

JAMMU AND KASHMIR POWER DEVELOPMENT DEPARTMENT
PUBLIC NOTICE

Objections/comments invited from various stakeholders on the Petition filed by J&K Power Development Department for its Distribution Business for Annual Performance Review for FY 2013-14 and Tariff Revision Proposal for FY 2014-15

Power Development Department, Government of Jammu & Kashmir (JKPDD) is a deemed licensee under Section 14 of the Jammu & Kashmir Electricity Act, 2010 for transmission and distribution of electrical energy in the state of Jammu & Kashmir.

JKPDD-Distribution on 17th February 2014 has filed the Petition for Annual Performance Review (APR) for FY 2013-14 and Tariff Revision Proposal for FY 2014-15 with the Hon'ble Jammu & Kashmir State Electricity Regulatory Commission (JKSERC). The APR & Tariff revision petition has been filed in accordance with the JKSERC (Multi Year Distribution Tariff) Regulations, 2012 for determination of tariff. The petition was returned by the Commission with certain observations vide No.:JKSERC/Secy/33/1508-12 Dated; 21.02.2014. The Petitioner has submitted the petition afresh on 28.02.2014. The Commission has admitted the petition and directed the JKPDD-Distribution to publish a public notice for inviting objections/comments from various stakeholders.

The salient features of this petition are summarized in this note.

1 Annual Performance Review (APR) for FY 2013-14 and revised Aggregate Revenue Requirement (ARR) projections for FY 2014-15 and FY 2015-16

The following table summarizes the APR for FY 2013-14 and the revised ARR projections for FY 2014-15 to FY 2015-16 as submitted now by JKPDD-Distribution.

Table 1: Summary of APR Petition for FY 2013-14 and revised projections for FY 2014-15 to FY 2015-16 (in Rs. Cr.)

Sl. No.	Description	APR for 2013-14			2014-15	2015-16
		Submitted earlier in MYT Petition	App. By JKSERC in MYT Order	Revised Estimates submitted now	Revised Proj. submitted now	Revised Proj. submitted now
A.	Annual Revenue Requirement					
1	Power Purchase Cost	3763.82	3327.00*	3873.79	4011.43	4227.99
2	Water Usage Charges (JKSPDC + NHPC)	305.65		495.65	505.65	505.65
3	Intra-state transmission charges	203.14		105.33	128.11	148.18
4	O&M Expenses	553.21	429.53	506.08	556.24	613.47
5	Interest on Loans	19.15	16.08	16.14	18.16	21.73
6	Depreciation	204.19	6.68	6.62	40.28	70.08
7	Interest on Working Capital	144.26	48.71	53.60	58.97	64.91
8	Gross ARR	5193.42	3828.00	5057.21	5318.84	5652.01
9	Add: Return on Equity	-	-	-	-	-
10	Less: Non-tariff income	14.09	14.09	14.09	14.80	15.54
11	Net ARR (A)	5179.33	3813.91	5043.12	5304.04	5636.47
B.	Revenue assessed @ existing tariff **	1979.23	1872.71	1777.41	1900.01	2129.85
C.	Revenue Gap @ Existing Tariff (A-B)	3200.10	1941.19	3265.71	3404.03	3506.62

Note: *Includes Rs. 2916.02 Cr as power purchase cost from JKSPDC & CPSUs, Rs. 305.65 Cr as water usage charges for JKSPDC & Rs. 105.33 Cr as intra-state transmission charges approved by Commission; ** Revenue assessed at 100% collection efficiency only.

