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SUPRINTE[illegible] NGINEER (RA&C)
JODHPUR DISCOM, JODHPUR

JODHPUR VIDHYUT VITRAN NIGAM LIMITED

Replies to Data Gaps on ARR and Tariff Petition for FY 2019-20

The replies to queries and data gaps provided by the Hon'ble Commission pertaining to ARR and Tariff Petition for FY 2019-20 is as under

Q1. Please furnish the detailed information of loans/debts taken over under UDAY, effective rate of interest after takeover of loans/debts and also furnish the measures taken by the Discom for restructuring of remaining loans/debts after takeover to reduce the interest burden if any.

Discom's Response

The information of loans/debts taken over under UDAY and the effective rate of interest after takeover of loans/debts is provided in **Annexure-A.** The petitioner has made several attempts to restructure the remaining loans after the debt taken over under UDAY, as submitted in **Annexure-A**

Q2. Please furnish the rationale behind the Time of Day (TOD) tariff proposal along with the load curve and also indicate the readiness of Discom for implementation of the aforesaid proposal.

Discom's Response

Time of Day tariff has been proposed for flattening of the load curve as well as to benefit the consumers who can support in the process by shifting their load during off-peak hours If the load reduces in the peak hours, the Discom can avoid purchase of power from stations which have higher variable cost thereby resulting in a financial benefit Similarly, during the off-peak hours, the Discom has to either surrender its power or sell the same on exchange As the price on exchange is dynamic, there is no certainty of selling power there Moreover, when the state experiences its off-peak period during the day, similar off peak is also experienced by other states thereby reducing the price on the exchange As such, it is beneficial if the consumption within the state increases during such off-peak period

The peak and off-peak periods have been proposed based on analysis of actual load curve of the Discom in FY 2018-19 It is evident from the load curve that the Discom witnesses the peak load during 0700 hours to 1100 hours and off-peak load during 0000 to 0600 hours round the year While there are certain variations in different seasons but the trend is more or less consistent

At present, ToD has been introduced only for the industrial consumers as this category of consumers can manage to shift their load by shifting the production hours The Discom has attached the month wise details of hour wise load depicting the peak and off-peak hours for Commission's analysis as **Annexure-B.**

It is also pertinent to mention that if the load is not reduced during the peak hours, then the Discom will have to further tie up capacity to meet such increasing demand This will increase the fixed cost burden of the Discom

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The ToD tariff has been introduced for the industries, which can shift their load from day to nighttime, which not only will help the Discoms to better manage the power purchase cost but will also enable the industries to be cost effective For this reason, the industries on several occasions have sought for introduction of ToD tariff

ToD tariff is a well accepted practice and has been introduced across most of the states in India In terms of readiness, the Discom has done a thorough review and evaluated that the meters installed for the industrial consumers are all capable of recording time block wise consumption

The Discom further submits that a detailed benefit analysis will be conducted based on the actual data of surcharge levied and rebate availed during the year to further refine the timings and the rebate/surcharge proposed

The load curves of the petitioner are submitted as **Annexure-B**

Q3. Discom has not furnished detailed information for implementation Saubhagya scheme & status of implementation in monthly billing as directed in the way forward section of order dt. 28.05.2018. Discom may furnish the same

Discom's Response

The petitioner has submitted the details of progress under Saubhagya Scheme as **Annexure-B1.**

It is submitted that the implementation of monthly billing would not only require implementation of IT systems but also require realignment of business processes In the current scenario, the cycle of meter reading to bill distribution takes approximately 15-20 days In order to strengthen its business processes the Discom has already started using feeder in-charge for the process of metering, billing and collection thereby improving the quality of the same Further IT tools are in the process of being implemented to reduce the time gap between meter reading and bill distribution LoA for development of software modules for all three Discoms has been awarded to NIC by JVVNL and is being done at a very nominal cost The ownership of application as well as entire data shall lie with the Discom

Q4. Please furnish the detailed computation of sales of agriculture metered and flat rate category for FY 2019-20.

Discom's Response

The petitioner submits the detailed computation of sales of the agriculture metered and flat category as **Annexure-C**

Q5. Please furnish the details of category wise outstanding arrears upto 31/03/2019.

