

# JHARKHAND URJA SANCHARAN NIGAM LTD, RANCHI

## PUBLIC NOTICE

**Objections / Comments invited from various stakeholders on the petitions for the approval of True up for the FY 2019-20, APR for the FY 2020-21, Business Plan, determination of Aggregate Revenue Requirement for the MYT Control Period FY 2021-22 to FY 2025-26 and tariff for FY 2021-22 for the Transmission business filed by Jharkhand Urja Sancharan Nigam Ltd (JUSNL)**

The Energy Department, Government of Jharkhand, vide its Letter No. 1/Board-01-Urja-26/13 -1745 dated 28<sup>th</sup> June 2013 unbundled the erstwhile Jharkhand State Electricity Board (JSEB) into the following companies:

1. Jharkhand Urja Vikas Nigam Ltd (JUVNL) is the holding company;
2. Jharkhand Urja Utpadan Nigam Ltd (JUUNL) undertaking the generation function of the erstwhile JSEB;
3. Jharkhand Bijli Vitaran Nigam Ltd (JBVNL) undertaking the distribution function of the erstwhile JSEB; &
4. Jharkhand Urja Sancharan Nigam Ltd (JUSNL) undertaking the transmission function of the erstwhile JSEB.

JUSNL has filed Petitions for approval of True up for the FY 2019-20, APR for the FY 2020-21, Business Plan along with the determination of Aggregate Revenue Requirement for the MYT Control Period FY 2021-22 to FY 2025-26 and tariff for FY 2021-22 for the transmission business with the Hon'ble Jharkhand State Electricity Regulatory Commission (JSERC). The Petition has been filed in accordance with the JSERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2015 & 2020.

The Commission has scrutinized and accepted the Petitions and has directed the licensee to publish a public notice inviting objections/comments from various stakeholders.

Key highlights of the Petition are given below. The complete Petition including, discrepancies raised by the Commission, and replies submitted by the Petitioner, are available on the website of the Commission [www.jserc.org/jusnl.aspx](http://www.jserc.org/jusnl.aspx) as well as the Petitioner at [www.jusnl.in](http://www.jusnl.in)

### **1 SUMMARY OF TRUE UP 2019-20**

#### **a) Capital Expenditure, CWIP and Capitalization**

- 1.1. The details of Capital Expenditure, CWIP and Capitalization as submitted by the Petitioner is provided in table below:

**Table 1: Capital Expenditure, CWIP and Capitalization as submitted by the Petitioner(Rs. Cr.)**

Particulars	Opening	Addition	Closing
Capital Expenditure during the Year	4,264.89	912.31	5,177.20
Capitalization	1,543.89	385.96	1,929.85
<b>Capital Works in Progress</b>	<b>2,721.00</b>	<b>526.35</b>	<b>3,247.35</b>
<i>Asset Capital Work in Progress</i>	1,934.53	405.41	2,339.94
<i>Capital Advances</i>	297.13	77.84	374.97
<i>Advance to Suppliers</i>	457.36	44.59	501.95
<i>Stock of Materials at Site</i>	31.98	(1.49)	30.49

## b) Gross Fixed Assets

1.2. The details of Gross Fixed Assets as submitted by the Petitioner is provided in table below:

**Table 2: Gross Fixed Assets as submitted by the Petitioner(Rs. Cr.)**

Particulars	MYT	Actual
Opening Gross Fixed Asset (GFA)	3209.49	1543.89
Addition to Gross Fixed Asset (GFA)	980.78	385.96
Closing Gross Fixed Asset (GFA)	4190.27	1929.85

## c) Aggregate Revenue Requirement(ARR)

1.3. The details of Aggregate Revenue Requirement as submitted by the Petitioner is provided in table below:

**Table 3: Summary of ARR components as submitted by the Petitioner (Rs. Cr.)**

Particulars	MYT	Actual
Operation and Maintenance Expense	<b>121.93</b>	<b>117.27</b>
<i>Employee Expense</i>	41.12	70.13
<i>A&amp;G Expense</i>	9.35	12.57
<i>R&amp;M Expense</i>	71.46	34.56
Depreciation	182.34	128.74
Interest and Finance Charge	133.87	494.38
Return on Equity	55.37	150.96
Interest on Working Capital	14.48	22.27
Incentive for target availability	0.00	6.88
Less: Non-tariff Income	6.83	19.88
<b>Net Aggregate Revenue Requirement</b>	<b>501.16</b>	<b>900.62</b>
Revenue from Operations	501.16	217.56
<b>Revenue Gap / (Surplus)</b>	<b>0.00</b>	<b>683.06</b>