2. The projected average cost of supply as against overall average realisation

Table 2: Average CoS and Revenue Realization (in Rs/kWh)

Sl. No.	Description	2013-14 (RE)	2014-15 (Proj.)	2015-16 (Proj.)
1	Average cost of Supply	8.62	8.38	7.81
2	Average Revenue Realization @ Existing Tariff	3.04	3.00	2.95
3	Gap @ Existing Tariff	5.58	5.37	4.85

3. Details of Energy sales by JKPDD-Distribution

Table 3: Category wise Energy Sales (in MUs)

Sl. No.	Consumer Category	2013-14 (RE)	2014-15 (Proj.)	2015-16 (Proj.)
1	Domestic			
	- <i>Metered</i>	1390	1967	3662
	- <i>Unmetered</i>	1404	1095	
2	Non Domestic / Commercial			
	- <i>Metered</i>	305	371	653
	- <i>Unmetered</i>	218	176	
3	Agriculture			
	- <i>Metered</i>	229	298	399
	- <i>Unmetered</i>	89	67	
4	State / Central Govt. Department			
	- <i>Metered</i>	477	486	501
	- <i>Unmetered</i>	-		
5	Public Street Lighting			
	- <i>Metered</i>	18	28	45
	- <i>Unmetered</i>	21	16	
6	LT industrial Supply			
	- <i>Metered</i>	294	305	320
	- <i>Unmetered</i>	-		
7	HT Industrial Supply			
	- <i>Metered</i>	626	679	740
	- <i>Unmetered</i>	-		
8	HT-PIU Industrial Supply			
	- <i>Metered</i>	119	125	130
	- <i>Unmetered</i>	-		
9	Public Water Works			
	<i>LT Public Water Works</i>			
	- <i>Metered</i>	204	233	473
	- <i>Unmetered</i>	191	206	
	<i>HT Public Water Works</i>			
	- <i>Metered</i>	95	96	101
	- <i>Unmetered</i>	-		
10	Bulk Supply			
	<i>Metered</i>	169	176	186
	<i>Unmetered</i>	-		
	Grand Total	5849	6323	7210

4. Projected Distribution losses & energy balance

Based on the projections for energy sales, distribution losses and energy availability from various sources, the revised energy balance for FY 2013-14 and projections for FY 2014-15 and FY 2015-16 have been summarized below.

Table 4: Energy Balance

Sl. No.	Description	Unit	2013-14 (RE)	2014-15 (Proj.)	2015-16 (Proj.)
A	Energy Requirement				
1	Energy Sales	MU	5849	6323	7210
2	Distribution Losses	%	49.5%	46.1%	41.0%
3	Total Energy required at Distribution periphery	MU	11587	11728	12233
4	Intra-State Transmission losses (%)	%	4.00%	4.00%	4.00%
5	Total Energy Requirement	MU	12070	12217	12743
B	Energy Availability				
1	Power purchase from JK SPDC	MU	2381	2381	2542
2	Power purchase from CPSUs (all sources including short term/banking etc)	MU	10051	10203	10582
3	Less: Inter-state Transmission losses @ 3.6% p.a.	MU	(362)	(367)	(381)
6	Total Energy Available	MU	12070	12217	12743

5. Details of tariff revision proposal for FY 2014-15

The JKPDD has not proposed any tariff hike for FY 2014-15 and proposes to retain the Tariff approved by the Hon'ble Commission for FY 2013-14 in the Multi Year Tariff order dated 25th April 2013 for various consumer categories served by JKPDD in the State of Jammu and Kashmir. Further, JKPDD has submitted that it shall concentrate on consumer metering, enforcement and loss containment during the period.

However, as a step towards Demand Side Management (DSM) and Energy Conservation, JKPDD has proposed following measures for consideration of the Hon'ble Commission:

- a) **kVAh Tariff:** JKPDD proposed to introduce kVAh Tariff in energy charges only for connected loads above 20 kW in the following consumer categories (metered connections only) for better management of reactive power at all voltage levels:
- b)
 - i. Non Domestic / Commercial
 - ii. Agriculture
 - iii. State / Central Government Departments
 - iv. LT Industrial Power Supply
 - v. LT Water Works

JKPDD has submitted that the rationale behind introduction of kVAh tariff is to encourage consumers to initiate on their own, the steps to improve their power factor. The kWh and kVAh tariffs are proposed to be introduced in energy charges only and are proposed to be kept at par with each other so that at unity power factor there is no disparity in the charges paid by the consumers in the same category for same consumption.