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Discom's Response

The petitioner is submitting the details of the category wise outstanding arrears upto 31/03/2019 as **Annexure-D**

Q6. Please furnish the details of age-wise and category wise no. of defective meters upto 31/03/2019.

Discom's Response

The petitioner submits the details of age-wise and category wise number of defective meters upto 31/03/2019 as **Annexure-E** and requests the Hon'ble Commission to accept the same

Q7. Please furnish detailed computation of weighted average rate of interest on term loan.

Discom's Response

The petitioner submits the computation of weighted average rate of interest on term loan as attached in the **Annexure-E1 and Annexure-E2.**

Q8. Discom has proposed various changes in the applicability of Tariff of different categories. Discom may please specify, the items included or excluded while proposing the changes in the applicability of Tariff in different categories. The Discom may also provide a comparative chart of old and new applicability of tariff duly highlighting the proposed changes.

Discom's Response

The petitioner is submitting the list of changes as proposed in the applicability of tariff in the **Annexure-F** highlighting the changes and the comparative of existing and proposed applicability of tariff

Q9. Discom is required to furnish town wise AT&C losses before implementation and after implementation of the R-APDRP along with tariff petition as directed in Commission's order dated 28.05.2018 of Investment plan.

Discom's Response

The petitioner submits the town wise AT&C losses before and after the implementation of R-APDRP as **Annexure-G** and requests the Hon'ble Commission to accept the same

Q10. Discom has mentioned the distribution losses of 23.12% during FY 2018-19 against the targets of 15% for FY 2018-19. Whereas in the current petition Discom has proposed to achieve Distribution Loss of 18% during FY 2019-20. The Discom

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need to elaborate in detail as to what steps/measures to be taken to achieve the target set for FY 2019-20.

Discom's Response

The Petitioner recognises the importance of reducing the distribution losses in order to ensure that the state power sector remains viable The Petitioner has already undertaken several steps and numerous measures are envisaged to be undertaken to bring down the existing loss levels The decreased loss levels to 23 12% are an indication of the thought process and line of action taken by the Petitioner in this direction

The Petitioner intends to pursue the loss reduction programs initiated in previous years with increased use of technology Information Technology, being a tremendous enabler, is the backbone of any complex socio-technical system, allowing to sense, discover, regulate, enforce, control and optimize the system

The petitioner further plans to implement smart metering which will assist the Discom in better managing the billing and collections Use of smart meters will also improve the theft detection methods leading to improved vigilance and reduction in losses

The Discom also plans to solarise grid connected Pumpsets thereby reducing the agriculture consumption and corresponding losses Also, use of distributed generation, wherein the generating source is close to the load centre, reduces the line losses Discom plans to install solar plants by utilising the land available in existing 33 kV substations Further, physical segregation of agriculture feeders has also been planned This will ensure that transformation capacity is adequately utilised thereby reducing the iron losses of the transformer

The petitioner also submits that while most of the states like Rajasthan have made significant improvements, the targets envisaged under UDAY could not be achieved This clearly highlights the difficulties in achieving the targets outlined and the same requires more time

State	Base year losses(FY 2015-16)	Targeted Losses	Achieved Losses
Rajasthan	30 41	15	21 29
Madhya Pradesh	23 97	17	31 9
Maharashtra	19 07	14 98	17 34
Bihar	43 74	21	27 39
Uttar Pradesh	26 47	19 36	24 64
Haryana	29 83	15	17 45

As observed from the table above, the Rajasthan Discoms have made considerable reduction to reduce the AT&C losses from ~30% in FY 16 to ~21% in FY 19

Q11. Discom may submit that how Discom is going to meet its RPO obligation for FY 2019-20.

Discom's Response

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The petitioner submits that it will meet its Renewable Power Obligation for FY 2019-20 by taking the following measures

- Procuring power from non-conventional energy sources like wind, solar, hydro and biomass based plants, the details of which are provided in form 3 1
- The Rajasthan Discoms plan to install solar capacity of 2,600 MW at their own substations under Component-A of KUSUM
- Implementing KUSUM scheme wherein solarisation of 2 lacs existing agriculture pumps will be done and also 2 lacs new agricultural pumps will be set up and the power injected into the grid from such installations will contribute to the Discom's RPO The solarisation of agricultural pumps will hence benefit the Discom in 2 ways
  a) Solarisation of the pumps will reduce the procurement of power to meet the need of such consumers from conventional energy sources
  b) At the same time, the injection of excess energy generated from the solar installations will further reduce the dependence on conventional energy sources
- Promoting and installing solar rooftops through Net metering arrangement

Q12. Discom has proposed that "If any consumer under SIP category exceeds his load more than 25 HP in any month, it shall be billed under MIP category for that month". The Discom may explain in detail, as to how Discom would identify the excess load of aforesaid consumers billed on the basis of connected load.

