

**AJMER VIDYUT VITRAN NIGAM LIMITED
(COMMERCIAL WING)**No. AVVNL/CE(Comml.)/XEN-I/F. 57 (D) /2007 /D²⁰⁰ AJMER: DATE 13-4-2007**ORDER****Sub:- Power factor for the purpose of billing power factor incentive and/or surcharge.**

Instructions were issued vide order No. 1198 dated 16.06.04 (Comml. AJ-181) as to how the value of power factor is to be considered for the purpose of power factor incentive and/or surcharge as per the tariff provisions. Accordingly, if the power factor is arrived at 0.955, it is to be rounded off of two places of decimals and is to be considered at 0.96. Similarly, if the average power factor is arrived at 0.834, it is to be considered as 0.83, following the rounding off principle.

Lately, at the instance of the audit the matter was referred to RERC seeking clarification in the matter. RERC has clarified the matter being reproduced below which was put up to the Coordination Committee in its 102nd meeting held on 6.03.07, has decided to follow the procedure, as clarified by RERC considering power factor up to two decimal digits without rounding off.

"As soon as the power factor goes below 90% the surcharge is leviable. In other words 1% surcharge becomes applicable no sooner the P.F. goes below 90% i.e. from 89.99 upto 89.00, on the contrary incentive is admissible for each 1% increase in power factor i.e. no incentive until the power factor reaches 96%. As such the rounding off formula can not be made applicable in this case."

Henceforth the power factor Incentive/Surcharge is to be calculated by taking average power factor up to two places of decimals ignoring third & subsequent digits after decimal.

Example:-

- * Average power factor is 0.973 to be taken as 0.97
- * Average power factor is 0.968 to be taken as 0.96
- * Average power factor is 0.897 to be taken as 0.89
- * Average power factor is 0.882 to be taken as 0.88

The earlier order Comml.AJ-181 dated 16.06.04 shall stand withdrawn. For bills issued in accordance with the recoveries if any, shall be made for which separate instructions are being issued.


By Order,

(P.S. Jat)

Chief Engineer (Comml.)

Copy forwarded to the following for information and necessary action.

1. The Chief Engineer (O&M), AVVNL, Jhunjhunu/Udaipur.
2. The Zonal Chief Engineer (O&M), AVVNL, Ajmer.
3. The Financial Advisor, AVVNL, Ajmer.
4. The Chief Accounts Officer, AVVNL, Ajmer.
5. The Secretary (Admn), AVVNL, Ajmer.
6. The Superintending Engineer (O&M), AVVNL, _____ with _____ No. of copies for circulating among fields officers.
7. The Superintending Engineer (M&P/Plan/MM), AVVNL, Ajmer/Udaipur.
8. The Company Secretary, AVVNL, Ajmer
9. The Executive Engineer (_____), AVVNL, _____.
10. The Sr. Accounts Officer (_____), AVVNL, _____.
11. The Public Relation Officer (_____), AVVNL, Ajmer.
12. The TA To CMD, AVVNL, Ajmer
13. The PA To CMD, AVVNL, Ajmer
14. The PA to CMD Jaipur/Jodhpur Discom, Jaipur /Jodhpur.
15. The Addl.S.P. (Vig) AVVNL, Ajmer


(S.D. Asudani)

Executive Engineer (Comm-I)