- c) **Demand Side management (DSM):** In exercise of the powers conferred by Section 16 of J&K Energy Conservation Act, 2011, the Government of Jammu & Kashmir vide Govt. Order No. 34 PDD of 2013 dated 12th February 2013 has made mandatory use of Compact Fluorescent Lamps

(CFLs) and has banned the use of Incandescent Lamps in all new buildings constructed in Government Sector/ Government Institutions/ Public Sector Units/ Autonomous bodies/ Commercial Establishments for efficient use of energy and its conservation. In light of the order the JKPDD has proposed on spot imposition of fine in case Incandescent Lamps are found in use at places mentioned in the order.

The fine proposed is as under for consideration of the Hon'ble Commission:

- i. Rs. 500 (Rupees Five Hundred) for each Incandescent Lamp upto 200 watt
- ii. Rs. 1000 (Rupees One Thousand) for each Incandescent Lamp above 200 watt

- d) **Flat rate tariff for un-metered domestic consumers:** The JKPDD has proposed following modification in (above 1 kW- upto 2 kW) flat rate tariff slab of unmetered domestic category:

Table 5: Proposed flat rate tariff slab for un-metered domestic category

Flat Rate Tariff Slab for Unmetered Domestic category	Approved by JKSERC FY 2013-14	Proposed by JKPDD for FY 2014-15
Above 1KW- Upto 2 kW	Rs. 1145 pm	Rs. 1145 pm (in steps of Rs. 140 for every additional ¼ kW or part thereof above 1 kW)

6. Proposal for revision of Miscellaneous Charges:

JKPDD has submitted that since the miscellaneous charges have not been revised for the last many years and there has been a steep hike in the cost of materials/ labour /services, therefore the following revision in the miscellaneous charges has been proposed by JKPDD for FY 2014-15:

Table 6: Schedule of Miscellaneous Charges

Sl. No.	Particulars	Approved Charges	Proposed Charges
1	For single phase and three phase connection upto 5 kW		
1.a	Changing Meter Board in same premises.	Rs 60.00	Rs 300.00
1.b	Changing Meter at Consumers request in same premises.	Rs 60.00	Rs 300.00
1.c	Resealing PDDs cut-out in Consumers premises.	Rs 20.00	Rs 200.00
	Depreciation		
2.	Re –sealing of Meters, Maximum Demand Indicators in Consumers premises		
2.a	Single Phase LT Connection.	Rs 50.00	Rs 200.00
2.b	Three phase LT Connection.	Rs 70.00	Rs 400.00
2.c	HT Connection	Rs 700.00	Rs 1500.00
3.	Meter Testing charge at Consumers request		
3.a	Single phase LT Meter.	Rs 50.00	Rs 250.00
3.b	Three phase 4W/3W Meter without CT.	Rs 85.00	Rs 350.00
3.c	Three phase 4W/3W Meter with CT	Rs 300.00	Rs 1000.00
3.d	LT CT Meter	Rs 120.00	Rs 1000.00
3.e	HT Meter along with metering equipment (CT/PT).	Rs 1200.00	Rs 4000.00
4.	Special meter reading		
4.a	LT Connection	Rs 25.00	Rs 500.00
4.b	HT Connection	Rs 220.00	Rs 500.00
5.	Replacement of burnt Meter (if burnt due to Consumers fault)	Cost of Meter+15% supervision charges	Cost of Meter+15% supervision charges

