



JODHPUR VIDYUT VITRAN NIGAM LTD.

Corporate Identity Number (CIN) -U40109RJ2000SGC016483

Regd Office New Power House, Jodhpur- 342003

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No JdVVNL/MD/ACE(HQ)/SE(RA&C)/Ju/S /2k19-20/D 1177 Dt 30 09 2019

The Secretary,
Rajasthan Electricity Regulatory Commission,
Vidhyut Viniyamak Bhawan,
Near State Motor Garage,
Sahakar Marg,
Jaipur

**Sub.: Submission of reply of deficiencies in the matter of ARR & Tariff
Petition for FY 2019-20 of Jodhpur Discom.**

Ref. : Your's office letter No. 1102 dt. 23.09.2019.

On the subject cited above and letter under reference, kindly find enclosed herewith the reply of deficiencies in the matter of ARR & Tariff Petition for FY 2019-20 of Jodhpur Discom, for kind consideration as part of the petition.

Encl. As above (Six set along with soft copy)


(B. L. DAIYA)

**SUPERINTENDING ENGINEER (RA&C)
JODHPUR DISCOM, JODHPUR**

JODHPUR VIDHYUT VITRAN NIGAM LIMITED

Replies to additional data gaps on ARR and Tariff Petition for FY 2019-20

The replies to additional data gaps provided by the Hon'ble Commission via letter no. RERC/Secy/Dir(Tech-I)F /D.1102 dated 23 09 2019 is as under

Q1. In the petition, the petitioner has not filed the petition for determination of Additional Surcharge. Reasons for same may be explained and necessary proposals be filed.


Discom's Response:

The petitioner submits that the Discom has not filed for additional surcharge as it does not intend to propose any change in the same. The additional surcharge was approved by the Hon'ble Commission in August 2016 of Rs 0.80/kWh. The Petitioner does not envisage any change in the leviable additional surcharge. The additional surcharge is levied on account of fixed charges paid by the Discoms to the generators towards capacity stranded due to consumers availing open access.

For the computation of additional surcharge, the Hon'ble Commission's in its order in August 2016 had considered the stranded capacity of the Discoms vis-a-vis quantum of energy purchased by consumers through open access in FY 2015-16 and had computed the capacity of Discoms stranded due to open access. It was well established that the Discoms had stranded capacity and availability of surplus power (in energy terms) in FY 2015-16.

It is worthwhile to mention that since then, the total installed capacity of Discoms has increased by 21% between FY 2015-16 to FY 2018-19. Further, there has been significant rise in installation of solar rooftops, movement of railways away from Discom, increase in energy saving devices, etc. leading to increase in stranded capacity of the Discoms. Moreover, owing to moderate increase in sales and reduction in losses, the energy purchase from such sources has increased only by 18% in these years. This clearly indicates that the stranded capacity over these years has increased. For computation of capacity stranded due to open access, the Commission in its order had considered minimum of capacity stranded and quantum of energy procured through open access. Therefore, it is essential to take cognizance of the fact that there has been a significant decline in consumers availing open access (~ by 80%) in the previous years.

Considering the aforementioned facts, it is reasonable to assume that the stranded capacity has remained the same (if not increased) but capacity stranded due to open access has reduced by 80%. The Commission had considered 2852 MU as quantum of energy stranded due to open access in its previous order. If this quantum is reduced by 80%, ~570 MU would have been the quantum of energy stranded due to open access in FY 2018-19. Even if the weighted average fixed cost for stations is considered to be the same as in the


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order of the Commission, the recoverable additional surcharge would reduce by 80% i.e from Rs. 350.76 Cr. to ~Rs. 70 Cr. in FY 2018-19

However, this ~70 Cr. will need to be recovered from the quantum of energy procured through open access which itself has also reduced by 80% As a result, this 70 Cr will need to be recovered from 873 MU (80% of 4363 MU) of open access quantum keeping the effective additional surcharge at Rs. 0.80/kWh itself

It is worthwhile to mention that due to increase in installed capacity, the effective fixed charge has only increased which would ultimately lead to increase in additional surcharge However, considering the interests of the industries, the Discom has not proposed any revision in additional charges and requests the Hon'ble Commission to take a prudent view on the same

Q2. Discom has appointed Distribution Franchisee in its area of supply, the Discom may submit details of performance and saving achieved in terms of losses as well as financial terms after appointment of Distribution Franchisee.