## 2 SUMMARY OF APR FOR FY 2020-21

### a) Capital Expenditure, CWIP and Capitalization

2.1 The details of Capital Expenditure, CWIP and Capitalization as submitted by the Petitioner is provided in table below:

**Table 4: Capital Expenditure, CWIP and Capitalization as submitted by the Petitioner (Rs. Cr.)**

Particulars	Opening	Addition	Closing
Capital Expenditure during the Year	5,177.20	642.32	5,819.52
Capitalization	1,929.85	682.58	2,612.42
<b>Capital Works in Progress</b>	<b>3,247.35</b>	<b>-40.25</b>	<b>3,207.10</b>
<i>Asset Capital Work in Progress</i>	2,339.94	-41.69	2,298.25
<i>Capital Advances</i>	374.97	-	374.97
<i>Advance to Suppliers</i>	501.95	5.47	507.43
<i>Stock of Materials at Site</i>	30.49	- 4.04	26.45

### b) Gross Fixed Assets

2.2 The details of Gross Fixed Assets as submitted by the Petitioner is provided in table below:

**Table 5: Gross Fixed Assets as submitted by the Petitioner (Rs. Cr.)**

Particulars	MYT	Actual
Opening Gross Fixed Asset (GFA)	4190.27	1929.85
Addition to Gross Fixed Asset (GFA)	2187.4	682.58
Closing Gross Fixed Asset (GFA)	6377.67	2612.42

### c) Aggregate Revenue Requirement (ARR)

2.3 The details of the Aggregate Revenue Requirement as submitted by the Petitioner are provided in the table below:

Table 6: Summary of ARR components as submitted by the Petitioner (Rs. Cr.)

Particulars	MYT	Actual
Operation and Maintenance Expense	<b>145.33</b>	<b>107.89</b>
<i>Employee Expense</i>	42.37	67.80
<i>A&amp;G Expense</i>	9.66	10.25
<i>R&amp;M Expense</i>	93.30	29.85
Depreciation	265.98	138.06
Interest and Finance Charge	190.14	503.26
Return on Equity	91.70	150.96
Interest on Working Capital	19.54	19.30
Less: Non-tariff Income	7.17	12.79
<b>Net Aggregate Revenue Requirement</b>	<b>705.52</b>	<b>906.69</b>
Revenue from Operations	705.53	229.58
<b>Revenue Gap / (Surplus)</b>	<b>0.01</b>	<b>677.10</b>

### 3. SUMMARY OF CAPITAL EXPENDITURE, CAPITALISATION AND FUNDING OF BUSINESS PLAN FOR FY 2021-22 to FY 2025-26

#### As submitted by the Petitioner in the submission

The details of capital expenditure and capitalization for FY 2021-22 to FY 2025-26 submitted by the licensee in its original submission have been summarized in the following tables:

The Petitioner in its submission has categorized its capital expenditure into 7 broad categories:

1. Ongoing expenditure by JUSNL
2. Ongoing expenditure through PGCIL
3. Ongoing DVC command area schemes
4. Ongoing World bank funded schemes
5. Planned schemes
6. Augmentation
7. Renovation & Modernization

#### a) Ongoing expenditure by JUSNL

At present there are 11 transmission lines and 7 GSS which are under construction and are being implemented by the JUSNL. The total cost of these schemes is Rs. 808.51 Crores out of which Rs. 570.19 Crores has already been incurred during the 2nd MYT Control Period. The summary of phasing of capital expenditure and capitalization is given below:

Table 7: Ongoing expenditure for JUSNL from FY 2021-22 to 2025-26 (Rs Cr)

S.No	Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
1.	Capital expenditure	28.68	209.64	0.00	0.00	0.00	<b>238.32</b>
2.	Capitalization	70.35	738.16	0.00	0.00	0.00	<b>808.51</b>

**Funding for the capex:** The Scheme is 100% funded by the state government in form of state government loan with an applicable interest rate of 13.00% per annum.