6.	Fuse Off call charges-Replacement		
6.a	PDD's cut out fuse	Rs 20.00	Rs 200.00
6.b	LT Consumers fuse	Rs 20.00	Rs 200.00
7.	Replacement of missing Meter card	Rs 15.00/card	Rs 500/card
8.	Replacement of broken glass of Meter	Rs 35.00/glass	Rs 500/glass
9.	Reconnection/disconnection charges		
9.a	LT Consumers	Rs 25.00	Rs 300.00
9.b	HT Consumers	Rs 170.00	Rs 1000.00
10.	Rechecking of installation on request of Consumer		
10.a	Single phase	Rs 75.00	Rs 500.00
10.b	Three phase	Rs 250.00	Rs 500.00
11.	Re-rating of equipment	Rs. 120/equipment	Rs. 120/equipment
12.	Supervision charge for Service Connection(if service line laid by Consumer through licensed Contractor)		
12.a	Single phase LT connection	Rs 175.00	Rs 1500.00
12.b	Three phase LT connection	Rs 400.00	Rs 1500.00
12.c	Loop LT connection	Rs 95.00	Rs 1500.00
13.	Parallel Operation charge for availing Grid support by CPP	Rs 18/kVA per month on the installed capacity of CPP	JK SERC Regulations
14.	Shifting of connection	Actual material cost+15% supervision charge	Actual material cost+15% supervision charge
15.	Hiring of Utility's plant and equipment		
15.a	For initial hire agreement period	1% pm on current schedule of rates	2.5% pm on current schedule of rates
15.b	For subsequent period of hire agreement	Twice of 15.a	Twice of 15.a
15.c	For LT consumers(more than 100 HP) converting to HT	Same as 15.a & 15.b	Same as 15.a & 15.b
16	Transfer of Name		
16.a	LT	Rs. 100.00	Rs 300.00
16.b	HT	Rs. 600.00	Rs. 600.00
17.	Booklet for HT/LT Tariff	Rs. 20.00	Rs. 150.00
18.	Connection/disconnection charges for temporary connection		
18.a	LT temporary connection	Rs. 120.00	Rs. 300.00
18.b	HT temporary connection	Rs. 600.00	Rs. 1000.00

7. The Commission has directed JKPDD to invite comments or suggestions from the public on the above Petition through this notice.
8. Any person can obtain copies of the APR Petition for FY 2013-14 and Tariff Revision proposal for FY 2014-15 submitted by JKPDD-Distribution from the following offices on payment of photocopying charges on any working day:
 - a) Development Commissioner (Power), Janipur, Jammu
 - b) Chief Engineer, EM & RE Wing, Kashmir, Sonawar (behind Hotel Shangrila), Srinagar
 - c) Chief Engineer, EM&RE Wing, Canal Power House, Jammu
 - d) SE, EM & RE, Circle, Choglamsar, Leh
9. A copy of the Petition shall also be available on the Websites of JKSERC (www.jkserc.nic.in) and JKPDD (www.jkpdd.gov.in).

10. Suggestions or comments can be submitted in person or may be sent to the JKSERC along with two copies to the Development Commissioner, (Power), JKPDD-Distribution by **29th March, 2014**. Contact details are mentioned below:

1. Development Commissioner (Power), J&K Govt.,
Janipur Grid Station,
Janipur Jammu Tawi J&K (180007),
Email: dcpjkd@gmail.com
2. Secretary
Jammu & Kashmir State Electricity Regulatory Commission,
Ambedkar (Panama) Chowk, Railway Road
Jammu Tawi – 180006
Email: jksere@gmail.com

11. The suggestions or comments shall be filed in English, Urdu or Hindi, in four copies, and should carry the full name, postal address and e-mail address, if any, of the sender. It should be indicated whether the objection is being filed on behalf of any organization of category of consumers.

12. JKPDD shall reply to each of the objections/comments/suggestions received within three days of the receipt of the same but not later than **5th April, 2014** for all the objections and comments/suggestions received till **29th March, 2014**. Stakeholders can submit their rejoinders on replies provided by JKPDD either during the public hearing or latest by **8th April, 2014**. Date, time and venue of the public hearings shall be notified separately by the Commission.

Sd/-
Name & Signature of the
Authorized Representative
(To be mentioned by JKPDD)