Discom's Response

The petitioner submits that the meters installed for the industrial category consumers do record the load of a particular month and the reading is taken accordingly If that meter reading recorded is more than 25 HP for that month, then the consumer shall be charged in the MIP category for that particular month

Q13. While proposing the changeover from SIP to MIP category, from LT to HT category and from MIP (HT) to LIP category, Discom has proposed that "the consumer shall have to pay load/demand surcharge for the load/demand recorded above the sanction load/demand for that month". With regard to above, the Discom may clarify the quantum of load/demand surcharge.

Discom's Response

The petitioner submits that the demand/load surcharge is applicable to the extent to which the load is exceed above 25 HP for the month For example, if the recorded load for a month of a consumers is 30 HP then a surcharge of 20% ((30-25)/25*100) shall be applicable on both fixed and energy charges for that month

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Q14. Reason for not considering lower proposed tariff for power intensive industry for calculation of cross subsidy surcharge may be provided.

Discom's Response

The petitioner submits that in order to promote industries for which energy is a major input cost, a specific category has been created Lowering the tariff will lead to lower input cost of these industries and make them competitive with industries in other states Further, the objective is also to increase consumption from Discoms However, the cost to serve such industries is no different from other industries Therefore, if the industry is not consuming energy through Discom but sourcing from outside through open access, it gives a double blow to the Discoms The incentive provided to the industries cannot be at the cost of Discoms As such, CSS proposed is same for both the categories

Q15. The Discom in the instant petition has stated that "The petitioner in a separate petition has proposed a rebate of Rs. 0.55 per unit on energy charges for MIP (HT) category and Rs. 0.85 per unit on energy charges for large HT category and power intensive industry as a rebate on the yearly consumption in a financial year in excess of the consumption of the base year." In the aforesaid separate petition the Discom has also proposed a rebate of Rs 1.5 per unit for captive consumers, the Discoms need to clarify whether said rebate scheme for captive consumers has been proposed in the current petition or not. Please also provide the illustration for working out the rebate.

Discom's Response

The petitioner submits that the rebate scheme for captive consumers is still applicable along with the incremental consumption as given in the ARR petition The petitioner has attached the petition of Rebate to Industrial Consumers filed by the Discom as **Annexure-H** for the reference and also attaches **Annexure-I** as an illustration of calculation of rebate on the incremental consumption

Q16. The Discom has shown Revenue gap during FY 2019-20, the Discom may furnish the measures to be taken to meet out the Revenue gap.

Discom's Response

The proposed revenue gap of Rs 523 Cr will be met through external funding Also, the functionality of RUVNL optimizing the power purchase cost, load forecasting will be of significant help to reduce the cash deficit for the FY 2019-20 The Discom will try to further optimize its cost to not further burden the consumers of the increasing costs It is pertinent to mention that proposing a tariff hike to meet the entire revenue gap would give tariff shock to consumers and hence, the petitioner requests the Hon'ble Commission to approve the proposed tariff hike or the petitioner would fall into a severe financial crunch

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Q17. Please furnish the category wise and sub categories wise information of sales by distribution franchisee for FY 2018-19 and FY 2019-20 in Format 2.1. The information of power supply to DF by Discom may also be furnished separately.

Discom's Response

The petitioner submits the category wise information of sales by distribution franchisee for the FY 2018-19 as **Annexure-J.** The total sales, consumers, connected load and other particulars are being projected for the whole Discom and the proposed tariff will be applicable for all the consumers and hence, the Discom has already submitted the particulars for all the consumers in the Discom, including the ones in the DF

Q18. In Format 2.1, Basis of calculation of fixed charges for all categories of consumers may be furnished for FY 2019-20.