**b) Ongoing expenditure through PGCIL**

Presently, there are 21 schemes being executed through PGCIL which consist of 17 transmission lines and 4 GSS. The total capital outlay of these schemes is Rs. 1,305.06 Crores out of which 930.54 Crores has already been incurred during the 2nd MYT Control Period.

The total project cost of the PGCIL schemes is Rs. 1842.25 Crores out of which schemes costing Rs. 537.19 Crores have already been capitalized during the previous years. The summary of phasing of capital expenditure and capitalization is given below:

**Table 8: Ongoing expenditure through PGCIL for JUSNL from FY 2021-22 to 2025-26 (Rs Cr)**

S.No	Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
3.	Capital expenditure	100.00	274.52	0.00	0.00	0.00	<b>374.52</b>
4.	Capitalization	290.00	1015.06	0.00	0	0	<b>1305.06</b>

**Funding:** The scheme is 100% funded by the state government in the form of a state government loan with an applicable interest rate of 13.00% per annum.

**c) DVC command area schemes:**

At present JUSNL is implementing various schemes in the DVC command area for reaching out to consumers in that area. Presently, 22 transmission lines and 13 GSS are being implemented in the DVC command area with a total capital outlay of Rs. 1101.91 Crores. Out of this Rs. 423.26 Crores has already been incurred during the 2nd MYT Control Period. The details of its phasing of capital expenditure and capitalization are given below:

**Table 9: Ongoing expenditure in DVC command area for JUSNL from FY 2021-22 to 2025-26 (Rs Cr)**

S.No.	Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
1.	Capital Investment plan	75.35	437.85	165.44	0.00	0.00	<b>678.64</b>
2.	Capitalization	-	436.31	474.83	190.77	-	<b>1101.91</b>

**Funding:** The projects that are to be carried out in DVC command area are part of State Plan and therefore 100% of the funding will be in the form of State Government loan with an applicable interest rate of 13.00% per annum.

**d) World bank funded schemes:**

The JUSNL is implementing 26 schemes consisting of 66 projects worth Rs. 2192.05 Crores. The projects consist of 35 transmission lines and 31 GSS. Out of this capital outlay, Rs. 249.42 Crores has already been incurred during the 2nd MYT Control Period. Further, the total capital outlay of the schemes includes an amount of Rs. 400.00 Crores which consists of cost to be incurred towards land acquisition, forest clearance, compensation and PMC. Details of phasing of capital expenditure and capitalization are as provided below:

**Table 10 Ongoing expenditure in World Bank funded schemes for JUSNL from FY FY 2021-22 to 2025-26 (Rs Cr)**

S.No.	Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
1.	Capital Expenditure	297.18	1394.98	250.46	0.00	0.00	<b>1,942.62</b>
2.	Capitalization	-	1757.97	434.08	0.00	0.00	<b>2,192.05</b>

**Funding:** World Bank shall fund 70% of the project cost at an applicable interest rate of 2.50% and remaining 30% of the funds will be in the form of equity from Govt. of Jharkhand.

**e) Planned Schemes:**

JUSNL has submitted that total investment of Rs. 3,587.36 Cr is proposed, through planned schemes during the third control period. Out of this, majority of investments shall be undertaken in FY 2022-23, FY 2023-24 and FY 2024-25 with the maximum proportion being planned at 400 KV level and at 220 KV level.

**Table 11: Expenditure in Planned schemes for JUSNL from FY FY 2021-22 to 2025-26 (Rs Cr)**

S.No.	Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
1.	Capital Expenditure	-	953.05	1117.01	1039.87	477.43	<b>3,587.36</b>
2.	Capitalization	-	49.87	151.30	2366.16	1020.03	<b>3,587.36</b>

**f) Augmentation:**

JUSNL has submitted that apart from this there is an urgent need to augment existing infrastructure in the transmission network, considering the existing over-loading on the equipment and future increase in load demand. Hence, the JUSNL has planned to invest Rs. 250.00 Crores in augmentation schemes during the next Control Period.

