

BEFORE  
THE  
RAJASTHAN ELECTRICITY REGULATORY COMMISSION,  
JAIPUR

**PETITION**  
FOR  
APPROVAL OF  
TRUE UP FOR FY 2015-16

Filed By  
JODHPUR VIDYUT VITRAN NIGAM LIMITED, JODHPUR  
(A Government of Rajasthan Undertaking)  
**December 2016**

**Notes:**

**In this Application:**

- **Year is defined as Financial Year 2015-16 (referred to as FY 16)**
- **All currency figures used in this Application, unless specifically stated otherwise, are in Rs Cr.**
- **All energy unit figures used in this Application, unless specifically stated otherwise, are in Million Units.**

**List of Abbreviations**

|                        |  |
|------------------------|--|
| Application            | The application for approval of True Up for FY 2015-16   |
| Jodhpur Discom, JDVVNL | Jodhpur Vidyut Vitran Nigam Ltd.                         |
| ARR                    | Aggregate Revenue Requirement                            |
| CC&SL                  | Cosumers' Contribution for Service Connections and Lines |
| CPP                    | Captive Power Producers                                  |
| DC                     | Disconnected Consumers                                   |
| DS                     | Domestic Service   |
| EHT                    | Extra High Tension                                       |
| EA 2003                | Electricity Act, 2003                                    |
| FY                     | Financial Year   |
| FY 16                  | Financial Year 2015-2016                                 |
| GFA                    | Gross Fixed Assets                                       |
| GoI                    | Government of India                                      |
| GoR                    | Government of Rajasthan                                  |
| HT                     | High Tension   |
| kVA                    | Kilo Volt Ampere   |
| kW                     | Kilo Watt  |
| kWh                    | Kilo Watt Hour or Unit                                   |
| LT                     | Low Tension  |
| 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                   | RajasthanRajyaVidyutPrasaranNigamLimited                 |
| RVUN                   | RajasthanVidyutUtpadanNigamLimited                       |
| REC                    | Rural Electrification Corporation                        |
| Rs.                    | Indian Rupees  |
| RSEB/Board             | Rajasthan State Electricity Board                        |
| SIP                    | Small Industrial Power                                   |
| SLDC                   | State LoadDespatch Centre                                |
| UI                     | UnscheduledInterchange                                   |
| The Petitioner/utility | Jodhpur Vidyut Vitran Nigam Ltd.                         |

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**A1: TRUE UP FOR FY 2015-16**

**Introduction**

- 1.1 The Petitioner, 'Jodhpur Discom' (hereinafter referred to as 'Petitioner') constitutes Jodhpur VidyutVitrان Nigam Limited (Petitioner) a distribution Licensee 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 districts of Barmer, Bikaner, Churu, Nagaur (P.S. Ladnu), Jaisalmer, Jalore, Jodhpur, Hanumangarh, Pali, Sirohi, Sriganganagar form the area of supply for JdVVNL.
- 1.2 The Rajasthan Electricity Regulatory Commission (hereinafter referred to as 'Commission') an independent statutory body constituted under statutory body constituted under the provisions of the Electricity Regulatory Commissions (ERC) Act, 1998, which was superseded by the Electricity Act (EA), 2003. The Commission is constituted as provided under Section 82 of the EA, 2003. The Commission 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 had issued the 'Terms and Conditions for Determination of Tariff' Regulations 2014 on February 24, 2014. These Regulations extended to the whole of the State of Rajasthan and remain applicable for determination of tariff in all cases covered under these Regulations from FY 2014-15 up to FY 2018-19. JDVVNL therefore respectfully submits that in accordance with the powers conferred up on the Commission by the said RERC Tariff Regulations 2014, the Commission is empowered to consider the Petition for True up for FY 2015-16.
- 1.4 The Hon'ble Commission under the RERC Tariff Regulations 2014 issued the Tariff Order for FY 2015-16 on 22.9.2016.
- 1.5 In accordance with the Regulation 8 (3) of the RERC Tariff regulations 2014, the True Up shall constitute the comparison with of the audited performance of the applicant for 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 2015-16.
- 1.6 The ARR estimated and submitted by the petitioner and correspondingly allowed by the Commission were based on estimated sales and estimated expenses for FY 2015-16 at the time of issuance of the Order. However, as the audited actual figures are now available with the Discom the petitioner is submitting the true-up petition for FY 2015-16 for approval by the Hon'ble Commission.
- 1.7 A copy of the Audited Accounts for FY 2015-16 is enclosed as **Annexure I** to this petition for the consideration of the Hon'ble Commission. Further, in this true-up petition, the petitioner has considered audited accounts as a source for providing the actual cost incurred by JDVVNL during FY 2015-16.

**Truing-up for the FY 2015-16**

1.8 The Hon'ble Commission in its order dated 22.9.2016, had estimated the Annual Revenue Requirement of the Petitioner at Rs11,506Cr for the FY 2015-16 with a corresponding revenue gap of Rs 1,570Cr. The petitioner submits the actual gap as per the audited accounts. The components of the Annual Revenue requirement have been detailed in the subsequent portion of the petition.

