BEFORE

THE

RAJASTHAN ELECTRICITY REGULATORY COMMISSION, JAIPUR

PETITION

FOR

APPROVAL OF

TRUE UP FOR FY 2020-21

Filed By

प्रभास्मि शशि सूर्ययोः

JAIPUR VIDYUT VITRAN NIGAM LIMITED, JAIPUR

(A Government of Rajasthan Undertaking)

FEBRUARY-2022

Notes:

In this Application:

- **Year is defined as Financial Year 2020-21 (referred to as FY21)**
- **All currency figures used in this Application, unless specifically stated otherwise, are in Rs Crores.**
- **All energy unit figures used in this Application, unless specifically stated otherwise, are in Million Units.**

List of Abbreviations

ARR	Aggregate Revenue Requirement
DS	Domestic Service
EHT	Extra High Tension
EA 2003	Electricity Act, 2003
FY	Financial Year
FY 20	Financial Year 2019-20
FY 21	Financial Year 2021-22
GFA	Gross Fixed Assets
GoI	Government of India
GoR	Government of Rajasthan
LIS	Liquidity Infusion Scheme
Jaipur Discom, JVVNL	Jaipur Vidyut Vitran Nigam Ltd.
kVA	Kilo Volt Ampere
kW	Kilo Watt
kWh	Kilo Watt Hour or Unit
MIP	Medium Industrial Power
MU	Million Units
NDS	Non-Domestic Service
NFA	Net Fixed Assets
NPCIL	Nuclear Power Corporation India Limited
NHPC	NHPC Limited
NRLDC	Northern Region Load Despatch Centre
NTPC	National Thermal Power Corporation
PGCIL	PowerGrid Corporation India Limited
PWW	Public Water Works
RERC, Commission	Rajasthan Electricity Regulatory Commission
RVPN	Rajasthan Rajya Vidyut Prasaran Nigam Limited
REC	Rural Electrification Corporation
Rs.	Indian Rupees
SIP	Small Industrial Power
SLDC	State Load Despatch Centre
ST	State Transmission Petitioner
UI	Unscheduled Interchange
The Petitioner/ Petitioner	Jaipur Vidyut Vitran Nigam Ltd.

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A1: TRUE UP FOR FY 2020-21

1. Introduction

1.1 Jaipur Vidyut Vitran Nigam Limited (hereinafter referred to as 'JVVNL' or 'Jaipur Discom' or 'the Petitioner'), a distribution Petitioner for wheeling and retail supply of electricity in the areas as notified by the Government of Rajasthan (GoR) under the Rajasthan Power Sector Reforms Transfer Scheme, 2000. From the erstwhile Rajasthan State Electricity Board, the district Jaipur, Alwar, Bharatpur, Dholpur, Dausa, Karauli, Jhalawar, Baran, Kota, Bundi, Sawai Madhopur and Tonk forms area of supply of JVVNL.

1.2 The Rajasthan Electricity Regulatory Commission (hereinafter referred to as 'Commission') an independent statutory body constituted under the provisions of the Electricity Regulatory Commissions (ERC) Act, 1998, which was superseded by Electricity Act (EA), 2003. The Commission is constituted as provided under Section 82 of the EA, 2003 and is vested with the authority regulating the power sector in the State inter alia including setting of tariff for electricity consumers.

1.3 The Hon'ble Commission issued the RERC(Terms and Conditions for Determination of Tariff) Regulations, 2019 on May 10,2019(hereinafter referred to as 'RERC Tariff Regulations 2019'). These Regulations extend to the whole of the State of Rajasthan and remain applicable for determination of tariff in all cases covered under these Regulations from FY 2019-20 up to FY 2023-24.JVVNL, therefore respectfully submits that in accordance with the powers conferred on the Commission by the said RERC Tariff Regulations 2019, the Commission is empowered to consider the Petition for True up for FY 2020-21.

1.4 The Hon'ble Commission under the RERC Tariff Regulations 2019 notified the Tariff order for FY 2020-21on 24th November,2021.

1.5 In accordance with the Regulation 8 (3) of the RERC Tariff regulations 2019, the True Up shall constitute the comparison with of the audited performance of the Petitionerfor previous financial year for the perusal and prudence check of the Hon'ble Commission. The Petitioner hereby submits the petition for True up of the FY 2020-21.

1.6 The ARR estimates submitted by the Petitioner and correspondingly allowed by the Commission in the Tariff Order for FY 2020-21 dated 24.11.2021 were based on projected sales and the corresponding expenses for FY 2020-21 at the time of issuance of the Order. However, the audited actual figures are now available with the Discom and the Petitioner is submitting the true-up petition for FY 2020-21 in accordance with the audited accounts for the approval of the Hon'ble Commission.

1.7 A copy of the Audited Accounts and Audited Cost records for FY 2020-21are also enclosed as **Annexure A** to this petition for the consideration of the Hon'ble Commission. Further, in this true-up petition, the Petitioner has taken audited accounts as a source for providing the actual cost incurred by JVVNL during FY 2020-21.

2. Truing-up for the FY 2020-21

2.1 The Hon'ble Commission in its order dated 24th November,2021, had estimated the net Aggregate Revenue Requirement of the Petitioner at Rs 19,562Cr. for FY 2020-21with a corresponding revenue surplus of Rs 854Cr. The Petitioner in accordance with the audited accounts for the FY 2020-21 has submitted the gap as shown in the table below. The components of the Aggregate Revenue requirement have been detailed in the subsequent sections of the petition.

Table 1: Summary of ARR for FY 2020-21(Rs. Cr.)