**Table 12: Expenditure in Augmentation schemes for JUSNL from FY 2021-22 to 2025-26 (Rs Cr)**

S.No.	Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
1.	Capital Expenditure	50.00	50.00	75.00	50.00	25.00	<b>250.00</b>
2.	Capitalization	50.00	50.00	75.00	50.00	25.00	<b>250.00</b>

**g) Renovation & Modernization:**

JUSNL has submitted that in JUSNL network, majority of the substations and lines require significant R&M activities for continuous and uninterrupted power supply to DISCOMs and ultimately to the consumers. The major assets are much aged and network is also complex. Hence, the JUSNL has proposed to invest around Rs. 250.00 Crores in R&M activities during the next Control Period.

**Table 13: Expenditure in Augmentation schemes for JUSNL from FY FY 2021-22 to 2025-26 (Rs Cr)**

S.No.	Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
1.	Capital Expenditure	50.00	50.00	75.00	50.00	25.00	<b>250.00</b>
2.	Capitalization	50.00	50.00	75.00	50.00	25.00	<b>250.00</b>

**Summary:**

The details of capital expenditure along with capitalization for FY 2021-22 to FY 2025-26 submitted by licensee as per its final submission have been summarized in the following tables:

**a) Capital Investment plan**

**Table 14: Summary of capital expenditure from FY 2021-22 to 2025-26 as submitted by the Petitioner (Rs Cr)**

S. No.	Particulars	Capex till 31.03.2021	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total Value
1	Ongoing Schemes	2173.42	501.22	2316.99	415.90	0.00	0.00	<b>5407.53</b>
2	Planned Schemes	0.00	0.00	953.05	1117.01	1039.87	477.43	<b>3587.36</b>
3	Augmentation	0.00	50.00	50.00	75.00	50.00	25.00	<b>250.00</b>

4	Renovation & modernization	0.00	50.00	50.00	75.00	50.00	25.00	250.00
	<b>Total</b>	<b>2173.42</b>	<b>601.22</b>	<b>3370.04</b>	<b>1682.91</b>	<b>1139.87</b>	<b>527.43</b>	<b>9494.89</b>

## b) Capitalization

**Table 15: Summary of Capitalization from FY 2021-22 to 2025-26 as submitted by the Petitioner (Rs Cr)**

S. No.	Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total Value
1	Ongoing Schemes	360.35	3947.50	908.91	190.77	0.00	5407.53
2	Planned Schemes	0.00	49.87	151.30	2366.16	1020.03	3587.36
3	Augmentation	50.00	50.00	75.00	50.00	25.00	250.00
4	Renovation & Modernization	50.00	50.00	75.00	50.00	25.00	250.00
	<b>Total</b>	<b>460.35</b>	<b>4097.37</b>	<b>1210.21</b>	<b>2656.93</b>	<b>1070.03</b>	<b>9494.89</b>

## c) Funding

**Table: 16Summary of funding for capital investment from FY 2021-22 to 2025-26 as submitted by Petitioner (Rs Cr)**

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Debt	460.35	3569.98	1079.99	2656.93	1070.03
Equity	0.00	527.39	130.23	0.00	0.00
<b>Total Capitalization</b>	<b>460.35</b>	<b>4097.37</b>	<b>1210.21</b>	<b>2656.93</b>	<b>1070.03</b>

## 1. Aggregate Revenue Requirement for MYT control period of FY 2021-22 to 2025-26 for Transmission.

The summary of ARR for FY 2016-17 to 2020-21 for the transmission business as filed by licensee in the Petition has been summarized in table below:

**Table 17: Summary of ARR from FY 2021-22 to 2025-26 as submitted by JUSNL (in Rs Cr)**

Particulars	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
	Petitioner submission	Petitioner submission	Petitioner submission	Petitioner submission	Petitioner submission
Operation & Maintenance Expenses	144.52	163.63	269.62	307.57	380.44
<i>Employee Expenses</i>	<i>71.61</i>	<i>79.13</i>	<i>87.11</i>	<i>95.57</i>	<i>104.55</i>
<i>A&amp;G Expenses</i>	<i>10.86</i>	<i>11.51</i>	<i>12.21</i>	<i>12.94</i>	<i>13.72</i>
<i>R&amp;M Expenses</i>	<i>62.05</i>	<i>72.99</i>	<i>170.31</i>	<i>199.06</i>	<i>262.16</i>
Depreciation Expenses	119.21	215.37	327.36	408.96	487.60
Interest and Finance Charges	553.78	658.92	791.25	950.91	1116.08
Interest on Working Capital	17.08	20.45	27.67	32.27	38.24
Return on Equity Capital	224.13	224.13	224.13	224.13	224.13
<b>Aggregate Revenue Requirement</b>	<b>1058.72</b>	<b>1282.50</b>	<b>1640.04</b>	<b>1923.85</b>	<b>2246.49</b>
Less: Non-Tariff Income	12.79	12.79	12.79	12.79	12.79
<b>Aggregate Revenue Requirement</b>	<b>1045.94</b>	<b>1269.72</b>	<b>1627.26</b>	<b>1911.07</b>	<b>2233.70</b>

