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No. P.No.95 of 2022/47

Raipur, Date: 10/01/2023

To,

The Executive Director (RA&PM),
Chhattisgarh State Power Distribution Co. Limited,
Dangania, Raipur.

Sub: Additional information in respect of petition no. 95/2022.

In reference to above mentioned subject, please provide additional information (in two copies) as mentioned in annexure-1 in respect of petition no. 95 of 2022 filed for true-up of FY 2021-22, Aggregate Revenue Requirement for FY 2023-24 and retail tariff for FY 2023-24 by 23/01/2023.

Encl: As above

OC


10/1/2023
(Surendra Singh)
Director (Tariff)

CSPDCL should submit the following information in soft copy as well as hard copy.

A. General

1. Estimated date for submission of Report of Comptroller and Auditor General of India (C&AG) on the Accounts of FY 2021-22 and replies of Management on the same.
2. CSPDCL has submitted revised ARR for FY 2023-24 by revising all components of the ARR, though the CERC MYT Regulations, 2021 provide for revision of ARR only on account of revision in sales projections and power purchase expenses. CSPDCL to justify the same given the CSERC approach in earlier years, when the provisions were the same in earlier Regulations also.

B. Review Application arising out of MYT Order dated 13.04.2022

3. In the Tariff Order dated 13th April 2022, the Commission had directed CSPDCL to submit details and reconciliation of year-wise amount provisioned against Banked Power till date, and actual amount spent/utilised against this provisioning till date. CSPDCL to submit this data.
4. CSPDCL to submit details of 'Other Charges' of Rs. 384.55 Crore claimed in the true-up for FY 2019-20.
5. CSPDCL should clarify regarding the amount of Rs. 100.16 Crore adjusted against provisioning in the books of CSPDCL, but yet to be adjusted in the regulatory accounts.

C. Truing-Up for FY 2021-22

Energy Sales, Energy Balance and Revenue

6. CSPDCL should submit the month-wise and summary R-15 for LV and HV categories for the period from April 2021 to March 2022, with all details of category-wise sales and revenue.
7. CSPDCL should submit the category-wise break-up of number of consumers, sales, and connected load under the 'LV Temporary' category for FY 2021-22.
8. CSPDCL should submit the justification for actual metered agricultural category consumption being around 9% (~412 MU) higher than approved sales.
9. CSPDCL should submit the actual average hours of supply to LT Agriculture category in each month of FY 2021-22.
10. CSPDCL should submit the category-wise and consumption slab-wise actual revenue from fixed/demand charges and energy charges for all LT consumers and HT consumers for FY 2021-22.

11. CSPIXCL should submit the actual energy sales to Open Access consumers during FY 2021-22, if any.
12. CSPDCL should submit the Load Factor of consumption by LT Agricultural category in each month of FY 2021-22.
13. CSPDCL should submit the slab-wise details of agriculture consumers for FY 2021-22 in the following format:

Consumer Category	Number of consumers	Units Sold (MU)	Energy Charge Billed (Rs. Crore)	Average Actual Energy Charge (Rs/kWh)	Approved Energy Charge (Rs/kWh)	Difference between Approved & Actual Energy Charge (Rs/kWh)	Justification for difference in Energy Charge
A-Metered KJY							
B-Flat rate KJY							
General/Other Pump Consumer							
Temporary Category							
Total							

14. CSPDCL should submit the actual category-wise Average Billing Rate (ABR) during FY 2021-22 and comparison with the approved category-wise ABR for FY 2021-22, with explanation for the difference in category-wise ABR.
15. As regards the GoCG subsidy, CSPDCL should submit the following data and documentary evidence for FY 2021-22:
- Copies of all Subsidy commitments of GoCG (under all heads - revenue subsidy, power purchase subsidy, category-wise subsidy including subsidy for HV-4 Steel category, COVID-related support, etc.) along with the copy of the relevant Government Order/Resolution (GO/GR)
 - Amount of subsidy sought by CSPDCL against each of the above separate Subsidy commitments of GoCG, with copies of such claims.
 - Amount of subsidy received by CSPDCL against each of the above separate Subsidy commitments of GoCG, with proof of disbursement.
16. CSPDCL should submit the details of monthly Load Factor rebate given to HV-4 Steel category, with sales at different Load Factor rebate levels and the rebate provided.
17. CSPDCL should submit the category-wise and consumption slab-wise actual energy consumption and revenue billed as per Time-of-Day Tariff time slots during FY 2021-22.
18. In Table 6, CSPDCL has deducted the power purchase from Marwah for computing the average rate of power purchase. However, in the Tariff Order dated 13th April 2022, the

Commission has clearly ruled that the Marwah power purchase cannot be reduced for this purpose. CSPDCL should submit the revised computations of Table 6, without deducting cost of power purchase from Marwah.