Discom's Response:

The Discom has appointment distribution franchisees in Bikaner City Circle area, the details of which is below

Table 1: Details of DF appointed by Discom

DF Area	DF (SPV)	Parent	Date
Bikaner City	M/s BKESL	M/s CESC Limited, Kolkata	16 th May 2017

The Discom has also been able to benefit on primarily the following parameters due to the appointment of DF in the said areas

- **Operational parameters** like billing efficiency, collection efficiency and T&D loss
- **Capital expenditure** to the tune of Rs 73 74 Cr have been incurred by DF in Bikaner City This has led to improvement in the network infrastructure in the area leading to better quality of supply and at the same time, savings for Discom in terms of capital expenditure The details of capital expenditure by DF in provided as **Annexure-1**.

Table 2: Capital Expenditure by DF

DF Area	Capital Expenditure
Bikaner City	73 74

(Handwritten signature and stamp)

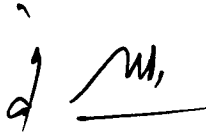
Further, the Discom has benefitted on several fronts, the details of which are as below

Table 3: Summary of benefits due to DF

Particulars	
Net operating profit from implementation of DF (in FY 2018-19)	INR 17.24 Cr
Reduction of AT&C Loss	19.31% (FY 2015-16) to 18.13% (FY 2018-19)
Addition in DT Installed Capacity	3.6 MVA (increased from 476.6 MVA to 480.2 MVA)
Reduction in DT Failure rate	0.18% (FY 2015-16) to 0.12% (FY 2018-19)
Reduction in 11kV tripping	16.73% YoY against previous year
Average time to replace failed Distribution Transformers	1:52 hours
New connections released	12753 (w e.f. 16 May 2017 to Mar-19)
Average Effective Input Energy Rate Per Unit (Rs /kWh)	<ul style="list-style-type: none">• 2017-18 5.92• 2018-19 5.79

Further, a comparative analysis of benefits of DF has been provided in **Annexure-2**.


It is thus essential to recognize that the DF model is beneficial to the Discoms and the consumers at large on account of improved operational efficiency and monetary savings


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Annexure-1

Details of Capital Expenditure by Bikaner City DF (M/s BkESL)

Summary of Year Wise Capital Expenditure by BkESLw.e.f. 16 May 2017 to Mar 2019										
S. No.	Year	UOM	1 st Year (July 17 to June 18)		2 nd Year (July 18 to Dec 18)		Jan-19 to Mar-19		Total	
			Quantity	Value (INR Cr.)	Quantity	Value (INR Cr.)	Quantity	Value (INR Cr.)	Quantity	Value (INR Cr.)
1	11 & 33 KV HT Cable	Meters	11723	1.45	9849	1.96	19644	2.03	41216	5.44
2	LT Cable	Meters	123029	2.14	477806	7.93	126740	3.2	727575	13.27
3	Meter	Nos	12874	5.28	27153	4.81	32413	5.24	72440	15.33
4	Conductor	Meters	125274	0.6	206279	1.8	386349	2.05	717902	4.45
5	33/11 KV Sub-station	Nos	0		0				0	0
6	Power Transformer	Nos	2	0.62	4	1.12			6	1.74
7	Dist Transformer	Nos	18	0.36	42	0.84	110	1.36	170	2.56
8	Box (for Meter/DT/Street etc)	Nos	720	1.12	1207	1.85	544	0.38	2471	3.35
9	Ring Main unit	Nos	-	-	-	-				
10	Miscellaneous	Nos		15.57		8.1		3.93	0	27.6
Grand Total				28.01		27.54		18.19		73.74


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Annexure-2

Comparative Statement of Performance

Case - 1: Commercial Operation if it were being carried out by JdVVNL in Bikaner City by its own

Parameters		UOM	FY (17-18) (May'17 to Mar'18)	FY (18-19) (Apr'18 to Mar'19)	Total
Energy Input	A	MU	684 91	789 30	
T&D Loss (as per BKN CC MIS 2016-17 = 16 %)	B	%	20 86%	20.31%	
Energy Realised	$C = A \times (1-B)$	MU	542 04	628 99	
Avg Billing Rate (as per BKN CC- MIS 2016-17 = Rs 7 70)	D	INR/Kwh	7.20	7.20	
Collection Efficiency (est As per JdVVNL MIS)	E	%	100%	100%	
Amount Collected	$F = C \times D \times E$	INR Cr.	390 27	452.88	
Power Purchase Cost	G	INR/Kwh	4 36	4 48	
Total Power Purchase Cost	$H = G \times A$	INR Cr	298 62	353 61	
Opex Cost (R&M Cost, A&G Cost & Employee Cost incl Terminal Benefits)	I	INR Cr	44.41	48 85	
Interest on Working Capital @ 12% (Assuming two month receivable)	J	INR Cr	5 97	7 07	
Total Expenses	$K = H+I+J$	INR Cr	349 01	409 53	
Estimated Gain / (Loss) to JdVVNL from Bikaner City based on own operations	$L = F - K$	INR Cr.	41 26	43.34	84.60