**Table 1: Summary of ARR for FY 2015-16 (Rs Cr)**

| Particulars   | Estimated (A) | Approved (B)  | Actual (C)    | Deviation D=B-C |
|---|---------------|---------------|---------------|-----------------|
| <b>1. Revenue</b>   |               |               |               |                 |
| Sale of Power   | 10,028        | 9,452         | 9,628         | (176)           |
| Sale of power through trading   |               | 141           | 34            | 107             |
| <b>Total Revenue (A)</b>  | <b>10,028</b> | <b>9,593</b>  | <b>9,662</b>  | <b>(69)</b>     |
| <b>2. Expenditure</b>   |               |               |               | -               |
| Power purchase Cost   | 9,014         | 7,447         | 8,340         | (893)           |
| Transmission Charges  | 985           | 978           | 1,122         | (144)           |
| Operation and Maintenance Expenses (including insurance expenses and consumer education expenses) | 759           | 710           | 508           | 202             |
| Terminal Benefits   | 406           | 406           | 353           | 53              |
| Interest and Finance Charges (including carrying cost)  | 2,998         | 2,260         | 930           | 1,330           |
| Interest on Working Capital   | 192           | 137           | 2,172         | (2,035)         |
| Depreciation  | 333           | 242           | 467           | (225)           |
| Other Expenses (incl. prior period expenses)  | -             | -             | 66            | (66)            |
| <b>Total Expenditure (ARR)</b>  | <b>14,688</b> | <b>12,181</b> | <b>13,958</b> | <b>(1,777)</b>  |
| Less: Cost recoverable as per the RVUN & RVPN previous years True Up                              |               | 12            | 12            | 0               |
| Less: Non-Tariff Income/ Other Income   | 518           | 518           | 528           | (10)            |
| Less Income from wheeling charges and cross subsidy surcharge                                     | 2             | 2             | 10            | (8)             |
| <b>Annual Revenue Requirement (B)</b>   | <b>14,168</b> | <b>11,506</b> | <b>13,408</b> | <b>(1,902)</b>  |
| <b>Gap/ (Surplus) (C = B-A)</b>   | <b>4,140</b>  | <b>2,054</b>  | <b>3,746</b>  | <b>(1,692)</b>  |
| <b>3. Revenue Subsidy /grant received during the year</b>   |               |               |               | -               |
| Differential Interest Subvention on World Bank Loan   | 3             | 3             | 3             | -               |
| Subvention from State Govt. Against ED  | 335           | 335           | 321           | 14              |
| Cash Support from State Govt.   | 139           | 139           | 139           | -               |
| Subsidy against compounding charges   | 7             | 7             | 9             | (2)             |
| <b>Sub-Total (D)</b>  | <b>484</b>    | <b>484</b>    | <b>472</b>    | <b>12</b>       |
| <b>Net Revenue Gap (C-D)</b>  | <b>3,656</b>  | <b>1,570</b>  | <b>3,274</b>  | <b>(1,704)</b>  |

1.9 The actual Annual Revenue Requirement (ARR) for FY 2015-16 as detailed in the above table was Rs.13,408Cr as against the approved ARR of Rs.11,506Cr.

- 1.10 The variations are primarily on account of power purchase cost, O&M cost and interest cost. The petitioner submits that while detailed reasoning for the deviation in the ARR has been provided in the following explanatory notes, it is pertinent to mention here that the power purchase rate of Rs 4.13 per unit has been incurred in FY 2015-16 against Rs 3.97 per unit approved by the Hon'ble Commission. The variance in the Power Purchase rate is on account of various factors including high power purchase cost per unit of renewable, CPP, NHPC etc.
- 1.11 Further, the maximum share of power is procured from RVUN and state generation at Rs 4.14/unit, which is higher than Rs. 4.06/unit approved by Hon'ble Commission in Order dated 22.09.2016. This power accounts for approximately 35% of the total power procured by JdVVNL. However, power purchase from stations like NPCIL and NTPC also accounts for significant part of the power purchase for JdVVNL. NPCIL per unit power purchase is slightly higher than that approved by the Hon'ble Commission which leads to slight variation in per unit cost of power purchase from the approved values. Considering the above facts and figures JdVVNL would request Hon'ble Commission to take a prudent view on the ARR based on audited accounts.
- 1.12 In addition to the above, the revenue gap has increased due to increased interest and finance cost on account of accumulated debts, late payment surcharge and interest on working capital. In order to maintain and further improve quality of supply, the petitioner does not resort to load shedding. As such constant flow of funds is required to meet sufficient power purchase needs thereby leading to increased short term borrowings to fund such power procurement. 80% of total debt of the Petitioner is raised through short term loans from Banks/FIs for which the Petitioner was paying very high rate of interest. Share of interest cost in total cost has been consistently much higher in case of Petitioner in comparison to utilities across the nation. Further, the shortfall in revenue and the increase in power purchase cost have contributed to the total increase in the revenue gap.

## Energy Sales

- 1.13 The petitioner submits that the sales are dependent on the consumption pattern of the consumer, variations in the weather conditions and laws of the land. The above factors are beyond the control of the petitioner whereby the petitioner has no direct control over the consumption and sales for its consumers.
- 1.14 The table below gives a comparison of approved and actual sales and revenue from sale of power for the FY 2015-16:

**Table 2: Comparison of Actual and Approved Sales for FY 2015-16**

| Consumer Category    | Revenue (Rs Cr) |        | Sales (MU) |        | Average Billing Rate (Rs./Unit) |        |
|----------------------|-----------------|--------|------------|--------|---------------------------------|--------|
|                      | Approved        | Actual | Approved   | Actual | Approved                        | Actual |
| Domestic Service     | 1,850           | 1,837  | 3,037      | 3,002  | 6.09                            | 6.12   |
| Non-Domestic Service | 802             | 831    | 989        | 986    | 8.11                            | 8.43   |
| Public Street Light  | 98              | 121    | 149        | 137    | 6.58                            | 8.88   |



| Consumer Category                             | Revenue (Rs Cr) |              | Sales (MU)    |               | Average Billing Rate (Rs./Unit) |             |
|---|-----------------|--------------|---------------|---------------|---------------------------------|-------------|
|   | Approved        | Actual       | Approved      | Actual        | Approved                        | Actual      |
| Agriculture Metered Supply                    | 3,850           | 3,971        | 8,274         | 7,964         | 4.65                            | 4.99        |
| Agriculture Flat Rate Supply                  | 521             | 653          | 1,201         | 1,310         | 4.34                            | 4.98        |
| Small Industrial Service                      | 157             | 153          | 232           | 234           | 6.77                            | 6.55        |
| Medium Industrial Service                     | 440             | 436          | 602           | 612           | 7.31                            | 7.13        |
| Large Industrial Service                      | 982             | 882          | 1,179         | 1,183         | 8.33                            | 7.46        |
| P.W.W. & S. Pumping –Small                    | 149             | 154          | 257           | 259           | 5.80                            | 5.94        |
| P.W.W.& S. Pumping –Medium                    | 70              | 68           | 104           | 106           | 6.73                            | 6.39        |
| P.W.W. & S. Pumping –Large                    | 297             | 309          | 429           | 432           | 6.92                            | 7.15        |
| Mixed Load Supply                             | 235             | 231          | 346           | 351           | 6.79                            | 6.57        |
| <b>Total Revenue from Sale of electricity</b> | <b>9,452</b>    | <b>9,646</b> | <b>16,799</b> | <b>16,574</b> | <b>5.63</b>                     | <b>5.82</b> |

1.15 The actual revenue shown in table above comprises of revenue from energy and fixed charges.

1.16 It is pertinent to mention here that the average billing rate considered by the Hon’ble Commission is also at variance with the actual billing rate. The average billing rates approved by the Hon’ble Commission for some of the consumer categories is higher than the actual average billing rate. This is due to the fact that revenue projected and the category wise ABR calculated by the Hon’ble Commission is based on slab wise estimates made by the commission which may vary substantially from the actuals. The petitioner has taken into account the actual details for category wise sales and revenue. Moreover, no single consumer remains in the same slab throughout the year. Further, for projections, the Hon’ble Commission takes into account the number of consumers and connected load as at end of the year, however both change during the year. Also, there are certain DC consumers as well which again adds on to the variance in average billing rate.

