA	:	Power Purchase Agreement
PSERC	:	Punjab State Electricity Regulatory Commission
PWW	:	Public Water Works
RAPDRP	:	Restructured Accelerated Power Development & Reform Programme
RBI	:	Reserve Bank of India
RDSS	:	Revamped Distribution Sector Scheme
RERC	:	Rajasthan Electricity Regulatory Commission
RGTPS	:	Ramgarh Gas Thermal Power Station
RLDC	:	Region Load Dispatch Centre
RoE	:	Return on Equity
RPO	:	Renewable Purchase Obligation
RTS	:	Roof Top Solar
RUVNL	:	Rajasthan Urja Vikas Nigam Ltd.
RVPN	:	Rajasthan Vidyut Prasaran Nigam
RVUN	:	Rajasthan Vidyut Utpadan Nigam
R&M	:	Repairs & Maintenance

List of abbreviations		
SCL	:	Sanctioned Connected Load
SECI	:	Solar Energy Corporation of India Limited
SERC	:	State Electricity Regulatory Commission
SIP	:	Small Industrial Power
SLDC	:	State Load Dispatch Centre
SLM	:	Straight Line Method
STPS	:	Suratgarh Thermal Power Station
TSA	:	Transmission Service Agreement
T&D	:	Transmission & Distribution
UDAY	:	Ujwal Discom Assurance Yojana
VCP	:	Village Contact Person

Tariff for Retail Consumers

DOMESTIC CATEGORY (LT-1 and HT-1)

(BPL, Astha Card Holders and Small Domestic having consumption upto 50 units per month)

BPL and Small Domestic

Domestic Category			Domestic Category		
Particulars	**Existing Tariff**		**Particulars**	**Approved Tariff**	
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
BPL and Astha card Holders*					
(i) For consumption upto first 50 units per month	Rs. 3.50/ unit	Rs. 100/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 150/ connection / month
Small Domestic*					
(i) For consumption upto first 50 units per month	Rs. 3.85/ unit	Rs. 125/ connection / month			

**Note: The BPL and Astha card Holder domestic tariff shall be exclusively applicable to individual consumer person and shall not be applicable to any institution. In case any BPL, Astha Card Holder 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.*

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. 4.75/ unit	Rs. 230/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 250/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ 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. 4.75/ unit	Rs. 275/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 300/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit	
(iii)For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit		(iii)For consumption above 150 units and upto 300 units per month	Rs. 7.35/ 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. 4.75/ unit	Rs. 345/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 400/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit	
(iii)For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit		(iii)For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit	
(iv)For consumption above 300 units and upto 500 units per month	Rs. 7.65/ unit		(iv)For consumption above 300 units and upto 500 units per month	Rs. 7.65/ 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. 4.75/ unit	Rs. 400/ connection / month	(i) For consumption upto first 50 units per month	Rs. 4.75/ unit	Rs. 450/ connection / month
(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit		(ii)For consumption above 50 units and upto 150 units per month	Rs. 6.50/ unit	
(iii) For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit		(iii) For consumption above 150 units and upto 300 units per month	Rs. 7.35/ unit	
(iv)For consumption above 300 units and upto 500 units per month	Rs. 7.65/ unit		(iv)For consumption above 300 units and upto 500 units per month	Rs. 7.65/ unit	
(v)For consumption above 500 units per month	Rs. 7.95/ unit		(v)For consumption above 500 units per month	Rs. 7.95/ 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. 7.15/ unit	Rs. 250 per kVA of Billing Demand per month	For contract demand over 50 KVA	Rs. 7.15/ unit	Rs. 275 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. 7.55 /unit	Rs. 300/ connection / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs. 330/ 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. 7.55 /unit	Rs. 300/ connection / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs. 330/ connection / month
Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit		Consumption above 100 units and upto 200 unit per month	Rs. 8.50 /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. 7.55 /unit	Rs. 380/ connection / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs. 420/ connection / month
Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit		Consumption above 100 units and upto 200 unit per month	Rs. 8.50 /unit	
Consumption above 200 unit and upto 500 units per month	Rs. 8.85 /unit		Consumption above 200 unit and upto 500 unit per month	Rs. 8.85 /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. 7.55 /unit	Rs. 460/ connection / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs. 500/ connection / month
Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit		Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit	
Consumption above 200 units and upto 500 units per month	Rs. 8.85 /unit		Consumption above 200 units and upto 500 units per month	Rs. 8.85 /unit	
Consumption above 500 units per month	Rs. 8.95 /unit		Consumption above 500 unit per month	Rs. 8.95 /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. 7.55 /unit	Rs.135/ KW of SCL / month	Consumption upto first 100 units per month	Rs. 7.55 /unit	Rs.150/ KW of SCL / month
Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit		Consumption above 100 units and upto 200 units per month	Rs. 8.50 /unit	
Consumption above 200 units and upto 500 units per month	Rs. 8.85 /unit		Consumption above 200 units and upto 500 units per month	Rs. 8.85 /unit	
Consumption above 500 units per month	Rs. 8.95 /unit	Rs. 150/ KW of SCL / month Or Rs. 270 per kVA of Billing Demand per month (If SCL is more than 18.65 KW)	Consumption above 500 units per month	Rs. 8.95 /unit	Rs. 165/ KW of SCL / month Or Rs. 300 per kVA of Billing Demand per month (If SCL is more than 18.65 KW)

