

A8: COMMISSION'S DIRECTIVES

- 8.1 The Commission has observed through out the tariff petition that some areas of the operational and financial performance of JUSCO require further improvement. Therefore, the Commission is issuing the following directives:

Sales estimates and projections

- 8.2 The Commission has observed discrepancies in assessment of connected load and the load factors used to determine the sales. The Commission directs JUSCO to undertake a detailed study for load research and demand forecast in order to correctly workout its short term and long term peak energy requirement.
- 8.3 The Commission directs JUSCO to estimate consumption for different categories including un-metered category, if any, and to furnish number of hours of supply to various categories of consumers for the previous years with the tariff petition for FY 2010-11.

Cost estimates and projections

- 8.4 The Commission directs JUSCO to maintain the separate heads of accounts under PBD for both Jamshedpur and Saraikela-Kaharsavan area of distribution. The Commission directs the petitioner to complete the exercise within six months of the date of issue of this order.

Distribution loss estimation

- 8.5 The Commission directs the petitioner to conduct a study and devise a methodology to ascertain the feasible distribution loss level for future years. The Commission also directs JUSCO to formulate a task force for supervising the distribution loss in its licensed area. The task force should report to the Commission on a quarterly basis about the various efforts that have been undertaken to correctly ascertain the distribution loss levels.
- 8.6 The Commission also directs JUSCO to carry out energy audit of its system and provide quarterly reports to the Commission regarding the progress of energy audit, action taken to reduce distribution loss and results achieved.

Metering issues

- 8.7 The Commission believes that a correct and adequate metering system assists in maintaining and reducing the loss levels of any petitioner. In view of this, the Commission directs JUSCO to, within three months of this order, submit a report on the metering technology used for various categories of consumers and also submit quarterly reports on the number of non-performing/defective meters for each category in the system and time taken to replace such meters.

- 8.8 The Commission also directs the petitioner to develop a process for installation of consumer purchased meters and issue relevant circulars within three months of issue of this order.

Cost of Supply (CoS)

- 8.9 In view of the provisions of Section 61(g) and National Tariff Policy which state that the tariffs should reflect the CoS of electricity, the Commission directs the petitioner to conduct the CoS study for each category within one year of the issue of this order and submit it to the Commission for review and finalization. The petitioner should also submit the scope of work and the methodology to be followed for conducting the CoS Study.

Non-Sunday Off Scheme

- 8.10 The Commission appreciates that the petitioner has proposed the introduction of Non Sunday off scheme and directs the petitioner to prepare and submit the same within one months of issue this order for approval of the Commission.

Capitalization and Asset register

- 8.11 The Commission observes that the details of Capital work in progress (CWIP) are important as they form the base for the capitalization on completion of capital work. The Commission, therefore, directs JUSCO to declare its capitalization policy and to provide the year wise details regarding CWIP with the next tariff petition.

Standards of performance

- 8.12 The Commission observed during the public hearing that some consumers complained about the quality of supply and service of power supplied by the petitioner. The Commission directs JUSCO to submit the statement of record mandated under JSERC(Distribution Licensees' Standard of Performance)Regulations, 2005 along-with the amount of compensation/claim paid since inception and up to the 3rd quarter of FY 2009-10 and thereafter submit the same to the Commission on quarterly basis.
- 8.13 The Commission also directs JUSCO to submit the implementation plan for opening of new bill collection centre at Adityapur within three months of the issue of this order.
- 8.14 The Commission further directs JUSCO to submit an action plan for the disseminating the information regarding load shedding to its consumers through phone/ SMS by mobile phones, within three months of the issue of this order.

Capital Investment Plan

- 8.15 The Commission directs the petitioner to submit scheme-wise details of actual capital expenditure incurred in FY 2008-09 & upto date for FY 2009-10 and also the scheme-wise implementation schedule for FY 2010-11, with the next tariff petition.

Load factor of High Tension Service and EHTS category

- 8.16 As per the Information submitted by JUSCO, the load factor for the Extra High Tension Service (EHTS) (at 132 kV) category consumers stood at a very low level of 10.65%. However, as per the industry standards, it has to be in the range of 75-80%. JUSCO is directed to carry out a study considering the contract demand, the actual consumption, load factor, billing, collection, reasons for low load factor and submit it to the Commission within a period of six months from the date of issue of this tariff order.

Adjustment of Bills & payments/receipt as per revised power sale rate of TSL

- 8.17 The Commission directs the petitioner to reconcile the payment due/receipts with TSL, in lieu of the revised rate for sale of power sold to JUSCO determined by the Commission for FY 2007-08, FY 2008-09 and FY 2009-10 vide the Commissions Tariff Order for TSL dated 20th January 2010, within three month of the issue of this order.

Data adequacy in next Tariff petition and auditing of accounts

- 8.18 The Commission directs JUSCO to come up with the next tariff petition for FY 2010-11 removing the various data deficiencies highlighted in the tariff order along with the latest information for FY 2009-10.
- 8.19 The Commission also directs JUSCO to maintain the separate set of accounts for Saraikela-Kharsavan and such duly audited accounts should be submitted along-with the filing of next tariff petition.
- 8.20 The Commission also directs the distribution company to file the next tariff petition for FY 2010-11 within one month of the issue of this order and also ensure submission of subsequent ARR & tariff filings for the ensuing year are done by 1st November every year prior to the tariff period.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on this the 20th day of January, 2010.

Date: 20th January, 2010

Place: Ranchi

Sd/-
(MUKHTIAR SINGH)
CHAIRPERSON