Discom's Response

The petitioner submits the basis of calculation of fixed charges of each category in the table provided below

Category	Basis of Calculation
Domestic (LT)	Product of total average connected consumers in a financial year and fixed charges proposed
Domestic (HT)	Product of total average connected load in a financial year and fixed charges proposed and power factor of 0 85
Non-Domestic (LT)	Product of fixed charges and total number of consumers in the category
Non-Domestic (HT)	Product of connected load in a financial year and fixed charges proposed taking a power factor of 0 85 and billing demand of 75%
Public Street Light	Product of connected load and the fixed charges proposed for the FY
Agriculture (M)	Product of total connected load and fixed charges proposed converted to kW from HP
Agriculture (F)	Product of total connected load and fixed charges proposed converted to kW from HP
Small Industries	Product of total connected load and fixed charges proposed converted to kW from HP
Medium Industries	Product of total connected load and fixed charges proposed converted to kW from HP Also, accounted for the power factor for HT consumers
Mixed Load	Product of total connected load and fixed charges proposed converted to kW from HP Also, accounted for the power factor for HT consumers
Large Industries	Product of total connected load and fixed charges proposed converted to kW from HP Also, accounted for the power factor for HT consumers
Public Water Works	Product of total connected load and fixed charges proposed converted to kW from HP Also, accounted for the power factor for HT consumers

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Category	Basis of Calculation
Power Intensive Industries	Product of total connected load and fixed charges proposed converted to kW from HP Also, accounted for the power factor

Q19. Discom has stated that connected load per Consumer for FY 2019-20 is same as FY 2018-19, connected load per consumer for agriculture metered of FY 2019-20 in table 5 is 17.70 whereas in format 2.1 for FY 2018-19 it is 17.66. Please clarify the same.

Discom's Response

The petitioner submits that the connected load submitted in the form 2 1 is for the consumers under the Discom and does not include DF consumers Whereas, for projecting the sales of FY 2019-20 all the consumers have been included, which creates a difference of 0 04 KW per consumer

Q20. Please furnish the basis of considering the availability, energy charges and fixed charges shown in respect of RVUN, NTPC, NHPC, IPP/UMPP & other sources etc as mentioned in Format 3.1 for FY 2019-20.

Discom's Response

The petitioner submits that the fixed charges and energy charges per unit have been taken the same as for the FY 2018-19 The energy charges of a particular station have been multiplied with the total energy sent out and similarly the fixed charges have been calculated The availability has been calculated on the basis of Rajasthan's share, the PLF and deducting the auxiliary consumption of every plant Further, the availability as well as the actual energy received during the FY 2018-19 has also been given due consideration

Q21. In Format 3.1 for FY 2019-20, the average cost of energy received for Anta GTPS, Auriya GTPS, Singuarli Hydel and DCCPP is quite high, Please clarify the same.

Discom's Response

The Discom submits that the cost of energy per unit received is on the actual basis according to the bills received in the FY 2018-19 and checked and vetted by the concerned department and needs no further changes A brief description of increased rates is provided below

The Gas power stations are based on three types of fuel i e APM Gas, LNG & Liquid (Naptha) Based on the availability of the fuel, NTPC declares availability of these stations based on respective fuel Rajasthan Discoms usually schedules Gas power, however, power on LNG & Naptha is generally surrendered on account of high variable charges and hence the Discom has to pay the fixed charges as applicable on a very small quantum of energy received which leads to a high cost per unit

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The cost of per unit received is high for Singrauli Hydel due to RLDC charges in the FY 2018-19

Q22. Please furnish detailed calculation of proposed DBST indicating total power purchase cost.

Discom's Response

- The petitioner has already submitted the calculation of DBST for sources other than RVUNL and RVPN in table-30 of ARR and Tariff Petition for FY 2019-20
- The details of DBST indicating the total power purchase cost for FY 2019-20 is provided in **Annexure-K.**

Q23. In format 3.1 for GPTPP and Tehri plant total cost of energy received is negative for FY 2018-19. Please clarify the same.