1.17 The variation in the sales and revenue are not in the control of the petitioner therefore it is requested that the sales as per the audited accounts may be approved by the Hon’ble Commission.

### **Distribution Losses**

1.18 The Commission in its Tariff Order approved distribution loss of 14.47% against a distribution loss level of 23.32% in FY 2015-16.

**Table 3: Distribution losses (%)**

| Particulars         | Approved | Actual | Deviation |
|---------------------|----------|--------|-----------|
| Distribution Losses | 14.47%   | 23.32% | 8.85%     |

- 1.19 However, in order to achieve envisaged operational efficiency and bring about improvements, various measures are being taken. These steps include restricting power supply in areas with high AT&C losses, implementing a performance monitoring and management system, 100% feeder and DT metering, AMR metering for high value consumers, energy audit & accounting at feeder level, feeder segregation, etc. Loss reduction targets have been prepared at the division/circle/zonal level and concerned officials have been made responsible for achieving the loss reduction targets. At the same time, efforts are also being made to reduce theft and other illegal activities by undertaking name and shame campaign and aggressive vigilance drives. Further, the capital investment plans are also on-going to achieve the distribution loss trajectory set forth by the Commission.
- 1.20 The Discom is committed towards reduction of losses and therefore time bound targets have been set for each of the above listed activities. These initiatives have also been recognized at the highest levels and form part of the landmark tripartite MoU signed under the UDAY scheme between the Discoms, the Central Ministry and the Rajasthan government.
- 1.21 Considering the large distribution area of petitioner, sparse distribution of load centers and significant number of agricultural connections, certain time would be required before reaping the benefits of the steps being undertaken. Disallowing expenses based on the loss trajectory set by the Commission will act as a setback in the Petitioner's efforts towards achieving operational and financial turnaround by FY 2018-19 thereby leading to negative impact on the consumers at large.
- 1.22 Therefore the petitioner prays to the Hon'ble Commission to revise the existing loss trajectory and set it in line with the trajectory as considered under the UDAY Scheme. In the meanwhile, the Petitioner also prays to the Hon'ble Commission to kindly consider the actual distribution losses for FY 2015-16 while approving the true-up for FY 2015-16.

## **Energy Balance**

- 1.23 The Commission had estimated the total energy requirement of 20867 MUs from different sources for FY 2015-16. However, the total energy purchased by Petitioner during FY 2015-16 was 22802 MU's. The table below provides the details of the approved and actual power purchase requirement for the Petitioner during FY 2015-16.

**Table 4: Energy Balance for the year 2015-16**

| <b>Particulars</b>                                 | <b>Approved</b> | <b>Actual</b> |
|--|-----------------|---------------|
| Energy Sales (MUs)                                 | 16,799          | 16,574        |
| Distribution Loss (%)                              | 14.47%          | 23.32%        |
| Distribution Loss (Mus)                            | 2,842           | 5,041         |
| <b>Requirement at Distribution periphery (MUs)</b> | <b>19,642</b>   | <b>21,615</b> |
| Transmission Losses (%)                            | 5.87%           | 5.21%         |
| Transmission Losses (MU)                           | 1,225           | 1,187         |

## TRUE UP FOR FY 2015-16

| Particulars                               | Approved | Actual |
|---|----------|--------|
| Energy Required at Transco Periphery (MU) | 20,867   | 22,802 |

## Annual Revenue Requirement for FY 2015-16

### Power Purchase Cost

1.24 In the Order dated 22.09.2016, Hon'ble Commission had projected power purchase cost of Rs. 8,425 Cr. for FY 2015-16. However, actual power purchase cost as per audited accounts was Rs. 9,462 Cr. While the power purchase cost approved by Commission for FY 2015-16 translates into an average rate of power procurement of Rs. 3.97/ kWh (including transmission charges), the actual average incurred by Petitioner as power purchase cost per unit has been Rs. 4.13/ kWh including transmission charges.

1.25 The table below gives a comparative analysis of approved and actual power purchase cost of Petitioner:

**Table 5: Details of Power Purchase Cost for FY 2015-16 (RsCr)**

| Source   | Approved      |              |             | Actual        |              |             |
|--|---------------|--------------|-------------|---------------|--------------|-------------|
|  | Energy        | Total Cost   | (Rs/kWh)    | Energy        | Total Cost   | (Rs/kWh)    |
|  | MU            | Rs Cr        |             | MU            | Rs Cr        |             |
| NTPC   | 1,748         | 544          | 3.11        | 1,749         | 536          | 3.06        |
| NHPC   | 636           | 194          | 3.05        | 584           | 194          | 3.32        |
| NPCIL  | 1,030         | 294          | 2.85        | 982           | 286          | 2.91        |
| RVUN   | 6,725         | 2,730        | 4.06        | 7,654         | 3,163        | 4.14        |
| Shared Projects  | 1,118         | 38           | 0.34        | 1,097         | 38           | 0.35        |
| Others (Tehri+Koteshwar+Tala+RFF)  | 132           | 64           | 4.85        | 127           | 60           | 4.72        |
| Lignite Based Plants (Giral+ Rajwest + Barsingar)                                | 2,452         | 970          | 3.96        | 2,646         | 1,052        | 3.98        |
| Adani Power Rajasthan Limited + Sasan +MPPMCL+ NVVN Bundled+Jhajjar+Mundra+SJVNL | 5,435         | 1,659        | 3.05        | 5,464         | 1,709        | 3.13        |
| Renewable and CPP  | 1,942         | 954          | 4.91        | 2,074         | 962          | 4.64        |
| Bilateral  |               |              |             | 364           | 126          | 3.46        |
| Banking  |               |              |             | (493)         | (179)        | 3.63        |
| Trading  |               |              |             | 264           | 97           | 3.67        |
| Inter Discom purchase  |               |              |             | 698           | 284          | 4.07        |
| UI   |               |              |             | (275)         | (6)          | 0.22        |
| <b>GRAND TOTAL</b>   | <b>21,218</b> | <b>7,447</b> | <b>3.51</b> | <b>22,934</b> | <b>8,321</b> | <b>3.63</b> |
| <b>Transmission Charges</b>  |               |              |             |               |              |             |
| PGCIL  |               | 282          |             | -             | 418          |             |
| RVPNL  |               | 690          |             | -             | 678          |             |
| MARU Transmission  |               |              |             | -             | 12           |             |
| SLDC fees  |               | 6            |             | -             | 5            |             |

