

**BEFORE THE HON'BLE CHHATTISGARH STATE ELECTRICITY
REGULATORY COMMISSION, AT RAIPUR**

I.A. NO. _____ OF 2023

IN

PETITION NO. 15 OF 2023

IN THE MATTER OF:

Application for amendment of P.No.15 of 2023 regarding Petition for determination of Annual Revenue Requirement and Retail Supply Tariff for FY 2023-24 alongwith Revised Estimate for FY 2022-23 and True-up for FY 2021-22 for the licensed distribution business under Section 61, 62 and 86 (1) (a) of the Electricity Act, 2003 read with the relevant provisions of the Chhattisgarh State Electricity Regulatory Commission's Conduct of Business Regulations and Terms and Conditions for determination of Tariff Regulations and its amendments thereof

AND IN THE MATTER OF:

M/s. Jindal Steel and Power Limited
P.B. No. 16, Patrapali, Kharsia Road,
Raigarh, Chhattisgarh - 496001

... PETITIONER

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Date: 27.12.2023
Raipur

For, Jindal Steel & Power Limited


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AND

IN THE MATTER OF:

Jindal Steel & Power Limited **...APPLICANT/ PETITIONER**
P.B.No.16, Patrapali, Kharsia Rd., Raigarh, C.G.

MOST RESPECTFULLY SHOWETH:

1. The present petition was filed by the Applicant/ Petitioner, Jindal Steel & Power Limited ("**Petitioner/ JSPL-D**") before this Hon'ble Commission for seeking determination of Annual Revenue Requirement ("**ARR**") for FY 2023-24 and True-up for FY 2021-22 for the licensed distribution business under Section 61, 62 and 86 (1) (a) of the Electricity Act, 2003 ("**EA 2003**") read with the relevant provisions of the Chhattisgarh State Electricity Regulatory Commission's Conduct of Business

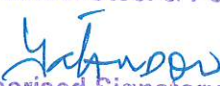
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Regulations and Terms and Conditions for determination of Tariff Regulations and its amendments thereof.

2. The present application for seeking amendment is necessitated on account of the fact that pursuant to filing of the captioned petition on 23.01.2023, this Hon'ble Commission has passed a series of orders, whereby, the tariff discovered under Section 63 of the EA 2003 was adopted for allowing the power procurement by the Applicant/ Petitioner for onward supply to its consumers. Thus, it is necessary that the power procurement cost, which has already been approved and adopted by this Hon'ble Commission during FY 2023-24 be factored in the captioned petition.
3. For the sake of completeness of facts, it would be material to succinctly canvass hereinafter the series of orders passed by this Hon'ble Commission adopting the discovered tariff under Section 63 of the EA 2003 and approving the power procurement arrangement of the Applicant/ Petitioner for onward supply to its consumers in its licensed area. The said orders and the circumstances under which, the same were passed are detailed below:
 - (a) Vide Order dated 22.03.2023, this Hon'ble Commission adopted the discovered tariff of Rs. 7.06/kWh for procurement of 200 MW short-term Round the Clock ("RTC") power from Jindal Power Limited ("JPL") for the period from 01.04.2023 to 31.07.2023, under Section 63 read with Section 86 of the EA 2003.

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The said order was passed as the existing short-term power procurement arrangement of the Applicant/ Petitioner with JPL was coming to an end on 31.03.2023, and the Applicant/ Petitioner initiated a Request for Participation dated 22.02.2023 on the Discovery of Efficient Electricity Price ("**DEEP**") portal under the "*Guidelines for Short-term (i.e., for a period of more than one day to one year) Procurement of Power by Distribution Licensees through Tariff based bidding process*" issued by the MoP, Government of India on 30.03.2016, and its amendments thereof ("**Short-term Competitive Bidding Guidelines**").

A copy of the Order dated 22.03.2023 passed by this Hon'ble Commission is annexed hereto and marked as **ANNEXURE P – 1**

- (b) Pursuant to the above, while informing this Hon'ble Commission vide its letter dated 06.06.2023 (*shortly prior to expiry of the short-term arrangement on 31.07.2023*), the Applicant/ Petitioner as a prudent distribution licensee intending to procure power on medium-term basis carried out Competitive Bidding as per the Guidelines issued by the Ministry of Power for Procurement of Electricity for Medium-Term from Power Stations set up on Finance, Own and Operate (FOO) basis dated 30.01.2019 and subsequent amendments thereof

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(**"Medium-term Competitive Bidding Guidelines"**) on the DEEP Portal.

- (c) Although, Jindal Power Limited (JPL) emerged as the "*lowest quoted bidder*" for the entire period (*i.e., 01.08.2023 to 31.07.2028*) for supplying the full quantum of 240 MW @ Rs. 5.40/ kWh, the Applicant/ Petitioner felt that the discovered rate appeared to be on a higher side.
- (d) Accordingly, the Applicant/ Petitioner sought some time from this Hon'ble Commission on 25.07.2023 to negotiate the discovered rate with JPL, which was allowed.
- (e) However, as the negotiations failed and the existing arrangement was ending on 31.07.2023, the Applicant/ Petitioner withdrew Petition No. 57 of 2023 (*which was filed under Section 63 for adoption of tariff discovered under short-term bidding*) while seeking liberty to file a fresh petition for permitting the Applicant/ Petitioner to continue the existing arrangement of procurement of 200 MW RTC power from JPL for a period starting from 01.08.2023 to 30.09.2023 at a rate of Rs. 5.40/kWh, during which period, the Applicant/ Petitioner undertook to carry out fresh medium term bidding process to reduce the tariff. The same was allowed by this Hon'ble Commission.

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- (f) In terms thereof, on 23.08.2023, this Hon'ble Commission in Petition No. 62 of 2023 (*filed by the Petitioner pursuant to withdrawal of Petition No. 57 of 2023*) allowed the Applicant/ Petitioner to continue the existing procurement of 200 MW power from JPL for a period starting from 01.08.2023 to 30.09.2023 at a rate of Rs. 5.40/kWh.

A copy of the Order dated 23.08.2023 passed by this Hon'ble Commission is annexed hereto and marked as **ANNEXURE P – 2**

- (g) Subsequently, the Applicant/ Petitioner filed Petition No. 78 of 2023, whereby, this Hon'ble Commission vide its Order dated 12.12.2023, proceeded to adopt the discovered tariff of Rs. 5.05/kWh for procurement of 240 MW of power from 01.10.2023 for a period of 5 years (until 30.09.2028), discovered through Competitive Bidding Process on DEEP portal as per the Medium-term Competitive Bidding Guidelines issued by the Ministry of Power, Govt. of India on 30.01.2019 and its amendments thereof.

A copy of the Order dated 12.12.2023 passed by this Hon'ble Commission is annexed hereto and marked as **ANNEXURE P – 3**

4. It is in view of the above developments that the Applicant/ Petitioner seeks the following amendments:

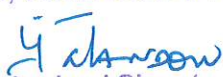
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RE: (a) Tariff/ Actual Cost of Supply in terms of the above Orders passed by this Hon'ble Commission

5. So far as the above is concerned, it is submitted that on account of the passage of the Orders dated 22.03.2023, 23.08.2023 and 12.12.2023, this Hon'ble Commission has approved and adopted the discovered tariff under Section 63 of the EA 2003, which essentially means that the power procurement cost, in terms of the said orders, for onward supply to its consumers has been allowed by this Hon'ble Commission.
6. As a result of the same, the tariff/ ACoS for FY 2023-24 is bound to undergo revision. Any gap in actual cost of supply and revenue to be recovered shall have an impact on the Applicant/ Petitioner, which shall be recovered from the consumers at the time of truing-up, alongwith interest/ carrying costs. Therefore, the tariff may be determined in such a way that there is negligible or no gap in between the cost of supply and revenue to be recovered.
7. In this regard, it is important to highlight herein that Section 61 of the EA, 2003 contains the tariff principles, based on which the tariff of a distribution licensee is determined. As per Sections 61(b), (d) and (f), the tariff of a distribution licensee, inter-alia, must be based on commercial principles, must reflect "actual" cost of electricity, and should be based on multi-year tariff principles. Thus, the above tariff principles abhor/ prohibit creation of any revenue gaps as actual costs need to be passed through to consumers.

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8. Creation of revenue gap/ regulatory assets is also expressly barred in the National Tariff Policy, 2016 [*which has a force of law as decided in the Energy Watchdog judgment of the Hon'ble Supreme Court reported in (2017) 14 SCC 80*], which provides as follows:

"8.0 DISTRIBUTION

... ..

8.2 Framework for revenue requirements and costs

8.2.2 The facility of a regulatory asset has been adopted by some Regulatory Commissions in the past to limit tariff impact in a particular year. This should be done only as a very rare exception in case of natural calamity or force majeure conditions and subject to the following:

a. Under business as usual conditions, no creation of Regulatory Assets shall be allowed;

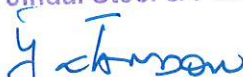
b. Recovery of outstanding Regulatory Assets along with carrying cost of Regulatory Assets should be time bound and within a period not exceeding seven years. The State Commission may specify the trajectory for the same."

(Underline Supplied)

A copy of the National Tariff Policy, 2016 is annexed herewith and marked as **ANNEXURE P – 4**

9. In addition to the foregoing, reference is also made to the judgment dated 11.11.2011 rendered by the Full Bench of the Hon'ble APTEL (3 judge bench) in O.P No. 1 of 2011, in a Suo

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Motu petition for *Tariff Revision (Suo-Motu action on the letter received from Ministry of Power)*, wherein it was laid down as under:

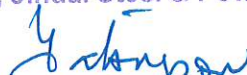
"62. Let us now refer to some of the strange features that we noticed from the information furnished by the State Commissions. It is seen that some of the Commissions are leaving uncovered revenue gap in the ARR as a routine, with or without creating regulatory assets. The interest charges on the regulatory assets are also not being allowed in the ARR of the Tariff Order. This, in our view, is not in order as it may create a problem of cash flow for the distribution licensees which are already burdened with heavy debts. The cash flow problem may result in constraints in procurement of power by the distribution licensees and operation and maintenance of the distribution network affecting the reliability of power supply to the consumers. This Tribunal in a recent Judgment in Appeal no. 192 of 2010 dated 28.07.2011 in the matter of Tamil Nadu Electricity Consumers' Association vs. Tamil Nadu Electricity Board, etc. has dealt with the issue of Regulatory Assets. The relevant extracts are reproduced below:

... ..

63. In this case the Tribunal held that the regulatory asset created by the State Commission was not in consonance with the Tariff Policy and the Tariff Regulations of the State Commission which clearly define the circumstances under which the regulatory asset can be created. Further, the creation of the regulatory asset without any directions for carrying cost and time bound recovery was neither in the interest of the distribution licensee nor the consumers.

64. We also notice that most of the State Commissions have not provided in their Regulations Fuel & Power

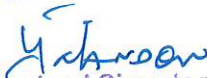
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Purchase Cost Adjustment Formula for allowing the increase in fuel and power purchase cost during the tariff year. The fuel and power purchase cost adjustment mechanism provided in most of the states is after completion of the financial year through a separate proceeding which takes a long time. The power purchase cost is a major expenditure in the ARR of the distribution licensee. The fuel and power purchase cost is also uncontrollable and it has to be allowed as quickly as possible according to the Tariff Policy. The Electricity Act, 2003 under Section 62(4) has specific provision for amendment of the tariff more frequently than once in any financial year in terms of Fuel Surcharge Formula specified by the Regulations. A major part of power procured by the distribution company comes from the Central Sector Generating Companies whose tariff is regulated by the Central Commission and the State owned Generation Companies whose tariff is regulated by the State Commissions. The Central Commission in its Tariff Regulations has already provided a formula for fuel price adjustment and the charges of the generation companies are increased as and when the fuel prices are increased. In view of the present precarious financial conditions of the distribution companies, it would be necessary that the State Commissions also to provide for Power Purchase Cost Adjustment Formula as intended in the section 62(4) of the Act to compensate the distribution companies for the increase in cost of power procurement during the financial year. In the above situation, as indicated above it has become necessary for this Tribunal to give appropriate directions, to correct this situation by invoking the powers under Section 121 of the Act which is permissible under law. So, the second question is also answered accordingly.

65. In view of the analysis and discussion made above, we deem it fit to issue the following directions to the State Commissions:

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(i) Every State Commission has to ensure that Annual Performance Review, true-up of past expenses and Annual Revenue Requirement and tariff determination is conducted year to year basis as per the time schedule specified in the Regulations.

(ii) **It should be the endeavour of every State Commission to ensure that the tariff for the financial year is decided before 1st April of the tariff year.** For example, the ARR & tariff for the financial year 2011-12 should be decided before 1st April, 2011. **The State Commission could consider making the tariff applicable only till the end of the financial year** so that the licensees remain vigilant to follow the time schedule for filing of the application for determination of ARR/tariff.

(iii) In the event of delay in filing of the ARR, truing-up and Annual Performance Review, one month beyond the scheduled date of submission of the petition, the State Commission must initiate suo-moto proceedings for tariff determination in accordance with Section 64 of the Act read with clause 8.1 (7) of the Tariff Policy.

(iv) **In determination of ARR/tariff, the revenue gaps ought not to be left and Regulatory Asset should not be created as a matter of course except where it is justifiable, in accordance with the Tariff Policy and the Regulations.** The recovery of the Regulatory Asset should be time bound and within a period not exceeding three years at the most and preferably within Control Period. Carrying cost of the Regulatory Asset should be allowed to the utilities in the ARR of the year in which the Regulatory Assets are created to avoid problem of cash flow to the distribution licensee.

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(v) *Truing up should be carried out regularly and preferably every year. For example, truing up for the financial year 2009-10 should be carried out along with the ARR and tariff determination for the financial year 2011-12.*

(vi) *Fuel and Power Purchase cost is a major expense of the distribution Company which is uncontrollable. Every State Commission must have in place a mechanism for Fuel and Power Purchase cost in terms of Section 62 (4) of the Act. The Fuel and Power Purchase cost adjustment should preferably be on monthly basis on the lines of the Central Commission's Regulations for the generating companies but in no case exceeding a quarter. Any State Commission which does not already have such formula/mechanism in place must within 6 months of the date of this order must put in place such formula/ mechanism.*"

(Emphasis and Underline Supplied)

10. As seen from the above larger bench judgment of the Hon'ble APTEL, the following is crystallized:
 - i. The tariff determined for a particular financial year has to be made applicable for that financial year only;
 - ii. In determination of ARR/tariff, the revenue gaps ought not to be left;
 - iii. The Fuel and Power Purchase cost adjustment should preferably be on monthly basis.
11. In furtherance, reference is made to Regulation 93 of the CSERC (*Terms and Conditions for determination of tariff*

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according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2021, which was amended/ substituted vide the first amendment dated 19.05.2023, and that the same provides as under:

"93. FUEL AND POWER PURCHASE ADJUSTMENT SURCHARGE (FPPAS)

93.1 Amount on account of variation in actual Energy Charge of nth month (due to variation in the Landed price of Coal and Gross Calorific Value of primary fuel on the basis of certificate/ test report issued by reputed third party agency after prudence check etc.) vis-à-vis Energy Charge on nth month as approved in tariff order shall be determined on monthly basis by generating stations which are situate within the State and supplying power to distribution licensee of the State and the same shall be recovered through regular monthly bills issued in (n+2)th month as a line item namely fuel and other expenses.

Example – A generating company supplying power to distribution licensee shall raise the FCA for the month of April as a line item in a regular monthly bill in the month of July, for the power supplied during month of June.

93.2 The FCA shall be calculated by the generating company for each of its thermal stations separately for each month. The FCA for a month shall be calculated as under:

$FCA \text{ (in Rs.)} = \text{Scheduled energy (ex-bus) for the month} \times \text{difference in monthly Energy Charge Rate (ECR)}.$

$\text{Difference in monthly ECR} = ECR (T) - ECR (M)$

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Where,

ECR(T): ECR specified for the particular plant in the tariff order.