Discom's Response

- GPTPP plant has been shut-down due to unavailability for gas fuel The plant is procuring power from the Discoms due to which the cost of energy received from the plant for FY 2018-19 has been shown as negative
- The prior period adjustment for Tehri plant for FY 2018-19 is Rs -0 03 Cr However, the total cost of energy received from the plant is Rs 38 26 Cr for FY 2018-19

Q24. Please furnish the basis of variable and fixed cost considered for the following new units and also indicate their expected date of commercial operation:

Sr. No.	Particular
1	STPS Stage V (Unit 7 & 8)
2	Tnda STPP Stage II (2*660 MW)
3	Meja TPS (1320 MW)

Discom's Response

The fixed and variable cost of power purchase from new station within and outside the state has already been mentioned in Form 3 1 for FY 2019-20 The date of commercial operation of the said stations is as under

Station Name	Date of Commercial Operation
STPS Stage V (Unit 7) (660 MW)	October 2019
STPS Stage V (Unit 8) (660 MW)	February 2020
Tnda STPP Stage II (2*660 MW)	NA*
Meja TPS (unit -1) (660 MW)	30 04 2019
Meja TPS (unit -2) (660 MW)	01 05 2019

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*Date of Commercial Operation is not present with the petitioner

Q25. Please furnish the list of plants with their capacity which are expected to achieve COD during FY 2019-20.

Discom's Response

The details of generating stations expected to achieve, or have achieved, COD in FY 2019-20 is as under

Station Name	Date of Commercial Operation
STPS Stage V (Unit 7) (660MW)	October 2019
STPS Stage V (Unit 8) (660 MW)	February 2020
Tnda STPP Stage II (2*660 MW)	NA*
Meja TPS (unit -1) (660 MW)	30 04 2019
Meja TPS (unit -2) (660 MW)	01 05 2019

*Date of Commercial Operation is not present with the petitioner

Q26. Under transfer scheme, the responsibility of power purchase from all sources lies with RUVNL, whereas in the instant petition, Discom has mentioned that power purchase from RVUN stations shall be made by Discom and other than RVUN station it shall be made by RUVNL. Discom may clarify the same.

Discom's Response

- While the transfer scheme has vested all PPAs and TSAs with RUVNL, for the sake of ease of implementation, the coordination committee decided to give effect to the transfer scheme in a phased manner As such, in the first phase, RUVNL will be responsible for managing procurement of power from all sources other than RVUN & RVPN
- Similarly, in accordance with the decision of the coordination committee, RUVNL will implement DBST mechanism in a phased manner For RVUNL and RVPN, the Discoms will continue to procure power as per the existing PPAs and TSAs
- However, in subsequent years, RUVNL shall manage all sources of power including RVUNL and all sources of power will be considered for calculation of DBST

Q27. Please clarify whether trading margin and revenue earned from surplus energy have been adjusted against power purchase cost claimed. Please furnish the detailed computation of the same.

Discom's Response

- The trading margin charged by RUVNL is included in 'Cost of power purchase from other sources and other transmission cost', as mentioned in the note provided

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in Form 3 1 2019-20 (c) Further, the petitioner **re-submits Form 3.1(a)** FY 2019-20

- The power purchase cost considered for FY 2019-20, as provided in Form 3 1, is the net power purchase cost after deduction of revenue from sale of surplus power

Q28. Please furnish the ratio of power purchase amongst Discoms for FY 2019-20 along with supporting documents.

Discom's Response

The ratio of power purchase of Discoms for FY 2019-20 is as under

Discom	PP Ratio
JVVNL	40 27%
AVVNL	27 14%
JdVVNL	32 59%

The supporting document to the same has been attached as **Annexure-K1**

Q29. Under transfer scheme power purchase responsibility has been transferred from Discoms to RUVNL, for Which RUVNL shall charge a trading Margin of Rs. 0.01 Per Unit from Discoms. In this regard, Discom may provide the details of savings on account of operational cost of Discom and provide supporting documents for recovery of trading margin.

Discom's Response

RUVNL has been formed by GoR in December 2015 to carry out power trading business of state power sector utilities Energy cost accounts for 80% of the total ARR of Discoms and efficiency improvement on this front has potential to significantly benefit the financial health of discoms leading to reduction in tariff of customers RUVNL will be leveraging technology for Day ahead demand forecasting and day ahead scheduling, strengthening power purchase planning approaches and sales/purchase decision making, review of PPAs and TSAs with generators and Transmission companies, Procure power from additional sources at least cost and identifying new avenues to power procurement matching with load pattern of Rajasthan consumers To meet these objectives of power procurement optimization and financial management, RUVNL will have to invest in latest technology and tools of power procurement, employ additional resources and also incur cost of setting up and running new company Thus the coordination committee of Rajasthan energy companies in its meeting dated 31 03 2019 decided that RUVNL will charge 1 paisa on the Energy purchased from "sources other than RVUNL" by it on the behalf of Discoms as trading margin This will ensure sustainability and future readiness of RUVNL to manage huge cash flows pertaining to its operations The petitioner submits that the Commission may take a prudent view in this regard

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The supporting documents for charging of trading margin by RUVNL has been attached in **Annexure-L.**

Q30. Please furnish the detailed computation of Energy purchased from "Sources other than RVUNL" as indicated in Format 3.1 of the petition.

