Response to BERC Letter no. 1010 dtd 30/11/2023 pertaining to NBPDCL Tariff Petition for FY 2024-25

General

Format 37 (Investments in Non-business-related activities), Format 38 Net Prior Period Expenses, Income), Format 39 (Statement of Equity), Format 40 (Statement of Reconciliation of Net Actual loan etc, Format 41 (Consumer contribution and Grants, towards cost of capital assets) are kept blank. If formats are not applicable or figures are Nil, Petitioner is required to furnish Not Applicable / Nil in the format. The above formats with details incorporated to be submitted.

Petitioner's Response

The aforementioned formats along with all the excel tariff models have again been submitted as ***Annexure-A*** with required details as above.

TECHNICAL ISSUES

FY 2022-23 (True-Up)

Query No.1:

Specific consumption for Kutirjyoti is working out to 53.45 units per consumer per month against the norm of 50 units. How the excess consumption of more than the norm of 50 units was billed and what was the additional revenue billed due to this to be provided.

Petitioner's response

As per the Regulatory norms, the excess consumption of more than the norm of 50 units are billed as follows:

Consumption slabs (Kutirjyoti)	Sales (MU)	Fixed charges (Rs Cr)	Energy Charges (Rs Cr)	Total Revenue (Rs Cr)	ABR (Rs/kWh)
First 50 Units	2,519.29	100.86	1,536.74		6.10
51-100 Units	171.08		109.49		6.40
101-200 Units	14.58		9.77		6.70
Total	**2704.94**	**100.86**	**1656.00**	**1756.86**	

As above, the excess consumption of more than 50 units is billed at the approved tariff applicable for DS-I (Rural) as shown in the above Table.

Query No.2:

For the categories shown in the Table below for which the Tariff is in Rs/kVAh, the sales shown in Table-6 in kWh seems not converted from kVAh into kWh by considering normative

or actual PF.

True-Up (FY 2022-23) NBPDCL

S.No.	Category	Sales (kWh)	Energy Charges (Rs Cr)	Realised rate (Rs/kWh)	Actual tariff rate (Rs/kVAh)	PF derived
1	IAS-II	89.87	53.02	5.90	5.90	1.00
2	PWS	37.36	29.71	7.95	7.95	1.00
3	LTIS-I	402.48	257.57	6.40	6.40	1.00
4	LTIS-II	36.78	23.54	6.40	6.40	1.00
5	HTS-I	549.74	362.05	6.59	6.55	0.99
6	HTS-II	219.45	144.64	6.59	6.50	0.99
7	HTS-III	73.4	49.46	6.74	6.45	0.96
8	HTS-Oxygen	0.00				
9	HTSS	42.27	17.36	4.11	4.10	1.00

Petitioner's response

This is to submit that the billing of the consumers has been done by the DISCOMs as per the Tariff Schedule approved by the Hon'ble Commission. For some of the consumers categories the tariff is based on kWh whereas for others it is based on kVAh. The reading taken by the meter reader is for the purpose of generation of Bills and hence, may not contain the kWh data for all consumers. In absence of actual kWh data, the DISCOMs consider Sales in KVAh basis, however, for the purpose of submission to the Hon'ble Commission the DISCOMs use a normative power factor to arrive at the Sales in kWh. It is pertinent to note that the units derived on the basis of normative power factor in kWh has no impact on revenue calculation and the revenue will remain intact as per the audited accounts.