NDS –Contract Demand Over 50 kVA

HT-NDS (HT-2)	Existing Tariff		HT-NDS (HT-2)	Approved Tariff	
For contract demand over 50 kVA	**Energy Charges**	**Fixed Charges**	**For contract demand over 50 kVA**	**Energy Charges**	**Fixed Charges**
All units	Rs. 8.85 /unit	Rs.270/ kVA of Billing Demand per month	All units	Rs. 8.85 /unit	Rs. 300/ kVA of Billing Demand per month

PUBLIC STREET LIGHTING (LT-3)

Particulars	Existing Tariff		Particulars	Approved Tariff	
Public Street Lighting	**Energy Charges**	**Fixed Charges**	**Public Street Lighting**	**Energy Charges**	**Fixed Charges**
Population <1 Lakh	Rs. 7.55/ unit	Rs. 115/ Lamp point/ month subject to a maximum of Rs. 1150 /service connection/month	Population <1 Lakh	Rs. 7.55/ unit	Rs. 130/ Lamp point/ month subject to a maximum of Rs. 1300 /service connection/month
Population = >1 Lakh	Rs. 8.10/ unit	Rs. 145/ Lamp point/ month subject to a maximum of Rs. 2835 /service connection/month	Population = >1 Lakh	Rs. 8.10/ unit	Rs. 160/ Lamp point/ month subject to a maximum of Rs. 3120 /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	**Energy Charges**	**Fixed Charges**	**Agriculture Supply**	**Energy Charges**	**Fixed Charges**
(i) General (getting supply in block hours)	Rs. 5.55 /unit	Rs.30 per HP per Month of SCL	(i) General (getting supply in block hours)	Rs. 5.55 /unit	Rs. 30 per HP per Month of SCL
(ii)All others not covered under items (i) and getting supply more than block hours	Rs. 7.10 /unit	Rs.60 per HP per Month of SCL	(ii)All others not covered under items (i) and getting supply more than block hours	Rs. 7.10 /unit	Rs. 60 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. 745/ HP /Month	Rs.30 per HP per Month of SCL	(i)General (getting supply in block hours)	Rs. 745/ HP /Month	Rs. 30 per HP per Month of SCL
(ii)All others not covered under items (i) above and getting more than block hour supply	Rs. 895/ HP /Month	Rs.60 per HP per Month of SCL	(ii)All others not covered under items (i) above and getting more than block hour supply	Rs. 895/ HP /Month	Rs. 60 per HP per Month of SCL