ECR (M) = Computed ECR for the particular plant for the particular month as per formula given below.

ECR(M): $\{GHR-SFC \times CVSF\} \times LPPF/CVPF \times 100/(100-Aux)$

Where,

AUX = Normative auxiliary energy consumption in percentage.

CVPF: Gross calorific value of primary fuel as received in kCal per kg.

CVSF = Calorific value of secondary fuel as considered in the tariff order, in kCal per ml.

GHR; Normative Gross station heat rate allowed in the Tariff order, in kCal per kWh.

LPPF = Actual Weighted average landed price of primary fuel, in Rupees per kg.

SFC: Normative Specific fuel oil consumption, in ml per kWh.

The generating company shall work out the ECR on the basis of normative GSHR, normative auxiliary consumption, normative specific secondary fuel oil consumption, weighted average GCV of the coal as received and secondary fuel oil as indicted in the tariff order and actual landed price of the primary fuel (LPPF).

Provided further that if any additional claim is raised by the generating company at the time of true up the same shall have to be supported by reasons recorded in the writing and shall be subject to prudence check.

Provided that for the reasons uncontrollable for the generating company, including but not limited to non-availability of the all the certificated test reports for a

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month, generating company shall issue provisional fuel and other expenses charge for that month based on the available reports, the final bill shall be prepared and differential amount shall be claimed in the month next to the month in which last of such report is received.

In case of part or full use of alternative source of fuel supply by coal based thermal generating stations other than as agreed by the generating company and beneficiaries in their power purchase agreement or as considered in the respective Tariff Order for determination of the ECR, on account of shortage of fuel or optimization of economical operation through blending, the use of alternative source of fuel supply shall be permitted to generating station:

Provided that where the energy charge rate based on weighted average price of fuel upon use of alternative source of fuel supply exceeds 20% of base energy charge rate as approved by the Commission, in that event, use of alternative source of fuel supply shall be considered after prior consultation with beneficiary and approval of the Commission.

93.3 Fuel and Power Purchase Adjustment Surcharge (FPPAS) means the increase in cost of power, supplied to consumers, due to change in fuel cost, power purchase cost and transmission charges with reference to cost of supply approved by the Commission.

Provided that FCA bill received from a generating company/ station along with the power sale bill for a particular month shall be considered as power purchase cost of the distribution company for that month only.

For Example – If a distribution company is purchasing power from a generating company on long term basis and the generating company based on the procedure detailed by the Commission claims Fuel Cost Adjustment for the prior period along with the energy bill for the

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month of 'April' then for the purpose of computation of FPPAS, the distribution company shall consider such FCA as part of the power purchase cost of the month of 'April' only.

93.4 Fuel and power purchase adjustment surcharge shall be calculated and billed to consumers, automatically, without going through regulatory approval process, on a monthly basis, according to the formula, prescribed by the Commission, subject to true up, on an annual basis, as decided by the Commission:

Provided that the automatic pass through shall be adjusted for monthly billing in accordance with this Regulation.

93.5 Fuel and Power Purchase Adjustment Surcharge shall be computed and charged by the distribution licensee, in $(n+2)^{th}$ month, on the basis of actual variation, in cost of fuel and power purchase and Inter-state Transmission Charges for the power procured during the n^{th} month and shall be recoverable from the consumers on their energy charge on n^{th} month. For example, the fuel and power purchase adjustment surcharge on account of changes in tariff for power supplied during the month of April on any financial year shall be computed and billed in the month of June of the same financial year on the energy charge of April month:

Provided that in case the distribution licensee fails to compute and charge fuel and power purchase adjustment surcharge within this time line, except in case of any force majeure condition, its right for recovery of costs on account of fuel and power purchase adjustment surcharge shall be forfeited and, in such cases, the right to recovery the fuel and power purchase adjustment surcharge determined during true-up shall also be forfeited.

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93.6 The distribution licensee may decide, fuel and power purchase adjustment surcharge or a part thereof, to be carried forward to the subsequent month in order to avoid any tariff shock to consumers, but the carry forward of fuel and power purchase adjustment surcharge shall not exceed a maximum duration of two months and such carry forward shall only be applicable, if the total fuel and power purchase adjustment surcharge for a Billing Month, including any carry forward of fuel and power purchase adjustment surcharge over the previous month exceeds twenty per cent of variable component of approved tariff.

93.7 The carry forward shall be recovered within one year or before the next tariff cycle whichever is earlier and the money recovered through fuel and power purchase adjustment surcharge shall first be accounted towards the oldest carry forward portion of the fuel and power purchase adjustment surcharge followed by the subsequent month.

93.8 In case of carry forward of fuel and power purchase adjustment surcharge, the carrying cost at the rate of the State Bank of India marginal cost of Funds-based lending Rate plus one hundred and fifty basis points shall be allowed till the same is recovered through tariff and this carrying cost shall be trued up in the year under consideration.

93.9 Depending upon quantum of fuel and power purchase adjustment surcharge, the automatic pass through shall be adjusted in such a manner that,

- (i) If fuel and power purchase adjustment surcharge $\leq 5\%$ of the ABR, 100% cost recoverable of compute fuel and power purchase adjustment surcharge by distribution licensee shall be levied automatically using the formula.

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- (ii) *If fuel and power purchase adjustment >5% of the ABR, 5% fuel and power purchase adjustment surcharge shall be recoverable automatically as per 93.9(i) above. 90% of the balance fuel and power purchase adjustment surcharge shall be recoverable automatically using the formula and the differential claim shall be recoverable after approval by the Commission during true up.*

93.10 *The revenue recovered on account of pass through fuel and power purchase adjustment surcharge by the distribution licensee, shall be trued up along with true up of the ARR.*

93.11 *In case of excess/ under recovery for the year against the fuel and power purchase adjustment surcharge, the same shall be recovered from/ by the licensee at the time of true up along with its carrying cost.*

93.12 *The distribution licensee shall submit such details, in stipulated formats, of the variation between expenses incurred and the fuel and power purchase adjustment surcharge recovered, and the detailed computations and supporting documents, as required by the Commission, during true up of the normal tariff.*

93.13 *To ensure smooth implementation of the fuel and power purchase adjustment surcharge mechanism and its recovery, the distribution licensee shall ensure that the licensee billing system is updated to take this into account and a unified billing system shall be implemented to ensure that there is a uniform billing system irrespective of the billing and metering vendor through interoperability or use of open source software as available.*

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93.14 The licensee shall publish all details including the fuel and power purchase adjustment surcharge formula, calculation of monthly fuel and power purchase adjustment surcharge and recovery of fuel and power purchase adjustment surcharge on its website and archive the same through a dedicated web address.

93.15 Computation of Fuel and Power Purchase Adjustment Surcharge:

Formula:

$$\text{Monthly FPPAS for the } n\text{th Month (\%)} = \frac{(A-B)*C + (D-E)}{\{Z* (1-\text{Distribution losses in \%100})\} * ABR}$$

Where, (N+2)th month means the month in which billing of fuel and power purchase adjustment surcharge component is done. This fuel and power purchase adjustment surcharge

Is due to changes in tariff for the power supplied in (n)th month

- A. is Total units procured in (n)th Month (in kWh) from all Sources including Long-term, Medium-term and Short-term Power purchases (To be taken from the bills issued to distribution licensees).
- B. is bulk sale (inter-state sale) of power from all Sources in (n)th Month. (in kWh)= (to be taken from provisional accounts to be issued by State Load Dispatch Centre by the 10th day of each month and made available on SLDC website).
- C. is incremental Average Power Purchase Cost = Actual average Power Purchase Cost (PPC) including water charges, statutory taxes, duties and cess actually paid, from all Sources in (n) month (Rs./kWh) (computed) – Projected average Power Purchase Cost (PPC) from all Sources (Rs./kWh)-(from tariff order).

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D. Actual inter-state and intra-state Transmission Charges in the (n)th Month, (From the bills by Transcos to Discom) (in Rs)

E. Base Cost of Transmission Charges for (n)th Month = (Approved Transmission Charges/12) (in Rs.)

Z. [{Actual Power purchased from all the sources outside the State in (n)th Month (in kWh) (1 - Interstate transmission losses in %/100) + Power purchased from all the sources within the State (in kWh)-B}* (1 - Intra state losses in %)]/100 in kWh.*

ABR Average Billing Rate for the year for the year (to be taken from the Tariff Order in Rs./kWh);

Distribution Losses (in%) = Target Distribution Losses (from Tariff Order)

Intra-state Losses (in %) = As per Tariff Order

93.16 *The Power Purchase Cost shall exclude any charges on account of Deviation Settlement Mechanism.*

93.17 *Other charges which include Ancillary Services and Security Constrained Economic Despatch shall not be included in Fuel and Power Purchase Adjustment Surcharge and adjusted through the true-up approved by the State Commission."*

As seen, the intent of Regulation 93 qua Fuel and Power Purchase Adjustment Surcharge (FPPAS) is to enable the distribution licensee to recover variation in fuel cost or power purchase cost through timely adjustments and not to allow

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artificially suppressed tariff (which is not cost reflective) and subsequently burden the consumers with high FPPAS charges.

12. Thus, it is only expedient in the interest of justice that the above orders passed under Section 63 of the EA 2003 be taken into consideration for the purpose of arriving at the accurate tariff figure in terms of the principles enshrined under Sections 61, 62, 64 & 86 of the EA 2003, so that there is no or negligible revenue gap for the Applicant/ Petitioner.
13. The detailed computation vis-à-vis the above orders are provided below:

Particular	Units	Value
Total units Procured for May Month from all sources(A)	kWh	132266450
Inter State Sale of Power from all sources for May month (B)	kWh	0.00
Incremental Average Power purchase cost (C)	INR/kWh	1.56
Actual Transmission charges for May Month (D)	INR	5016667
Base cost Transmission charges for May month (E)	INR	5016667
Actual Power purchased from all the sources outside the State for May Month	kWh	0.00
Inter State Transmission Losses	%	0%

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Particular	Units	Value
Power Purchased from all the sources within the State for May Month	kWh	132266450
ABR	INR/kWh	5.44
Distribution Losses	%	0.33%
Intra-State Transmission Losses	%	0.59%
Z *	kWh	1314861
Monthly FPPAs for May Month	%	28.85

Note: Z* means. $\left[\{ \text{Actual Power purchased from all the sources outside the State in (n)}^{\text{th}} \text{ Month (in kWh)} \} * (1 - \text{Interstate transmission losses in \%}/100) + \text{Power purchased from all the sources within the State (in kWh)} - B \right] * (1 - \text{Intra state losses in \%}) / 100$ in kWh.

RE: (b) Fixed Demand Charge of Rs. 251/kVA

14. It is imperative that this Hon'ble Commission allows a two-part tariff considering the cost of power discovered through competitive bidding and distribution cost till issuance of ARR and Retail Tariff Order for FY 2023-24.
15. In the captioned Petition filed by the Applicant/ Petitioner for determination of ARR and Retail Supply Tariff for FY 2023-24 alongwith Revised Estimate for FY 2022-23 and True-up for FY 2021-22, the Power Purchase Cost has been projected considering per unit rate of Rs.5.50/kWh and has been used for estimating ARR for FY 2023-24. Since new power purchase

For, Jindal Steel & Power Limited

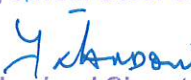

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price of Rs. 5.05/kWh has been discovered through medium term competitive bidding, the revised calculation of the ARR requirement is as follows:

Revised ARR for FY 2023-24

Particulars	Unit	Amount
Power Purchase Rate discovered through competitive bidding	Rs. / kWh	5.05
Required Power Purchase Quantum	MU	1712.66
Power Purchase Cost	Rs. Lakh	86489.10
RPO Costs	Rs. Lakh	5814.72
Transmission Charge	Rs. Lakh	618.92
Employee Cost	Rs. Lakh	1036.92
A&G Cost	Rs. Lakh	295.13
R&M Cost	Rs. Lakh	171.28
Depreciation	Rs. Lakh	199.76
Interest and finance charges	Rs. Lakh	104.55
Interest on Security Deposit paid to consumers	Rs. Lakh	0.00
Interest on working capital	Rs. Lakh	591.15
Return on equity	Rs. Lakh	170.14
Provision for bad debts	Rs. Lakh	0.00
Other Income	Rs. Lakh	189.00
Aggregate Revenue Requirement	Rs. Lakh	95302.67

For, Jindal Steel & Power Limited


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16. The Petitioner also submits that the ARR and Retail Supply Tariff for FY 2023-24 needs to be recovered through tariff decided by this Hon'ble Commission. In this regard, Section 45 of the EA 2003 empowers the Applicant/ Petitioner to recover charges (*as specified by the Commission*) against the electricity supplied to the consumers. Furthermore, the National Tariff Policy 2016 provides for adoption of two-part tariff for recovery of the ARR of the Distribution Licensee. The relevant extract of the Policy is reproduced below:

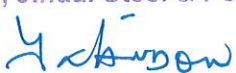
"8.4 Definition of tariff components and their applicability

1. Two-part tariffs featuring separate fixed and variable charges and time differentiated tariff shall be introduced on priority for large consumers (say, consumers with demand exceeding 1 MW) within one year and subsequently for all consumers within a period of five years or such period as may be specified. This would also help in flattening the peak and implementing various energy conservation measures."

(Emphasis Supplied)

17. In view of the above, it must be considered that a two-part tariff consists of Fixed Charge and Variable Charge, wherein, the Fixed Charge/ Demand Charge is designed to recover the costs of the Distribution Licensee which are fixed in nature such as the charges payable to power generators, transmission charges, operation & maintenance expenses, depreciation, Interest on loans, return on equity etc. This is generally recovered on the basis of sanctioned load/connected load /

For, Sindal Steel & Power Limited


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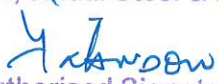
contract demand or maximum demand of the consumer. Energy Charge is designed to recover the costs of the Distribution Licensee which are variable in nature such as variable cost component of power purchase etc. These costs are recoverable on the basis of the actual consumption of the consumers during the billing period (*per kWh or per kVAh basis*).

18. In view of the above, this Hon'ble Commission is requested to kindly allow the Petitioner to recover fixed charge @ Rs. 251/kVA/month and variable charge @ Rs. 5.09/kWh in its ARR Order for FY 2023-24. The detailed calculation of the fixed charge to be recovered from the consumers is provided below:

Particulars	Unit	Amount
ARR to be recovered	Rs. Lakh	95302.67
Demand projected for FY 23-24	kVA	314501
Projected Recovery through Fixed Charge @ 10% of ARR	Rs. Lakh	953.02
Fixed cost to be recovered.	Rs. /kVA/month	251.01

19. In addition to the above, it is further apposite to point out that while calculating the demand charges for the Petitioner/ JSPL-D as per its Tariff Order dated 28.11.2022, the coverage of the demand charges out of the total revenue comes out to be around 3%, which is abysmally low and requires rationalisation.