**TRUE UP FOR FY 2015-16**

| Source  | Approved      |              |             | Actual        |              |             |
|---|---------------|--------------|-------------|---------------|--------------|-------------|
|   | Energy        | Total Cost   | (Rs/kWh)    | Energy        | Total Cost   | (Rs/kWh)    |
|   | MU            | Rs Cr        |             | MU            | Rs Cr        |             |
| <i>NRLDC PSEB</i>   |               |              |             | -             | -            |             |
| <i>Aravali</i>  |               |              |             | -             | 8            |             |
| <i>NRLDC POSOCO</i>                                       |               |              |             | -             | 1            |             |
| <b>Gross Power Purchase cost (Excluding Prior Period)</b> | <b>21,219</b> | <b>8,425</b> | <b>3.97</b> | <b>22,934</b> | <b>9,444</b> | <b>4.12</b> |
| Add: Prior Period   |               |              |             | -             | 18           |             |
| <b>Total Power Purchase (Including Prior Period)</b>      | <b>21,219</b> | <b>8,425</b> | <b>3.97</b> | <b>22,934</b> | <b>9,462</b> | <b>4.13</b> |

- 1.26 It is pertinent to mention here that the power purchase rate of Rs 4.13 per unit has been incurred in FY 2015-16 against Rs3.97 per unit approved by the Hon'ble Commission. The variance in the Power Purchase rate is mainly on account of various factors including high power purchase cost per unit of renewable, CPP and NHPC.
- 1.27 In FY 2015-16, substantial amount of power was surrendered due to consumers opting for open access. However, even for the power surrendered, the Petitioner has to bear the fixed charges without receipt of any energy which further increases the per unit cost of power purchased.
- 1.28 It is also important to note that about Rs. 18 Cr. has been incurred as prior period expense which increases the overall power purchase cost. The Petitioner prays to the Hon'ble Commission to take a prudent view on the same while allowing power purchase expense in the true-up for FY 2015-16.
- 1.29 The Hon'ble Commission while approving the ARR for FY 2015-16 considered that surplus power should be sold at a rate higher than the variable cost of thermal generating stations plus some margin and accordingly considered an average rate of Rs. 4.00 per unit for sale of surplus power. The Petitioner submits that sale and purchase of power is a dynamic process. The market clearing prices in exchange are dependent on the bids submitted by buyers and other sellers and the power available in the entire market. It is important to note that the Petitioner has no control over the mentioned factors. In FY 2015-16, the Petitioner was able to sell such surplus power only @ Rs. 2.54/kWh. In light of the above, the Petitioner submits that the power purchase cost should be reduced/revenue from trading activities should be considered only to the extent of actual revenue generated from sale of surplus power.
- 1.30 In the past, the Hon'ble Commission has considered banking as a cost neutral arrangement and accordingly has disallowed the cost of banking. However, there are various cost involved towards banking like trading margins, etc. The Petitioner submits that the same should be allowed in true-up for FY 2015-16.
- 1.31 Thus, Petitioner requests the Hon'ble Commission to kindly approve the aggregate power purchase cost of Rs. 9462 Cr. as incurred by Petitioner during FY 2015-16.

**Operation and Maintenance Expenses**

- 1.32 The Operation and maintenance expenses include Employee Cost, Administrative and General Expenses and Repair and Maintenance expenses. In terms of the Regulation 24 of the RERC Tariff Regulation 2014 the O&M expenses shall be considered on the normative basis.
- 1.33 The Commission in its Tariff Order dated 22.9.2015 had approved O&M expense of 710Cr on normative basis (inclusive of expense capitalized and insurance expenses) and Rs. 406Cr for terminal benefits. The normative O&M costs were derived by the Hon'ble Commission based on the energy sales for the year
- 1.34 The actual O&M expense for Petitioner as per audited accounts is Rs. 508 Cr. The decrease in O&M expense is mainly on account of decrease in employee expense and repairs and maintenance expenses.
- 1.35 The total liability towards Superannuation and Gratuity amounts to Rs 353 Cr. details of the same have been mentioned in the 'Employee Expense' head below.
- 1.36 In view of the uncontrollable nature of the expenses as further elaborated below, Petitioner requests the Hon'ble Commission to approve the claimed O&M expenses.
- 1.37 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 6: Employee, R&M and A&G cost for FY 2015-16 (RsCr)**

| <b>Particulars</b>  | <b>Approved</b> | <b>Actual</b> | <b>Deviation</b> |
|---|-----------------|---------------|------------------|
| Employee cost   | 676             | 512           | 164              |
| Terminal Benefits   | 406             | 353           | 53               |
| Administrative & General Costs (including insurance expenses) | 86              | 77            | 9                |
| Repairs & Maintenance Costs                                   | 142             | 91            | 51               |
| Less: Expenses to be Capitalized                              | 195             | 172           | 23               |
| <b>Gross O&amp;M</b>  | <b>1,116</b>    | <b>860</b>    | <b>255</b>       |

**Employee Expenses**

- 1.38 The Employee Expenses of the Petitioner comprises of salaries, wages, Allowance, ex-gratia payments, Staff Welfare Expenses, Terminal Benefits etc.
- 1.39 The comparison of the approved employee expenses v/s the actual employee expenses is as below:

**Table 7: Employee Expenses for FY 2015-16 (RsCr)**

| <b>Particulars</b> | <b>Approved</b> | <b>Actual</b> |
|--------------------|-----------------|---------------|
| Employee Expenses  | 676             | 512           |

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| Particulars       | Approved     | Actual     |
|-------------------|--------------|------------|
| Terminal Benefits | 406          | 353        |
| <b>Total</b>      | <b>1,082</b> | <b>865</b> |

- 1.40 The liability amounting to Rs. 353Cr against superannuation and gratuity payments have been included in the employee cost while determining the trued-up ARR for FY 2015-16.
- 1.41 Actuarial Valuation in respect of liability towards unutilized paid leave covered under defined benefit plan as on 31.3.2015 was done and thus the same has been recognized as expenses.
- 1.42 The actual employee expenses as per the audited book of accounts are as below:

**Table 8: Employee Expenses (RsCr)**

| S. No.   | Particulars                                    | FY 2015-16    |
|----------|--|---------------|
| <b>A</b> | <b>Salaries, Wages, Allowances &amp; Bonus</b> |               |
| 1        | Salaries                                       | 212.87        |
| 2        | Overtime                                       | 1.61          |
| 3        | Dearness allowance                             | 232.27        |
| 4        | Dearness pay                                   | 0.06          |
| 5        | Other Allowances                               | 26.26         |
| 6        | Ex-Gratia & Bonus Payment                      | 7.06          |
| 7        | Honorarium                                     | 0.18          |
| 8        | Earned leave encashment                        | 16.46         |
| 9        | Incentive issue of first bill                  | -             |
| 10       | Incentives on R.C.                             | 0.15          |
| 11       | Incentive Others                               | 0.00          |
| 12       | Conveyance Expenses                            | 0.00          |
| 13       | D.L.I. Board's Contribution                    | 1.18          |
| 14       | E.S.I. Board's Contribution                    | 0.14          |
| 15       | Payment under Gr. Insc. By Nigam               | 0.14          |
| 16       | Payment under workmen Compensation Act         | 4.68          |
| 17       | Medical Expenses Reimbursement                 | 2.10          |
| 18       | Training Expenses                              | 0.09          |
| 19       | Medical Expenses                               | 0.04          |
| 20       | Gen.Group Inc. Employer's Share                | 0.46          |
| 21       | Uniform & Livery Expenses                      | 1.74          |
| 22       | Soap & Duster                                  | 0.26          |
| 23       | Safety Devices                                 | 4.10          |
| 24       | Other Welfare Exp.                             | 0.09          |
| 25       | Annuity benefits                               | 0.01          |
| 26       | Mediclaime Policy Premium                      | 0.55          |
|          | <b>Sub – Total</b>                             | <b>512.48</b> |

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| S. No.   | Particulars  | FY 2015-16    |
|----------|--|---------------|
| <b>B</b> | <b>Terminal Benefits</b>                             |               |
| 1        | CPF Boards Contribution                              | 13.66         |
| 2        | FPF Boards Contribution                              | 13.44         |
| 3        | Super Annuation Board's Contri.                      | 231.08        |
| 4        | Terminal Benefits Gratuity                           | 67.21         |
| 5        | Un-Utilised.P.L.-Acturial Valuation                  | -             |
| 6        | Provident fund-Inspection Audit charges              | -             |
| 7        | Earned leave encashment                              | 26.99         |
| 8        | Compensation charges                                 | 0.24          |
|          | <b>Sub Total</b>                                     | <b>352.62</b> |
|          | <b>Grand Total</b>                                   | <b>865.11</b> |
|          | <b>Less: Employee cost capitalized</b>               | <b>152.01</b> |
|          | <b>Actual employee expenses after capitalization</b> | <b>713.10</b> |

### Administrative and General Expenses

- 1.43 The comparison of the approved A&G expenses v/s the revised actual A&G is as below:

Table 9: A&G Expenses (Rs Cr)

| Particulars        | Approved | Actual |
|--------------------|----------|--------|
| Gross A&G Expenses | 71       | 76     |

- 1.44 It is pertinent to mention here that the A&G expense under the head "Other Miscellaneous Expenses" category include an amount of Rs34.44Cr comprising of expenditure on Power Expenses for Administration and expenses related to water charges, metering expenses, bill collection charges, etc. have been considered.
- 1.45 Considering that these expenditures are incurred in running an enterprise, which cannot be completely justified on the basis of normative expenses on sales; the petitioner humbly requests the Hon'ble Commission to approve the A&G expenses based on the audited accounts.
- 1.46 In FY 2015-16, the petitioner has incurred Rs. 56.12Cr towards Administrative and General Expenses (net of capitalization and including insurance expenses) and requests the Hon'ble Commission to approve the same.

Table 10: Administrative and General Expenses (Rs Cr)

| S. No. | Particulars (Rs Cr)                             | FY 2015-16 |
|--------|---|------------|
| 1      | Rent, Rates & Taxes                             | 0.32       |
| 3      | License & Registration fee of Plant & Machinery | 1.25       |
| 4      | Security Service Charges                        | 5.15       |
| 5      | Telephone, Telex & EPABX Expenses               | 2.03       |
| 6      | Postage & Telegram                              | 0.36       |
| 7      | Service Charges E-AUCTION                       | 0.36       |

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| S. No. | Particulars (Rs Cr)                   | FY 2015-16   |
|--------|---------------------------------------|--------------|
| 8      | Legal Charges, Technical Fees         | 1.52         |
| 9      | Payment to Auditors                   | 0.06         |
| 10     | Consultancy Charges                   | 1.10         |
| 11     | Professional Charges                  | 0.00         |
| 12     | Payment for Rev. Audit                | 0.99         |
| 13     | Travelling Exp. - Actual Fare & Other | 8.04         |
| 14     | Transaction Fee IEX                   | 0.02         |
| 15     | Fees Payable To PXIL                  | -            |
| 16     | News Paper & Magazines                | 0.00         |
| 17     | Vehicle Running Expenses              | 12.48        |
| 18     | Other Miscellaneous Expenses          | 34.44        |
| 19     | Freight & Material Related Expenses   | 7.97         |
| 20     | <b>Gross A&amp;G Expenses</b>         | <b>76.10</b> |
| 21     | Less: Expenses Capitalised (Rate)     | 20.42        |
| 22     | <b>Net A&amp;G Expenses</b>           | <b>55.68</b> |

### Insurance Expenses

- 1.47 The comparison of the approved insurance expenses v/s the revised actual insurance expenses is as below:

**Table 11: Insurance Expenses FY 2015-16 (Rs Cr)**

| Particulars        | Approved | Actual |
|--------------------|----------|--------|
| Insurance Expenses | 15       | 0.44   |

- 1.48 The petitioner has incurred Rs. 0.44 Cr as insurance expenses as compared to Rs. 15 Cr approved by the Hon'ble Commissioner in its order dated 22.09.2015.