SMALL INDUSTRIES (LT-5)

Particulars	Existing Tariff		Particulars	Approved Tariff	
Small Industrial Service (LT-5) (Load not exceeding 18.65 kW (25HP)	**Energy Charges**	**Fixed Charges**	**Small Industrial Service (LT-5) (Load not exceeding 18.65 kW (25HP)**	**Energy Charges**	**Fixed Charges**
Upto first 500 units	Rs.6.00/ unit	Rs. 80/ HP/ month of sanctioned connected load	Upto first 500 units	Rs. 6.00/ unit	Rs. 90/ HP/ month of sanctioned connected load
Above 500 units	Rs.6.45/ unit	Rs. 110/ HP/ month of sanctioned connected load	Above 500 units	Rs. 6.45/ unit	Rs. 120/ HP/ month of sanctioned connected load

MEDIUM INDUSTRIES (LT-6 and HT-3)

Particulars	Existing Tariff		Particulars	Approved Tariff	
	Energy Charges	**Fixed Charges**		**Energy Charges**	**Fixed Charges**
Medium Industrial Service (LT-6)	Rs. 7.00/ unit	Rs. 115 per HP per month of sanctioned connected load or Rs. 230 per kVA of Billing Demand per month	Medium Industrial Service (LT-6)	Rs. 7.00/ unit	Rs. 130 per HP per month of sanctioned connected load or Rs. 255 per kVA of Billing Demand per month
Medium Industrial Service (HT-3)	Rs. 7.00/ unit	Rs. 230/ kVA of Billing Demand per month	Medium Industrial Service (HT-3)*	Rs. 7.00/ unit	Rs. 255/ kVA of Billing Demand per month

After considering all rebates minimum energy charges for HT-3 will be Rs. 6.30/kWh

BULK SUPPLY FOR MIXED LOAD (LT-7 and HT-4)

Particulars	Existing Tariff		Particulars	Approved Tariff	
	Energy Charges	Fixed Charges		Energy Charges	Fixed Charges
Schedule ML/LT-7	Rs. 8.05/ unit	Rs. 105 per HP per month of sanctioned connected load OR Rs. 215 per kVA of Billing Demand per month	Schedule ML/LT-7	Rs. 8.05/ unit	Rs. 115 per HP per month of sanctioned connected load OR Rs. 240 per kVA of Billing Demand per month
Schedule ML/HT-4	Rs. 8.05/ unit	Rs. 215/kVA of Billing Demand per month	Schedule ML/HT-4	Rs. 8.05/ unit	Rs. 240/kVA of Billing Demand per month

LARGE INDUSTRIES (HT-5)

Particulars	Existing Tariff		Particulars	Approved Tariff	
	Energy Charges (on whole consumption)	Fixed Charges		Energy Charges (on whole consumption)	Fixed Charges
(A) SCL above 150 HP or having Contract/Maximum Demand above 125 kVA	Rs. 7.30/ unit	Rs. 270/ kVA of Billing Demand per month	(A) SCL above 150 HP &/or having Contract/Maximum Demand above 125 kVA	Rs. 7.30/ unit	Rs. 300/ kVA of Billing Demand per month
(B)Consumer having Billing demand of 1 MVA or more for the billing month and having load factor 50% or more for the billing month	Rs. 6.30/ unit	Rs. 270/ kVA of Billing Demand per month	(B)Consumer having Billing demand of 1 MVA or more for the billing month and having load factor 50% or more for the billing month	Rs. 6.30/ unit	Rs. 300/ kVA of Billing Demand per month

VOLTAGE-WISE TARIFF * FOR LARGE INDUSTRIES CATEGORY

Voltage wise Tariff* for Consumer having SCL above 150 HP or having Contract/Maximum Demand above 125 kVA