For, Jindal Steel & Power Limited


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As against the same, this Hon'ble Commission for CSPDCL has decided the demand charge as Rs.375/kVA for High Voltage consumers. Thus, if the same is calculated for the Petitioner/ JSPL-D, keeping in mind the principle followed for CSPDCL, the demand charge coverage out of the total revenue comes out to be around 19%. In this context, detailed calculations are provided as under:

Particular		As per JSPL Order	AS per CSPDCL order
Demand Charge	Unit		
Total Demand	kVA	298875	298875
Demand Charge	Rs./kVA/month	50	375
Revenue from Demand Charge	Rs. Cr.	17.93	134.49
Energy Charge			
Projected Sales	MU	1450.56	1450.56
Energy Charge	Rs. /kWh	4.05	4.05
Revenue from Energy Charge	Rs. Cr.	587.48	587.48
Total Revenue	Rs. Cr.	605.41	721.97
Demand Charge Coverage		3%	19%

RE: (c) Load Factor Incentive of 10% on Energy Charge

For, Jindal Steel & Power Limited


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20. It is submitted that the Applicant/ Petitioner seeks to provide a Load Factor Incentive of 10% on its Energy Charge provided that the Load Factor is above 80%. The detailed calculation for the same is provided below:

Particular	Calculation
Proposed Contract Demand (KVA) for FY 24	314501
Proposed Energy Sales (MU) for FY 24	1697
Revenue from Demand charges (Annual)	94.73
Demand charge per month per units	0.56
Revenue form Energy Charges (Annual)	864.04
Energy Charge (INR/Unit)	5.09
Discounted Tariff (INR/Unit)	0.51

21. It is submitted that it is a settled principle of law that while granting permission for amendment, the "merits" of the proposed amendment cannot at all be looked into. The only aspect which is to be looked by a Court of Law, is that whether the amendment would assist in deciding the real controversy between the parties. If the said test is passed, then the amendment is required to be allowed. In this context, reference be made to the following judgments:

- (a) In *Rajesh Kumar Aggarwal v. K.K. Modi*, reported in (2006) 4 SCC 385, the Hon'ble Supreme Court held as under:

"18. As discussed above, the real controversy test is the basic or cardinal test and it is the primary duty of the court to decide whether

For, Jindal Steel & Power Limited

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such an amendment is necessary to decide the real dispute between the parties. If it is, the amendment will be allowed; if it is not, the amendment will be refused. On the contrary, the learned Judges of the High Court without deciding whether such an amendment is necessary have expressed certain opinions and entered into a discussion on merits of the amendment. In cases like this, the court should also take notice of subsequent events in order to shorten the litigation, to preserve and safeguard the rights of both parties and to subserve the ends of justice. It is settled by a catena of decisions of this Court that the rule of amendment is essentially a rule of justice, equity and good conscience and the power of amendment should be exercised in the larger interest of doing full and complete justice to the parties before the court.

19. While considering whether an application for amendment should or should not be allowed, the court should not go into the correctness or falsity of the case in the amendment. Likewise, it should not record a finding on the merits of the amendment and the merits of the amendment sought to be incorporated by way of amendment are not to be adjudged at the stage of allowing the prayer for amendment. This cardinal principle has not been followed by the High Court in the instant case."

(Underline Supplied)

- (b) In *Lakha Ram Sharma v. Balar Mktg. (P) Ltd.*, reported in (2008) 17 SCC 671, the Hon'ble Supreme Court held as under:

"4. It is settled law that while considering whether the amendment is to be granted or not, the court does not go into the merits of the

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matter and decide whether or not the claim made therein is bona fide or not. That is a question which can only be decided at the trial of the suit. It is also settled law that merely because an amendment may take the suit out of the jurisdiction of that court is no ground for refusing that amendment. We, therefore, do not find any justifiable reason on which the High Court has refused this amendment. Accordingly, the impugned order is set aside and that of the trial court is restored. We, however, clarify that as the appellant has now raised the claim from Rs 1 lakh to Rs 10 lakhs, the trial court will determine, whether or not court fees are correctly paid."

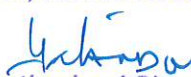
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- (c) In Mohinder Kumar Mehra v. Roop Rani Mehra, reported in (2018) 2 SCC 132, the Hon'ble Supreme Court held as under:

"28. While considering the prayer of amendment of the pleadings by a party, this Court in Mahila Ramkali Devi v. Nandram [Mahila Ramkali Devi v. Nandram, (2015) 13 SCC 132 : (2016) 1 SCC (Civ) 662] has again reiterated the basic principles, which are to be kept in mind while considering such applications in paras 20, 21 and 22, which is quoted as below: (SCC p. 138)

"20. It is well settled that rules of procedure are intended to be a handmaid to the administration of justice. A party cannot be refused just relief merely because of some mistake, 30 negligence, inadvertence or even infraction of rules of procedure. The court always gives relief to amend the pleading of the party, unless it is satisfied

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that the party applying was acting mala fide or that by his blunder he had caused injury to his opponent which cannot be compensated for by an order of cost.

21. In our view, since the appellant sought amendment in Para 3 of the original plaint, the High Court ought not to have rejected the application.

22. In *Jai Jai Ram Manohar Lal v. National Building Material Supply [Jai Jai Ram Manohar Lal v. National Building Material Supply, (1969) 1 SCC 869]*, this Court held that the power to grant amendment to pleadings is intended to serve the needs of justice and is not governed by any such narrow or technical limitations."

29. Although, the learned counsel for the parties in their submissions have raised various submissions on the merits of the claim of the parties, which need no consideration by us since the only issue which has to be considered is as to whether the amendment application filed by the plaintiff deserves to be allowed or not. We make it clear that we have neither entered into merits of the claim nor have expressed any opinion on the merits of the claim of either party and it is for the trial court to consider the issues on merits while deciding the suit."

(Underline Supplied)

22. Furthering ahead, the principle of amendment of pleadings is provided under Order 6 Rule 17 of the Civil Procedure Code, 1908, which provides as follows:

"17. Amendment of pleadings – The Court may at any stage of the proceedings allow either party to alter or amend his pleadings in such manner and on such

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terms as may be just, and all such amendments shall be made as may be necessary for the purpose of determining the real questions in controversy between the parties.

Provided that no application for amendment shall be allowed after the trial has commenced, unless the court comes to the conclusion that in spite of due diligence, the party could not have raised the matter before the commencement of trial."

23. In this context, it is submitted that the Appropriate Commission, including this Hon'ble Commission although not bound by the procedure laid down by the Code of Civil Procedure, 1908 is however to be guided by the said Code. In this context, reference be made to Section 94(1) of the EA 2003, which provides as follows:

"Section 94. (Powers of Appropriate Commission): ---

(1) The Appropriate Commission shall, for the purposes of any inquiry or proceedings under this Act, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 in respect of the following matters, namely:

- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) discovery and production of any document or other material object producible as evidence;
- (c) receiving evidence on affidavits;
- (d) requisitioning of any public record;

For, Jindal Steel & Power Limited


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(e) issuing commission for the examination of witnesses;

(f) reviewing its decisions, directions and orders;

(g) any other matter which may be prescribed."

24. Furthermore, the present proceedings being tariff determination proceeding would not cause any prejudice to the consumers if the present amendment is allowed as it would only allow this Hon'ble Commission to determine the ARR with figures and numbers which are more accurate. The same will result in reducing any revenue gap.
25. The Applicant/ Petitioner has paid the requisite Court Fee in terms of the Regulations of this Hon'ble Commission for the purpose of filing the present application.
26. The present application is made bonafide and made in the interest of justice.
27. Petition fee of Rs.20,000/- (SBI UTR No.SBIN523356233273) paid as per as per Item No. 4 under Schedule 2 of the CSERC (Fees and Charges) Regulations, 2009.

PRAYER

The Applicant/ Petitioner in the aforesaid facts and circumstances most humbly prays that this Hon'ble Commission may be pleased to:

- (a) Admit the present application;

For, Jindal Steel & Power Limited


Authorised Signatory

- (b) Allow the Applicant/ Petitioner to amend the captioned petition to the extent as detailed hereinbefore; and
- (c) Pass any other or further order(s) as this Hon'ble Commission may deem fit and proper in the facts and circumstances of the present case.

For, Jindal Steel & Power Limited


Authorised Signatory

...APPLICANT/ PETITIONER

27.12.23
Raipur



33

**BEFORE THE HON'BLE CHHATTISGARH STATE ELECTRICITY
REGULATORY COMMISSION, AT RAIPUR**

I.A. NO. OF 2023

**IN
PETITION NO. 15 OF 2023**

IN THE MATTER OF:

M/s Jindal Steel & Power Limited
Patrapali, Kharsia Rd., Raigarh Chhattisgarh

...PETITIONER

AFFIDAVIT

I, Pradeep Tandon, S/o Late Dr. R.S. Tandon, aged about 61 years, Authorized Signatory of Jindal Steel and Power Limited, 9th Floor, Tower -C, CBD Complex, Sector 21, Nava Raipur, Chhattisgarh - 492101, do hereby solemnly affirm and state as follows:

1. That I am the Authorized Representative of the Petitioner in the abovementioned matter and am fully conversant with the facts of the case and able to depose to the facts of the case.
2. I have gone through the contents of the application, and I say that the contents stated therein, and the documents annexed are based on the records of the Petitioner maintained in the ordinary course of business and are believed to be true by the deponent.
3. The annexures, if any, filed along with the application are true copies of their respective original.

For, Jindal Steel & Power Limited

[Signature]
Authorized Signatory

DEPONENT

VERIFICATION

I, Pradeep Tandon, the Deponent above named do hereby verify that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed therefrom.

Verified at 26 DEC 2023 on this 26 day of December, 2023.

For, Jindal Steel & Power Limited

[Signature]
Authorized Signatory

DEPONENT



**SOLEMENLY AFFIRMED OR
SWORN BEFORE ME
THIS WITHIN NAME**

[Signature]
C.L. MARKANDEY
NOTARY/ADVOCATE
RAIPUR (C.G.) INDIA

26 DEC 2023

[Signature]
पहलान कता
TARAKESWAR DAO.
नाम
पिता का
T. KAMES
पुत्र का
RAIPUR
मो. नं. 9812472142

Government of National Capital Territory of Delhi

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Authorised Signatory

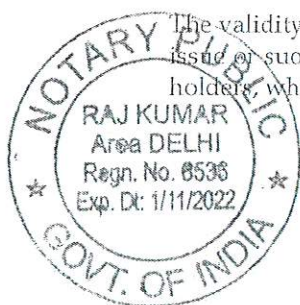
POWER OF ATTORNEY

We, Jindal Steel & Power Limited ("JSP"), a Company registered under the Companies Act, 1956, (CIN: L27105HR1979PLC009913) having its registered office at O.P. Jindal Marg, Hisar, 125005, India and its Corporate office at Jindal Centre, 12, Bhikaiji Cama Place, New Delhi 110066, India, do hereby appoint Mr. Pradeep Tandon, S/o Late Dr. R.S. Tandon, aged about 60 years and presently residing at B-9, Romanesque Villas, G.E. Road, Raipur (C.G.) and working as President, as our true and lawful attorney ("Attorney") and is authorised to do all or any of the following acts, deeds and things that is to say:

1. to seek approval/ permission/ allotments from revenue and other departments based at Raipur, Chhattisgarh for acquisition of land from government/ private parties/ persons, for projects of JSP, take steps to purchase of land including to file applications, take possession(s), give receipt(s), sign necessary document(s) including sale deed(s) and represent the Company before such department(s).
2. to sign and submit applications for seeking permission for supply of water to the plants of JSP from rivers, dams and other sources, represent the Company before concerned authorities/ departments based at Raipur, Chhattisgarh and execute necessary agreements with them.
3. to represent and appear on behalf of JSP before Electricity Department, State Electricity Board, State Electricity Regulatory Commission and any other Electricity Office based at Raipur, Chhattisgarh, sign and submit application(s) for seeking various approval(s)/permission(s)/license(s) from these authorities and execute necessary documents with them.
4. to sign and submit application(s) for seeking mining lease(s)/ license(s), prospecting lease(s)/license(s), represent JSP before concerned authorities/ departments based at Raipur, Chhattisgarh and execute lease(s)/license(s) agreement with them.
5. to seek clearance(s)/ permission(s)/ license(s) from State Pollution Control Board and forest/ environment department based at Raipur, Chhattisgarh, represent JSP before such authorities/ departments and sign and submit necessary application(s)/ paper(s)/ document(s).
6. to represent the Company before various office(s)/ Authorities of labour department of State of Chhattisgarh based at Raipur for seeking necessary approval(s)/ permission(s)/ license(s), sign and submit necessary application(s)/ document(s).
7. to do all other acts, deeds and things which are incidental or supplementary to the above mentioned purposes.

I, Anoop Singh Juneja, Company Secretary & Compliance Officer of the Company has been authorized, vide resolution passed by the Board of Directors at its meeting held on December 18, 2019, to issue and execute the Power of Attorney on behalf of the Company in favour of said attorney(s).

The validity of the said Power of Attorney shall be for a period of two years from the date of issue or suo-moto cancellation by the Company or cessation of employment of the attorney holder, whichever is earlier.



For, Jindal Steel & Power Limited

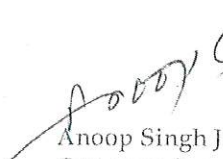
Pradeep Tandon
Authorised Signatory



The Power of attorney issued earlier stands revoked with effect from 10th day of June 2022.

Signed and issued at New Delhi on this 10th day of June 2022.

For and on behalf of Jindal Steel & Power Limited


Anoop Singh Juneja
Company Secretary & Compliance Officer



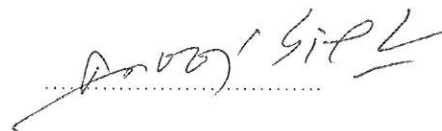
The common seal of Jindal Steel & Power Limited has hereto been affixed on this 10th day of June, 2022 in the presence of Mr. Anoop Singh Juneja, Company Secretary & Compliance Officer, in accordance with the Article 113 of the Article of Association of the Company.

Accepted: Pradeep Tandon



Attested:

Company Secretary & Compliance Officer

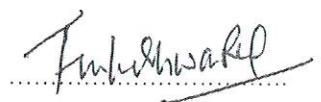


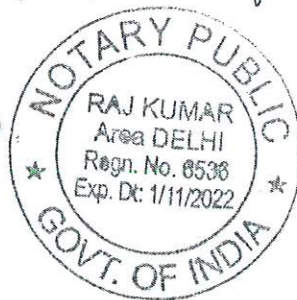
Witnesses:

1. Sajesh Menon
JSP, Mandir Hasaud, Raipur



2. TARKESHWAR RAO
JSP Mandir
Hasaud Raipur





ATTESTED

NOTARY PUBLIC INDIA

22 JUN 2022

For, Jindal Steel & Power Limited


Authorised Signatory

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF JINDAL STEEL AND POWER LIMITED IN ITS MEETING HELD ON DECEMBER 18, 2019 AT NEW DELHI

"RESOLVED THAT pursuant to Section 203 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Anoop Singh Juneja (FCS No.6383) be and is hereby appointed as Company Secretary of the Company with immediate effect as per the terms as approved and recommended by the Nomination and Remuneration Committee;

RESOLVED FURTHER THAT Mr. Anoop Singh Juneja, Company Secretary shall be a Key Managerial Personnel and Compliance Officer of the Company in terms of the Companies Act, 2013 read with rules made thereunder and Securities and Exchange of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, from time to time;

RESOLVED FURTHER THAT pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, Mr. Anoop Singh Juneja, Company Secretary of the Company be and is hereby appointed as Nodal Officer of the Company for the purpose of verification of the claims and co-ordination with Investor Education and Protection Fund Authority ("IEPF Authority").

RESOLVED FURTHER THAT Mr. Anoop Singh Juneja, Company Secretary of the Company be and is hereby also authorised to sign, whether digitally or otherwise and file all returns, forms, declarations, applications and other documents for and on behalf of the Company which are required to be filed, submitted, registered or recorded in the office of Ministry of Corporate Affairs, Registrar of Companies, IEPF Authority, Regional Directors, National Company Law Tribunal, Company Law Board, Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India and other Government Departments/ Authorities/ Offices/Institutions in terms of various provisions of Companies Act, 2013, other Acts/ laws and Rules / Regulations framed there under and as may be amended from time to time;

RESOLVED FURTHER THAT Mr. Anoop Singh Juneja, Company Secretary of the Company be and is hereby authorised to represent the Company before various Authorities, Bodies, Tribunals and verify, sign and submit form(s), application(s), documents, papers etc. to the Statutory /Regulatory Authority(ies), Court(s), Tribunal(s), Government office(s), Authority(ies), sign and issue vakalatnama(s), undertaking(s), affidavit(s), agreement(s), MOUs and other legal documents, Issue Letter of authority and/ or issue and execute power of attorney in favour of executives or official(s) of the Company or any other person, affix the common seal of the Company, if required, as per the Articles of Association on such documents as may be required for the Company's business and operations, from time to time."