S.No.	Particulars	FY 2020-21	
		Approved	Audited
1	2	3	4
A	**Expenditure**		
1	Power Purchase Expenses	12,279.00	14,635.04
2	Operation & Maintenance Expenses	1,874.00	1,235.44
2.1	*Employee Expenses*	*907.74*	*675.35*
2.2	*Administration & General Expenses (including consumer awareness)*	*140.26*	*148.69*
2.3	*Repair & Maintenance Expenses*	*191.00*	*241.71*
2.4	*Terminal Benefit*	*635.00*	*169.70*
3	Depreciation	772.00	1,046.66
4	Interest on Long-term Loan Capital and Finance Charges	823.00	728.39
5	Interest on Working Capital, Interest on Free Loan and Interest on Bonds	213.00	2,402.35
6	Interest on Consumer security deposits	97.00	79.27
7	Interest on Regulatory Assets	1,750.00	
8	Other Expenses	-	429.66
9	Transmission Charges	1,924.00	2,061.07
10	NLDC/RLDC/SLDC Charges	10.00	10.08
11	Amortisation of Regulatory assets		
12	Bad Debts written off(including provision during the year)		183.70
13	Insurance Expenses	30.00	1.89
14	Refund of RoE from RVUNL	(730.00)	(384.66)
	Total Revenue Expenditure	**19,042.00**	**22,428.90**
	Interest on UDAY grant	520.00	
	Aggregate Revenue Requirement (A+B)	**19,562.00**	**22,428.90**
C	**Other Revenue**		
1	Non-Tariff Income & Other Income	282.00	1,315.81
2	Income from wheeling charges and reactive charges	78.00	4.66
3	Receipt on account of Cross Subsidy Surcharge		4.63
4	Receipt on account of Additional surcharge on charge of wheeling		2.46
5	Income from Trading activity		154.79
	Total C	**360.00**	**1,482.35**
D	**NET REVENUE REQUIREMENT [A+B-C]**	**19,202.00**	**20,946.55**
E	**Revenue from sale of electricity**		
1	Revenue from sale of electricity	19,393.00	19,767.40
F	**Revenue Subsidy received from Appropriate Government other than the subsidy under Section 65**	**664.00**	**518.40**
G	**Revenue Gap/(surplus) to be trued up (D-E-F) before UDAY Grant**	**(854.00)**	**660.75**
H	**UDAY Grant**		-
I	**Revenue Gap/(surplus) to be trued up (G-H)**	**(854.00)**	**660.75**
J	Add: Delayed Payment Surcharge considered as part of NTI		368.92
K	**Net Revenue Gap/(surplus) to be trued up (I+J)**		**1,029.67**

2.2 The actual revenue requirement for FY 2020-21 as depicted in the above table has been Rs. 20,946Cr. as against the approved ARR of Rs.19,202Cr.

2.3 The Petitioner submits that detailed reasoning for the deviation in the ARR has been provided in the following sections.

3. Energy Sales

3.1 The table below gives a comparison of approved and actual sales and revenue from sale of power for the FY2020-21:

Table 2: Comparison of Actual and Approved Salesfor FY 2020-21

Consumer Category	Sales (MU)	
	Approved	Actual
Domestic Service	5,964	5,393
Non-Domestic Service	1,936	1,778
Public Street Light	178	148
Agriculture Metered Supply	8,970	8,960
Agriculture Flat Rate Supply	291	296
Small Industrial Service	299	286
Medium Industrial Service	729	687
Large Industrial Service	5,477	5,290
P.W.W. & S. Pumping –Small	405	404
P.W.W.& S. Pumping –Medium	35	34
P.W.W. & S. Pumping –Large	390	332
Mixed Load Supply	162	135
DF (at Input level)	-	1,374
Total Revenue from Sale of electricity	**24,836**	**25,116**

3.2 The petitioner submits that the details of agriculture(M) and agriculture(F) is being mentioned below:

Flat Rate Consumers	
Total Flat Rate Existing Consumers (Nos)	18,033
Less: Converted to Meter (Nos)	1,243
Total Flat Rate Consumers (Nos)	16,790
Total Connected Load (KW)	150,391
Specific Consumption (kWh/KW/annum)	1,945
Total Sales (MU)	**293**

Metered Consumers	
Total Existing consumers (Nos)	530,942
Add: Converted from flat (Nos)	1,243
Add: New Consumers (Nos)	8,829
Total Consumers (Nos)	541,014
Total connected load (KW)	5,841,084
Specific Consumption (kWh/ KW/ annum)	1,332
Total Sales(MU)	**7,779**

3.3 It is submitted that the energy sales are dependent on a multitude of factors which include variation in consumption pattern of consumers, variations due to economic situation and industrial growth, variations in the weather conditions, impact of the pandemic (Covid-19) and laws of the land.

3.4 The petitioner has considered the actual details for category wise sales and revenue as per the audited annual accounts.

3.5 It is worth noting that no single consumer remains in the same slab throughout the year. For the purpose of projections, the Hon'ble Commission considers the number of consumers and connected load at end of the year, whereas both change during the year. Also, there are certain disconnected consumers which may also cause variations between approved and actual figures.

3.6 Further, the Discom has awarded distribution franchisee to two areas namely Kota and Bharatpur. The Discom supplies electricity to these areas at input level and billing is done on the basis of ABR as per the respective DF agreements. In order to provide a detailed picture of the sales and revenue of the consumers of the Discom, the sales and revenue at consumer level at DF areas in provided in Form 2.1 (a)of Trueup formats.

4. Distribution Losses

4.1 The Commission in its Tariff Orderapproved distribution loss of15.00%. The Petitioner has achieved a distribution loss level of 19.44 % in FY 2020-21.

4.2 Due to the outbreak of the Covid-19 pandemic, the sales of cross-subsidizing categories i.e. Industrial and NDS Categories decreased substantially. The sales of Domestic category which is a cross-subsidized category increased. The **drastic change in sales mix** resulted in increased distribution losses.

4.3 However, the Discom is focused on reducing its distribution losses. A multi-pronged strategy has been chalked out by the Discom to reduce its losses. The key facets of its strategy are summarized below:

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 current1:0.46 (Deteriorated post DDUGJY & Saubhagya)
- For consumer service line, non-armored cable replacement with armored cable
- 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

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 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)
- 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).
- Discom isalready 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 2.12 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) *Focus on monthly collection efficiency*

- Collection efficiency ranges between 80% - 90% during first 8 months and increases beyond 100% during last two months
- Discom has been focusing on monthly collection efficiency (95% in rural and 98% in urban) rather than yearly efficiency for better realization

e) *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.

Following OT Projects has 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.

4.4 The Discom has been making continuous efforts to reduce thelosses and all measures are being taken to reduce the loss level. Therefore, the petitioner prays to the Hon’ble Commission to kindly consider the actual distribution losses for FY 2020-21 while approving the true-up for FY 2020-21.

5. Energy Balance

5.1 The table below gives the detailed approved and actual power purchase requirement for FY 2020-21.

Table 3: Energy Balance for FY 2020-21

Particulars	Approved	Actual
Energy Sales (MUs)	24,836	25,116
Distribution Loss (%)	15.00%	19.44%
Distribution Loss (MUs)	4,383	6,060
Requirement at Distribution periphery (MUs)	**29,219**	**31,176**
Intra-state Transmission Losses (%)	3.33%	5.74% *
Intra-state Transmission Losses (MUs)	1,007	1,898
Gross Energy Required at State periphery (MUs)	**30,225**	**33,074**
Inter-state Transmission Losses (%)	2.79%	
Inter-state Transmission Losses (MUs)	371	
Gross Energy Requirement (MUs)	**30,597**	**33,074**

**Intra and Inter-state losses combined*

5.2 Against the approved energy requirement of 30,597MUs for FY 2020-21 by RERC, theactual energy purchased by the petitionerfor FY 2020-21was 33,074MUs.