### Repair and Maintenance Expenses

- 1.49 The comparison of the actual R&M expenses v/s the approved R&M is as below:

**Table 12: R&M Expenses (RsCr)**

| Particulars        | Approved | Actual |
|--------------------|----------|--------|
| Gross R&M Expenses | 142      | 91     |

- 1.50 The Petitioner has incurred Rs. 91Cr. in FY 2015-16 toward Repair and maintenance of its infrastructure; the major expenditure has been booked under repair and maintenance of plant and machinery, lines & cable Network of JDVVNL

- 1.51 Detailed breakup of R&M expenses is provided below for kind consideration of Hon'ble Commission:



Table 13: Repair and Maintenance Expenses (RsCr)

| Particulars              | FY 2015-16   |
|--------------------------|--------------|
| Plant & Machinery        | 48.25        |
| Buildings                | 1.18         |
| Civil Works              | 0.41         |
| Hydraulic Works          | -            |
| Lines, Cables & Networks | 40.00        |
| Vehicles                 | 1.04         |
| Furniture & Fixtures     | 0.05         |
| Office & Other Equipment | 0.17         |
| <b>Total</b>             | <b>91.11</b> |

### Capitalization of expenses

- 1.52 The Hon'ble Commission in its Tariff Order had considered the capitalization of expenses to be Rs. 195 Cr. Now as per the audited annual accounts of FY 2015-16, capitalization of expenses is Rs. 172 Cr. details of which are given below:

Table 14: Capitalization of expenses for FY 2015-16 (Rs Cr)

| S. No. | Capitalization of expenses | FY 2015-16 |
|--------|----------------------------|------------|
| 1      | Employee Expenses          | 152        |
| 2      | A&G Expenses               | 20         |
|        | <b>Total</b>               | <b>172</b> |

### Interest & Finance Charges

- 1.53 The Commission has approved Rs. 2397 Cr. as interest and finance charges for FY 2015-16. As compared to the approved, the actual interest and finance charge incurred (net of capitalization) by Petitioner is Rs. 3102 Cr.
- 1.54 The interest and finance expenses incurred by the Petitioner for different types of borrowings vis-a-vis the same allowed by the Hon'ble Commission have been detailed in the following table:

Table 15: Interest and Finance Charges (RsCr)

| Particulars   | Approved     | Actual       |
|---|--------------|--------------|
| Interest liability on unfunded gap                              | 1682         | 0*           |
| Interest on Long term Loans                                     | 374          | 642          |
| Interest on Short term Borrowings / Interest on Working Capital | 137          | 2,172        |
| Interest on Security Deposits                                   | 50           | 40           |
| Finance Charges & Lease Rental                                  | 181          | 280**        |
| Less: Interest and Finance capitalized                          | 27           | 33           |
| <b>Total</b>  | <b>2,397</b> | <b>3,102</b> |

\*Included in interest on short term borrowings and working capital.

\* \*Including Guarantee and interest on CPF trust

- 1.55 As evident from the above table, the actual interest cost incurred by the utility for different types of borrowings is at variance with the same allowed by the Hon'ble Commission. In this context, due cognizance needs to be taken of the fact that the utility had to borrow larger than that envisaged under both the long term and short term loans.
- 1.56 The short-term loans had been allowed based on the requirement of normative working capital, as per RERC Tariff Regulations, 2014 and on this basis the normative interest on working capital was approved in the tariff order; but these are much lesser than the interest on the actual short-term loan portfolio. Apart from meeting the working capital requirements, the Petitioner had to take short-term loans to bridge the huge revenue deficit which was not being completely funded by the revenue from tariff and subsidy/subventions from the Government. The petitioner humbly requests the Hon'ble Commission to consider this on the basis of the actual.
- 1.57 In addition to the above, the increased interest and finance cost is on account of accumulated debts and interest on working capital along with increased amount of late payment surcharge payable to generators. In order to ensure continuous improvement in quality of supply, the petitioner does not resort to load shedding. As such constant flow of funds is required to meet sufficient power purchase needs thereby leading to increased short term loans. 80% of total debt of the Petitioner is raised through short term loans from Banks/FIs for which the Petitioner was paying very high rate of interest. Share of interest cost in total cost has been consistently much higher in case of Petitioner in comparison to utilities across the nation. In light of the above, the petitioner humbly requests the Hon'ble Commission to consider the actual cost incurred towards interest and finance charges for true-up of FY 2015-16.
- 1.58 The actual long-term loan portfolio is also higher than the average LTL considered by the Commission in its calculation. The actual long-term loan outstanding for the year was Rs 6171Cr against Rs 3324Cr considered by the Hon'ble Commission. This has resulted in an increase in the interest on long-term loans as shown above.
- 1.59 Thus, in view of the above, Petitioner requests the Hon'ble Commission to kindly allow the actual net interest cost of Rs. 3102 Cr incurred by Petitioner during FY 2015-16.

### **Depreciation**

- 1.60 The Commission had allowed Rs. 242 Cr. as depreciation for FY 2015-16 as against the actual depreciation of Rs. 467 Cr. for FY 2015-16. The table below gives comparative summary of approved and audited amounts of opening GFA, closing GFA and depreciation:

**Table 16: Depreciation for FY 2015-16(Rs Cr)**

| Particulars  | Approved   | Actual     |
|--------------|------------|------------|
| Opening GFA  | 6,862      | 8,973      |
| Closing GFA  | 8,083      | 10,354     |
| Depreciation | <b>242</b> | <b>467</b> |

- 1.61 Depreciation rate as prescribed by RERC have been applied on the basis of remaining useful life of assets. The depreciation on fixed assets is charged on straight line method. The fixed assets are depreciated up to 90% of original fixed cost.
- 1.62 In accordance with the past practice Depreciation has been provided on assets in existence at the beginning of the year on yearly basis up to FY 2006-07. From the year FY 2007-08 depreciation has been provided on assets in existence at the beginning of the year on yearly basis plus provision for depreciation to the assets added during the year at the end of the quarter of its installation considering that it has been put to use immediately before the quarter end(the accounting treatment of depreciation). From FY 2014-15 the provision for depreciation as prescribed in the RERC Tariff Regulation 2014 has been adopted and consequently the useful life of the assets up to 31.3.2014 has been recalculated
- 1.63 The petitioner requests the Hon'ble Commission to allow Rs 467Cr as depreciation (as per Audited Accounts) for the year FY 2015-16 as the rates specified by RERC have been adopted by the Discom.

**Other Debits, Rebate allowed to Consumers and Prior Period**

- 1.64 Based on the actual audited accounts for FY 2015-16 the Petitioner requests the Hon'ble Commission to allow for other debits of Rs 66.10Cr in FY 2015-16. It is submitted that this along with the nature of the other heads under the 'Other Debits' section is beyond the control of the Petitioner and hence should be allowed by the Commission.
- 1.65 In addition to above, the Discom requests the Hon'ble Commission to allow the prior period expense of Rs45.05Cr based on the actual audited accounts as part of the ARR.