Power Purchase Cost

19. CSPDCL should submit the details of Source-wise Fixed charges and Variable charges in power purchase expenses for FY 2021-22.
20. CSPDCL should submit the details of Delayed/Late Payment Surcharge included in power purchase expenses payable/paid to CSPGCL, CGS and other generators, and whether the same have been considered in the power purchase expenses claimed in the Truing up for FY 2021-22.
21. CSPDCL should submit the details of Delayed/Late Payment Surcharge included in Transmission Charges payable/paid to PGCIL, CSPTCL, CSLDC and other Parties, and whether the same have been considered in the power purchase expenses claimed in the Truing up for FY 2021-22.
22. CSPDCL should submit the details of inter-State and intra-State injection and drawal and DSM against purchase from CSPGCL for FY 2021-22, in the same format as submitted for FY 2018-19 and FY 2019-20 in the Review Application (Page 23 & 24 of Petition) filed along with the MYT Petition for FY 2022-23.
23. CSPDCL should submit the Break-up of Transmission Charges (vendor-wise) for FY 2021-22, in the same Format as submitted for FY 2018-19 and FY 2019-20 in Tables I and II of Chapter 5 - Review Application filed along with the Petition for FY 2022-23.
24. CSPDCL should submit the Break-up of Power Purchase expenses for FY 2021-22, in the same Format as submitted for FY 2019-20 in Table III of Chapter 5 - Review Application filed along with the Petition for FY 2022-23, with additional information of source-wise quantum and rate.
25. In the Tariff Order dated 13th April 2022, the Commission had directed CSPDCL to ensure that all expenses towards return of banked power be fulfilled by utilising the funds provisioned against Banked Power or any such similar name/purpose till date, and ensure that such expenses are not claimed separately, till such time as the entire provisioning is exhausted. CSPDCL to confirm that:
 - a. No expense against banked power has been claimed in the true-up for FY 2021-22
 - b. Balance provisioning of expenses against banked power.
 - c. Only actual expenses incurred for the banking return, once the amount of provisioning made till date is exhausted, has been claimed, in case the same has been claimed.
 - d. submit a complete passbook of forward banking and return banking showing all transactions in energy terms till date, including the amount of expense

provisioning done, expense provisioning set off till date, and balance provisioning available for future set-off, if any.

26. Following details with respect to power purchase expenses for FY 2021-22:
- Reconciliation of payment made by CSPDCL to CSPGCL for thermal and hydro generation, with revenue booked by CSPGCL, including revenue gap/surplus of true-up and impact of APTEL Judgment, if any.
 - Reconciliation of payment made by CSPDCL to CSPTCL and SLDC with revenue booked by CSPTCL and SLDC, including revenue gap/surplus of true-up, which was separately billed by CSPTCL and SLDC.
27. With reference to Table 7, CSPDCL should submit the following details:
- Details of 'Others' under CGS, amounting to 279 Crore
 - Source-wise quantum and rate of power purchase from 'Concessional Power through CSPTdCL'
 - Details of UI Injection and UI Drawal and Net UI - quantum and cost
 - Clarify whether State DSM included in Net UI or under CSPGCL power purchase cost
 - Details of RRAS Settlement of Rs. 19.03 Crore
 - Clarify whether any provisioning for any expenses is included in any of the heads claimed in this Table
 - Reconcile the gross power purchase expenses of Rs. 16,112.50 Crore (Sl. 13) with the amount reported in the Audited Accounts (Rs. 16,246 Crore - Note 23 of Accounts)
28. CSPDCL should submit the details of the competitive bidding undertaken for Bilateral purchase transactions during FY 2021-22.
29. CSPDCL should submit the month-wise surplus power quantum sold and corresponding revenue and per unit rate for FY 2021-22.
30. As regards purchase from RE sources in FY 2021-22, details of various PPAs approved by the Commission and tariff approved/adopted by the Commission for each of these sources.
31. In the Tariff Order dated 13th April 2022, the Commission had directed CSPDCL to submit details and reconciliation of year-wise amount provisioned against "RPO Obligation" or any such similar name/purpose till date, and actual amount spent/utilised against this provisioning till date. CSPDCL to submit the same.
32. In the Tariff Order dated 13th April 2022, the Commission had directed CSPDCL to ensure that all past shortfall w.r.t. RPO target be fulfilled by utilising the funds provisioned under "RPO Obligation" or any such similar name/purpose till date, and ensure that such expenses towards meeting RPO obligations not be claimed separately, till such time as the entire provisioning amount is exhausted. CSPDCL to confirm that:

- a. No expense against provisioning for RE power or RPO has been claimed in the true-up for FY 2021-22
- b. Balance provisioning of expenses against RE power/RPO.
- c. Only actual expenses incurred for purchase of RE power, once the amount of provisioning made till date is exhausted, has been claimed, in case the same has been claimed.

O&M Expenses

- 33. In para 6.22, CSPDCL has stated that "audit is under process and expenditure towards O&M are expected to change marginally". CSPDCL should clarify whether audit is complete or pending.
- 34. As regards employee expenses, CSPDCL should
 - a. Reconcile leave compensation expenses of Rs. 54.70 Crore as per Accounts with Rs. 49.49 Crore claimed in Petition
 - b. Reconcile total employee expenses of Rs. 1314 Crore as per Accounts with the employee expenses of Rs. 848.85 plus Rs. 449 Crore of P&G
- 35. As regards R&M expenses, CSPDCL should reconcile actual expenses of Rs. 391 Crore as per Accounts with Rs. 325.78 Crore claimed in Petition.

Capitalisation, Depreciation, Loans, Interest, and Return on Equity

- 36. CSPDCL should confirm that depreciation has not been claimed for assets that have already depreciated up to 90% or have been retired/de-capitalised.
- 37. As regards the Interest on Consumers' Security Deposit, CSPDCL should confirm that the interest amount of Rs. 97.12 Crore has actually been paid out to consumers or adjusted against the consumers' bills, and is not a mere book entry considered on accrual basis in the Accounts. CSPDCL should submit the details of interest amount actually paid out to consumers or adjusted against the consumers' bills in FY 2021-22.
- 38. CSPDCL should submit the detailed computation of weighted average interest rate on actual loans, considered as 8.87% for FY 2021-22.

Non-Tariff Income

- 39. CSPDCL should submit the details of 'Miscellaneous Income' of Rs. 48.91 Crore reported under Note 22 of the Audited Accounts for FY 2021-22.

Revenue Gap/(Surplus)

40. As regard Table 26, CSPDCL should reconcile Revenue from Sale of Surplus Power of Rs. 1825.93 Crore as per Accounts with Rs. 1854.14 Crore claimed in Petition
41. In Table 26,
- CSPDCL has considered the Gap/(Surplus) of CSPGCL, CSPTCL, and CSLDC for FY FY 2019-20, as considered by CSERC in the Tariff Order for FY 2021-22. CSPDCL should confirm that these amounts have not also been considered in the power purchase expenses booked against CSPGCL, CSPTCL, and CSLDC for FY 2021-22, as these entities have raised separate bills for the Gap/(Surplus).
 - CSPDCL should submit the computations of carrying cost of Rs. 439.01 Crore.
 - In Para 6.73 below Table 26, CSPDCL has stated that 'The aforesaid gap of Rs. 5758.68 crore translates to Rs. 2376.44 crore in Table No. 56 after applying the carrying cost for the relevant period'.
 - However, the amount shown in Table 56 is Rs. 6134.77 crore. CSPDCL to clarify
 - CSPDCL to submit the computations of carrying cost considered to arrive at the total amount of revenue requirement of Rs. 6134.77 crore.

D. Petition for FY 2023-24

Energy Sales, Energy Balance and Revenue

42. CSPDCL should submit the category-wise and consumption slab-wise actual sales and revenue from fixed/demand charges and energy charges for all LT consumers and HT consumers for FY 2022-23 (April 2022 to November 2022).
43. CSPDCL should submit the copies of monthly and summary R-15 for LV and HV categories for the period from April 2022 to November 2022.
44. CSPDCL should submit the copy of the 52-week Transmission Loss data of Western Region for FY 2021-22

Power Purchase Cost

45. CSPDCL should submit the details of actual Source-wise (CGS, CSPGCL, Traders, Concessional Power, etc.) and station-wise Fixed Charges and Variable charges in power purchase expenses for FY 2022-23 (April 2022 to November 2022)