Revised sales in kWh for the above shown consumer categories by considering normative PF (as per the actual Bills) are as follows:

S.No.	Category	Sales (kVAh)	PF derived	Sales (in kWh)
1	IAS-II	89.87	0.9	80.88
2	PWS	37.36	0.9	33.62
3	LTIS-I	402.48	0.9	362.23
4	LTIS-II	36.78	0.9	33.10
5	HTS-I	549.74	1.00	549.74
6	HTS-II	219.45	0.97	212.87
7	HTS-III	73.4	0.86	63.12
8	HTS-Oxygen	0.00	0.98	0.00

S.No.	Category	Sales (kVAh)	PF derived	Sales (in kWh)
9	HTSS	42.27	0.97	41.00

Query No. 3:

In computation of AT&C loss (Para 3.6.2) the following discrepancies are noticed.

a) Net Revenue from sale of energy on subsidy received basis is shown as Rs. 10669 Crore. Whereas the same works out to Rs. 9583.71 Crore excluding sale of surplus power to IEX (Table 43) and SLDC Deviation.

Petitioner's Response

This is to submit that in Para 3.6.2, the Petitioner has computed the AT&C losses as per Formula and Methodology specified in Regulations 18.5 of the BERC Multi Year Distribution Tariff Regulation, 2021 and as per the directions of the Hon'ble Commission in the past. As per the specified methodology for computation of AT&C losses, the net revenue from sale of energy on subsidy received basis in Para 3.6.2 is shown as Rs 10669 Crore while the Revenue from Sale of Energy is Rs 11621 Cr (exc. energy traded at exchange and SLDC deviation) as shown in Table-43.

The reconciliation of net revenue from sale of energy on subsidy received basis as shown in Para 3.6.2 of Rs 10669 Crore is as follows:

Particulars	Value (Rs Cr)	Source (as per the Petition)	Source (as per the Accounts)
Revenue from Sale of Energy (exc. energy traded at exchange and SLDC deviation)	11620.89	Table- 43 (Revenue from sale of power at existing tariff)	Note- 26.1 (Element wise analysis of Revenue from Operations)
Meter rent	4.95	Table- 42 (Non-Tariff income)	
Miscellaneous Recoveries from the consumers	22.28		
Delayed Payment Surcharge from Consumers	632.33		Note- 27 (Other Income)
Electricity Duty recovery	428.88	-	Note- 26.1
Less: Power traded through exchange	1810.36	Table- 43	Note- 54
Less: SLDC Deviation	229.82		
Total	**10,669.15**		

b) Tariff subsidy actually received and tariff subsidy booked are kept blank in the Table. The revised AT&C loss computation table with correct and full details is to be

provided.

Petitioner's Response

This is to submit that as per the Audited Accounts of the Petitioner the Subsidy booked, and Subsidy received are as shown in Note 50 of the Audited accounts. The Summary is as follows:

Particulars	Value (Rs Cr)
Advance Subsidy	163.78
Subsidy received from GoB	3622.94
Subsidy received from GoB through SBPDCL	229.33
Total Subsidy received	**4016.05**
Total subsidy booked	**4016.05**

As above, the subsidy received and subsidy booked are same and so there is no impact while considering the same in computation of AT&C losses as per as per Formula and Methodology specified in Regulations 18.5 of the BERC Multi Year Distribution Tariff Regulation, 2021 and as shown in Para 3.6.2 of the Petition. So, the details as submitted in the Table are correct and there will be no change while considering subsidy booked and received in the same. The Hon'ble Commission is humble requested to consider the submission made by the Petitioner.

Query No. 4:

Intra-state Transmission loss at 560.68 MU and Inter-State Transmission loss at 677.85 MU are shown (Para 3.7). The details in the following Table are to be provided for FY 2022-23.