Discom's Response

With the DBST mechanism in place, the energy purchase from 'sources other than RVUNL' shall be managed by RUVNL Thus, the same has been projected at Rajasthan level rather than at Discom-level The details of energy procured and costs associated with it for the said sources are provided by the petitioner in Form 3 1 2019-20 (a)

The amount of power purchase from 'sources other than RVUNL' for each Discoms has been apportioned on the basis of their net energy requirement and multiplied with the DBST in Rs /kWh to arrive at the total cost of power purchase from the said sources for each Discom

Q31. In format 3.1(b) of power purchase from RVUN, Discom has indicated inter-state losses of 3.15% and accordingly computed the energy received. The Discom may clarify the same.

Discom's Response

The petitioner is resubmitting the **Form 3.1(b)** for FY 2019-20. The intra-state transmission losses applicable for RVUN sources is taken as 3 85% for FY 2019-20

Q32. In Format 3.4 for FY 2019-20, PGCIL Charges are not given. Please clarify whether Power Purchase Cost as submitted in Format 1.1 is inclusive of PGCIL Charges, if yes please specify the amount and indicate the same in Format 3.4.

Discom's Response

Due to implementation of DBST mechanism, power purchase (and transmission charges) of all sources other than RVUNL and RVPN will be managed by RUVNL Thus, the PGCIL charges, which are a part of 'sources other than RVUNL and RVPN, is provided in Form 3 1 (a)

Q33. In Format 3.5 for FY 2019-20, NLDC, RLDC charges are not given. Only SLDC charges are given. Please furnish above charges separately in format 3.5.

Discom's Response

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- Form 3 5 mentions transmission charges pertaining to state sources, i e RVPN and SLDC only
- Since DBST mechanism is considered for FY 2019-20, the RLDC and NLDC charges are not projected Discom-wise but at Rajasthan level Details of the same have been provided by the petitioner in Form 3 1 2019-20

Q34. In Format 3.6, rate of depreciation is not furnished, please furnish rate of depreciation.

Discom's Response

The rate of depreciation as per provisional accounts of JdVVNL for FY 2018-19 is as under

S.No.	Particulars	Rate of Depreciation
1	Building	3 34%
2	Other Civil Works	3 34%
3	Plant & Machinery	5 28%
4	Lines & Cable Networks	5 28%
5	Vehicles	9 50%
6	Furniture & Fixtures	6 33%
7	Office Equipment	6 33%
8	IT Equipment	15 00%
9	IT/SCADA software	9 00%

Q35. Please furnish detailed computation of interest along with basis of interest charged in format 3.7 for FY 2019-20.

Discom's Response

The petitioner re-submits Form 3 1 FY 2019-20 as **Annexure-E1** wherein the detailed computation of the rate of interest is provided The petitioner has taken the interest rate for FY 2019-20 as 10 07% on the basis of the audited accounts of FY 2017-18, since during the time when the petition was prepared the only the provisional accounts of FY 2018-19 were present

Q36. In Format 4.1 transfer to Fixed Assets column's and Format 4.2 Additions during the year column's is not matched. Please clarify the same.

Discom's Response

The petitioner submits that it was an inadvertent error in Format 4 2 The petitioner is re-submitting **Form 4.2** for FY 2019-20

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Q37. As per proviso to regulation 82(1) of "RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019" requires that Terminal Benefits should be based on Actuarial Valuation, please furnish the Actuarial Valuation Report to substantiate the claim of Terminal Benefit.

Discom's Response

The actuarial valuation report for JdVVNL is provided as **Annexure-M**

Q38. In past years Discom has not claimed ROE. Please furnish the reasons for claiming ROE for the FY 2019-20. Discom is also requested to furnish the basis of Equity claimed at the beginning of the FY 2019-20.