For Jindal Steel & Power Limited

Certified to be true.../-

Anoop Singh Juneja
 Company Secretary & Compliance Officer

Issued on: June 29, 2020
 Place: New Delhi

Jindal Steel & Power Limited
 Corporate Office Jindal Centre, 12 Bhikaiji Cama Place, New Delhi 110 066
 CIN: L27105HR1979PLC009913
 T +91 11 4146 2000 F +91 11 2616 1271 W www.jindalsteelpower.com, E: jsplinfo@jindalsteel.com
 Registered Office O. P. Jindal Marg, Hisar, 125 005, Haryana

For, Jindal Steel & Power Limited


 Authorised Signatory



**Chhattisgarh State Electricity Regulatory Commission
Vidhyut Niyamak Bhawan**

Irrigation Colony, Shanti Nagar, Raipur - 492 001 (C.G.)
Ph.0771-4073568, Fax: 4073553
www.cserc.gov.in, e-mail: cserc.sec.cg@nic.in



Petition No.27 of 2023

In the Matter of:

Petition under Section 63 of the Electricity Act, 2003 for adoption of Tariff for procurement of power under Short-term arrangement on DEEP portal selected through Competitive Bidding Process as per the Guidelines issued by Ministry of Power, Govt. of India on 30.03.2016 and its amendments thereof.

M/s Jindal Steel and Power Limited (JSPL-D)

..Petitioner

Vs

M/s Raigarh Ispat Udyog Sangh and others

..Objector

PRESENT

: **Hemant Verma,Chairman**
:
: **Vinod Deshmukh, Member (Judicial)**
:
: **Pramod Kumar Gupta, Member**

APPEARANCE

: Shri Hemant Singh, Shri Pranav Sood, Shri Angad Sandhu and Ms. Alchi Thapliyal counsels appeared for petitioner.
Shri Anshu Mahajan, Counsel and Shri Arvind Sharma for objectors.

ORDER

(Passed on 22/03/2023)

This order is passed in the petition filed by M/s Jindal Steel and Power Ltd.(JSPL-D)under Section 63 of the Electricity Act, 2003 for adoption of tariff determined through Competitive Bidding Process for short term procurement of 200 MW RTC power in accordance with the Guidelines issued by Ministry of Power, Govt. of India on 30.03.2016.

2. The petitioner has submitted that in order to ensure that continuous power supply is made available to the consumers, the petitioner/JSPL-D as a prudent distribution licensee, has carried out competitive bidding on DEEP Portal in terms of guidelines issued by Ministry of Power (MoP) for procurement of 200 MW on short term basis.
3. In response to above bidding process, 3 bidders i.e. M/s. Tata Power Trading Company Ltd. (TPTCL), M/s. Instinct Infra and Power Ltd. (IIPL) and M/s. Jindal Power Ltd. (JPL) have submitted their bids for the entire duration and total quantum requisitioned.
4. TPTCL and IIPL quoted Rs. 25.00 per unit and Rs. 10.98 per unit respectively, for 50 MW for entire period whereas JPL quoted Rs. 7.50 per unit for entire requisitioned quantity of 200 MW for entire requisitioned period. Thus, JPL emerged as the lowest bidder for entire period for the full quantum of 200 MW.
5. Thereafter, petitioner has initiated e-reverse auction. During e-reverse auction, JPL quoted tariff of Rs. 7.06 per kWh for 200 MW for the entire requisitioned period. IIPL quoted tariff of Rs. 10.95 per kWh for 50 MW for the entire requisitioned period. TPTCL quoted tariff of Rs. 25.00 per kWh for 50 MW for the entire requisitioned period.
6. Thus, it is evident that JPL emerged as the lowest bidder by bidding tariff of Rs. 7.06 per kWh for 200 MW for entire requisitioned period.
7. Accordingly, petitioner has prayed for adopting the tariff of Rs. 7.06 per kWh discovered through the competitive bidding process for procurement of 200 MW RTC power from successful bidder i.e. M/s Jindal Power Ltd. for period from 01.04.2023 to 31.07.2023 under Section 63 read with Section 86 of the Electricity Act 2003.
8. Hon'ble APTEL vide order dated 29.08.2019 passed in IA No. 1411 of 2019 ruled that it is not required to hold a public hearing in the matter of adoption of tariff discovered through competitive bidding process. But to ensure transparency while exercising its powers and discharging its functions, the State Commission felt it appropriate to hear the parties affected in the matter

as mandated at Section 86(2)(3) of the Electricity Act 2003. Accordingly, a hearing was conducted on 20.03.2023.

9. During hearing, Raigarh Ispat Udyog Sang (RIUS) appeared through counsel Shri Anshu Mahajan and submitted as under:
 - i) JSPL-D should be restricted to charge Rs. 5.44/kWh from consumers, as the same is a 'provisional' tariff decided by Hon'ble APTEL in an interim order dated 17.03.2023 passed in Appeal Nos. 438 of 2023 & Batch.
 - ii) Clause 4.1 of the Bidding Guidelines specifies that the Procurer (*the Petitioner in the present case*) to procure short-term power as per the "*plan*" approved by the Appropriate Commission or body, which was not complied with by the Petitioner.
 - iii) The Petitioner JSPL-D did not comply with the obligation of publishing a RfP notice in two national newspapers, as specified at Clause 6.2 of the Bidding Guidelines.
 - iv) As directed under Clause 7.2 of the Bidding Guidelines, the Petitioner JSPL-D did not constitute a Standing Committee for evaluation of the bids received during the bidding process.
 - v) The timelines as under the "*time table for the bidding process and activities thereafter*" annexed in Annexure-I of the Bidding Guidelines were not followed by the Petitioner.
10. During hearing, the objector RIUS submitted that the Petitioner does not supply reliable and continuous power to its consumers and requested the Commission to direct the Petitioner to do the needful.
11. The Commission has directed the petitioner JSPL-D to file point-wise reply to the objections raised by the objector's counsel by 21.03.2023. On 20.03.2023, the petitioner submitted following:
 - i. The scope of the present petition is limited to adoption of tariff under section 63 of the EA 2003. Therefore, raising the issue of tariff to the consumer is not relevant to the present petition.

- ii. That the Commission in Petition No. 68 of 2022, issued a notice on 12.09.2022 wherein the Commission had clearly noted the fact that the Petitioner JSPL-D was in the process of procuring 220 MW power through long-term bidding. Therefore, there is no need to meet the requirement of getting the "*plan*" approved by the Appropriate Commission or body separately specified at Clause 4.1 of the Bidding Guidelines
 - iii. That the requirement of publication by the Petitioner JSPL-D in two national newspapers was met and enclosed the photocopy of the publication made in newspapers.
 - iv. That a Standing Committee was constituted by the Petitioner for evaluation of the bids received during the bidding process as mandated at Clause 7.2 of the Bidding Guidelines.
 - v. That the Bidding Guidelines itself provide two different timelines for issuance of LoA and that the timelines provided under the Bidding Guidelines is not mandatory in nature, and that this Hon'ble Commission can consider/ approve any extended timelines.
- 12.** During hearing, the Commission has enquired about the shareholders of M/s JSPL and M/s JPL to clarify that owner of these companies is not same. In reply, petitioner JSPL-D has submitted an affidavit to clarify that owner of M/s JSPL and M/s JPL is not same.
- 13.** On examination of the reply submitted by the petitioner, the Commission found that petitioner has generally complied with the provisions of the Bidding Guidelines issued by Ministry of Power on 30.03.2016.
- 14.** In order to ensure reliable supply to the consumers, the Commission adopts the discovered tariff of Rs. 7.06/- per unit for procurement of 200MW short-term RTC power from M/s JPL for the period from 01.04.2023 to 31.07.2023 under section 63 read with section 86 of the Electricity Act 2003.
- 15.** The Commission has time to time approved short-term power procurement by the Petitioner for supplying power to the consumers whenever requested. In regard to the objection of non-supply of power to the consumers, the

Commission directs the Petitioner JSPL-D to ensure reliable supply to its consumers as submitted by it in the petition.

16. We order accordingly.

**Sd/-
(Pramod Kumar Gupta)
Member**

**Sd/-
(Vinod Deshmukh)
Member-Judicial**

**Sd/-
(Hemant Verma)
Chairman**



Chhattisgarh State Electricity Regulatory Commission
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P. No. 62 of 2023

In the matter of:

petition under section 86 (1) (b) of the Electricity Act, 2003 for approval of power purchase arrangement between the petitioner and Jindal Power Limited for procurement of 200 MW power for a period starting from 01.08.2023 to 30.09.2023.

M/s Jindal Steel and Power Ltd.

..... Petitioner

PRESENT : **Hemant Verma, Chairman**
 : **Vinod Deshmukh, Member (Judicial)**
 : **Pramod Kumar Gupta, Member**

APPEARANCE : **Shri Mridul Chakravarty and Shri Chetan Garg,**
counsels of M/s JSPL.

ORDER
(Passed on 23.08.2023)

This petition is filed under Section 86 (1) (b) of the Electricity Act, 2003 for approval of power purchase arrangement between the petitioner and Jindal Power Limited for procurement of 200 MW power for a period starting from 01.08.2023 to 30.09.2023.

2. Petitioner has sought following reliefs:

a) Admit the present petition;

- b) Permit the Petitioner to continue the existing procurement of 200 MW power from Jindal Power Limited for a period starting from 01.08.2023 to 30.09.2023 at a rate of Rs. 5.40/kWh; and
 - c) Pass such other and further order(s) as are deemed fit and propose in the facts and circumstances of the case.
3. Hearing was conducted on 18.08.2023.
 4. The Petitioner has submitted that the Petitioner/ JSPL-D has been granted a distribution license by this Commission vide order dated 29.11.2005 in Case No. 129/CSERC/2005, for distribution and retail supply of electricity in the O.P. Jindal Industrial Park ("**OPJIP**") and in the area of villages Tumdih and Punjipathra of Gharghoda tehsil of Raigarh District, Chhattisgarh. The said grant of license has also been upheld by the Hon'ble Supreme Court in its Judgment dated 29.09.2022, passed in Civil Appeal Nos. 3607-3610 of 2008.
 5. The present petition filed by JSPL-D is necessitated under Section 86(1)(b) of the Electricity Act, 2003 ("**EA 2003**") on account of the fact that the existing short-term power procurement arrangement of the Petitioner/ JSPL-D with Jindal Power Limited ("**JPL**") will come to an end on 31.07.2023. The said existing arrangement for procuring 200 MW Round the Clock ("**RTC**") power was approved by this Commission in Petition No. 27 of 2023 filed by the Petitioner/ JSPL-D for adoption of tariff. The Commission vide an order dated 22.03.2023, adopted a rate of Rs. 7.06/kWh.
 6. As a consequence of the expiry of the short-term arrangement and in order to ensure that continuous power supply is made available to the consumers, the Petitioner/ JSPL-D as a prudent distribution licensee intending to procure power on medium-

term basis carried out Competitive Bidding as per the Guidelines issued by the Ministry of Power for Procurement of Electricity for Medium-Term from Power Stations set up on Finance, Own and Operate (FOO) basis dated 30.01.2019 and subsequent amendments thereof on the Discovery of Efficient Electricity Price (“DEEP”) portal.

7. In terms thereof, the Petitioner/ JSPL-D initiated a Request for Participation on the DEEP Portal under the Medium-term Competitive Bidding Guidelines, whereby, bids were invited on the basis of lump-sum tariff as per the aforesaid guidelines for procurement of 240 MW power from 01.08.2023 for a period of 5 (five) years.
8. Jindal Power Limited emerged as the “*lowest quoted bidder*” for the entire period for supplying the full quantum of 240 MW @ Rs. 5.40/ kWh. Accordingly, Jindal Power Limited was declared as the successful bidder for supplying 240 MW power to the Petitioner/ JSPL-D for the period starting from 01.08.2023 for a period of 5 years.
9. However, prior to issuing the Letter of Award, it was felt by the Petitioner/ JSPL-D that the discovered rate was very high. The same was on account of the fact that the Cost of Generation quoted by the bidders appeared to be low as compared to the final tariff, which was very high.
10. Thus, a bonafide attempt was made by the Petitioner/ JSPL-D to re-negotiate the tariff in consumer interest with a hope that there would be downward revision of tariff. In this regard, the Petitioner/ JSPL-D while writing letters dated 20.07.2023 to the bidders also filed Petition No. 57 of 2023 before this Commission praying for a direction to allow such re-negotiation.
11. The above petition was listed before this Commission on 25.07.2023, whereby, time was sought by the Petitioner/ JSPL-D to close the negotiations on or before 31.07.2023.

12. Pursuant to the above hearing, Jindal Power Limited amongst the other bidders expressed their un-willingness to reduce the tariff below the discovered price (i.e., Rs. 5.40/ kWh).
13. In view of the above, the Petitioner/ JSPL-D is placed in a precarious position, whereby, its efforts to re-negotiate has failed and the short-term arrangement is also expiring. Therefore, in the interest of maintaining continuous supply, the Petitioner seeks permission of this Commission to continue its existing short-term power procurement arrangement of 200 MW from Jindal Power Limited at a revised rate of Rs. 5.40/ kWh, which has also been agreed to by Jindal Power Limited for a period of 2 months i.e. from 01.08.2023 to 30.09.2023.
14. In the above context, petitioner submitted that the Petitioner and Jindal Power Limited have reached an agreement, whereby, Jindal Power Limited has agreed to supply power from 01.08.2023 to 30.09.2023 at the rate of Rs. 5.40/ kWh, which is lesser than the current procurement cost (i.e., Rs. 7.06/kWh) approved by this Commission. Therefore, if the arrangement as proposed in the present petition is approved, no prejudice would be caused to the consumers as power is being procured at a cheaper rate than the existing approved rate.
15. Therefore, the petitioner has requested the Commission to permit to continue the procurement of 200 MW power under the existing short-term procurement for the month of August and September, 2023 at a rate of Rs. 5.40/kWh to fulfil its power supply obligation in terms of the EA 2003,
16. The Commission has considered the prayer of the Petitioner and allowed procurement of short-term power for the period from 01.08.2023 to 30.09.2023 with tariff of Rs. 5.40/- per unit for RTC power procurement of 200 MW subject to condition that the licensee's surplus power shall be examined during the process of

determination of tariff. If cost of the surplus power computed by the Commission comes lower than the above discovered price then appropriate treatment will be given in accordance with Hon'ble APTEL related orders.

17. Case is disposed off accordingly.

Sd/-
(Pramod Kumar Gupta)
Member

Sd/-
(Vinod Deshmukh)
Member-Judicial

Sd/-
(Hemant Verma)
Chairman



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Petition No.78 of 2023

In the Matter of:

Petition under Section 63 of the Electricity Act, 2003 for adoption of Tariff for procurement of 240 MW of power from 01.10.2023 for a period of 5 years (until 30.09.2028), discovered through Competitive Bidding Process on DEEP portal as per the “Guidelines for Procurement of Electricity for Medium-term Power Stations set up on Finance, Own and Operation (FOO) basis” issued by the Ministry of Power, Govt. of India on 30.01.2019 and its amendments thereof.