Petitioner's Response

This is to submit that the Petitioner has already submitted the detailed computation of Intra and Inter State Transmission losses as Annexure-1 with the Petition. However, the details as sought in the required format are as follows:

Month	Billed Energy in Central Sector including UI (KWH)	Billed Energy in Central Sector excluding UI (KWH)	Schedule Energy (Net Energy Central Sector)-	Total - CTL (KWH)	Renewable Central (KWH)	% CTL	UI (KWH)	State & Other Sector (KWH)	Total Energy Available (KWH)	Consumed in Supply Circle- - NBPDCL (KWH)	Consumed in Supply Circle- - SBPDCL (KWH)
1	**2**	**3=2-7**	**4**	**5=3-4**	**6**	**7=6/ (3-6)*100**	**8**	**9**	**10**	**11**	**12**
Apr	3303.02	3300.11	3189.31	110.80	261.58	3.65%	2.91	208.78	3401.00	1497.07	1756.17
May	3237.57	3229.09	3115.36	113.74	380.67	3.99%	8.48	300.15	3423.98	1483.42	1788.38
June	3404.80	3394.88	3252.60	142.28	357.34	4.68%	9.92	322.70	3585.22	1542.31	1868.51
July	3813.18	3754.26	3604.13	150.13	334.33	4.39%	58.91	296.85	3959.89	1726.01	2054.28

August	3779.27	3727.88	3582.19	145.69	327.11	4.28%	51.39	243.69	3877.27	1667.56	2034.72
Sept	3431.48	3426.56	3299.82	126.74	321.92	4.08%	4.92	285.20	3589.94	1563.58	1880.03
October	3038.27	3037.83	2922.53	115.29	245.17	4.13%	0.45	282.25	3205.23	1360.76	1724.02
Nov	2173.82	2161.43	2039.49	121.94	206.26	6.24%	12.39	320.66	2372.54	943.34	1325.97
Dec	2240.46	2243.85	2128.52	115.33	281.17	5.88%	-3.39	365.41	2490.54	985.77	1375.46
January	2641.77	2692.17	2560.07	132.10	323.43	5.58%	-50.40	367.99	2877.66	1182.68	1533.35
Feb	2259.63	2275.28	2151.21	124.07	256.85	6.15%	-15.65	300.15	2435.71	974.86	1337.44
March	2578.27	2598.76	2471.56	127.20	295.28	5.52%	-20.49	345.48	2796.55	1192.50	1472.61
Total	**35901.5**	**35842.1**	**34316.8**	**1525.3**	**3591.11**	**4.72%**	**59.43**	**3639.31**	**38015.53**	**16119.83**	**20150.94**

It is pertinent to note that as per the specified methodology by the POSOCO, the Petitioner has computed the Billed Energy of the Central Sector excluding UI. The DISCOMs have arrived at 1525.31 MU (for both SBPDCL and NBPDCL) of Central Transmission losses in FY 2022-23.
Further, pursuant to MoP's Order dated 15.01.2021, annexed herewith as ***Annexure-4***, wherein the Ministry had directed that the Solar and Wind power plants would be waived off from interstate transmission losses and charges, the DISCOMs computed interstate transmission loss level % excluding RE plants and this accounts to 4.72% of the total billed energy. The computation of 4.72% of CTL losses is shown in the Table above.

It is pertinent to mention here that due to above, the format as provided by the Hon'ble Commission will not be able to capture the actual Central Transmission losses booked or computed by the POSOCO as per the MoP's direction. So, the Petitioner has computed CTL and STL by making suitable assumptions in the format provided by the Hon'ble Commission.

Query No. 5:

Abstract of the above details in the following tables are also to be provided.

Petitioner's Response

S.No	Particular	Legend	Unit	Value
A	Billed Energy for Discoms in Central Sector Purchase		MU	35901.53
B	UI			59.43
C	Billed Energy for Discoms in Central Sector Purchase (exc. UI)	C=A-B		35842.10
D	Scheduled Energy for Discoms		MU	34316.79
E	Difference against Billed Energy and Schedule Drawal of DISCOM	E=C-D	MU	1525.31
F	Billed Energy for Renewable central			3591.11
G	Inter-State Transmission losses	E/(A-F)*100	%	4.72%

S.No	Particular	Legend	Unit	Value
H	Losses allocated to NBPDCL (44.44%)		%	677.85
I	Losses allocated to SBPDCL (55.56%)		%	847.46

The DISCOMs had computed 1525.31 MU (for both SBPDCL and NBPDCL) of Central Transmission losses in FY 2022-23. Pursuant to MoP's Order dated 15.01.2021, annexed herewith as ***Annexure-4***, wherein the Ministry had directed that the Solar and Wind power plants would be waived off from inter state transmission losses and charges, the DISCOMs computed loss level % excluding RE plants and this accounts to 4.72% of the total billed energy. The computation of 4.72% of CTL losses is shown in the Table above.