Discom's Response

While the petitioner has already specified the reason and background for claiming RoE for FY 2019-20, it is being further detailed below

- Regulation 20 of Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2019, pertaining to RoE, states that-

  "(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"

  As such, the claim of RoE is justified However, to ensure that the consumers are not over burdened with this increased cost, only 5% RoE has been claimed as against the allowed 16%

- Rajasthan Discoms till now had not claimed Return on Equity as part of its tariff At present, the Discoms are generating revenue to meet the power purchase and O&M expenses and are still left with a substantial revenue gap Due to this, there is less scope for further investments in terms of system augmentation, adoption of new technology, etc Thus, in order to meet such expenses the Discoms need to look for additional sources of revenue apart from sale of power to consumers RoE would help the Discoms in meeting such requirements

- The RoE will also assist the Discom in ensuring fund availability for meeting the accumulated losses, clearing outstanding liabilities, to ensure future debt repayments and for funding of capital investments of Discoms

- The State Generation and Transmission companies are already claiming RoE as the norms specified in RERC Tariff Regulations The said regulations allow Discoms to claim RoE upto 16% However, in the initial phase, the petitioner has proposed

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to claim RoE @ 5%, amounting to Rs 263 44 Cr for FY 2019-20 and plan to incrementally increase RoE over the years

The details of RoE and equity for FY 2019-20 is as under

Particulars (Rs Cr.)	FY 2019-20
Gross GFA	17,562 71
30% of GFA	5,268 81
Normative Equity	5,268 81
Actual equity	10,095 76
Minimum of Normative or Actual equity	5,268 81
RoE % Considered	5%
RoE	263 44

Q39. Please furnish the basis for Rate of interest on working capital.

Discom's Response

The rate of interest on working capital is as per the norms specified in RERC (Terms and Conditions for Determination of Tariff) Regulations 2019

The relevant clause of the said regulations is as under

"27 (2) be 300 basis points higher than the average Base Rate prevalent during first six months of the year previous to the relevant year The working capital and interest thereon shall be computed on normative basis notwithstanding that the Generating Company or Licensee has not taken working capital loan from any outside agency"

Q40. Fixed charges for general domestic and HT (DS HT-1) and energy charges for PSL category at table no. 59 and 61 are not matching with the format 5.2. Please clarify the same.

Discom's Response

The petitioner submits that it is an inadvertent error in the petition and the values provided in Form 5 2 are correct Further, the petitioner is re-submits the proposed tariff structure for FY 2019-20 as **Annexure-R.**

Q41. In table 67 proposed tariff for large industries category has been mentioned as medium industrial service (LT-8 and HT-5). Please clarify the same.

Discom's Response

The petitioner submits that it is a typographical error Table-67 pertains to tariff for Large Industrial category for FY 2019-20

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Q42. Discom is required to furnish details of column/Row which are left blank or re-submit the following formats with complete information duly indicating NIL or Otherwise wherever required:

Form No.	Particulars	Details of column/row not provided in the forms	Petitioner's Response
2 2	Income from Wheeling Charges	Open access contracted capacity for FY 2018-19 & 2019-20	The petitioner is resubmitting the details of Open Access consumers in **Annexure-N**
2 4	Non-tariff Income	Other Tariff Income	The petitioner submits that the other tariff income which includes the following have not been projected for FY 2019-20 • 50% of amount recovered against electricity theft • Meter Rent / Service line rental (CT / PT Rent) • Misc Charges from Consumers The said charged will be considered on actual basis in the true-up petition for FY 2019-20
2 6	Revenue Subsidy and Grant	Grant actually received & State Govt Grant against additional interest liability	The petitioner is resubmitting the details of subsidy from GoR in **Annexure-O**
3 1	Power Purchase Expenses	Incentives and other charges & Utility share for 2019-20	The petitioner submits that the columns named 'Incentives' and 'Any other charges' contain no value so they have been left empty The Commission may consider them as zero The utility share for FY 2019-20 has been provided in Form 3 1
3 2	Operations and maintenance expenses	Closing GFA of R&M exp	The petitioner re-submits form 3 2
3 4	Transmission Charges	Contracted capacity and Transmission Tariff	The petitioner is resubmitting Form 3 4
6 1	Voltage wise Cost of Supply	Format to be re-submitted	The petitioner is resubmitting voltage wise cost of supply in the additional submissions along with ARR and tariff petition for FY 2019-20
6 2	Improvement in performance	Format to be re-submitted (with Transformer Failure rate, Details of distribution loss and stopped meter, defective meters and replacement of defective meter etc for FY 2018-19 and 2019-20)	The petitioner is resubmitting the form 6 2
6.3	Appropriation of Distribution loss	Format to be re-submitted (With voltage wise distribution losses)	The voltage wise distribution losses have been submitted along with the voltage wise cost of supply in the additional