M/s Jindal Steel and Power Limited (JSPL-D)

... **Petitioner**

PRESENT

: **Hemant Verma, Chairman**
 : **Pramod Kumar Gupta, Member**

APPEARANCE

: Shri Angad Sandhu and Shri Pranav Sood counsels
 appeared for petitioner.
 Shri Anshu Mahajan and Shri Arvind Sharma,
 counsels for objectors.

ORDER

(Passed on 12/12/2023)

This order is passed in the petition filed by M/s Jindal Steel and Power Ltd.(JSPL-D) under Section 63 of the Electricity Act, 2003 for adoption of Tariff for procurement of 240 MW of power for a period of 5 years from 01.10.2023 to 30.09.2028, discovered through Competitive Bidding Process on Discovery of Efficient Electricity Price (DEEP) portal as per the “Guidelines for Procurement of Electricity for Medium-term Power Stations set up on Finance, Own and Operation (FOO) basis” issued by the Ministry of Power, Govt. of India on 30.01.2019 and its amendments thereof.

2. The petitioner has submitted, that this petition has been filed pursuant to the Commission’s order dated 22.03.2023 passed in petition no. 27 of 2023 and order dated 23.08.2023 passed in petition no. 62 of 2023.

3. The petitioner submitted that, for ensuring continuous power supply, the petitioner/JSPL-D carried out Competitive bidding as per the Medium-term Competitive Bidding Guidelines on the DEEP Portal inviting bids on the basis of Lumpsum tariff as per the aforesaid guidelines for procurement of 240MW of power from 01.10.2023 for a period of 5 years.
4. In response to above bidding process, 3 bidders i.e. M/s. DB Power Ltd. (DPL), M/s. Tata Power Trading Company Ltd. (TPTCL) and M/s. Instinct Infra and Power Ltd. (IIPL) have submitted their bids for the entire duration, quantum of supply quoted as 100 MW, 100 MW and 240 MW respectively.
5. DPL quoted Rs. 5.8/kWh, TPTCL quoted Rs. 6.79/kWh and IIPL quoted Rs. 5.05 per unit for entire requisitioned period. Thus, IIPL emerged as the lowest bidder for entire period for the full quantum of 240 MW at Rs. 5.05/kWh.
6. Accordingly, the petitioner has prayed for adopting the tariff of Rs. 5.05 per kWh discovered through the competitive bidding process for procurement of 240 MW RTC power from successful bidder i.e. M/s. Instinct Infra and Power Ltd. for a period of 5 years starting from 01.10.2023.
7. To ensure transparency while exercising its powers and discharging its functions, the State Commission felt it appropriate to hear the parties. Accordingly, a hearing was conducted on 28.11.2023.
8. During hearing, M/s Tirumala Balaji Alloys Ltd. and others appeared through counsel Shri Anshu Mahajan and Raigarh Ispat Udyog Sangh (RIUS) appeared through counsel Shri Arvind Sharma, submitted that they have no objection to the petition.
9. Further, Shri Anshu Mahajan, counsel of Tirumala Balaji Alloys Ltd. (Tirumala) and Others, submitted that the petition filed by JSPL-D for Aggregate Revenue Requirement (ARR) for the FY 2023-24 be heard and decided in terms of the present petition or the Petitioner amend the same in terms hereof.
10. The Commission heard the parties.
11. On scrutiny, it is found that IIPL, the successful bidder, is a trading company which intends to supply power to the petitioner through a back-to-back arrangement with JPL Stage -I. The "Guidelines for Procurement of Electricity for Medium-term Power Stations set up on Finance, Own and Operation (FOO)

basis" issued by the Ministry of Power, Govt. of India on 30.01.2019 state that,

"Whereas the Central Government has, after extensive consultations with various stakeholders and experts, evolved a model contractual framework for procurement of electricity by the Distribution Licensees from power producers who agree to construct and/or operate power generating stations set up on 'Finance, Own and Operate ("FOO") basis for medium term power or from Traders/ Distribution Licensees having back to back arrangements with power producers."

No any objections/ comments were received from the stakeholders in this regard.

12. It is found that the petitioner has generally complied with the provisions of the Bidding Guidelines issued by the Ministry of Power on 30.01.2019 for Medium-term power procurement.
13. In order to ensure reliable supply to the consumers, the Commission adopts the discovered tariff of Rs. 5.05/- per unit for procurement of 240MW medium-term RTC power from M/s. Instinct Infra and Power Ltd. for the period from 01.10.2023 to 30.09.2028 subject to condition that JSPL-D's surplus power shall be examined during the process of determination of tariff. If cost of the surplus power computed by the Commission comes lower than the above discovered price then appropriate treatment will be given in accordance with Hon'ble APTEL related orders.
14. We order accordingly.

Sd/-
(Pramod Kumar Gupta)
Member

Sd/-
(Hemant Verma)
Chairman

- विवाह अनुदान
- जीवन-निर्वाह अनुदान
- सहकारियों एवं स्वयंसेवी समूहों के लिए आय सृजन योजनाओं को बढ़ावा देना
- बीज, कीटनाशक एवं उर्वरक सब्सिडी तथा सिंचाई सहायता

उपर्युक्त अतिरिक्त प्रावधानों के अलावा वर्तमान में लागू पुनर्वास एवं पुनःस्थापन राष्ट्रीय नीति के प्रावधान सामान्यतः प्रभावी बने रहेंगे।

MINISTRY OF POWER

RESOLUTION

New Delhi, the 28th January, 2016

TARIFF POLICY

No. 23/2/2005-R&R (Vol-IX).—1.0 INTRODUCTION

- 1.1 In compliance with section 3 of the Electricity Act 2003, the Central Government notified the Tariff Policy on 6th January, 2006. Further amendments to the Tariff Policy were notified on 31st March, 2008, 20th January, 2011 and 8th July, 2011. In exercise of powers conferred under section 3(3) of Electricity Act, 2003, the Central Government hereby notifies the revised Tariff Policy to be effective from the date of publication of this resolution in the Gazette of India.

Notwithstanding anything done or any action taken or purported to have been done or taken under the provisions of the Tariff Policy notified on 6th January, 2006 and amendments made thereunder, shall, in so far as it is not inconsistent with this Policy, be deemed to have been done or taken under provisions of this revised policy.

- 1.2 The National Electricity Policy has set the goal of adding new generation capacity and enhancing per capita availability of electricity per year and to not only eliminate energy and peaking shortages but to also have a spinning reserve as specified by the Central Electricity Authority. Development of the power sector has also to meet the challenge of providing access for affordable electricity to all households in next five years.
- 1.3 It is therefore essential to attract adequate investments in the power sector by providing appropriate return on investment as budgetary resources of the Central and State Governments are incapable of providing the requisite funds. It is equally necessary to ensure availability of electricity to different categories of consumers at reasonable rates for achieving the objectives of rapid economic development of the country and improvement in the living standards of the people.
- 1.4 Balancing the requirement of attracting adequate investments to the sector and that of ensuring reasonability of user charges for the consumers is the critical challenge for the regulatory process. Accelerated development of the power sector and its ability to attract necessary investments calls for, inter alia, consistent regulatory approach across the country. Consistency in approach becomes all the more necessary considering the large number of States and the diversities involved.

2.0 LEGAL POSITION

- 2.1 Section 3 (1) of the Electricity Act, 2003 empowers the Central Government to formulate the tariff policy. Section 3(3) of the Act enables the Central Government to review or revise the tariff policy from time to time.
- 2.2 Central Electricity Regulatory Commission (CERC) and State Electricity Regulatory Commissions (SERCs) shall be guided by the tariff policy in discharging their functions including framing the regulations.
- 2.3 Regulatory Commissions shall be guided by the principles and methodologies specified by the Central Commission for determination of tariff applicable to generating companies and transmission licensees.
- 2.4 The Forum of Regulators has been constituted by the Central Government under the provisions of the Act which would, inter alia, facilitate consistency in approach specially in the area of distribution.

3.0 EVOLUTION OF THE POLICY

The tariff policy has been evolved in consultation with the State Governments, the Central Electricity Authority (CEA), the Central Electricity Regulatory Commission and various stakeholders.

4.0 OBJECTIVES OF THE POLICY

The objectives of this tariff policy are to:

- (a) Ensure availability of electricity to consumers at reasonable and competitive rates;
- (b) Ensure financial viability of the sector and attract investments;
- (c) Promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimise perceptions of regulatory risks;
- (d) Promote competition, efficiency in operations and improvement in quality of supply;
- (e) Promote generation of electricity from Renewable sources;
- (f) Promote Hydroelectric Power generation including Pumped Storage Projects (PSP) to provide adequate peaking reserves, reliable grid operation and integration of variable renewable energy sources;
- (g) Evolve a dynamic and robust electricity infrastructure for better consumer services;
- (h) Facilitate supply of adequate and uninterrupted power to all categories of consumers;
- (i) Ensure creation of adequate capacity including reserves in generation, transmission and distribution in advance, for reliability of supply of electricity to consumers.

5.0 GENERAL APPROACH TO TARIFF

5.1 Introducing competition in different segments of the electricity industry is one of the key features of the Electricity Act, 2003. Competition will lead to significant benefits to consumers through reduction in capital costs and also efficiency of operations. It will also facilitate the price to be determined competitively. The Central Government has already issued detailed guidelines for tariff based bidding process for procurement of electricity by distribution licensees.

5.2 All future requirement of power should continue to be procured competitively by distribution licensees except in cases of expansion of existing projects or where there is a company owned or controlled by the State Government as an identified developer and where regulators will need to resort to tariff determination based on norms provided that expansion of generating capacity by private developers for this purpose would be restricted to one time addition of not more than 100% of the existing capacity.

Provided further that the Appropriate Commission, as defined in the Electricity Act, 2003, shall ensure that in case of expansion of such projects, the benefit of sharing of infrastructure of existing project and efficiency of new technology is passed on to consumers through tariff.

Provided also that the State Government can notify a policy to encourage investment in the State by allowing setting up of generating plants, including from renewable energy sources out of which a maximum of 35% of the installed capacity can be procured by the Distribution Licensees of that State for which the tariff may be determined under Section 62 of the Electricity Act, 2003.

Provided that notwithstanding the provision contained in para 5.11(j) of the policy, the tariff for such 35% of the installed capacity shall be determined by SERC.

However, the 15% of power outside long term PPAs allowed under para 5.7.1 of National Electricity Policy shall not be included in 35% allowed to be procured by Distribution Licensees of the State.

5.3 The tariff of all new generation and transmission projects of company owned or controlled by the Central Government shall continue to be determined on the basis of competitive bidding as per the Tariff Policy notified on 6th January, 2006 unless otherwise specified by the Central Government on case to case basis.

Further, intra-state transmission projects shall be developed by State Government through competitive bidding process for projects costing above a threshold limit which shall be decided by the SERCs.

5.4 The Central Electricity Regulatory Commission in consultation with Central Electricity Authority and other stakeholders shall frame within six months, regulations for determination of tariff for generation of electricity from projects using coal washery rejects. These regulations shall also be followed by State Electricity Regulatory Commissions.

Provided that procurement of power from coal washery rejects based projects developed by Central/State PSUs, Joint Venture between Government Company and Company other than Government Company in which shareholding of company other than Government Company either directly or through any of its subsidiary company or associate company shall not be more than 26% of the paid up share capital, can be done under Section 62 of the Act.

5.5 The developer of a hydroelectric project, including Pumped Storage Plant (PSP), would have the option of getting the tariff determined by the Appropriate Commission for the power to be sold through long term Power Purchase

Agreements (PPAs) on the basis of performance based cost of service regulations if the following conditions are fulfilled:

- (a) The Appropriate Commission is satisfied that the project site has been allotted to the developer by the concerned State Government after following a transparent two stage process. The first stage should be for prequalification on the basis of criteria of financial strength, past experience of developing infrastructure projects of similar size, past track record of developing projects on time and within estimated costs, turnover and ability to meet performance guarantee etc. In the second stage, bids are to be called on the basis of only one single quantifiable parameter, such as, additional free power in excess of percentage of free power, as notified by the Central Government, equity participation offered to the State Government, or any other parameter to be notified by the Central Government from time to time.
- (b) Concurrence of CEA (if required under Section 8 of the Act), financial closure, award of work and long term Power Purchase Agreement (PPA) (of the duration of 35 years or more) of the capacity specified in (c) below with distribution licensees are completed by 15.08.2022.
- (c) Long term PPA is firmed up for 60% or more of the total saleable design energy, balance being allowed for merchant sale.

Provided that distribution licensees can extend the duration of long term PPA beyond 35 years for a further period of 15 years at the existing terms and conditions subject to the approval of Appropriate Commission.

Provided further that nothing contained in this clause shall apply to Pumped Storage Plants (PSP).

- (d) The time period for commissioning of all the units of the project shall be fixed at four years from the date of approval of the commissioning schedule by the Appropriate Commission. However, the Appropriate Commission may, after recording reasons in writing, fix longer time period for hydro electric projects (reservoir as well as run-of- river projects) of more than 100 MW capacity. Agreed timelines to achieve the fixed commissioning schedule alongwith penalty for delay shall be decided by the Appropriate Commission in consultation with the Central Electricity Authority. The Appropriate Commission shall allow pass through the Interest During Construction (IDC) and Financing Cost (FC) only upto the period of delay not attributable to the developer, as approved by the CEA.
- (e) Award of contracts for supply of equipment and construction of the project, either through a turnkey or through well defined packages, are done on the basis of international competitive bidding.

5.6 Notwithstanding anything contained in Para 5.5 above, the developers of hydro electric projects of more than 100 MW design capacity for which sites have been awarded earlier by following a transparent process and on the basis of pre-determined set of criteria would have the option of getting the tariff determined by the Appropriate Commission for the power to be sold through long term PPA on the basis of cost plus under Section 62 of the Act.

5.7 In case of projects covered under Para 5.5 and 5.6, the Appropriate Commission shall determine tariff ensuring the following:

- (i) Any expenditure incurred or committed to be incurred by the project developer for getting project site allotted (except free power as notified) would neither be included in the project cost, nor any such expenditure shall be passed through in tariff.
- (ii) The project cost shall include the cost of the approved R&R plan of the Project which shall be in conformity with the following:
 - (a) the National Rehabilitation & Resettlement Policy currently in force;
 - (b) the R&R package as enclosed at appendix.
- (iii) Annual fixed charges shall be taken pro-rata to the saleable design energy tied up on the basis of long term PPAs with respect to total saleable design energy. The total saleable design energy shall be arrived at by deducting the following from the design energy at the bus bar:
 - a) Free power as notified by the Central Government from time to time for the host State and the riparian State and percentage for contribution towards Local Area Development Fund as constituted by the State Government. This free power may be suitably staggered as decided by the State Government.
 - b) Energy corresponding to 100 units of electricity to be provided free of cost every month to every Project Affected Family notified by the State Government to be offered through the concerned distribution licensee in the designated resettlement area/projects area for a period of ten years from the date of commissioning.

5.8 The Appropriate Commission shall provide for suitable regulatory framework for incentivizing the developers of Hydro Electric Projects (HEPs) for using long-term financial instruments in order to reduce the tariff burden in the initial years.

5.9 The real benefits of competition would be available only with the emergence of appropriate market conditions. Shortages of power supply will need to be overcome. Multiple players will enhance the quality of service through competition. All efforts will need to be made to bring power industry to this situation as early as possible in the overall interests of consumers. Transmission and distribution, i.e. the wires business is internationally recognized as having the characteristics of a natural monopoly where there are inherent difficulties in going beyond regulated returns on the basis of scrutiny of costs.

5.10 Consumer interest is best served in ensuring viability and sustainability of the entire value chain viz., generation, transmission and distribution of electricity, while at the same time facilitating power supply at reasonable rate to consumers. The financial turnaround/restructuring plans are approved by the Appropriate Government from time to time to achieve this objective. The Appropriate Government as well as the Appropriate Commission while implementing such plans shall ensure viability of the generation, transmission and distribution in terms of recovery of all prudent costs.