Further, the other details in the required format are as follows:

S. No	Particulars	MU
1	Scheduled Energy (Net Energy from central sector source)	34316.79
2	UI drawal	59.43
3	Energy from State and Others (excluding embedded purchase if any)	3639.31
4	Total energy available (1+2+3)	38015.53
5	Energy consumed in NBPDCL	16333.43
6	Energy consumed in SBPDCL	20420.46
7	Total energy utilized by Discoms (5+6)	36753.89
8	Losses in STU (4-7)	1261.65
9	Losses in STU- NBPDCL	560.68
10	Losses in STU-SBPDCL	700.97
11	Percentage STU Losses ((8/4)*100)	3.32%

Query No. 7:

The following discrepancies are noticed in the Table 14 of Power Purchase in FY 2022-23.

a) At the end of the Table i.e., last Row of the Table the figures shown in Rs/Kwh for fixed charge, Energy charge and Miscellaneous Charges seems to be wrong.

b) Similarly for Renewable Row also

c) Under Renewables, Energy rate for the following sources are shown differently for NBPDCL and SBPDCL. Reasons to be provided.

Source	NBPDCL	SBPDCL
M/S. Avantika	**7.69**	**7.68**
M/S. Glat	**7.02**	**7.03**
SECI Phase -III	**2.62**	**2.88**

Petitioner's Response

(a) **& (b)** This is to submit that in the last row of the Table the Petitioner has inadvertently computed fixed and miscellaneous charges per kWh however, the Energy charges per kWh are correct in the Table. Nevertheless, for ready reference of the Hon'ble Commission, the revised Table-14 is as follows:

Name of The Source	Share allocated (MW)	Units purchased (MU)	Fixed charge (Rs Crs)	Energy cost (Rs Crs)	Miscellaneous cost (Rs Crs)	Total Cost (Rs Crs)	Average Cost (Rs./kWh)
Stations injecting at CTU	**4056.32**	**16120.54**	**2895.30**	**4753.47**	**148.46**	**7797.22**	**4.84**
FSTPP I &II	224.04	1185.69	116.08	451.35	46.35	613.79	5.18
FSTPP III	44.74	224.90	44.90	82.25	9.46	136.61	6.07
KHSTPP I	158.46	911.39	107.48	337.91	15.73	461.12	5.06
KHSTPP II	29.26	212.15	18.12	74.79	4.38	97.29	4.59
Barh Stage I (Unit I & II)	352.18	1016.77	277.08	322.75	5.24	605.08	5.95
Barh Stage I Unit III	175.26	0.00	0.00	0.00	0.00	0.00	
Barh Stage II	525.90	3417.90	679.62	1173.22	24.60	1877.45	5.49
Nabinagar (BRBCL)	46.00	283.56	67.87	83.28	-0.23	150.91	5.32
Korba	0.00	0.00	0.00	0.00	0.01	0.01	
Talcher Stage I	185.79	1306.84	121.29	250.65	19.11	391.05	2.99
KBUNL Stage II	132.97	919.55	240.21	258.42	11.46	510.09	5.55
NPGCL	754.23	4726.19	1075.77	1300.40	1.10	2377.27	5.03
North Karanpura Unit I	136.53	75.91	18.23	12.21	0.01	30.45	4.01
North Karanpura Unit II	135.70	0.00			0.00	0.00	
North Karanpura Unit III	135.70	0.00			0.00	0.00	
Darlipali STPS	148.75	605.64	100.81	69.73	6.27	176.81	2.92
Buxar TPP U1	258.06	0.00			0.00	0.00	
Buxar TPP U2	258.06	0.00			0.00	0.00	
Chuka	42.82	208.07	0.00	49.97	0.00	49.97	2.40
Rangit	10.59	49.40	10.36	9.70	0.77	20.83	4.22
Tala	119.65	269.17	0.00	61.10	0.00	61.10	2.27
Teesta	49.22	265.22	33.64	30.44	4.19	68.28	2.57
Mangdechu	130.86	442.20	0.00	185.28	0.00	185.28	4.19
Kurichu	1.56	0.00			0.00	0.00	
Prior period adjustment	0.00	0.00	(16.17)	0.00	0.00	-16.17	
						0.00	
						0.00	
Stations injecting at STU	**356.18**	**1476.44**	**279.91**	**409.22**	**0.93**	**690.06**	**4.67**
BSPHC	24.98	10.38	0.00	2.58	0.00	2.58	2.49
BTPS Stage I	101.20	11.65	3.84	5.34	0.14	9.31	7.99
BTPS Stage II	230.00	1454.41	276.07	401.30	0.79	678.17	4.66
	0.00	0.00	0.00	0.00	0.00	0.00	
IPPs	**224.48**	**1461.49**	**368.56**	**201.68**	**1.61**	**571.85**	**3.91**
GMR	119.60	844.02	147.07	128.63	47.91	323.61	3.83
JITPL	104.88	617.47	221.49	73.05	-46.30	248.24	4.02
						0.00	