6. Aggregate Revenue Requirement for FY 2020-21

6.1. Power Purchase Cost

6.1.1. The table below gives a comparative analysis of approved and actual power purchase cost of JVVNL.

Table 4: Details of Power Purchase Cost for FY 2020-21 (Rs Cr)

Source	Approved			Actual			
	Energy	Total Cost	(Rs/kWh)	Energy	Total Cost	(Rs/kWh)	%age
	MU	Rs Cr		MU	Rs Cr		deviation
NTPC	4,113	1,417	3.45	4,104	1,427	3.48	0.90%
NHPC	660	232	3.52	660	237	3.59	2.05%
Neyveli Lignite Corporation Ltd.	507	170	3.35	507	170	3.35	-0.07%
SJVNL & Rampur	270	77	2.85	270	81	2.98	4.50%
Coastal Gujarat	845	248	2.93	829	242	2.92	-0.58%
Adani	3,300	1,343	4.07	3,300	2,302	6.98	71.44%
Sasan Power	1,117	161	1.44	1,095	160	1.46	1.60%
KARCHAM WANGTOO (PTC)	180	63	3.50	180	63	3.48	-0.47%
PTC (DB)	909	408	4.49	909	413	4.54	1.21%
PTC (MARUTI)	554	206	3.72	554	206	3.71	-0.12%
PTC (TEESTA)	177	105	5.93	177	105	5.95	0.24%
NPCIL	909	312	3.43	119	36	3.04	-3.83%
RAPS				791	282	3.56	
Tehri	91	35	3.85	91	35	3.85	0.02%
Koteshwar	40	18	4.50	40	18	4.53	0.66%
Tala through PTC	20	4	2.00	20	4	2.16	8.00%
RVUN	11,011	5,377	4.88	11,054	5,467	4.95	1.27%
Giral	0	0		(1)	(0)	1.37	
Rajwest	2,568	1,117	4.35	2,568	1,121	4.36	0.35%
Shared Projects	1,180	53	0.45	1,180	74	0.63	40.40%
Others	908	261	2.87	908	261	2.88	0.04%
NCES & Captive	4,842	2,110	4.36	3,220	1,580	4.91	12.62%
UI				51	101	19.91	

Source	Approved			Actual			
	Energy	Total Cost	(Rs/kWh)	Energy	Total Cost	(Rs/kWh)	%age
	MU	Rs Cr		MU	Rs Cr		deviation
Banking				(29)	(3)	0.96	
Inter Discom				(1,339)	(650)	4.85	
SKS Energy	133	38	2.86	133	38	2.88	0.80%
NVVN Bundled	947	441	4.66	941	410	4.36	-6.47%
Purchase through exchange	#	#	#	1,297	454	3.50	
Gross Power Purchase cost (excluding transmission charges)	**35,283**	**14,196**	**4.14**	**33,630**	**14,635**	**4.35**	**6.95%**
PGCIL Charges		*819*			*799*		7.09%
MARU TRANSMISSION					*14*		
Aravali Transmission services					*9*		
RVPN Charges		*1,105*			*1,073*		
SLDC Charges		*9*			*9*		
Hadoti Power					*20*		
Thar Power					*14*		
Barmer Power					*16*		
NRLDC-PSEB		*1*			*-*		
NRLDC-POSCO					*1*		
POC Charges					*117*		
Total including Transmission Charges (excluding RoE refund from RVUNL)	**35,283**	**16,130**	**4.71**	**33,630**	**16,706**	**4.97**	**6.77%**
Refund of RoE from RVUNL		(730)			(385)*		
Total including Transmission Charges and RoE refund from RVUNL		**15,400**			**16,322**		

**Refund of RoE from RVUNL for FY 2020-21 (Rs 384.66 Cr) has been adjusted against the power purchase cost in the books of accounts; Refund of RoE for FY 2019-20 (Rs 337.99 Cr) has been shown in the Non-Tariff Income in the books of accounts.*
#Revenue from sale of short-term power (trading) has been considered under the head revenue from trading activity and has been discussed later in the Petition

6.1.2. In the Tariff Order for the FY 2020-21 dated 24th November, 2021, the Hon'ble Commission had approved power purchase cost (excluding transmission charges and excluding revenue from sale of surplus short term power) of Rs 14,196Cr. for FY 2020-21. The actual power purchase cost of the petitioner based on the audited accounts is Rs. 14,635Cr. (excluding transmission charge and excluding revenue from sale of surplus short-term power), which is higher than the approved amount 6.77%.

6.1.3. Such variance in the Power Purchase cost is on account of various factors such as:

- **NHPC:**Increase in per unit cost by 2.05% vis-à-vis approved cost
- **SJVNL and Rampur Hydel stations:**Increase in per unit cost by 4.50% vis-à-vis approved cost

- **Shared projects:** Actual per unit cost of Rs 0.63 per unit vis-à-vis approved cost of Rs 0.45 per unit

- **Adani:** The Hon'ble Supreme Court vide its order dated 31.08.2020 in Civil Appeal No.8625-26/2019 and order dated 02.03.2021 in review petition No. 1811-12/2020 has allowed partly compensation to M/s APRL on account of increase in the coal cost of imported coal for non-allocation of coal due to change of New Coal Distribution Policy (NCDP), 2007 in 2012 under Change in Law in terms of Clause 10 of the PPA. Further, in view of the opinion received from Advocate General, GoR in reference to Hon'ble Supreme Court order dated 31.08.2020 and 02.03.2021, the Board of Directors of RUVNL in the meeting held on dated 25.06.2021 was of the view that scope for any further legal remedy does not exist now. After deliberations, the Board resolved to take all necessary action to comply with Hon'ble Supreme Court order dated 31.08.2020 and 02.03.2021. Therefore, Board of RUVNL has constituted the committee(s) for calculating the financial impact. The report of aforesaid committee(s) is still awaited up to finalization of Annual Accounts. In the absence of reliable estimate as on Balance Sheet date, the amount of advance already paid to M/s APRL of Rs 959.41 Cr has been accounted-for as expenditure during the year.