5.11 Tariff policy lays down the following framework for performance based cost of service regulation in respect of aspects common to generation, transmission as well as distribution. These shall not apply to competitively bid projects as referred to in para 6.1 and para 7.1 (6). Sector specific aspects are dealt with in subsequent sections.

a) Return on Investment

Balance needs to be maintained between the interests of consumers and the need for investments while laying down rate of return. Return should attract investments at par with, if not in preference to, other sectors so that the electricity sector is able to create adequate capacity. The rate of return should be such that it allows generation of reasonable surplus for growth of the sector.

The Central Commission would notify, from time to time, the rate of return on equity for generation and transmission projects keeping in view the assessment of overall risk and the prevalent cost of capital which shall be followed by the SERCs also. The rate of return notified by CERC for transmission may be adopted by the SERCs for distribution with appropriate modification taking into view the risks involved. For uniform approach in this matter, it would be desirable to arrive at a consensus through the Forum of Regulators.

While allowing the total capital cost of the project, the Appropriate Commission would ensure that these are reasonable and to achieve this objective, requisite benchmarks on capital costs should be evolved by the Regulatory Commissions. The Central Commission may adopt either Return on Equity or Return on Capital approach whichever is considered better in the interest of the consumers.

The State Commission may consider 'distribution and supply margin' as basis for allowing returns in distribution business at an appropriate time. The State Commission may also consider price cap regulation based on comprehensive study. The Forum of Regulators should evolve a comprehensive approach in this regard. The considerations while preparing such an approach would, inter-alia, include issues such as reduction in Aggregate Technical and Commercial losses, improving the standards of performance and reduction in cost of supply.

b) Equity Norms

For financing of future capital cost of projects, a Debt: Equity ratio of 70:30 should be adopted. Promoters would be free to have higher quantum of equity investments. The equity in excess of this norm should be treated as loans advanced at the weighted average rate of interest and for a weighted average tenor of the long term debt component of the project after ascertaining the reasonableness of the interest rates and taking into account the effect of debt restructuring done, if any. In case of equity below the normative level, the actual equity would be used for determination of Return on Equity in tariff computations.

c) Depreciation

The Central Commission may notify the rates of depreciation in respect of generation and transmission assets. The depreciation rates so notified would also be applicable for distribution assets with appropriate modification as may be evolved by the Forum of Regulators.

Provided that the Appropriate Commission shall specify, for the purpose of tariff determination, a upper ceiling of the rate of depreciation to be applicable during the useful life of the project and the developer shall have the option of indicating, while seeking approval for tariff, lower rate of depreciation subject to the aforesaid ceiling.

The rates of depreciation so notified would be applicable for the purpose of tariffs as well as accounting.

There should be no need for any advance against depreciation.

Benefit of reduced tariff after the assets have been fully depreciated should remain available to the consumers.

Notwithstanding the above, power from those plants of a generating company, where either whose PPAs have expired or plants have completed their useful life, may be bundled with power from renewable generating plants to be set up through the process of bidding or for which the equipment for setting up such plant is procured through competitive bidding. In such cases, power from such plants can be reallocated to beneficiaries purchasing power from renewable energy generating plants on the principles to be decided by Appropriate Government. The Obligated Entities which finally buy such power shall account towards their renewable purchase obligation to the extent of power bought from renewable energy generating plants.

The scheduling and despatch of such conventional and renewable generating plants shall be done separately.

d) Cost of Debt

Structuring of debt, including its tenure, with a view to reducing the tariff should be encouraged. Savings in costs on account of subsequent restructuring of debt should be suitably incentivised by the Regulatory Commissions keeping in view the interests of the consumers.

e) Cost of Management of Foreign Exchange Risk

Foreign exchange variation risk shall not be a pass through. However, appropriate costs of hedging and swapping to take care of foreign exchange variations should be allowed for debt obtained in foreign currencies. This provision would be relevant only for the projects where tariff has not been determined on the basis of competitive bids.

f) Operating Norms

Suitable performance norms of operations together with incentives and disincentives would need to be evolved along with appropriate arrangement for sharing the gains of efficient operations with the consumers. Except for the cases referred to in para 5.11(h)(2), the operating parameters in tariffs should be at “normative levels” only and not at “lower of normative and actuals”. This is essential to encourage better operating performance. The norms should be efficient, relatable to past performance, capable of achievement and progressively reflecting increased efficiencies and may also take into consideration the latest technological advancements, fuel, vintage of equipments, nature of operations, level of service to be provided to consumers etc. Continued and proven inefficiency must be controlled and penalized.

The Central Commission would, in consultation with the Central Electricity Authority, notify operating norms from time to time for generation and transmission. The SERC would adopt these norms. In cases where operations have been much below the norms for many previous years, the SERCs may fix relaxed norms suitably and draw a transition path over the time for achieving the norms notified by the Central Commission, or phase them out in accordance with the norms specified by the Authority in this regard.

Operating norms for distribution networks would be notified by the concerned SERCs. For uniformity, the Forum of Regulators should evolve model guidelines taking into consideration the state specific distinctive features.

g) Renovation and Modernization

Renovation and modernization of generation plants (including repowering of wind generating plants) need to be encouraged for higher efficiency levels even though they may have not completed their useful life. This shall not include periodic overhauls. A Multi-Year Tariff (MYT) framework may be prescribed which should also cover capital investments necessary for renovation and modernization and an incentive framework to share the benefits of efficiency improvement between the utilities and the beneficiaries with reference to revised and specific performance norms to be fixed by the Appropriate Commission. Appropriate capital costs required for predetermined efficiency gains and/or for sustenance of high level performance would need to be assessed by the Appropriate Commission.

h) Multi Year Tariff

- 1) Section 61 of the Act states that the Appropriate Commission for determining the terms and conditions for the determination of tariff shall be guided, inter-alia, by Multi-Year Tariff (MYT) principles. The framework should feature a five-year control period. The initial control period may, however, be of 3 year duration for transmission and distribution if deemed necessary by the Regulatory Commission on account of data uncertainties and other practical considerations. In cases of lack of reliable data, the Appropriate Commission may state assumptions in MYT for first control period and a fresh control period may be started as and when more reliable data becomes available.
- 2) In cases where operations have been much below the norms for many previous years, the initial starting point in determining the revenue requirement and the improvement trajectories should be recognized at

“relaxed” levels and not the “desired” levels. Suitable benchmarking studies may be conducted to establish the “desired” performance standards. Separate studies may be required for each utility to assess the capital expenditure necessary to meet the minimum service standards.

- 3) Once the revenue requirements are established at the beginning of the control period, the Regulatory Commission should focus on regulation of outputs and not the input cost elements. At the end of the control period, a comprehensive review of performance may be undertaken.
- 4) Uncontrollable costs should be recovered speedily to ensure that future consumers are not burdened with past costs. Uncontrollable costs would include (but not limited to) fuel costs, costs on account of inflation, taxes and cess, variations in power purchase unit costs including on account of adverse natural events.
- 5) Clear guidelines and regulations on information disclosure may be developed by the Regulatory Commissions. Section 62 (2) of the Act empowers the Appropriate Commission to require licensees to furnish separate details, as may be specified in respect of generation, transmission and distribution for determination of tariff.

(i) Benefits under Clean Development Mechanism (CDM)

Tariff fixation for all electricity projects (generation, transmission and distribution) that result in lower Green House Gas (GHG) emissions than the relevant base line should take into account the benefits obtained from the Clean Development Mechanism (CDM) into consideration, in a manner so as to provide adequate incentive to the project developers.

(j) Composite Scheme

Sub-section (b) of Section 79(1) of the Act provides that Central Commission shall regulate the tariff of generating company, if such generating company enters into or otherwise have a composite scheme for generation and sale of electricity in more than one State.

Explanation: The composite scheme as specified under section 79(1) of the Act shall mean a scheme by a generating company for generation and sale of electricity in more than one State, having signed long-term or medium-term PPA prior to the date of commercial operation of the project (the COD of the last unit of the project will be deemed to be the date of commercial operation of the project) for sale of atleast 10% of the capacity of the project to a distribution licensee outside the State in which such project is located.

5.12 While it is recognized that the State Governments have the right to impose duties, taxes, cess on sale or consumption of electricity, these could potentially distort competition and optimal use of resources especially if such levies are used selectively and on a non-uniform basis.

In some cases, the duties etc. on consumption of electricity is linked to sources of generation (like captive generation) and the level of duties levied is much higher as compared to that being levied on the same category of consumers who draw power from grid. Such a distinction is invidious and inappropriate. The sole purpose of freely allowing captive generation is to enable industries to access reliable, quality and cost effective power. Particularly, the provisions relating to captive power plants which can be set up by group of consumers has been brought in recognition of the fact that efficient expansion of small and medium industries across the country will lead to faster economic growth and creation of larger employment opportunities.

For realizing the goal of making available electricity to consumers at reasonable and competitive prices, it is necessary that such duties are kept at reasonable level.

5.13 The Act provides for introduction of open access for consumers of one megawatt and above in a time bound manner. The Regulatory Commissions shall introduce open access for different categories of consumers as per the provisions of the Act.

6.0 GENERATION

Accelerated growth of the generation capacity sector is essential to meet the estimated growth in demand. Adequacy of generation is also essential for efficient functioning of power markets. At the same time, it is to be ensured that new capacity addition should deliver electricity at most efficient rates to protect the interests of consumers. This policy stipulates the following for meeting these objectives.

6.1 Procurement of power

As stipulated in para 5.1, power procurement for future requirements should be through a transparent competitive bidding mechanism using the guidelines issued by the Central Government from time to time. These guidelines provide for procurement of electricity separately for base load requirements and for peak load requirements. This would facilitate setting up of generation capacities specifically for meeting such requirements.

However, some of the competitively bid projects as per the guidelines dated 19th January, 2005 have experienced difficulties in getting the required quantity of coal from Coal India Limited (CIL). In case of reduced quantity of

domestic coal supplied by CIL, vis-à-vis the assured quantity or quantity indicated in Letter of Assurance/FSA the cost of imported/market based e-auction coal procured for making up the shortfall, shall be considered for being made a pass through by Appropriate Commission on a case to case basis, as per advisory issued by Ministry of Power vide OM No. FU-12/2011-IPC (Vol-III) dated 31.7.2013.

6.2 Tariff structuring and associated issues

- (1) A two-part tariff structure should be adopted for all long-term and medium-term contracts to facilitate Merit Order dispatch. According to National Electricity Policy, the Availability Based Tariff (ABT) is also to be introduced at State level. This framework would be extended to generating stations (including grid connected captive plants of capacities as determined by the SERC). The Appropriate Commission shall introduce differential rates of fixed charges for peak and off peak hours for better management of load within a period of two years.

Power stations are required to be available and ready to dispatch at all times. Notwithstanding any provision contained in the Power Purchase Agreement (PPA), in order to ensure better utilization of un-requisitioned generating capacity of generating stations, based on regulated tariff under Section 62 of the Electricity Act 2003, the procurer shall communicate, at least twenty four hours before 00.00 hours of the day when the power and quantum thereof is not requisitioned by it enabling the generating stations to sell the same in the market in consonance with laid down policy of Central Government in this regard. The developer and the procurers signing the PPA would share the gains realized from sale, if any, of such un-requisitioned power in market in the ratio of 50:50, if not already provided in the PPA. Such gain will be calculated as the difference between selling price of such power and fuel charge. It should, however, be ensured that such merchant sale does not result in adverse impact on the original beneficiary(ies) including in the form of higher average energy charge vis-à-vis the energy charge payable without the merchant sale. For the projects under section 63 of the Act, the methodology for such sale may be decided by the Appropriate Commission on mutually agreed terms between procurer and generator or unless already specified in the PPA.

- (2) Power Purchase Agreement should ensure adequate and bankable payment security arrangements to the Generating companies. In case of persisting default on payment of agreed tariff as per PPA in spite of the available payment security mechanisms like letter of credit, escrow of cash flows etc. the generating companies may sell such power to other buyers.
- (3) In case of coal based generating stations, the cost of project will also include reasonable cost of setting up coal washeries, coal beneficiation system and dry ash handling & disposal system.
- (4) After the award of bids, if there is any change in domestic duties, levies, cess and taxes imposed by Central Government, State Governments/Union Territories or by any Government instrumentality leading to corresponding changes in the cost, the same may be treated as “Change in Law” and may unless provided otherwise in the PPA, be allowed as pass through subject to approval of Appropriate Commission.
- (5) The thermal power plant(s) including the existing plants located within 50 km radius of sewage treatment plant of Municipality/local bodies/similar organization shall in the order of their closeness to the sewage treatment plant, mandatorily use treated sewage water produced by these bodies and the associated cost on this account be allowed as a pass through in the tariff. Such thermal plants may also ensure back-up source of water to meet their requirement in the event of shortage of supply by the sewage treatment plant. The associated cost on this account shall be factored into the fixed cost so as not to disturb the merit order of such thermal plant. The shutdown of the sewage treatment plant will be taken in consultation with the developer of the power plant.

6.3 Harnessing captive generation

Captive generation is an important means to making competitive power available. Appropriate Commission should create an enabling environment that encourages captive power plants to be connected to the grid.

Such captive plants could supply surplus power through grid subject to the same regulation as applicable to generating companies. Firm supplies may be bought from captive plants by distribution licensees using the guidelines issued by the Central Government under section 63 of the Act taking into account second proviso of para 5.2 of this Policy.

The prices should be differentiated for peak and off-peak supply and the tariff should include variable cost of generation at actual levels and reasonable compensation for capacity charges.

Wheeling charges and other terms and conditions for implementation should be determined in advance by the respective State Commission, duly ensuring that the charges are reasonable and fair.

Grid connected captive plants could also supply power to non-captive users connected to the grid through available transmission facilities based on negotiated tariffs. Such sale of electricity would be subject to relevant regulations for open access including compliance of relevant provisions of rule 3 of the Electricity Rules, 2005.

6.4 Renewable sources of energy generation including Co-generation from renewable energy sources:

- (1) Pursuant to provisions of section 86(1)(e) of the Act, the Appropriate Commission shall fix a minimum percentage of the total consumption of electricity in the area of a distribution licensee for purchase of energy from renewable energy sources, taking into account availability of such resources and its impact on retail tariffs. Cost of purchase of renewable energy shall be taken into account while determining tariff by SERCs. Long term growth trajectory of Renewable Purchase Obligations (RPOs) will be prescribed by the Ministry of Power in consultation with MNRE.

Provided that cogeneration from sources other than renewable sources shall not be excluded from the applicability of RPOs.