Name of The Source	Share allocated (MW)	Units purchased (MU)	Fixed charge (Rs Crs)	Energy cost (Rs Crs)	Miscellaneous cost (Rs Crs)	Total Cost (Rs Crs)	Average Cost (Rs./kWh)
Renewables	**1928.87**	**1752.12**	**0.00**	**527.34**	**0.00**	**527.34**	**3.01**
M/s Sunmark Energy Projects Limited (Formerly MBCEL)	4.60	6.81	0.00	4.79	0.00	4.79	7.02
M/s Response renewable Energy Ltd, Kolkata.	4.60	8.17	0.00	5.73	0.00	5.73	7.02
M/s Avantika Contractors Ltd., Hyderabad	2.30	2.89	0.00	2.22	0.00	2.22	7.68
M/s Glatt Solutions Pvt. Ltd, Kolkata.	1.38	2.32	0.00	1.63	0.00	1.63	7.03
Alfa Infraprop Pvt. Ltd.	9.20	14.65	0.00	11.53	0.00	11.53	7.87
Udipta Energy & Equipment Pvt. Ltd.	2.30	3.24	0.00	2.58	0.00	2.58	7.98
Azure Power India Pvt. Ltd.	4.60	6.08	0.00	5.10	0.00	5.10	8.39
Welspun Renewables Project - I	4.60	6.89	0.00	6.00	0.00	6.00	8.70
Welspun Renewables Project – II	6.90	10.07	0.00	8.70	0.00	8.70	8.64
Welspun Renewables Project – III	6.90	10.37	0.00	8.87	0.00	8.87	8.56
Acme Cleantech Project (Nalanda)	6.90	10.21	0.00	8.92	0.00	8.92	8.73
Acme Cleantech Project (Magadh)	4.60	7.11	0.00	6.21	0.00	6.21	8.73
SECI (Focal)	4.60	8.49	0.00	5.03	0.00	5.03	5.93
SECI Phase-II Solar (ACME Deoghar/ Acme Dhaulapur)	69.00	0.00	0.00	0.00	0.00	0.00	
SECI Phase-III (Renew Sunwaves)	138.00	329.12	0.00	86.23	0.00	86.23	2.62
SB Energy Six Pvt. Ltd. (NTPC)	138.00	338.09	0.00	90.27	0.00	90.27	2.67
GRT Jewellers (SECI-V)	69.00	110.66	0.00	22.62	0.00	22.62	2.04
Wind ISTS Scheme Tranche I (PTC) (Greeen Infra, Inox, Mytrah & Ostro)	92.00	197.64	0.00	66.78	0.00	66.78	3.38
Wind ISTS Scheme Tranche II (SECI) (Orange)	46.00	121.30	0.00	32.87	0.00	32.87	2.71
Avada (BREDA), Dharbhanga	0.74	0.00	0.00	0.00	0.00	0.00	
SECI Green Infra	138.00	120.23	0.00	30.18	0.00	30.18	2.51
Alfanar	138.00	61.45	0.00	15.49	0.00	15.49	2.52
Betam	23.09	57.78	0.00	14.56	0.00	14.56	2.52
SECI Phase-VI Wind	161.00	0.00	0.00	0.00	0.00	0.00	
Ostro Kannad	138.00	236.36	0.00	51.64	0.00	51.64	2.19
Morjar Windfarm	23.00	14.97	0.00	3.27	0.00	3.27	2.19