Case -2 Commercial Operation when it is carried out in Bikaner city by M/s BKESL (DF)

Parameters		UOM	FY (17-18) (May'17 to Mar'18)	FY (18-19) (Apr'18 to Mar'19)	Total
Energy Input	M	MU	684 91	789 30	
Sale of Power to DF (JdVVNL Receivable)	N	INR Cr	382 42	428 66	
JVVNL Power Purchase Cost	O	INR/Kwh	4 36	4 48	
Total JdVVNL Power Purchase Cost	$P = M \times O$	INR Cr	298 62	353 61	
Margin from Sale of Power at EHV to DF	N-P	INR Cr	83 80	75 05	
Savings in Opex Cost	Q	INR Cr	0 00	0 00	
Savings - Interest on Working Capital	R	INR Cr	2 99	3 54	
Total Expense Savings	$S = P+Q+R$	INR Cr	2 99	3 54	
Actual Gain/(Loss) to JdVVNL from Bikaner DF Operations	$T = N - S$	INR Cr	86.79	78 59	165 38
Differential gain to JdVVNL from Bikaner DF Vs Own Operations	$U = T - L$	INR Cr	45.52	35.25	80 77

SUPRINTENDENT ENGINEER (RA&C)
JODHPUR DISCOM, JODHPUR

FORM-1
(Authorization-Reg. 17)
BEFORE THE RAJASTHAN ELECTRICITY REGULATORY COMMISSION-
JAIPUR.

In the matter of: - Reply of deficiencies in the matter of ARR & Tariff for the FY 2019-20 as per the Rajasthan Electricity Regulatory Commission, regulation 11(1) (Terms & condition for determination of tariff) Regulation, 2019.

AND

In the matter of: Managing Director,
Jodhpur Vidhyut Vitran Nigam Limited,
New Power House, Industrial Estate, Jodhpur.

Affidavit verifying the application:


I, B. L. Daiya S/o Sh. Prema Ram Daiya, Age 59 years residing at Plot No. 49,50, Mangal Vihar, Near RTO office, Paota C Road, Jodhpur do solemnly confirm and say as below:

1. I Superintending Engineer (RA&C) of Jodhpur Vidhyut Vitran Nigam Limited, Jodhpur, the applicant in the above matter, I am duly authorized by said applicant to make this affidavit on it behalf.
2. The statement made in para 1 to 2 of reply of additional datagaps are true to my knowledge.
3. I solemnly affirm this on 30th of September, 2019 that the contents of above affidavit are true to my knowledge and no part of it is false and no material has been concealed there from.


(B. L. Daiya)

Superintending Engineer (RA&C)
Jodhpur Discom, Jodhpur
SUPERINTENDING ENGINEER (RA&C)
JODHPUR DISCOM, JODHPUR

IDENTIFIED BY

ATTESTED

30/9/2019
NOTARY JODHPUR



FORM-2
BEFORE THE RAJASTHAN ELECTRICITY REGULATORY
COMMISSION- JAIPUR.

In the matter of: - Petition for approval of ARR & Tariff for the FY 2019-20 as per the Rajasthan Electricity Regulatory Commission, regulation 11(1) (Terms & condition for determination of tariff) Regulation, 2019.

AND

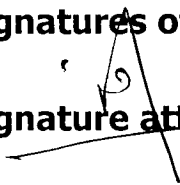
In the matter of: Managing Director,
Jodhpur Vidhyut Vitran Nigam Limited,
New Power House, Basni, Jodhpur.

I, Avinash Singhvi, Managing Director, Jodhpur Discom, Jodhpur hereby authorize Sh. B. L. Daiya, Superintending Engineer (RA&C), Jodhpur Vidhyut Vitran Nigam Limited, Jodhpur whose signature is attested below to Sign on the any further submission in respect of ARR & Tariff petition for the FY 2019-20 filed as per the Rajasthan Electricity Regulatory Commission, regulation 11(1) (Terms & condition for determination of tariff) Regulation, 2019.



Signatures of the authorize representative.

Signature attested



Sh. B. L. Daiya
Superintending Engineer
Jodhpur Vidhyut Vitran Nigam Ltd
Jodhpur



(AVINASH SINGHVI)
MANAGING DIRECTOR
JODHPUR DISCOM, JODHPUR
MANAGING DIRECTOR
Jodhpur Vidhyut Vitran Nigam Ltd
Jodhpur Discom, Jodhpur