- (i) Within the percentage so made applicable, to start with, the SERCs shall also reserve a minimum percentage for purchase of solar energy from the date of notification of this policy which shall be such that it reaches 8% of total consumption of energy, excluding Hydro Power, by March 2022 or as notified by the Central Government from time to time.
 - (ii) Distribution Licensee(s) shall compulsorily procure 100% power produced from all the Waste-to-Energy plants in the State, in the ratio of their procurement of power from all sources including their own, at the tariff determined by the Appropriate Commission under Section 62 of the Act.
 - (iii) It is desirable that purchase of energy from renewable sources of energy takes place more or less in the same proportion in different States. To achieve this objective in the current scenario of large availability of such resources only in certain parts of the country, an appropriate mechanism such as Renewable Energy Certificate (REC) would need to be promoted. Through such a mechanism, the renewable energy based generation companies can sell the electricity to local distribution licensee at the rates for conventional power and can recover the balance cost by selling certificates to other distribution companies and obligated entities enabling the latter to meet their renewable power purchase obligations. The REC mechanism should also have a solar specific REC.
 - (iv) Appropriate Commission may also provide for a suitable regulatory framework for encouraging such other emerging renewable energy technologies by prescribing separate technology based REC multiplier (i.e. granting higher or lower number of RECs to such emerging technologies for the same level of generation). Similarly, considering the change in prices of renewable energy technologies with passage of time, the Appropriate Commission may prescribe vintage based REC multiplier (i.e. granting higher or lower number of RECs for the same level of generation based on year of commissioning of plant).
- (2) States shall endeavor to procure power from renewable energy sources through competitive bidding to keep the tariff low, except from the waste to energy plants. Procurement of power by Distribution Licensee from renewable energy sources from projects above the notified capacity, shall be done through competitive bidding process, from the date to be notified by the Central Government.
However, till such notification, any such procurement of power from renewable energy sources projects, may be done under Section 62 of the Electricity Act, 2003. While determining the tariff from such sources, the Appropriate Commission shall take into account the solar radiation and wind intensity which may differ from area to area to ensure that the benefits are passed on to the consumers.
- (3) The Central Commission should lay down guidelines for pricing intermittent power, especially from renewable energy sources, where such procurement is not through competitive bidding. The tariff stipulated by CERC shall act as a ceiling for that category.
- (4) In order to incentivize the Distribution Companies to procure power from renewable sources of energy, the Central Government may notify, from time to time, an appropriate bid-based tariff framework for renewable energy, allowing the tariff to be increased progressively in a back-loaded or any other manner in the public interest during the period of PPA, over the life cycle of such a generating plant. Correspondingly, the procurer of such bid-based renewable energy shall comply with the obligations for payment of tariff so determined.
- (5) In order to promote renewable energy sources, any generating company proposing to establish a coal/lignite based thermal generating station after a specified date shall be required to establish such renewable energy generating capacity or procure and supply renewable energy equivalent to such capacity, as may be prescribed by the Central Government from time to time after due consultation with stakeholders. The renewable energy produced by each generator may be bundled with its thermal generation for the purpose of sale. In case an obligated entity procures this renewable power, then the SERCs will consider the obligated entity to have met the Renewable Purchase Obligation (RPO) to the extent of power bought from such renewable energy generating stations.

Provided further that in case any existing coal and lignite based thermal power generating station, with the concurrence of power procurers under the existing Power Purchase Agreements, chooses to set up additional renewable energy generating capacity, the power from such plant shall be allowed to be bundled and tariff of such renewable energy shall be allowed to be pass through by the Appropriate Commission. The Obligated

Entities who finally buy such power shall account towards their renewable purchase obligations.

Provided also that scheduling and despatch of such conventional and renewable generating plants shall be done separately.

- (6) In order to further encourage renewable sources of energy, no inter-State transmission charges and losses may be levied till such period as may be notified by the Central Government on transmission of the electricity generated from solar and wind sources of energy through the inter-state transmission system for sale.
- (7) Appropriate Commission may provide regulatory framework to facilitate generation and sale of electricity from renewable energy sources particularly from roof-top solar system by any entity including local authority, Panchayat Institution, user institution, cooperative society, Non-Governmental Organization, franchisee or by Renewable Energy Service Company. The Appropriate Government may also provide complementary policy support for this purpose.

Explanation: “Renewable Energy Service Company” means an energy service company which provides renewable energy to the consumers in the form of electricity.

7.0 TRANSMISSION

The transmission system in the country consists of the regional networks, the inter-regional connections that carry electricity across the five regions and the State networks. Development of the State networks has not been uniform and capacity in such networks needs to be augmented. These networks will play an important role in intra-State power flows and also in the regional and national flows. The tariff policy, in so far as transmission is concerned, seeks to achieve the following objectives:

1. Ensuring optimal development of the transmission network ahead of generation with adequate margin for reliability and to promote efficient utilization of generation and transmission assets in the country;
2. Attracting the required investments in the transmission sector and providing adequate returns.

7.1 Transmission pricing

- (1) A suitable transmission tariff framework for all inter-State transmission, including transmission of electricity across the territory of an intervening State as well as conveyance within the State which is incidental to such inter-state transmission, has been implemented with the objective of promoting effective utilization of all assets across the country and accelerated development of new transmission capacities that are required.
- (2) The National Electricity Policy mandates that the national tariff framework implemented should be sensitive to distance, direction and related to quantum of power flow. This has been developed by CERC taking into consideration the advice of the CEA. Sharing of transmission charges shall be done in accordance with such tariff mechanism as amended from time to time.
- (3) Transmission charges, under this framework, can be determined on MW per circuit kilometer basis, zonal postage stamp basis, or some other pragmatic variant, the ultimate objective being to get the transmission system users to share the total transmission cost in proportion to their respective utilization of the transmission system. The ‘utilization’ factor should duly capture the advantage of reliability reaped by all. The spread between minimum and maximum transmission rates should be such as not to inhibit planned development/augmentation of the transmission system but should discourage non-optimal transmission investment.
- (4) In view of the approach laid down by the NEP, prior agreement with the beneficiaries would not be a pre-condition for network expansion. CTU/STU should undertake network expansion after identifying the requirements in consonance with the National Electricity Plan and in consultation with stakeholders and taking up the execution after due regulatory approvals. For smooth operation of the grid, efforts should be made to develop transmission system ahead of generation.
- (5) The Central Commission has specified norms for capital and operating costs and laid down Standards of Performance for inter-State transmission licensees. Tariff determination and adherence to Standards of Performance shall be carried out in accordance with these norms, as amended from time to time.
- (6) Investment by transmission developer including CTU/STUs would be invited through competitive bids in accordance with the guidelines issued by the Central Government from time to time.
- (7) While all future inter-state transmission projects shall, ordinarily, be developed through competitive bidding process, the Central Government may give exemption from competitive bidding for (a) specific category of projects of strategic importance, technical upgradation etc. or (b) works required to be done to cater to an urgent situation on a case to case basis.
- (8) CERC has specified Regulation on framework for the inter-State transmission. A similar approach should be implemented by SERCs for the intra-State transmission, duly considering factors like voltage, distance, direction and quantum of flow.

(9) Metering compatible with the requirements of the proposed transmission tariff framework should be established on priority basis. The metering should be compatible with ABT requirements, which would also facilitate implementation of Time of Day (ToD) tariffs.

7.2 Transmission loss allocation

- (1) Transactions are being charged on the basis of average losses arrived at after appropriately considering the distance and directional sensitivity, as applicable to relevant voltage level, on the transmission system. Based on the methodology laid down by the CERC in this regard for inter-state transmission, the SERCs may evolve a similar framework for intra-state transmission.

The loss framework should ensure that the loss compensation is reasonable and linked to applicable technical loss benchmarks. The benchmarks may be determined by the Appropriate Commission after considering advice of CEA.

- (2) It would be desirable to move to a system of loss compensation based on incremental losses as present deficiencies in transmission capacities are overcome through network expansion. The Appropriate Commission may require necessary studies to be conducted to establish the allowable level of system loss for the network configuration and the capital expenditure required to augment the transmission system and reduce system losses. Since additional flows above a level of line loading lead to significantly higher losses, CTU/STU should ensure upgrading of transmission systems to avoid the situations of overloading. The Appropriate Commission should permit adequate capital investments in new assets for upgrading the transmission system.

7.3 Other issues in transmission

- (1) Financial incentives and disincentives should be implemented for the CTU and the STU around the Key Performance Indicators (KPI) for these organisations. Such KPIs would include efficient network construction, system availability and loss reduction.
- (2) All available information should be shared with intending users by the CTU/STU and the load dispatch centers, particularly information on available transmission capacity and load flow studies.
- (3) In extraordinary circumstances including threat to security to the State, public order or natural calamity, if the Central Government allocates power out of the unallocated share of the Central Generating Stations or otherwise, such allocation of power will have priority over short-term, medium-term and long-term access in this order.

7.4 Ancillary Services

- (1) The Central Commission may introduce the norms and framework for ancillary services, including the method of sharing the charges, necessary to support the power system or grid operation for maintaining power quality, reliability and security of the grid.
- (2) The Central Commission shall also consult the Central Electricity Authority, SERCs/JERCs, CTUs/STUs and NLDC/RLDC/SLDCs while specifying the norms for ancillary services.
- (3) The State Commission shall also adopt the norms and framework for ancillary services as specified by the Central Commission.

8.0 DISTRIBUTION

Supply of reliable and quality power of specified standards in an efficient manner and at reasonable rates is one of the main objectives of the National Electricity Policy. The State Commission should determine and notify the standards of performance of licensees with respect to quality, continuity and reliability of service for all consumers. It is desirable that the Forum of Regulators determines the basic framework on service standards. A suitable transition framework could be provided for the licensees to reach the desired levels of service as quickly as possible. Penalties may be imposed on licensees in accordance with section 57 of the Act for failure to meet the standards.

Making the distribution segment of the industry efficient and solvent is the key to success of power sector reforms and provision of services of specified standards. Therefore, the Regulatory Commissions need to strike the right balance between the requirements of the commercial viability of distribution licensees and consumer interests. Loss making utilities need to be transformed into profitable ventures which can raise necessary resources from the capital markets to provide services of international standards to enable India to achieve its full growth potential. Efficiency in operations should be encouraged. Gains of efficient operations with reference to normative parameters should be appropriately shared between consumers and licensees.

Appropriate Commission should mandate Distribution Licensee to undertake load forecasting every year and to publish and submit to the Commission their short, medium and long-term power procurement plans to meet the load.

The State Regulatory Commission will devise a specific trajectory so that 24 hours supply of adequate and uninterrupted power can be ensured to all categories of consumers by 2021-22 or earlier depending upon the prevailing situation in the State.

Micro-grids supplying renewable energy are being set up in such areas where the grid has not reached or where adequate power is not available in the grid. Investment involved in setting up of such microgrids is substantial. One of the risks of investment is grid reaching the area before the completion of the project life and thereby making power from micro grids costly and unviable. In order to mitigate such risk and incentivize investment in microgrids, there is a need to put in place an appropriate regulatory framework to mandate compulsory purchase of power into the grid from such micro grids at a tariff to be determined under section 62 of the Act considering depreciated cost of investments and keeping in view industry benchmark and with a cap if necessary, as approved by the Appropriate Commission. The Appropriate Commission shall notify necessary regulations in this regard within six months.

8.1 Implementation of Multi-Year Tariff (MYT) framework

- 1) MYT framework would minimise risks for utilities and consumers, promote efficiency and appropriate reduction of system losses and attract investments. It would also bring greater predictability to consumer tariffs on the whole by restricting tariff adjustments to known indicators of power purchase prices and inflation indices. The framework should be applied for both public and private utilities.
- 2) The State Commissions should introduce mechanisms for sharing of excess profits and losses with the consumers as part of the overall MYT framework. In the first control period the incentives for the utilities may be asymmetric with the percentage of the excess profits being retained by the utility set at higher levels than the percentage of losses to be borne by the utility. This is necessary to accelerate performance improvement and reduction in losses and will be in the long term interest of consumers by way of lower tariffs.
- 3) As indicated in para 5.11(h), the MYT framework implemented in the initial control period should have adequate flexibility to accommodate changes in the baselines consequent to metering being completed.
- 4) Licensees may have the flexibility of charging lower tariffs than approved by the State Commission if competitive conditions require so without having a claim on additional revenue requirement on this account in accordance with Section 62 of the Act.
- 5) At the beginning of the control period when the “actual” costs form the basis for future projections, there may be a large uncovered gap between required tariffs and the tariffs that are presently applicable. This gap should be fully met through tariff charges and through alternative means that could inter-alia include financial restructuring and transition financing.
- 6) Incumbent licensees should have the option of filing for separate revenue requirements and tariffs for an area where the State Commission has issued multiple distribution licenses, pursuant to the provisions of Section 14 of the Act read with para 5.4.7 of the National Electricity Policy.
- 7) Appropriate Commissions should initiate tariff determination and regulatory scrutiny on a suo moto basis in case the licensee does not initiate filings in time. It is desirable that requisite tariff changes come into effect from the date of commencement of each financial year and any gap on account of delay in filing should be on account of licensee.

8.2 Framework for revenue requirements and costs

8.2.1 The following aspects would need to be considered in determining tariffs:

- (1) All power purchase costs need to be considered legitimate unless it is established that the merit order principle has been violated or power has been purchased at unreasonable rates. The reduction of Aggregate Technical & Commercial (AT&C) losses needs to be brought about but not by denying revenues required for power purchase for 24 hours supply and necessary and reasonable O&M and investment for system upgradation. Consumers, particularly those who are ready to pay a tariff which reflects efficient costs have the right to get uninterrupted 24 hours supply of quality power. Actual level of retail sales should be grossed up by normative level of T&D losses as indicated in MYT trajectory for allowing power purchase cost subject to justifiable power purchase mix variation (for example, more energy may be purchased from thermal generation in the event of poor rainfall) and fuel surcharge adjustment as per regulations of the SERC.
- (2) AT&C loss reduction should be incentivised by linking returns in a MYT framework to an achievable trajectory. Greater transparency and nurturing of consumer groups would be efficacious. For government owned utilities improving governance to achieve AT&C loss reduction is a more difficult and complex challenge for the SERCs. Prescription of a MYT dispensation with different levels of consumer tariffs in succeeding years linked to different AT&C loss levels aimed at covering full costs could generate the requisite political will for effective action to reduce theft as the alternative would be stiffer tariff increases. Third party verification of energy audit results for different areas/localities could be used to impose area/locality specific surcharge for greater AT&C loss levels and this in turn could generate local consensus for effective action for better governance. The SERCs may also encourage suitable local area based incentive and disincentive scheme for the staff of the utilities linked to reduction in losses.

The SERC shall undertake independent assessment of baseline data for various parameters for every distribution circle of the licensee.

The SERC shall also institute a system of independent scrutiny of financial and technical data submitted by the licensees.

As the metering is completed up to appropriate level in the distribution network, it should be possible to segregate technical losses. Accordingly technical loss reduction under MYT framework should then be treated as distinct from commercial loss reduction which requires a different approach.

- (3) Section 65 of the Act provides that no direction of the State Government regarding grant of subsidy to consumers in the tariff determined by the State Commission shall be operative if the payment on account of subsidy as decided by the State Commission is not made to the utilities and the tariff fixed by the State Commission shall be applicable from the date of issue of orders by the Commission in this regard. The State Commissions should ensure compliance of this provision of law to ensure financial viability of the utilities. To ensure implementation of the provision of the law, the State Commission should determine the tariff initially, without considering the subsidy commitment by the State Government and subsidised tariff shall be arrived at thereafter considering the subsidy by the State Government for the respective categories of consumers.
- (4) Working capital should be allowed duly recognising the transition issues faced by the utilities such as progressive improvement in recovery of bills. Bad debts should be recognised as per policies developed and subject to the approval of the State Commission.
- (5) Pass through of past losses or profits should be allowed to the extent caused by uncontrollable factors. During the transition period controllable factors should be to the account of utilities and consumers in proportions determined under the MYT framework.
- (6) The contingency reserves should be drawn upon with prior approval of the State Commission only in the event of contingency conditions specified through regulations by the State Commission. The existing practice of providing for development reserves and tariff and dividend control reserves should be discontinued.
- (7) Section 61 of the Act mandates that the Appropriate Commission, while determining tariff, shall not only ensure safeguarding of consumer's interests but also the recovery of the cost of electricity in a reasonable manner. Section 62 of the Act further provides for periodic tariff adjustment during a year to take care of the variation in fuel price, as may be specified.

Therefore, the Appropriate Commission shall specify an appropriate price adjustment formula for recovery of the costs, arising on account of the variation in the price of fuel, power purchase etc. on monthly/quarterly basis for recovery of all prudent costs of the generating company and the licensee.