Name of The Source	Share allocated (MW)	Units purchased (MU)	Fixed charge (Rs Crs)	Energy cost (Rs Crs)	Miscellaneous cost (Rs Crs)	Total Cost (Rs Crs)	Average Cost (Rs./kWh)
SBE Renewable (SECI Phase-V)	151.80	0.00	0.00	0.00	0.00	0.00	
SJVN Ltd (BREDA)	92.00	0.00	0.00	0.00	0.00	0.00	
Avada (BREDA)	23.00	0.00	0.00	0.00	0.00	0.00	
Adani Green Energy	276.00	0.00	0.00	0.00	0.00	0.00	
Greenko Energy Pvt. Ltd. (SECI Hybrid)	96.60	0.00	0.00	0.00	0.00	0.00	
New Swadeshi Sugar Mill, Narkataganj	4.60	5.49	0.00	2.82	0.00	2.82	5.14
Hasanpur Sugar Mill, Dalsinghsarai	6.67	6.87	0.00	4.27	0.00	4.27	6.22
Bharat Sugar Mills, Sidhwalia, Gopalganj	6.90	10.49	0.00	5.36	0.00	5.36	5.11
Hari Nagar Sugar Mills, Hari Nagar, West Champaran	6.67	19.56	0.00	9.97	0.00	9.97	5.10
HPCL Biofuels Ltd., Sugauli, East Champaran	9.20	7.12	0.00	3.55	0.00	3.55	4.98
HPCL Biofuels Ltd., Lauria, West Champaran	9.20	8.70	0.00	4.44	0.00	4.44	5.10
Riga Sugar Company Ltd.	1.38	0.00	0.00	0.00	0.00	0.00	
Siddhashram Rice Mill Cluster Pvt ltd	0.46	0.08	0.00	0.06	0.00	0.06	7.55
Bihar Distillers & Bottlers Pvt ltd	4.32	2.25	0.00	1.43	0.00	1.43	6.36
Tirupati Sugar	2.76	6.65	0.00	4.23	0.00	4.23	6.36
Others	**92.00**	**401.24**	**0.00**	**225.44**	**246.98**	**472.42**	**11.77**
PTC(IEX)	0.00	147.13	0.00	128.66	0.00	128.66	8.74
GTAM IEX	0.00	0.00	0.00	0.00	0.00	0.00	
Prior Period Expenses	0.00		0.00	0.00	204.14	204.14	
UPPCL	0.00	1.24	0.00	0.00	1.04	1.04	8.39
NEA	0.00	0.08	0.00	0.00	0.06	0.06	7.26
UI	0.00	26.41	0.00	0.00	41.40	41.40	15.68
PTC JITPL	57.50	154.06	0.00	65.82	0.29	66.11	4.29
PTC SKS Power	34.50	72.32		30.96	0.06	31.02	4.29
Transmission and Other Charges	**0.00**	**0.00**	**1641.21**	**0.00**	**0.00**	**1641.21**	
SLDC			2.20	0.00	0.00	2.20	
BGCL			77.60	0.00	0.00	77.60	
BSPTCL			540.77	0.00	0.00	540.77	
POSOCO			4.11	0.00	0.00	4.11	
Pr Pd PGCIL			0.00	0.00	0.00	0.00	
PGCIL			1016.52	0.00		0.00	
Total	***6657.85***	***21211.84***	***5184.9***	***6117.1***	***397.98***	***11700.1***	***5.52***