- **Increase in transmission charges:** Transmission cost has primarily increased due to increased charges of RVPNL, PGCIL and POC charges.

- **Purchase through exchange:** Discom needs to resort to power exchange when:

  (i) In certain time blocks when there is energy shortage due to non-availability of power from long term tied up sources. This could be planned or unplanned shutdown of generating station, unavailability of transmission network etc.

  (ii) When the cost of power from exchange is cheaper than the variable cost of some of the tied-up long term sources. In such cases in order to optimize the overall power purchase cost, the Discom backs-down the costlier power plant and purchases power from exchange.

6.1.4. It is pertinent to note that the increase in power purchase costs of the various stations is due to a variety of factors such as additional capitalization approved by the CERC/ SERC, as the case may be, increase in coal charges, increase in freight/ transportation charges, inflationary increase in O&M expenses etc. These costs have been duly approved by the respective Regulatory Commissions and are therefore, beyond the control of the Petitioner.

6.1.5. 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". ThePetitioner, therefore, requests the Hon'ble Commission to approve the power purchase cost based on the actual expenditure incurred as per the audited accounts.

6.2. Operation and Maintenance Expenses

6.2.1 Regulation 24 of the RERC Tariff Regulation 2019states that:

"(1) Operation and maintenance expenses shall be determined for the first year of theControl Period based on normative O&M expenses specified by the Commissionsubsequently in these Regulations.

(2) O&M expenses of assets taken on lease and those created out of consumers'contributions shall be considered, if the Licensee or the Generating Company has theresponsibility for its O&M and bears O&M expenses.

(3) Normative O&M expenses allowed at the commencement of the Control Period (i.e. FY2020-21) under these Regulations shall be escalated at the rate of 3.63% per annum foreach year of the Control Period…."

6.2.2 The Commission in its Tariff Order dated 24th November,2021 had approved O&M expense (excluding terminal benefits) of Rs. 1,238Cr. on normative basis. This amount was derived by the Hon'ble Commission based on the energy sales approved for the year.

6.2.3 The gross O&M expense (excluding terminal benefits) for the FY2020-21 as per audited accounts is **Rs. 1,275.89Cr**before capitalization and **Rs. 1065.74 Cr.** after capitalization.

6.2.4 The total liability towards Superannuation and Gratuity, leave encashment on retirement and other benefits booked under the head of terminal benefit amounts to **Rs. 203.68Cr.** The petitioner has capitalized **Rs 33.98Cr**. in FY 2020-21. Terminal Benefits after Capitalization for FY 2020-21 is **Rs. 169.70Cr.**It is further submitted that since the additional cost on account of superannuation and gratuity liability is not under the control of the petitioner, it requested that the Commission consider this as a pass-through item.

6.2.5 The O&M expenses as per the audited accounts of the Petitioner and the deviation with respect to the revised normative O&M expenses are tabulated below:

Table 5: Operation and Maintenance cost for FY 2020-21 (Rs Cr)

Particulars	Approved	Actual	Deviation
Employee cost	1,181.00	831.13	(349.87)
Administrative & General Costs	160.00	203.06	43.06
Repairs & Maintenance Costs	191.00	241.71	50.71
Gross O&M (Excl. Terminal Benefits)	**1,531.00**	**1,275.89**	(256.11)
Less: Expenses Capitalized	293.00	210.15	(82.85)
Net O&M (Excl. Terminal Benefits) – [A]	**1,238.00**	**1,065.74**	(173.26)

Terminal Benefits		203.68	
Less: Expenses Capitalized	635.00	33.98	(465.30)
Net Terminal Benefits – [B]		169.70	
Net O&M including Terminal Benefits [A+B]	**1,874.00**	**1,235.44**	**(638.56)**

6.2.6 The petitioner requests the Hon'ble Commission to approve the O&M expenses as per normative principles during FY 2020-21.

Employee Expenses

6.2.7 The Employee Expenses of the Petitioner comprises of salaries, wages, Allowance, ex-gratia payments, Staff Welfare Expenses, Terminal Benefits etc.

6.2.8 Since the additional cost on account of superannuation and gratuity liability is not under the control of the Petitioner, the Petitioner requests the Commission to consider this as a pass-through item.

Table 6: Employee Expenses and Terminal Benefits for FY 2020-21 (Rs Cr)

Particulars	Approved	Actual
Gross employee expenses	1,181.00	831.13
Less: Expenses Capitalized	273.26	155.78
Net employee expenses	**907.74**	**675.35**
Terminal Benefits	635.00	203.68
Less: Expenses Capitalized	-	33.98
Net Terminal Benefits	**635.00**	**169.70**
TOTAL	**1,542.74**	**845.04**

6.2.9 Actuarial Valuation in respect of liability towards unutilized paid leave covered under defined benefit plan as at 31.3.2021 has been done and the same has been recognized as expenses. This has resulted in an additional payoff as part of the employee cost which has not been accounted for in the normative approved employee expense.

6.2.10 The above two liabilities have together resulted in an additional expense, which is completely beyond the control of the Petitioner; and should be completely passed through in the true-up exercise.

6.2.11 The actual employee expenses as per the audited book of accounts are as below:

Table 7: Employee Expenses for FY 2020-21(Rs Cr)

S. No.	Particulars	Amount (Rs Cr)
A	**Salaries, Wages, Allowances & Bonus**	
1	Salaries	622.95
2	Overtime	1.52
3	Dearness allowance	99.67
4	Other Allowances	61.55
5	Dearness Pay	0.00
6	Ex-Gratia Payments/ Bonus	10.62
7	Honorarium	-
8	Earned Leave Encashment	19.35

S. No.	Particulars	Amount (Rs Cr)
9	Tution fee Reimbursement	-
10	Incentives	-
11	D.L.I.Board's Contribution	2.38
12	E.S.I. Board's Contribution	1.77
13	Incentives on R.C.	-
14	Incentive on reduction of T&D loss	-
15	Incentive to feeder Incharge	2.59
16	Interim Relief	-
17	Payment under Group Insurance Plan Policy	0.58
18	Conveyance Expenses	0.04
19	Medical Expenses Reimbursement (Private Hospital)	0.56
20	Medical Expenses Reimbursement (Govt. Hospital)	0.99
21	Training Expenses	0.02
22	Uniform & Liveries Expenses	1.99
23	Soap & Duster	0.26
24	Safety Devices	1.51
25	Other Welfare Exp.	0.24
26	Annuity Benefits	0.02
27	D.L.I. Admn. Charges	0.45
28	Expenses on Mediclaim	2.08
29	Interest on Un-paid Salaries	-
	Sub – Total	**831.13**
B	**Terminal Benefits**	
1	Terminal Benefits (Including Provident Fund)	81.97
2	Superannuation Board's Contribution	-
3	Leave Encashment on Retirement	72.66
4	Compensatory Absence (Half Pay Leave Prov.)	-
5	Gratuity fund	30.25
6	P.F. Insp. & Audit Charges	18.38
7	Nigam Contribution to New Cont.Pen.	-
8	Payment under Workmen Compensation Act	0.42
	Sub Total	**203.68**
	Grand Total	**1,034.80**
	Less: Employee cost capitalized	**189.76**
	Actual employee expenses after capitalization	**845.04**