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Form No.	Particulars	Details of column/row not provided in the forms	Petitioner's Response
			submissions to ARR and Tariff petition for FY 2019-20
7 2	Distribution Losses	Indicate Technical & Commercial Losses	The petitioner is resubmitting the details as **Annexure-P.**
8	Insurance Expense	Actual insurance expense incurred	The petitioner submits that the actual insurance expense incurred for FY 2018-19 is **Rs 0.39 Cr.**

Q43. Following discrepancy is observed in tables and format of petition. Please clarify the following mismatches:

Sl. No	Particulars	Table	Format	Petitioner's Response
1	Intra-state transmission loss in FY 2019-20	4 25% (Table18)	3 85% (Format 3 1)	The intra-state transmission loss for FY 2019-20 is 3 85%
2	Total Power purchase cost	22121 82cr (Table 27)	21774 30cr (Format 3 1)	The total power purchase cost for FY 2019-20 is Rs 21774 30 Cr
3	Interest charges for FY 2018-19	2451 72cr (Table 37)	2451 42cr (Format 1 1)	The interest and finance cost for FY 2018-19 is Rs 2451 42 Cr
4	Interest on loan capital & Interest in regulatory assets for FY 2019-20	3040 91cr (Table 47)	3018 67cr (Format 1 1)	The interest on loan capital and interest in regulatory assets for FY 2019-20 is Rs 3018 67 Cr
5	Insurance expense for FY 2019-20	23 28cr (Table 47)	23 35cr (Format 3 1)	The Insurance expense for FY 2019-20 is Rs 23 35 Cr
6	Revenue from sale of power at existing tariff for FY 2019-20	13154 36cr (Table 49)	13122 19cr (Format 2 1)	The revenue from sale of power at existing tariff for FY 2019-20 is Rs 13154 36 Cr

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Additional Submission

Apart from the replies stated above, the petitioner submits Table-47 of the petition once again, as under, due to a typographical error in 'Interest on loan capital' for FY 2019-20

S. No.	Particulars (Rs Cr.)	FY 2018-19	FY 2019-20
1	Power Purchase Expenses including transmission (net of short term power purchase)	12,010.26	10,397.89
2	Operation & Maintenance Expenses	1,309.84	1,697.49
2.1	*Employee Expenses (net)*	*480.87*	*755.4*
2.2	*Administration & General Expenses (net)*	*103.89*	*118.12*
2.3	*Repair & Maintenance Expenses*	*118.07*	*175.71*
2.4	*Terminal Benefits*	*587.15*	*624.91*
2.5	*Insurance expenses @ 0.2% of NFA*	*19.86*	*23.28*
3	Depreciation, including advance against depreciation	645.34	837.29
4	Interest on Loan Capital (Includes security deposit & interest on unfunded revenue gap till FY13)	2,451.42	2331.78
5	Interest on Working Capital (normative)	312.57	165.31
6	Interest in regulatory assets		686.89
7	Prior period expenses & other expenses	265.81	16.49
8	**Total Revenue Expenditure**	**16,995.24**	**16,133.14**
9	Return on Equity Capital	-	263.44
10	**Aggregate Revenue Requirement**	**16,995.24**	**16,396.58**
11	Less: Non-Tariff Income	540.46	371.78
12	Less: Income from wheeling charges, Cross Subsidy and Additional Surcharge	35.99	35.99
13	**Aggregate Revenue Requirement from Retail Tariff**	**16,418.79**	**15,988.81**

- The Discom submits the breakup of sales into HT and LT voltage as **Annexure-Q** and requests the Hon'ble Commission to accept the same
- The petitioner submits the revised tariff schedule as per **Annexure-R.**
- The petitioner is resubmitting the Compliance to Directives as **Annexure-S.**

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