## 2. Tariff for transmission business

The summary of monthly transmission charges for FY 2021-22 to 2025-26 for the transmission business as filed by licensee in the Petition has been summarized in table below:

**Table 18: Summary of Month Transmission charges from FY 2021-22 to 2025-26 as submitted by the Petitioner**

Particulars	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
	Petitioner submission	Petitioner submission	Petitioner submission	Petitioner submission	Petitioner submission
ARR Proposed	1045.94	1269.72	1627.26	1911.07	2233.70
Monthly Transmission charges (in Rs Cr)	87.16	105.81	135.60	159.25	223.5
Projected Transmission (MUs)	11,000.31	12,513.64	13,358.79	16,007.25	18,844.03

## 3. Transmission Charges for STOA of FY 2021-22

The summary of transmission charges for Short Term Open Access Charges (STOA) of FY 2021-22 for the transmission business as filed by the licensee in the Petition has been summarized in table below:

**Table 19: Summary of Transmission charges for STOA from as submitted by the Petitioner**

Particulars	Unit of Measurement	FY 2021-22
AFC (FY 2020-21)	Rs. Crore	705.52
Av CAP (FY 2020-21)	MW	1122.54
ST Rate	Rs./MW/Day	8609.62
ST Rate	Rs./MWHr	358.73

### **Comments/ Suggestions from stakeholders: -**

1. The Commission has directed the Petitioner to invite comments/suggestions from the public on the above Petition through this Notice.
2. The Petition including discrepancies raised by the Commission, and replies submitted by the Petitioner are available on the website of the Commission [www.jserc.org/jusnl.aspx](http://www.jserc.org/jusnl.aspx) as well as the Petitioner at [www.jusnl.in](http://www.jusnl.in)
3. The copies of the above petitions can be obtained on written request from the offices of the Petitioner on payment of Rs. 100/- (Rupees One Hundred) only payable by Cash/ Demand Draft/ Pay in favour of **JUSNL** payable at **Ranchi**.

### ***Complete Address for obtaining Petition:***

**Jharkhand UrjaSancharan Nigam Limited (JUSNL),  
JUSNL Building, Kusai Colony, Doranda,  
Ranchi,  
Jharkhand - 834002  
Email [cetrom.jsnb@gmail.com](mailto:cetrom.jsnb@gmail.com)**

4. Suggestions/comments may be sent to the office of the Petitioner - JUSNL at the address mentioned above by **14-03-2023**. A copy of the suggestions/ comments may also be sent to the Secretary of Jharkhand State Electricity Regulatory Commission at the address given below:

**Secretary**

**Jharkhand Electricity Regulatory Commission**

**1<sup>st</sup>Floor, Jharkhand State Housing Board Old Building,**

**Harmu Housing Colony, Ranchi – 834002, Jharkhand**

**Email id – [info@jserc.org](mailto:info@jserc.org)**

5. The objections can be submitted in English or Hindi. The sender should clearly specify his/ her full name, postal address, e-mail id, and telephone number. It should also be indicated if the objection is being filed on behalf of any organization, consumer, or consumer group. It is to be noted that if the sender wants to be heard in person, the Commission would give the opportunity at the Public Hearing, for which date and place shall be announced by the Commission separately.
6. The Petitioner-JUSNL shall reply to each of the objections and objections/comments/ suggestions received within seven days of the receipt of the same but not later than **21-03-2023** for all the objections and comments/suggestions received till **14-03-2023**. Stakeholders can submit their rejoinders on replies provided by the Petitioner either during the public hearing or latest by **28-03-2023**.

Sd./-

General Manager  
C&RA, JUSNL, Ranchi