Particulars	Existing Tariff		Particulars	Approved Tariff	
Voltage Level	Energy Charges	Fixed Charges	Voltage Level	Energy Charges	Fixed Charges
11 kV	7.300	Rs. 270 per KVA of Billing Demand per month	11 kV	7.300	Rs. 300 per KVA of Billing Demand per month
33 kV	7.081		33 kV	7.081	
132 kV	7.008		132 kV	7.008	
220 kV	6.935		220 kV	6.935	

Voltage wise Tariff* for Consumer having Billing demand of 1 MVA or more for the billing month and having load factor 50% or more for the billing month

Voltage Level	Energy Charges	Fixed Charges	Voltage Level	Energy Charges	Voltage Level
11 kV	6.300	Rs. 270 per KVA of Billing Demand per month	11 kV	6.300	Rs. 300 per KVA of Billing Demand per month
33 kV	6.111		33 kV	6.111	
132 kV	6.048		132 kV	6.048	
220 kV	5.985		220 kV	5.985	

**No other voltage rebate shall be applicable for Large Industrial category.*

MINIMUM ENERGY CHARGES*

Particulars	Existing Tariff	Particulars	Approved Tariff
Voltage Level	**Energy Charges**	**Voltage Level**	**Energy Charges**
11 kV	6.00	11 kV	6.00
33 kV	5.82	33 kV	5.82
132 kV	5.76	132 kV	5.76
220 kV	5.70	220 kV	5.70

*No other voltage rebate shall be applicable for Large Industrial category

ELECTRIC VEHICLE CHARGING STATION (LT-8 and HT-6)

Existing Tariff			Approved Tariff		
Category	**Energy Charges**	**Fixed Charges**	**Category**	**Energy Charges**	**Fixed Charges**
Public charging station (LT-8)	Rs. 6.00/ unit	Rs. 40/ HP/ month of sanctioned connected load	Public charging station (LT-8)	Rs. 6.00/ unit	Rs. 45/ HP/ month of sanctioned connected load
Public charging station (HT-6)	Rs. 6.00/ unit	Rs. 135/kVA/Month	Public charging station (HT-6)	Rs. 6.00/ unit	Rs. 150/kVA/Month

ToD Rebate and Surcharge (Applicable on NDS (HT-2), Medium Industries (HT-3), Large Industries (HT-5) and Electric Vehicle Charging Stations (LT-8 & HT-6))

Slots	6:00 AM to 8:00 AM (2 Hrs) **Surcharge on energy charges**	12:00 PM to 4:00 PM (4 Hrs) **Rebate on energy charges**	6:00 PM to 10:00 PM (4 Hrs) **Surcharge on energy charges**
Approved ToD	5%	10%	10%

TRACTION LOAD (HT-7)

Existing Tariff			Approved Tariff		
Category	**Energy Charges**	**Fixed Charges**	**Category**	**Energy Charges**	**Fixed Charges**
Traction load (HT-7)	Rs. 5.70/ unit	Rs. 135/kVA/Month	Traction load (HT-7)	Rs. 5.70/ unit	Rs. 150/kVA/Month

Other Tariff:

Wheeling Charges for	FY 2024-25
Wheeling Charges at 132 KV and above Voltage Level (Rs/kWh)	**0.01**
Wheeling Charges at 33 KV Voltage Level (Rs./kWh)	**0.13**
Wheeling Charges at 11 KV Voltage Level (Rs./kWh)	**0.74**

Cross Subsidy Surcharge

		FY 2024-25
Category of Open Access Consumer	**Voltage Level**	**Cross Subsidy Surcharge (Rs./Unit)**
NON DOMESTIC SERVICE	11 KV	1.59
	33 KV	1.59
	132 KV and above	1.59
MIXED LOAD/ BULK SUPPLY	11 KV	1.59
	33 KV	1.59
	132 KV and above	1.59
LARGE INDUSTRIAL SERVICE	11 KV	1.59
	33 KV	1.59
	132 KV and above	1.59