**Table 17: Other Debits and prior period expenses during FY 2015-16 (Rs Cr)**

| S. No.   | Particulars                                | FY 2015-16   |
|----------|--|--------------|
| <b>A</b> | <b>Prior Period Expenses</b>               |              |
| 1        | Prior Period Expenses                      | 45.05        |
| <b>B</b> | <b>Other Debits</b>                        |              |
| 1        | Comp.ForInt.Dth.Damage.                    | 0.87         |
| 2        | loss due to theft of fixed assets          | 0.88         |
| 3        | Bad Debts written off dues consumer        | 1.03         |
| 4        | Provision for Bad and Doubtful Debts       | -            |
| 5        | Shortage on Physical Verification of Stock | -            |
| 6        | Deffered revenue expenditure written off   | 0.18         |
| 7        | Rebate allowed to consumers                | 18.09        |
| 8        | <b>Sub-total</b>                           | <b>21.05</b> |

| S. No. | Particulars                                | FY 2015-16   |
|--------|--|--------------|
| 9      | <b>Grand Total of Other Expenses (A+B)</b> | <b>66.10</b> |

**Summary of ARR for FY 2015-16**

1.66 Based on the submission made by JdVVNL in the aforesaid sections, the ARR for JdVVNL is computed at Rs. 13,958Cr for FY 2015-16. The following table summarizes the ARR approved by the Commission in the Order dated 22.09.2015 vis-à-vis the actual ARR incurred by JdVVNL during FY 2015-16.

**Table 18: ARR for FY 2015-16 (Rs Cr)**

| Particulars   | Approved      | Actual        |
|---|---------------|---------------|
| Power purchase Cost   | 7,447         | 8,340         |
| Transmission Charges  | 978           | 1,122         |
| Operation and Maintenance Expenses (including insurance expenses) | 710           | 508           |
| Terminal Benefits   | 406           | 353           |
| Interest and Finance Charges (including carrying cost)            | 2,260         | 930           |
| Interest on Working Capital                                       | 137           | 2,172         |
| Depreciation  | 242           | 467           |
| Other Expenses (incl. prior period expenses)                      | 0             | 66            |
| <b>Total Expenditure (ARR)</b>                                    | <b>12,181</b> | <b>13,958</b> |

**Revenue**

**Summary of Revenue**

1.67 In the Tariff Order dated 22.09.2015, the Hon'ble Commission has approved Rs. 9,452Cr as revenue from sale of power. The Hon'ble Commission has approved Rs. 530Cr.as non-tariff income and Rs. 2 Cr income from wheeling charges for FY 2015-16. Moreover the decrease in sale of energy to PSL, Mixedload, Large Industries categories in actual vis-a-vis the approved sales by the Commission have resulted in decrease in revenue for Petitioner during FY 2015-16. The actual revenue as per audited annual accounts is Rs. 10,212 Cr. The details of the approved and actual revenue are summarized in table below:

**Table 19: Approved and Actual Revenue for FY 2015-16 (Rs Cr)**

| Revenue  | Approved      | Actual        |
|--|---------------|---------------|
| Sale of Power  | 9,452         | 9,628         |
| Other Tariff Income/ Non-tariff Income                   | 530           | 540           |
| Income from Trading Activity                             | 141           | 34            |
| Income from Wheeling Charges and Cross Subsidy Surcharge | 2             | 10            |
| <b>Total Revenue</b>                                     | <b>10,125</b> | <b>10,212</b> |

- 1.68 Revenue from sales of power comprises of Energy charges, fixed charges, Power factor surcharge, Fuel Surcharge, Shunt Capacitor Surcharge, Load Surcharge, Adjustment of past billing, 50% revenue from theft and malpractice & other charges, the revenue from sale of power is Rs9,628Cr.
- 1.69 As mentioned in the previous sections, the Hon'ble Commission while approving the ARR for FY 2015-16 has considered a much higher amount of revenue from trading activities and reduced power purchase cost accordingly. However, the market clearing prices in exchange are dependent on the bids submitted by buyers and other sellers and the power available in the entire market and the Petitioner has no control over these factors. In light of the above, the Petitioner submits that the revenue from trading activities should be considered only to the extent of actual revenue realized.

**Non-Tariff Income**

- 1.70 Petitioner during FY 2015-16 has realized total non-tariff income of Rs. 462Cr. against Rs. 518 Cr. approved by the Hon'ble Commission, the details are as follows:

**Table 20: Non-Tariff Income (RsCr)**

| <b>Non-Tariff Income</b>                       | <b>Actual</b> |
|--|---------------|
| Interest on Loans and Advances to staff        | -             |
| Interest from Suppliers                        | 0.56          |
| Income from Fixed Deposits in Bank             | 2.38          |
| Interest on Income Tax Refund                  | 0.21          |
| Revenue from Testing Charges                   | 0.02          |
| Gain on Sale of Fixed Assets                   | 25.89         |
| Rental from Staff Quarters                     | 0.16          |
| Excess on Physical Verification Material Stock | 0.00          |
| Sale of Tender Forms                           | 0.32          |
| Registration Fees                              | 1.97          |
| E- Auction Receipt                             | 0.01          |
| CTL Fees                                       | 0.77          |
| MIS Receipt from Trading                       | 0.09          |
| Rebate on Payments                             | 2.24          |
| Rental From Contractors.                       | -             |
| Hire & rental Charges of Machinery             | 0.00          |
| Income From Right Of Information               | 0.00          |
| Rebate/Discount Availed                        | 7.52          |
| Other Misc. Receipts                           | 31.55         |
| Recovery from RVUN, true up credit             | 11.68         |
| Recovery from RVPN, true up credit             | -             |
| Supervision Charges                            | -             |
| Delayed Payment Charges                        | 222.11        |
| Sale of Scrap                                  | 14.95         |

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| Non-Tariff Income                   | Actual        |
|-------------------------------------|---------------|
| Deferred Revenue Income written off | 139.71        |
| <b>Total</b>                        | <b>462.14</b> |

### Other Tariff Income

- 1.71 Petitioner during FY 2015-16 has realized total other tariff income of Rs. 78 Cr, the details of which are as follows:

**Table 21: Other Income for FY 2015-16 (Rs Cr)**

| Particular   | FY 2015-16   |
|--|--------------|
| Meter rent, Transformer rent & Service line Rental | 26.01        |
| 50% Revenue from Theft and Malpractice             | 26.00        |
| Miscellaneous Charges                              | 25.90        |
| <b>Total Other Tariff Income</b>                   | <b>77.92</b> |