Administrative and General Expenses

6.2.12 The A&G expenses approved by the Commission for FY 2020-21 as compared to the actual A&G expenses incurred by the petitioner is provided below:

Table 8: A&G Expenses for FY 2020-21(Rs Cr)

Particulars	Approved	Actual
Gross A&G Expenses	160.00	203.06
Less: Expense capitalized	19.74	54.37
Net A&G expense	**140.26**	**148.69**

Table 9: Breakup of A&G expenses for FY 2020-21 (Rs Cr)

S. No.	Particulars	Amount (Rs Cr)
1	Rent	3.24
2	Rates & Taxes	2.93
3	License& Registration fee of Plant & Machinery	-
4	Security Service Charges	31.27

S. No.	Particulars	Amount (Rs Cr)
5	Telephone,Telex & EPABX Expenses	5.02
6	Postage &Telegram	0.56
7	Legal Charges, Technical Fees	1.26
8	Payment to Auditors : Statutory Auditors	0.06
9	Payment to Auditors : GST Audit fees	-
10	Retainership Expenses of ex-employees	0.43
11	Fee for I.A. by outside agencies	1.85
12	Consultancy Charges	1.35
13	Professional Charges	0.27
14	Hiring of Vehicle	26.96
15	Travelling expenses	5.73
16	Vehicle Running expenses	1.59
17	Consumer Awareness Expenses	20.26
18	Power Expenses for Administration	11.70
19	Other miscellaneous expenses	7.76
20	Printing & Stationary	2.41
21	Dectretal Charges	8.53
22	Hiring of Computerisation Service	0.43
23	Bill Collection Charges	7.55
24	Expenses on Ht Reading O/S.Agency	1.81
25	Incentive to Feeder Incharge	34.16
26	Spot Billing Expenses	-
27	Bill Distribution Charges	-
28	Brokerage Exp.Related - Auction	0.62
29	Freight & Material related expenses	25.29
	Gross A&G Expenses	**203.06**
	Less: Expenses Capitalised	54.37
	Net A&G Expenses	**148.69**

Repair and Maintenance Expenses

6.2.13 The R&M expenses as approved by the Commission in its ARR order for FY 2020-21 as compared to the actual R&M expenses is as below:

Table 10: R&M Expenses for FY 2020-21(Rs Cr)

Particulars	Approved	Actual
Gross R&M Expenses	191	241.71

6.2.14 The Petitioner has incurred Rs 241.71Cr. in FY 2020-21toward Repair and maintenance of its infrastructure which is higherthan that approved by the Hon'ble Commission. The petitioner requests the Commission to approve the R&M expenses as per actuals.

Table 11: Breakup of Repair and Maintenance Expenses for FY 2020-21(Rs Cr)

S. No.	Particulars	Amount (Rs Cr)
1	Plant & Machinery	95.66
2	Buildings	13.84
3	Other Civil Works (Roads)	-
4	Lines & Cable Networks	131.32
5	Vehicles	0.14
6	Furniture & Fixtures	0.03
7	Office Equipment	0.73

	Total	**241.71**

6.3. Insurance Expenses

6.3.1 The approved insurance expenses for FY 2020-21 as compared to actual insurance expenses is provided below:

Table 12: Insurance Expenses FY 2020-21 (Rs Cr)

Particulars	Approved	Actual
Insurance Expenses	30	1.89

6.3.2 The actual insurance expenses incurred by the petitioner for FY 2020-21 is lower than the insurance expenses approved by the Commission. The petitioner prays that the insurance expenses be approved by the Hon'ble Commission on the normative basis.

6.4. Interest & Finance Charges

6.4.1 The details of interest and finance charges approved by the Commission for FY 2020-21 in its ARR order dated 24.11.2021 and the actual interest and finance charges incurred by the petitioner have been provided in the following table:

Table 13: Interest and Finance Chargesfor FY 2020-21 (Rs Cr)

Particulars	Approved	Actual
Interest on Long term Loans	697	576.35
Interest on Security Deposits, suppliers deposit, meter security	97	79.27
Finance Charges & Lease Rental	152	171.27
Less: Interest and Finance charges capitalized	(26)	(19.23)
Interest on unfunded gap	1,750	2,391.55
Interest on loan taken over UDAY	520	
Interest on Short term Borrowings / Interest on Working Capital (including LPS paid to generators)	213	
Interest on Liquidity Infusion Package under Aatmanirbhar Bharat	-	10.80
Total	**3,403**	**3,210.01**

Non-inclusion of interest on UDAY loan in interest and finance chargesby RERC

6.4.2 The Hon'ble Commission in its ARR & Tariff order for the FY 2019-20 dated 06.02.2020 approved interest on UDAY loans to be included for five years beginning from FY 2019-20 relevant excerpt of which is being submitted as below for ready reference:

"…In view of submission of the Discoms and to avoid tariff shock, the Commission has considered the payment of the accrued interest in five yearly installments and accordingly considered the 1/5th of the amount for FY 2019-20…"

6.4.3 Yearly interest cost as approved by the Hon’ble Commission under interest on UDAY loans stands at Rs 520 Cr. for the Petitioner. However, the Hon’ble Commission in its True Up order for FY 2019-20 dated 07.09.2021 inadvertently missed out on considering the mentioned Rs 520 Cr. while approving the Interest and Finance charges.

6.4.4 The Petitioner has also taken up the issue via a review petition with the Hon’ble Commission for which the order is awaited.

6.4.5 The **Petitioner hereby requests the Hon’ble Commission to approve an amount of Rs. 520 Cr. and associated carrying cost on account of the interest on UDAY loans for FY 2019-20, over and above the Interest and Finance charges for FY 2020-21**

Impact of Covid on Interest on Working Capital

6.4.6 It is pertinent to mention that the Discoms had allowed several relief measures to consumers during the COVID pandemic in FY 2020-21 which including deferrals in payments by consumers.