Additional Surcharge

Additional Surcharge (Rs./kWh)	**0.53**

Green Tariff

Green Tariff (Rs./kWh) over and above the normal tariff	**0.21**

General Note:

1. All existing provisions which are not modified by this order, shall continue to be in force.

Power purchase details for FY 2024-25

	Rajasthan			JVVNL				AVVNL				JdVVNL			
	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs./ unit	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs. Cr)	Total Cost JVVNL (Rs. Cr.)	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs. Cr)	Total Cost AVVNL (Rs. Cr.)	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs. Cr)	Total Cost JdVVNL (Rs. Cr.)
NTPC															
FGUTTPS –II	170	29	4.01	63	11	25	36	49	8	20	28	57	10	23	33
FGUTPP III	124	19	4.81	46	7	22	29	36	6	17	23	42	7	20	27
FGUTPP IV	281	92	4.95	105	34	52	86	81	27	40	67	95	31	47	78
K.H.S.T.P.S. I	138	19	3.20	51	7	16	23	40	5	13	18	47	6	15	21
K.H.S.T.P.S. & II	642	71	3.06	240	27	73	100	185	20	57	77	217	24	66	90
RHIND STPS	732	56	1.72	274	21	47	68	211	16	36	52	248	19	43	61
RIHAND II	699	56	1.72	261	21	45	66	201	16	35	51	236	19	41	60
RIHAND III	867	122	2.05	324	46	66	112	250	35	51	86	293	41	60	101
SINGUARLI	2226	164	1.69	832	61	141	202	641	47	108	155	752	55	127	183
KHPS-I	320	83	2.16	120	31	26	57	92	24	20	44	108	28	23	51
NCTPS 2	32	0	3.81	12	0	5	5	9	0	4	4	11	0	4	4
Singuarli- Hydel	9	0	5.04	3	0	2	2	2	0	1	1	3	0	1	1
TANDA-II STPS	426	92	4.02	159	34	64	98	123	27	49	76	144	31	58	89
Khurja	985	0	4.50	368	0	166	166	284	0	128	128	333	0	150	150
NTPC GREEN ENERGY LTD(BHADLA-II -Solar)	410	0	5.00	153	0	77	77	118	0	59	59	139	0	69	69
NTPC NSM-BUNDLED-SOLAR	1358	0	4.53	508	0	230	230	391	0	177	177	459	0	208	208
NTPC NSM-BUNDLED-THERMAL	2144	266	2.69	802	99	215	315	617	76	166	242	725	90	195	285
NTPC - MEJA	389	97	3.10	145	36	45	81	112	28	35	63	131	33	41	74
Total NTPC	**11950**	**1166**	**2.95**	**4468**	**436**	**1317**	**1753**	**3441**	**336**	**1015**	**1351**	**4040**	**394**	**1191**	**1585**
NHPC															
TANAKPUR HEP	41	16	2.83	15	6	4	10	12	5	3	8	14	5	4	9
SALAL HEP	97	10	1.86	36	4	7	11	28	3	5	8	33	3	6	10
CHAMERA-I	411	38	1.14	154	14	17	32	118	11	13	25	139	13	16	29
CHAMERA-II	115	19	1.03	43	7	4	12	33	6	3	9	39	7	4	11
CHAMERA-III	92	24	2.06	34	9	7	16	26	7	5	12	31	8	6	15
URI HEP	208	27	1.35	78	10	10	21	60	8	8	16	70	9	9	19
URI HEP II	153	36	2.85	57	14	16	30	44	10	13	23	52	12	15	27
DHOLIGANGA	91	16	1.43	34	6	5	11	26	5	4	8	31	5	4	10
DULHASTI	222	49	2.73	83	18	23	41	64	14	17	32	75	17	21	37
PARBATI III	31	24	0.42	12	9	0	9	9	7	0	7	10	8	0	8
SEWA II	59	12	2.65	22	4	6	10	17	3	5	8	20	4	5	9
Total NHPC	**1519**	**272**	**1.77**	**568**	**102**	**101**	**203**	**438**	**78**	**78**	**156**	**514**	**92**	**91**	**183**
SJVNL															
Nathpa-Jhakri	462	66	1.20	173	25	21	46	133	19	16	35	156	22	19	41