### Revenue Deficit for FY 2015-16

- 1.72 Based on the actual ARR and revenue realization, the revenue gap for FY 2015-16 is Rs. 3,274Cr. after deducting the revenue subsidy of Rs 472 Cr as against Rs. 1,570Cr approved by the Commission. The approved and actual revenue deficit is summarized in table below:

**Table 22: Approved and revised actual Deficit for FY 2015-16 (RsCr)**

| Particulars  | Approved      | Actual        |
|--|---------------|---------------|
| <b>Annual Revenue Requirement</b>                      | <b>12,181</b> | <b>13,958</b> |
| <b>Gap/ (Surplus)</b>                                  | <b>2,054</b>  | <b>3,746</b>  |
| <b>Revenue Subsidy /grant received during the year</b> |               |               |
| Differential Interest Subvention on World Bank Loan    | 3             | 3             |
| Subvention from State Govt. Against ED                 | 335           | 321           |
| Cash Support from State Govt.                          | 139           | 139           |
| Subsidy against compounding charges                    | 7             | 9             |
| <b>Sub-Total (D)</b>                                   | <b>484</b>    | <b>472</b>    |
| <b>Net Revenue Gap (C-D)</b>                           | <b>1,570</b>  | <b>3,274</b>  |

- 1.73 As it is evident from above, the actual gap in revenue requirement for FY 2015-16 of Rs. 3,274Cr is substantially higher than Rs. 1,570 Cr as allowed by the Commission in its ARR Order for FY 2015-16. A significant portion of the actual higher revenue gap can be attributed to increase in the power purchase costs, interest and finance costs including interest on working capital, other debits and transmission charges paid to RVPN.
- 1.74 It is prayed that the Commission may please consider the actual revenue gap for FY 2015-16 while determining the tariff for ensuing year.

## Deviation Analysis for FY 2015-16

1.75 The underlying table depicts the deviation analysis in respect of each of the elements of the Income and Expense accounts.

**Table 23: Deviation Analysis for FY 2015-16(Rs Cr)**

| Particulars   | Approved (A)  | Actual (B)    | Deviation (B-A) | Reason for Deviation   | Controllable/Uncontrollable |
|---|---------------|---------------|-----------------|--|-----------------------------|
| <b>1. Revenue</b>   |               |               |                 |  |                             |
| Sale of Power   | 9,452         | 9,628         | 176             | Sales have decreased majorly in agricultural, domestic and non-domestic categories. Furthermore the average billing rate approved by the Commission for most of the categories was higher than the actual.                                       | Uncontrollable              |
| Non Tariff Income & Other Tariff Income                         | 530           | 540           | (10)            | As per Actual  | Uncontrollable              |
| Income from Trading   | 141           | 34            | 107             | Pertinent to open access provisions for LIP and decrease in sales of other categories, there been a scenario where the stranded energy is left unsold. Thus under PPA obligation such quantum of stranded power was sold on the Power Exchanges. | Uncontrollable              |
| Income from Wheeling Activity                                   | 2             | 10            | (8)             | As per Actual  | Uncontrollable              |
| <b>Total Revenue (A)</b>  | <b>10,125</b> | <b>10,212</b> | <b>(87)</b>     |  |                             |
| <b>2. Expenditure</b>   |               |               |                 |  |                             |
| Power purchase  | 8,425         | 9,462         | 1037            | Increase in power purchase quantum due to Higher purchase through exchange and short term arrangements; Power purchase rate of Rs. 4.13 per unit as against approved rate of Rs. 3.97 per unit approved by the Hon'ble Commission                | Uncontrollable              |
| Operation and Maintenance Expenses including insurance expenses | 1,116         | 860           | (255)           | Decrease has been due to accounting of Terminal Benefits, and increase in salaries is due to annual increment and encashment of earned leave.  | Uncontrollable              |
| Interest and Finance Charges                                    | 2,397         | 3,102         | 705             | Interest expenses have increased due to on higher capitalization than envisaged. Higher short term borrowing for funding of the  | Uncontrollable              |

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| Particulars   | Approved (A)  | Actual (B)    | Deviation (B-A) | Reason for Deviation   | Controllable/ Uncontrollable |
|---|---------------|---------------|-----------------|--|------------------------------|
|   |               |               |                 | unfunded gap.  |                              |
| Depreciation  | 242           | 467           | 225             | The difference is on the account of variation on opening and closing GFA as approved by the Hon'ble Commission | Uncontrollable               |
| Other debits, written off and any other items including prior period expenses | -             | 66            | (66)            | As per annual audited accounts which was not considered in the Tariff Order                                    |                              |
| <b>Aggregate Revenue Requirement (ARR) (B)</b>                                | <b>12,181</b> | <b>13,958</b> | <b>1777</b>     |  |                              |
| <b>Gap/ (Surplus) (B-A)=C</b>   | <b>2,054</b>  | <b>3,746</b>  | <b>1692</b>     |  |                              |
| <b>Less: Revenue Subsidy</b>  |               |               |                 |  |                              |
| Differential Interest Subvention on World Bank Loan                           | 3             | 3             | 0               | As per annual audited accounts   | NA                           |
| Subvention Against E.D  | 335           | 321           | (14)            | As per annual audited accounts   | NA                           |
| Cash Support from Govt.   | 139           | 139           | 0               | As per annual audited accounts   |                              |
| Subsidy against compounding charges   | 7             | 9             | 2               | As per annual audited accounts   | NA                           |
| <b>Total revenue Subsidy D</b>  | <b>484</b>    | <b>472</b>    | <b>(12)</b>     | As per annual audited accounts   | NA                           |
| <b>Net Revenue Gap (C-D)</b>  | <b>1,570</b>  | <b>3,274</b>  | <b>1704</b>     |  |                              |

1.76 Based on the above, the Petitioner respectfully prays to the Commission to true-up the expenditure and revenue for FY 2015-16 on the actual performance of the Petitioner and approve the revenue gap of Rs. 3,274 Cr for the year.



**A2: Prayer**

2.1 Jodhpur VidyutVitrان Nigam Limited requests the Commission to:

- True-up the expenditure and revenue for FY 2015-16 on the actual performance of the Petitioner and approve the revenue gap of Rs. 3,274 Cr for the year.
- Revise the existing loss trajectory and set it in line with the trajectory as considered under the UDAY Scheme.
- And pass such other and further orders as are deemed fit and proper in the facts and circumstances of the case.