8.2.2 The facility of a regulatory asset has been adopted by some Regulatory Commissions in the past to limit tariff impact in a particular year. This should be done only as a very rare exception in case of natural calamity or force majeure conditions and subject to the following:

- a. Under business as usual conditions, no creation of Regulatory Assets shall be allowed;
- b. Recovery of outstanding Regulatory Assets along with carrying cost of Regulatory Assets should be time bound and within a period not exceeding seven years. The State Commission may specify the trajectory for the same.

8.3 Tariff design: Linkage of tariffs to cost of service

It has been widely recognised that rational and economic pricing of electricity can be one of the major tools for energy conservation and sustainable use of ground water resources.

In terms of the Section 61(g) of the Act, the Appropriate Commission shall be guided by the objective that the tariff progressively reflects the efficient and prudent cost of supply of electricity.

The State Governments can give subsidy to the extent they consider appropriate as per the provisions of section 65 of the Act. Direct subsidy is a better way to support the poorer categories of consumers than the mechanism of cross-subsidizing the tariff across the board. Subsidies should be targeted effectively and in transparent manner. As a substitute of cross subsidies, the State Government has the option of raising resources through mechanism of electricity duty and giving direct subsidies to only needy consumers. This is a better way of targeting subsidies effectively.

Accordingly, the following principles would be adopted:

1. Consumers below poverty line who consume below a specified level, as prescribed in the National Electricity Policy may receive a special support through cross subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply.
2. For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within $\pm 20\%$ of the average cost of supply. The road map would also have intermediate milestones, based on the approach of a gradual

reduction in cross subsidy.

3. While fixing tariff for agricultural use, the imperatives of the need of using ground water resources in a sustainable manner would also need to be kept in mind in addition to the average cost of supply. Tariff for agricultural use may be set at different levels for different parts of a state depending on the condition of the ground water table to prevent excessive depletion of ground water. Section 62 (3) of the Act provides that geographical position of any area could be one of the criteria for tariff differentiation. A higher level of subsidy could be considered to support poorer farmers of the region where adverse ground water table condition requires larger quantity of electricity for irrigation purposes subject to suitable restrictions to ensure maintenance of ground water levels and sustainable ground water usage.
4. Extent of subsidy for different categories of consumers can be decided by the State Government keeping in view various relevant aspects. But provision of free electricity is not desirable as it encourages wasteful consumption of electricity. Besides in most cases, lowering of water table in turn creating avoidable problem of water shortage for irrigation and drinking water for later generations. It is also likely to lead to rapid rise in demand of electricity putting severe strain on the distribution network thus adversely affecting the quality of supply of power. Therefore, it is necessary that reasonable level of user charges is levied. The subsidized rates of electricity should be permitted only up to a pre-identified level of consumption beyond which tariffs reflecting efficient cost of service should be charged from consumers. If the State Government wants to reimburse even part of this cost of electricity to poor category of consumers the amount can be paid in cash or any other suitable way. Use of prepaid meters can also facilitate this transfer of subsidy to such consumers.
5. Metering of supply to agricultural/rural consumers can be achieved in a consumer friendly way and in effective manner by management of local distribution in rural areas through commercial arrangement with franchisees with involvement of panchayat institutions, user associations, cooperative societies etc. Use of smart meters may be encouraged as a cost effective option for metering in cases of “limited use consumers” who are eligible for subsidized electricity.

8.4 Definition of tariff components and their applicability

1. Two-part tariffs featuring separate fixed and variable charges and time differentiated tariff shall be introduced on priority for large consumers (say, consumers with demand exceeding 1 MW) within one year and subsequently for all consumers within a period of five years or such period as may be specified. This would also help in flattening the peak and implementing various energy conservation measures.
2. The National Electricity Policy states that existing PPAs with the generating companies would need to be suitably assigned to the successor distribution companies. The State Governments may make such assignments taking care of different load profiles of the distribution companies so that retail tariffs are uniform in the State for different categories of consumers. Thereafter, the retail tariffs would reflect the relative efficiency of distribution companies in procuring power at competitive costs, controlling theft and reducing other distribution losses.
3. The Appropriate Commission may provide incentives to encourage metering and billing based on metered tariffs, particularly for consumer categories that are presently unmetered to a large extent. The metered tariffs and the incentives should be given wide publicity. Smart meters have the advantages of remote metering and billing, implementation of peak and off-peak tariff and demand side management through demand response. These would become essential in future for load-generation balancing due to increasing penetration of intermittent type of generation like wind and solar power.

Appropriate Commission shall, therefore, mandate smart meters for:

- (a) Consumers with monthly consumption of 500 units and more at the earliest but not later than 31.12.2017;
- (b) Consumers with monthly consumption above 200 units by 31.12.2019.

Further, two way smart meters shall be provided to all prosumers, who also sell back electricity to the grid as and when they require.

In order to enable energy audit in the distribution system, all distribution companies shall ensure smart meters in their electricity system throughout the chain from transformers at 132kV level right down to distribution transformer level at 11kV and further down to each consumer. Further, in order to reduce theft of power, the distribution companies should have enabling feature like distribution SCADA with distribution management system and energy audit functions. SERCs shall mandate these to be in place within two years.

4. The SERCs may also suitably regulate connection charges to be recovered by the distribution licensee to ensure that second distribution licensee does not resort to cherry picking by demanding unreasonable connection charges. The connection charges of the second licensee should not be more than those payable to the incumbent licensee.

8.5 Cross-subsidy surcharge and additional surcharge for open access

- 8.5.1 National Electricity Policy lays down that the amount of cross-subsidy surcharge and the additional surcharge to be levied from consumers who are permitted open access should not be so onerous that it eliminates competition which is intended to be fostered in generation and supply of power directly to the consumers through open access.

A consumer who is permitted open access will have to make payment to the generator, the transmission licensee whose transmission systems are used, distribution utility for the wheeling charges and, in addition, the cross subsidy surcharge. The computation of cross subsidy surcharge, therefore, needs to be done in a manner that while it compensates the distribution licensee, it does not constrain introduction of competition through open access. A consumer would avail of open access only if the payment of all the charges leads to a benefit to him. While the interest of distribution licensee needs to be protected it would be essential that this provision of the Act, which requires the open access to be introduced in a time-bound manner, is used to bring about competition in the larger interest of consumers.

SERCs may calculate the cost of supply of electricity by the distribution licensee to consumers of the applicable class as aggregate of (a) per unit weighted average cost of power purchase including meeting the Renewable Purchase Obligation; (b) transmission and distribution losses applicable to the relevant voltage level and commercial losses allowed by the SERC; (c) transmission, distribution and wheeling charges up to the relevant voltage level; and (d) per unit cost of carrying regulatory assets, if applicable.

Surcharge formula:

$$S = T - [C / (1 - L/100) + D + R]$$

Where

S is the surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level

R is the per unit cost of carrying regulatory assets.

Above formula may not work for all distribution licensees, particularly for those having power deficit, the State Regulatory Commissions, while keeping the overall objectives of the Electricity Act in view, may review and vary the same taking into consideration the different circumstances prevailing in the area of distribution licensee.

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking open access.

Provided further that the Appropriate Commission, in consultation with the Appropriate Government, shall exempt levy of cross subsidy charge on the Railways, as defined in Indian Railways Act, 1989 being a deemed licensee, on electricity purchased for its own consumption.

- 8.5.2 No surcharge would be required to be paid in terms of sub-section (2) of Section 42 of the Act on the electricity being sold by the generating companies with consent of the competent government under Section 43(A)(1)(c) of the Electricity Act, 1948 (now repealed) and on the electricity being supplied by the distribution licensee on the authorisation by the State Government under Section 27 of the Indian Electricity Act, 1910 (now repealed), till the current validity of such consent or authorisation.
- 8.5.3 The surcharge may be collected either by the distribution licensee, the transmission licensee, the STU or the CTU, depending on whose facilities are used by the consumer for availing electricity supplies. In all cases the amounts collected from a particular consumer should be given to the distribution licensee in whose area the

consumer is located. In case of two licensees supplying in the same area, the licensee from whom the consumer was availing supply shall be paid the amounts collected.

- 8.5.4 The additional surcharge for obligation to supply as per section 42(4) of the Act should become applicable only if it is conclusively demonstrated that the obligation of a licensee, in terms of existing power purchase commitments, has been and continues to be stranded, or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. The fixed costs related to network assets would be recovered through wheeling charges.
- 8.5.5 Wheeling charges should be determined on the basis of same principles as laid down for intra-state transmission charges and in addition would include average loss compensation of the relevant voltage level.
- 8.5.6 In case of outages of generator supplying to a consumer on open access, standby arrangements should be provided by the licensee on the payment of tariff for temporary connection to that consumer category as specified by the Appropriate Commission. Provided that such charges shall not be more than 125 percent of the normal tariff of that category.

9.0 Trading Margin

The Act provides that the Appropriate Commission may fix the trading margin, if considered necessary. Though there is a need to promote trading in electricity for making the markets competitive, the Appropriate Commission should monitor the trading transactions continuously and ensure that the electricity traders do not indulge in profiteering in situation of power shortages. Fixing of trading margin should be resorted to for achieving this objective.

JYOTI ARORA, Jt. Secy

APPENDIX

SALIENT FEATURES OF THE APPROVED R&R PROVISIONS FOR HYDRO POWER PROJECTS

1. SCOPE OF COVERAGE

The following provisions shall be applicable even if one family is affected by the development of a Hydro Power Project.

2. DEFINITION OF PROJECT AFFECTED FAMILIES (PAFs)

A Project Affected Family (PAF) shall mean a family whose place of residence or other property or source of livelihood has been affected by the development of a hydro project and who have been residing in the affected zone for two years preceding the date of declaration of notification under Section-11 of the LARR Act. The affected family would also include squatters.

3. DEFINITION OF AGRICULTURAL LABOURER

A person normally residing in the affected zone for two years preceding the date of declaration of the affected zone and earns his/her livelihood principally by manual labour on agricultural land.

4. DEFINITION OF NON-AGRICULTURAL LABOURER

A person normally residing in the affected zone for two years preceding the date of declaration of the affected zone and who does not hold any land in the affected zone but earns his/her livelihood principally by manual labour or as rural artisan or a service provider to the community.

5. DEFINITION OF SQUATTERS

A family occupying Government land in the affected zone without a legal title, at least for 5 years prior to the date of declaration of notification under Section-11 of LARR Act.

6. REHABILITATION/RESETTLEMENT COLONIES

This policy aims to provide built up houses to Project Affected Families (PAFs) who get displaced due to the development of hydro projects to the extent possible. However, wherever opted for, liberal House Construction Allowance would be given in lieu.

7. TRAINING AND CAPACITY BUILDING

This policy also emphasizes the need to provide training to the Project Affected Families as well as to the local population for a sustained livelihood. Special training programmes from ITIs aimed at providing the required skills

to the local population would be undertaken by the Project developers at least six months prior to commencement of construction. This is expected to boost the employability of the PAFs and other people residing in the vicinity of the project.

8. ADDITIONAL PROVISIONS

This policy envisages additional provisions for Project Affected Families such as:

- o scholarships for meritorious students,
- o extension of medical facilities,
- o marriage grants,
- o subsistence grants,
- o support for income generation schemes for cooperative and self-help groups,
- o seed, pesticides and fertilizer subsidies, and irrigation support.

Besides the additional provisions mentioned above, the normally applicable provisions of the National Policy on Rehabilitation and resettlement, currently in force, would be applicable.

**BEFORE THE HON'BLE CHHATTISGARH STATE ELECTRICITY
REGULATORY COMMISSION, AT RAIPUR**

**I.A. No. _____ of 2023
IN
PETITION NO. 15 OF 2023**

IN THE MATTER OF:

Application for amendment of P.No.15 of 2023 regarding Petition for determination of Annual Revenue Requirement and Retail Supply Tariff for FY 2023-24 alongwith Revised Estimate for FY 2022-23 and True-up for FY 2021-22 for the licensed distribution business under Section 61, 62 and 86 (1) (a) of the Electricity Act, 2003 read with the relevant provisions of the Chhattisgarh State Electricity Regulatory Commission's Conduct of Business Regulations and Terms and Conditions for determination of Tariff Regulations and its amendments thereof.

AND IN THE MATTER OF:

M/s Jindal Steel & Power Limited
P.B.no.16, Patrapali, Kharsia Rd., Raigarh (C.G.) ... **PETITIONER**

VAKALATNAMA

I, Mr. Pradeep Tandon, S/o Dr. R.S. Tandon, aged about 61 years, office address at 9th Floor, Tower – C, CBD Complex, Sector 21, Nava Raipur, Chhattisgarh -492101, Authorized Representative of Jindal Steel and Power Limited, the Petitioner herein in the captioned petition, do hereby appoint and retain **HEMANT SINGH, MRIDUL CHAKRAVARTY, BIJU MATTAM, CHETAN GARG, ROBIN KUMAR, HARSHIT SINGH AND ALCHI THAPLIYAL** Advocate/s, Charter Law Chambers, Attorneys-at-law, to appear, plead and act for me/us in the above captioned petition, and to conduct and prosecute all proceedings that may be taken in respect thereof and applications for return of documents, enter into compromise and to draw any moneys payable to me/us in the said proceeding, and also to appear in all applications for review and for leave to the Supreme Court of India in all applications for review of judgment.

Place: Raipur
Date: 27.12.23

For, Jindal Steel & Power Limited


Authorized Signatory
Signature of Party

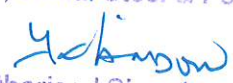
Executed in my presence.
"Accepted"



[HEMANT SINGH]
(D/1810/2007)

M/s Charter Law Chambers
CHARTER LAW CHAMBERS
ATTORNEYS-AT-LAW
"CLC HOUSE"
G-10, Jangpura Extension
New Delhi – 110014
Ph: 011 – 4166617/18
E-MAIL: desk@charter.law

For, Jindal Steel & Power Limited


Authorised Signatory

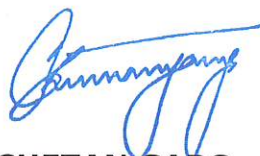
Signature with date
(Name and Designation)



MRIDUL CHAKRAVARTY
[D/607/2007]



BIJU MATTAM
[K-208/2000]



CHETAN GARG
[D/3185/2019]



ALCHI THAPLIYAL
[D/5146/2021]

ROBIN KUMAR
[JH621/2018]



HARSHIT SINGH
[MAH4290/2019]



SHAURYA KUMAR
[D/6394/2023]

To,
Manager/ Chief Manager
State Bank of India
Main Branch, Near Kewadabadi Bus Stand
Raigarh C.G 496001

Date December 22, 2023

SUB : RTGS/NEFT

APPLICANT DETAILS:-

Debit A/C No	40215502170
Account Title	JINDAL STEEL & POWER LIMITED
A/C Type	CC

BENEFICIARY DETAIL:-

Credit A/C No	3246001100000050
Beneficiary Name	Chhattisgarh State Electricity Regulatory Commission
Bank Name / Branch	Punjab National Bank
Location	Raipur
IFSC Code	PUNB0324600

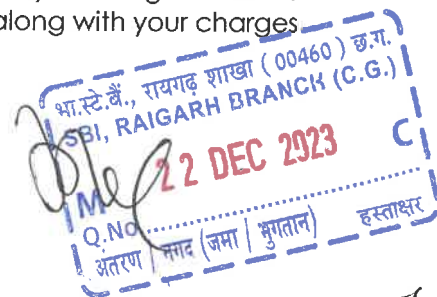
REMITTANCE DETAILS:-

Currency	INR
Amount	20,000.00
Bank Charges	4.72
Total Amount	20,004.72
Amount in Words	Rs Twenty Thousand only.
Remarks	COURT FEES

Please remit the amount as per the aforesaid detail, by debiting our above mentioned account for the amount of remittance along with your charges

Thanking You,
Yours Faithfully

For and on behalf of
JINDAL STEEL & POWER LIMITED



SBIN523356233273

Sham chetty
Authorised Signatory

Agreed -
Authorised Signatory