46. CSPDCL should submit the actual source-wise inter-State Transmission Charges in FY 2022-23 (April to November 2022)
47. CSPDCL should submit actual PLF of Marwah in FY 2022-23 (April to November 2022)
48. CSPDCL should provide the basis for reducing 10% of the VCA for projecting the cost of power purchase from CSPGCL for FY 2023-24
49. As regards proposed RE purchase from new plants during FY 2023-24, CSPDCL should submit the
 - a. expected generation from each new source;
 - b. details of various PPAs approved by the Commission and tariff approved/adopted by the Commission for each of these sources.
50. CSPDCL has not considered energy to be generated from Biomass based power plant for fulfilment of its RPO compliance during FY 2023-24. However, it will have to pay fixed charges to generators. CSPDCL should
 - a. submit detailed analysis of fixed charges payable and its impact on power purchase cost.
 - b. Submit details of all biomass plants comprising capacity in MW, capacity charges, and energy charges.
 - c. In the Tariff Order for FY 2022-23 dated 13th April 2022, the Commission had considered purchase from biomass sources also, CSPDCL should clarify whether it has purchased power from biomass sources in FY 2022-23 or it has paid the fixed charges, without actually purchasing power, and the computation of savings, if any, by such a measure.
51. In Table 37, SECI (Wind) 300 MW, SECI (Hybrid) 400 MW, NHPC (Solar) 400 MW, SECI (Blended Wind) 170 MW, and NTPC (Solar) 190 MW are shown to have expected COD that has already passed. CSPDCL should confirm whether these plants have achieved COD and whether CSPDCL is purchasing power from these sources in FY 2022-23.
52. In Table 37, the source-wise projected CUF, MU generation projected, and rate of power purchase should also be mentioned.
53. CSPDCL should justify considering the rate of sale of surplus power as Rs. 4.94/kWh for FY 2023-24, based on actuals.

O&M Expenses

54. In para 8.45, CSPDCL has submitted that it has projected Pension & Gratuity as per the demand note received from the pension trust. CSPDCL should submit the copy of the letter received from the pension trust in this regard.



Impact of APTEL Judgment

55. In para 8.67 and Table 53, CSPDCL has claimed the impact of APTEL Judgment on CSD issue as Rs. 136 Crore. CSPDCL should submit the following details:

- a. Relief granted by APTEL to CSPDCL
- b. Computation of principal amount
- c. Computation of carrying cost.

Revenue from Sale of Power at Existing Tariff

56. In Table 54, CSPDCL has shown the category-wise revenue, which tallies with the revenue computed in the Model. However, the following lacunae have been observed in the revenue calculations, which need to be corrected:

- a. The revenue impact of giving LF Rebate in accordance with the Tariff Order for FY 2022-23 has not been considered. Please provide the projected LF at various levels and the resultant LF rebate, which will reduce the computed revenue
- b. The impact of TOD tariff for has not been considered for HV-2, HV-3, and HV-4 categories. CSPDCL should provide the details of TOD-timeslot wise sales to these 3 categories, and the computation of TOD revenue based on the TOD tariff approved in the latest Tariff Order, viz., 120% for peak hour consumption and 65% for Base load consumption.
- c. The calculation of revenue from Fixed Charges for LV-1 Domestic category should be modified in line with the telescopic Fixed Charges approved for this category; CSPDCL should submit the connected load in different slabs, viz., 0-5 kW, above 5 up to 10 kW, and above 10 kW, and the revenue from telescopic fixed charges for this category for FY 2022-23
- d. CSPDCL should submit the average Load Factor of Railways in FY 2021-22 and FY 2022-23 (April to November 2022)
- e. Actual category-wise Power Factor for all HV categories in FY 2021-22.

Retail Tariff Proposal

57. CSPDCL has stated that ACOS for FY 2023-24 works out to Rs. 6.22 per unit, which is the approved ACOS for FY 2022-23, hence, no tariff increase is required to meet the

current gap. However, CSPDCL has computed the revenue gap by considering revenue based on approved tariff for FY 2022-23. CSPDCL should:

- a. Submit its proposal to meet the revenue gap of Rs. 2372 Crore for FY 2023-24, in the absence of any tariff increase proposed by CSPDCL.
- b. Justify its statement that tariff increase is not required because the ACOG is the same, though there is a revenue gap based on existing tariff.

58. CSPDCL should submit the computation of Wheeling Charges for FY 2023-24.

59. CSPDCL should submit the computation of voltage-wise cost of supply for FY 2023-24.