6.4.7 Due to the relief of deferral in payments of bills and rebate on payment of bills till 30th June 2020, there was a working capital crunch for the first three months in FY-21 (from April to June).

6.4.8 It is essential to highlight that since **the Hon’ble Commission approves working capital of the Discoms on normative basis, the normative working capital amount shall not be sufficient to cater to the needs of the Discom**, especially for the first quarter of FY-21 in which the impact of economic slowdown due to COVID was severe.

6.4.9 The Hon’ble Commission, in the Tariff Order for FY 2020-21 dated 24.11.2021, has also acknowledged this additional working requirement and has accordingly approved the same.

6.4.10 Accordingly, **theDiscom requests the Hon’ble Commission to 3 months of receivables in place of normative 1.5 months of receivables for the 1st quarter of FY 2020-21 while approving normative working capital for FY 2020-21.**

Loans taken under Atmanirbhar Bharat Yojna

6.4.11 In order to come out of the economic fallout of the unprecedented COVID-19 induced lockdowns, GoI announced special economic package of Rs. 20 lakh Cr under ‘Atmanirbhar Bharat’

6.4.12 This special package, called Liquidity Infusion Scheme (LIS), included liquidity infusion to Discoms to the tune of Rs. 90,000 Cr, which was to be provided through Special Long Term Transitional Loan to the Discoms by PFC and REC.

6.4.13 These loans were sanctioned to liquidate the outstanding power purchase payments to CPSU GENCOs/ Transcos, IPPs and RE generators (excluding state Genco and Transmission Utility) as on 31st March, 2020 in the first phase.

6.4.14 These loans were subject to acknowledgement of outstanding tariff subsidy and government departments' dues acknowledged by the state government.

6.4.15 Afterwards the above threshold timeline of 31st March was extended and up to June 2020 (Phase-II).

6.4.16 The details of the loans sanctioned by PFC and REC and disbursed to the 3 Rajasthan Discoms are summarized below:

Table 14: Sanction and Disbursement details under LIS (in Rs Cr)

Particulars	Jaipur	Ajmer	Jodhpur	Total
Loans sanctioned under LIS (Phase – I)	1,028.00	1,051.76	1,983.56	4,063.32
Loans disbursed under LIS (Phase – I)	514.00	525.88	991.78	2,031.66
Loans sanctioned under LIS (Phase – II)	564.38	435.78	1510.74	2,510.90

6.4.17 As seen from the table above, JVVNL has received a loan of Rs 514.00 Cr during
FY 2020-21 under Phase-I of the scheme for which the Discom has paid interest of Rs 10.80 Cr.

6.4.18 It is pertinent to note that the Ministry of Power, vide its letter dated 28.09.2021, has asked the Forum of Regulators to recommend/ advice the Hon'ble SERCs to consider the interest paid on these loans as a pass-through in tariff, as a matter of a more cost-efficient method of managing the liquidity crisis arising out of Covid-19 pandemic. The copy of the letter is attached as **Annexure-B**.

6.4.19 The Petitioner, therefore, requests the Hon'ble Commission to allow the interest paid under this LIS scheme as a pass-through in tariff.

6.5. Depreciation

6.5.1 The depreciation allowed by Hon'ble Commission in Tariff Order issued on 24.11.2021 was Rs 772 Cr. The actual depreciation incurred by the petitioner was Rs. 1,046.66 Cr. The table below gives comparative summary of approved and audited amounts of opening GFA, closing GFA and Depreciation:

Table 15: Depreciation for FY 2020-21 (Rs Cr)

Particulars	Approved	Actual
Opening GFA	15,596	21,453.25
Closing GFA	16,163	22,627.92
Depreciation	**772**	**1,046.66**

6.5.2 The increase is depreciation is primarily due to addition in fixed assets to meet the increased demand of consumers and augmenting the system to improve the quality and reliability of power supply. The details of capital expenditure incurred by the petitioner has been mentioned in Form 3.6.

6.5.3 Discom has submitted the Fixed Assets Registers up to 31.03.2020 of all circles to the Hon'ble Commission.

6.5.4 It is also submitted that preparing fixed asset register is a cumbersome task and processes which includes the physical verification of the assets, noting all the details of the assets, determination of historical as well as present cost of assets, etc. are time-consuming. Further, owing to the complexity of the business, the assets owned by the Discoms also vary and include land, Buildings, Plant and Machinery, Power Distribution System of electrical network of 33KV lines, 11KV lines, Low Tension lines, Sub-Stations, Vehicles, Furniture & Fixtures and Office Equipment distributed across the huge geographic area of 72474 sq. km operation of the company. Despite all the hurdles faced by the petitioner, the Fixed Assets Registers have been duly submitted till FY-19.

6.5.5 The Petitioner requests the Hon'ble Commission to allow depreciation of Rs 1,046.66 Cr.for FY 2020-21.

6.6. Other Debits, Rebate allowed to Consumers and Prior Period

6.6.1 The details of Other debits, rebates allowed to consumers and prior period expenses based on the actual audited accounts for FY 2020-21are provided below.

Table 16: Other Debits and prior period expenses during FY 2020-21 (Rs Cr)

S. No.	Particulars	Amount (Rs Cr)
A	**Other Debits**	
1	Incentive for online payment of energy bills	0.01
2	Shortage on Physical verification of stocks	0.00
3	Loss of cash written off	0.04
4	Compensation for Injured/Death of Employees	0.89
5	Compensation for Injured/Death of Outsider	4.92
6	Loss on obsolete store	0.22
7	Loss on valuation of Inventory	15.31
8	Loss on Exchange Rate variation	-
9	Loss on sale of scrap/fixed assets	13.55
10	Loss due to theft of Fixed Asset	1.83
11	Deferred Expenses Written off	0.04
	Total (A)	**36.82**
1	Rebate for supply on specific voltage/block supply/Flat Rate/ Defective Meter/Prompt Payment/Power factor incentives etc.	376.15
2	DPS/LPS Waived off	28.54
B	**Rebates allowed To Consumers:**	**404.69**
	Billing to Consumers related to prior period	54.05
	Other excess provision in prior period	0.52
	Other Income relating to Prior period	(0.79)
C1	***Prior Period Income***	***53.77***
	Prior Period Adjustment of Power Purchase	(2.12)

S. No.	Particulars	Amount (Rs Cr)
	Employee Cost	0.03
	Depreciation	4.28
	Interest and Other Finance Charges	37.56
	Administration & General Expense	2.18
C2	***Prior Period Expenses***	***41.92***
C	**Net Prior period expenses**	**11.85**
	Total	**429.66**

6.6.2 The petitioner submits that 'Other Debits' and rebates allowed to consumers is outside the control of the Petitioner and hence should be treated an "uncontrollable factor".