	Rajasthan			JVVNL				AVVNL				JdVVNL			
	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs./ unit	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs. Cr)	Total Cost JVVNL (Rs. Cr.)	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs. Cr)	Total Cost AVVNL (Rs. Cr.)	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs. Cr)	Total Cost JdVVNL (Rs. Cr.)
Rampur	132	36	2.72	49	13	13	27	38	10	10	21	44	12	12	24
Total SJVNL	**594**	**102**	**1.53**	**222**	**38**	**34**	**72**	**171**	**29**	**26**	**56**	**201**	**35**	**31**	**65**
IPP/UMPP															
NEYVELI LIGNITE CORPORATION LTD	1534	337	0.83	573	126	47	173	442	97	36	134	518	114	43	157
NVVN BUNDLED POWER-SOLAR	396	0	10.65	148	0	158	158	114	0	122	122	134	0	143	143
NVVN BUNDLED POWER-(THERMAL)	2049	257	2.70	766	96	207	303	590	74	160	234	693	87	187	274
COASTAL GUJARAT	1889	221	4.05	706	83	286	368	544	64	220	284	639	75	258	333
ADANI POWER RAJASTHAN LIMITED	8496	979	3.32	3177	366	1056	1422	2447	282	813	1095	2873	331	955	1286
SASAN POWER LTD	3053	45	1.25	1141	17	143	160	879	13	110	123	1032	15	129	144
PTC DB	2455	521	1.96	918	195	180	374	707	150	138	288	830	176	163	339
KARCHAM WANGTOO (PTC)	381	64	1.44	142	24	21	45	110	19	16	34	129	22	19	40
PTC Maruti	1565	252	1.79	585	94	105	199	451	73	81	153	529	85	95	180
PTC(Sikkim Urja Ltd) (old Name-PTC (TEESTA)	306	59	2.96	115	22	34	56	88	17	26	43	104	20	31	51
SKS	833	0	2.91	311	0	91	91	240	0	70	70	282	0	82	82
TOTAL IPP/UMPP	**22958**	**2736**	**2.71**	**8584**	**1023**	**2326**	**3349**	**6612**	**788**	**1792**	**2580**	**7762**	**925**	**2104**	**3029**
RAPP-7	**409**	**0**	**5.00**	**153**	**0**	76	76	118	0	59	59	138	0	69	69
NAPP	263	0	2.99	98	0	29	29	76	0	23	23	89	0	27	27
RAPP-I &II	1355	0	3.34	507	0	169	169	390	0	131	131	458	0	153	153
RAPP-III &IV	493	0	3.34	184	0	62	62	142	0	48	48	167	0	56	56
RAPP-V & VI	689	0	3.92	258	0	101	101	198	0	78	78	233	0	91	91
Total NPCIL	**3210**	**0**	**3.65**	**1200**	**0**	**438**	**438**	**924**	**0**	**337**	**337**	**1085**	**0**	**396**	**396**
Others															
TEHRI	241	44	2.22	90	16	20	36	70	13	15	28	82	15	18	33
KOTESHWAR	97	28	3.00	36	11	11	22	28	8	8	17	33	10	10	20
TALA THROUGH PTC (BHUTAN)	18	0	2.27	7	0	2	2	5	0	1	1	6	0	1	1
Total Others	**357**	**72**	**2.43**	**133**	**27**	**32**	**60**	**103**	**21**	**25**	**46**	**121**	**24**	**29**	**54**
STATE GEN. & OTHER															
RVUN															
KTPS(1 to 7)	7869	492	3.79	2942	184	1115	1299	2266	142	858	1000	2661	166	1008	1174
STPS(1 to 6)	6731	588	4.89	2517	220	1231	1451	1939	169	949	1118	2276	199	1114	1312
SSCTPP (7) &(8)	6473	1060	3.76	2420	396	910	1306	1864	305	701	1006	2188	358	823	1181
CTPP (1-4)	5977	610	3.26	2235	228	728	957	1721	176	561	737	2021	206	659	865
CTPP (5&6)	7286	1104	3.02	2724	413	824	1237	2098	318	635	953	2463	373	745	1118
RGTP(1,2 & 3)	779	71	5.83	291	27	170	196	224	20	131	151	263	24	154	178
KaTPP#1 &2	6963	936	3.32	2604	350	865	1215	2005	270	666	936	2354	317	782	1099
MAHI	211	23	0.30	79	9	2	11	61	7	2	8	71	8	2	10