6.6.3 The petitioner requests the Hon'ble Commission to allow for the above-mentioned expenses of Rs 429.66Cr. for FY2020-21.

6.7. Bad debts pertaining to revenue of sale of power to consumers

6.7.1 The details of bad debts pertaining to revenue from sale of power to consumers for FY 2020-21 is as below.

Table 17: Bad debts for FY 2020-21 (Rs Cr)

Particulars	Audited
Provision of Bad debts in financial year	183.70

6.7.2 The Hon'ble Commission is requested to approve the bad debts for FY 2020-21 based on actual audited figures.

6.8. Non-Tariff Income and Other Tariff Income

6.8.1 Non-Tariff Income is income realized from sources other than consumers such as income from interest on loan and advances to staff etc. Delayed Payment Charges, FD (Fixed Deposit), income from sales of scrap and sales of fixed assets etc. The other Tariff Income includes Meter Rent, miscellaneous charges from consumers and the cost recoverable as per the RVPN and RVUN true up orders of the previous years.

6.8.2 The Petitioner has realized Rs. 749.99 Cr during FY 2020-21 as Non-tariff Income. The other income amounts to Rs. 565.82 Cr. The summary of the same is provided below:

Table 18: Non-Tariff Income and Other Tariff Income FY 2020-21 (Rs Cr)

S. No.	Non-Tariff and Other Tariff Income	Actual
1	Gain on sale of Fixed Assets	-
2	Interest on Loans and Advances to Staff	-
3	Interest on Loans & Advances to Licensee	0.04
4	Interest Income from FDR	5.22
5	Interest income other than FD	-
6	Rental From Staff Quarters	0.11
7	Registration fees	0.09
8	Sale Of Tender Forms	0.34
9	Income from Sale of Scrap	13.83

S. No.	Non-Tariff and Other Tariff Income	Actual
10	Income from Testing Charges	1.85
11	Other Misc. Receipts.	50.85
12	Gain on Exchange Rate Difference	0.06
13	Excess Prov. of Gratuity written back	30.21
14	Deferred Income from Govt. Grants/subsidy & CCSL	243.36
15	Rebate for Prompt Payment	35.12
16	Delayed Payment Charges from Consumers	368.92
	Total (A)	**749.99**
	Other Tariff Income	
1	50% of amount recovered against electricity theft (Reg 35)	45.23
2	Meter Rent / Service line rental (CT / PT Rent)	17.27
3	Misc. Charges from Consumers	58.01
4	Other Income - True up credit of RVPNL	107.32
5	Other Income - True up credit of RVUNL (Refund of RoE)	337.99
	Total (B)	**565.82**
	Grand Total	**1,315.81**

6.8.3 As per regulation 36(1) of RERC (Terms and Conditions for Determination of Tariff) Regulations 2019, delayed payment charges shall not be a part of Non-tariff income of the petitioner. The relevant regulation is reproduced below for reference.

*"**36. Non-Tariff Income***

(1) 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 onadvances 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."

6.8.4 Accordingly, the Non-Tariff Income may be appropriately adjusted by reducing it with the delayed payment surcharge computed above.

Summary of ARR for FY2020-21

6.8.5 The summary of ARR for FY 2020-21 as approved by the Hon'ble Commission in its order dated 24.11.2021 compared to the actual audited figures is provided below.

Table 19: ARR for FY 2020-21 (Rs Cr)

Expenditure	Approved	Actual
Power purchase Expenses (incl. transmission charges)	14,213	16,706.19
Operation and Maintenance Expenses (including insurance expenses)	1,904	1,237.33
Interest and Finance Charges	3,403	3,210.01
Depreciation	772	1,046.66
Other Expenses including RVUN RoE for FY 20-21	(730)	228.70
Total ARR	**19,562**	**22,428.90**
NTI and other Income	282	1,315.81
Net ARR	**19,280**	**21,113.09**

7. Revenue for FY 2020-21

7.1 Revenue from Sale of Power

7.1.1 In the tariff order issued on 24th November 2021, the Hon'ble Commission had approved Rs. 19,393 Cr. revenue including Revenue from Distribution Franchisee as Rs. 985 Cr. and deducting Rs. 375 Cr. as rebate from sale of power at existing tariffs. The actual revenue as per the audited accounts is Rs. 19,767.40 Cr.

Table 20: Comparison of Actual and Approved Revenue for FY 2020-21

Consumer Category	Revenue (Rs Cr)	
	Approved	Actual
Domestic Service	4,240	4,495.14
Non-Domestic Service	2,084	2,027.40
Public Street Light	121	142.92
Agriculture Metered Supply	5,268	5,795.96
Agriculture Flat Rate Supply	187	209.39
Small Industrial Service	260	234.48
Medium Industrial Service	697	687.92
Large Industrial Service	5,193	4,671.27
P.W.W. & S. Pumping –Small	286	282.07
P.W.W.& S. Pumping –Medium	29	32.42
P.W.W. & S. Pumping –Large	286	269.89
Mixed Load Supply	131	133.41
DF (at Input level)	985	917.39
Total Revenue from Sale of electricity	**19,767**	**19,899.66**
Less: Rebate (ToD and incremental consumption)	375	-*
Total Revenue	**19,393**	**19,899.66**
Less: Following components considered as Non-Tariff Income		
Less: 50% Revenue from theft and malpractice		45.23
Less: Revenue from Meter/transformer rent		17.27
Less: Revenue from wheeling and cross subsidy surcharge		11.75
Less: Revenue from misc charges		58.01
Net revenue from sale of electricity		**19,767.40**

**included under Other Expenses*

7.2 Revenue from trading activity and Open Access Charges

The details of the approved and actual revenue are summarized in the table below:

Table 21: Approved and Actual Revenue for FY 2020-21 (Rs Cr)

Revenue	Approved	Actual
Income from Trading Activity	-	154.79
Income from Wheeling Charges, Cross Subsidy Surcharge and Additional Surcharge	78	11.75

8. Revenue Deficit for FY 2020-21

8.1.1 Based on the actual ARR and revenue realization, the revenue gap for FY 2020-21 stands at Rs. (660.75) Cr. as against Rs.855 Crrevenue surplusapproved by the Commission. The approved and actual revenue deficit is summarized in the table below:

Table 22: Revenue Surplus/Deficit for FY 2020-21 (Rs Cr)

Particulars	Approved	Actual
Annual Revenue Requirement (Net of NTI) (A)	**19,280**	**21,113.09**
Total Revenue incl. revenue from trading and Open Access Charges (B)	**19,471**	**19,933.93**
Gap/ (Surplus) (C=A-B)	**(191)**	**1,179.15**
Revenue Subsidy /grant received during the year		
Subvention from State Govt. Against ED	654	500.00
Subsidy against compounding charges	10	18.40
Sub-Total (D)	**664**	**518.40**
Net Revenue Gap / (surplus) (C-D) without UDAY Grant (E)	**(855)**	**660.75**
UDAY Grant received (F)	-	-
Net Revenue Gap / (surplus) (F+E) with UDAY Grant	**(855)**	**660.75**

8.1.2 It is prayed that the Commission considers the actual revenue gap for FY 2020-21while determining the tariff for ensuing year.

8.1.3 The compliance status of the directives issued by the Hon’ble Commission vide order dated 07.09.2021 is attached as **Annexure-C**

9. Deviation Analysis for FY 2020-21

9.1.1 The followingtable depicts the deviation analysis in respect of each of the elements of the Income and Expense accounts.

Table 23: Deviation Analysis (Rs Cr)

	Particulars	Approved	Audited	Deviation	Reason for Deviation
1	**2**	**4**	**5**	**6 = 5 - 4**	
A	**Expenditure**				
1	Power Purchase Expenses	12,279	14,635.04	2,356.04	Higher than approved per unit cost. The quantum of energy purchased was also higher than the approved quantum due to transmission and distribution losses being higher than the approved losses
2	Operation & Maintenance Expenses	1,874	1,235.44	(638.56)	The O&M costs incurred have been lower than that approved in the ARR order.
2.1	*Employee Expenses*	*908*	*675.35*	(232.40)	
2.2	*Administration & General Expenses (including consumer awareness)*	*140*	*148.69*	8.43	
2.3	*Repair & Maintenance Expenses*	*191*	*241.71*	50.71	
2.4	*Terminal Benefit*	*635*	*169.70*	(465.30)	
3	Depreciation	772	1,046.66	274.66	Depreciation claimed as per actual opening and closing balances of GFA in the books of accounts.
4	Interest on Long-term Loan Capital and Finance Charges	823	728.39	(94.61)	Higher working capital requirement due to shortfall in tariff subsidy from GoR.
5	Interest on Working Capital, Interest on Free Loan and Interest on Bonds	213	2,402.35	(80.65)	
6	Interest on Regulatory assets	1,750			
7	Interest on UDAY loan	520			
8	Interest on Consumer security deposits	97	79.27	(17.73)	
9	Other Expenses	-	429.66	429.66	As per annual audited accounts which were not considered in Tariff order
10	Transmission Charges	1,924	2,061.07	137.07	As per approved tariffs by CERC and RERC
11	NLDC/RLDC/SLDC Charges	10	10.08	0.08	
12	Amortisation of Regulatory assets	-	-	-	
13	Bad Debts written off (including provision during the year)	-	183.70	183.70	As per actuals in books of accounts.
14	Insurance Expenses	30	1.89	(28.11)	As per actual charges paid
15	Refund of RoE from RVUNL (FY20-21)	(730)	(384.66)	345.34	Refund of RoE from RVUNL for FY 2020-21 (Rs 384.66 Cr)

	Particulars	Approved	Audited	Deviation	Reason for Deviation
					has been adjusted against the power purchase cost in the books of accounts; Refund of RoE for FY 2019-20 (Rs 337.99 Cr) has been shown in the Non-Tariff Income in the books of accounts
A	**Total Revenue Expenditure**	**19,562**	**22,428.90**	**2,866.90**	As per actual charges paid
	Return on Equity Capital				
B.	Tax on R.O.E	-	-		
	Aggregate Revenue Requirement (A+B)	**19,562**	**22,428.90**		
C	**Other Revenue**				
1	Non-Tariff Income & Other Income	282	1,315.81	1,033.81	As per actuals(including refund of RoE from RVUN for FY 2019-20)
2	Income from wheeling charges and reactive charges		4.66		As per actuals.
3	Receipt on account of Cross Subsidy Surcharge	78	4.63	(66.25)	As per actuals.
4	Receipt on account of Additional surcharge on charge of wheeling		2.46		As per actuals.
5	Income from Trading activity	-	154.79	154.79	As per Actual
	Total C	**360**	**1,482.35**	**1,122.35**	
D	**NET REVENUE REQUIREMENT [A+B-C]**	**19,202**	**20,946.55**	**1,744.55**	
E	**Revenue from sale of electricity**				
1	Revenue from sale of electricity	19,393	19,767.40	1,496.23	As per actuals. The actual quantum of sales was higher than that approved in the ARR
F	**Revenue Subsidy received from Appropriate Government other than the subsidy under section 65**	664	518.40	(21.98)	As per annual audited accounts
G	**Revenue Gap/(surplus) to be trued up (D-E-F) before UDAY Grant**	**(855)**	**660.75**	**1,515.75**	As per actual loss for the year
H	**UDAY Grant**		-		
I	**Revenue Gap/(surplus) to be trued up (G-H)**	**(855)**	**660.75**		As per annual audited accounts
J	Add: Delayed Payment Surcharge considered as NTI	-	368.92		As per annual audited accounts

	Particulars	Approved	Audited	Deviation	Reason for Deviation
K	**Net revenue gap/ (surplus) to be trued-up (I+J)**	**(855)**	**1,029.67**	**1,884.67**	

9.1.2 Based on the above, the Petitioner respectfully prays to the Commission to true-up theexpenditure and revenue for FY 2020-21 on the actual performance of the Petitioner and approve the revenue gap of Rs. 1,029.67 Cr.for FY 2020-21, after adjusting forDelayed Payment Surcharge considered as part of NTI.

A2: Prayer

Jaipur Vidyut Vitran Nigam Limited requests the Commission to:

- Allow the true-up for FY 2020-21based onactualssubmitted by the Petitioner and approve the revenue gap of Rs. 1,029.67 Crfor the year.

- Condone any error/omission

- Permit the petitioner to make any further submission required to be a part of the petition

- Allow the petitioner to make oral submissions

- And pass such other and further orders as are deemed fit and proper in the facts and circumstances of the case.