	Rajasthan			JVVNL				AVVNL				JdVVNL			
	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs./ unit	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs. Cr)	Total Cost JVVNL (Rs. Cr.)	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs. Cr)	Total Cost AVVNL (Rs. Cr.)	Net Generation (MU)	Total Annual Fixed charges (Rs. Cr.)	Variable Cost (Rs. Cr)	Total Cost JdVVNL (Rs. Cr.)
MAHI MMH	0.21	0	4.16	0	0	0	0	0	0	0	0	0	0	0	0
MANGROL	9	0	4.16	3	0	1	1	2	0	1	1	3	0	1	1
STPS MMH	0.80	0	4.16	0	0	0	0	0	0	0	0	0	0	0	0
Total RVUN	**42299**	**4885**	**3.70**	**15816**	**1826**	**5847**	**7673**	**12182**	**1407**	**4503**	**5910**	**14301**	**1652**	**5287**	**6938**
JSW (Energy) Barmer	**6456**	**1097**	**3.00**	**2414**	**410**	**725**	**1135**	**1859**	**316**	**558**	**874**	**2183**	**371**	**655**	**1027**
SHARE PROJECTS															
BBMB(BHAKRA,DEHAR&PONG	2692	0	0.58	1007	0	58	58	775	0	45	45	910	0	53	53
CHAMBAL	801	0	0.00	299	0	0	0	231	0	0	0	271	0	0	0
Total Shared Projects	**3493**	**0**	**0.45**	**1306**	**0**	**58**	**58**	**1006**	**0**	**45**	**45**	**1181**	**0**	**53**	**53**
R.F.F.	187	0	3.89	187	0	73	73	0	0	0	0	0	0	0	0
NCES															
Wind RPO	5923	0	4.81	2215	0	1065	1065	1706	0	820	820	2003	0	963	963
HPO	438	0	5.09	164	0	84	84	126	0	64	64	148	0	76	76
Others RPO	6786	0	3.28	2537	0	831	831	1954	0	640	640	2294	0	751	751
Total NCES	**13148**	**0**	**4.03**	**4916**	**0**	**1979**	**1979**	**3787**	**0**	**1525**	**1525**	**4445**	**0**	**1790**	**1790**
Total	**106169**	**10331**	**3.25**	**39814**	**3863**	**12931**	**16793**	**30523**	**2975**	**9904**	**12879**	**35833**	**3493**	**11627**	**15120**
Short Term	**3971**	**0**	**4.89**	**2361**	**0**	**1155**	**1155**	**2017**	**0**	**987**	**987**	**-407**	**0**	**-199**	**-199**
Net	**110141**	**10331**		**42174**	**3863**	**14086**	**17949**	**32540**	**2975**	**10891**	**13867**	**35426**	**3493**	**11428**	**14921**