Name of The Source	Share allocated (MW)	Units purchased (MU)	Fixed charge (Rs Crs)	Energy cost (Rs Crs)	Miscellaneous cost (Rs Crs)	Total Cost (Rs Crs)	Average Cost (Rs./kWh)
			7	5		0	

c) Further, regarding the per unit power purchase rate of M/s Glat and M/s Avantika this is to submit that the rate is same for both the DISCOMs, i.e., 7.03/kWh and 7.68/kWh respectively. The difference in the power purchase cost between the SBPDCL and NBPDCL as highlighted by the Hon'ble Commission is due to rounding off.

In view of the APTEL Order dt. 27.01.2022, period charges of Rs 10.56 Cr as reflected in Note 52 of the accounts of SBPDCL pertains to M/s Glatt, M/s Responce and M/s Sunmark has been considered in the Power purchase cost. The same has also been considered by NBPDCL in the power purchase cost. The Hon'ble Commission is requested to kindly consider the power purchase cost (Rs/kWh) of M/s Renew Sunwaves as Rs 2.62/kWh without prior period charges of Rs 10.56 Cr. The same may kindly be considered while determining the total power purchase cost of the Petitioner.

The Hon'ble Commission is kindly requested to consider the submission made by the Petitioner.

Query No. 8:

Prior period adjustment of Rs. 203.57 crore under the head others sources power purchase is shown. Full details of these prior period charges along with the period to which they belong to be reported.

Petitioner's Response:

The details of the prior period charges have been provided in ***Annexure-8***. All these charges belong to FY 2022-23.

Query No. 9:

Average Power Purchase Cost (APPC) is shown as Rs. 5.52/kWh (Table -17). Detailed calculation showing how this figure is arrived is to be provided.

Petitioner's Response:

This is to submit that the Average Power Purchase Cost (APPC) of Rs 5.52/kWh has been derived by considering the total power purchase cost (including transmission) and the total power purchase quantum (including power traded through exchange). The computation of the same is as follows:

Particulars	Value	Unit	Source
Total Power Purchase quantum (A)	21212	MU	Table-14 (Actual Power Purchased in FY 2022-
Total Power Purchase cost (B)	11700	Rs Cr	

Particulars	Value	Unit	Source
			23)
APPC (B*10/A)	5.52	Rs/kWh	

Query No. 10:

Out of the total power purchase of 21211.15 MU, 3623.40 MU (about 17%) are sold out through IEX. Reasons for purchasing such excess power. Also, month-wise total energy from all sources purchased and month-wise surplus energy sold through IEX to be provided.

Petitioner's Response:

The power sector is driven by many parameters of its associated ecosystem majority of which are unforeseen/uncontrollable. The forecasted demand of power being dependent upon unforeseen and uncontrollable factors is liable to deviate from actual demand. Similarly, the power availability from various sources considered in power procurement planning (which are done at least one day in advance) very often changes due to various unforeseen and uncontrollable factors. The variation in any of these parameters associated with integrated power system network leads to variation in either injection or drawal of power and such variation continuously keeps on happening resulting in variation in system frequency as well as mismatch in injection and drawal. Thus, due to factor inherent within the power system dynamics, deviation i.e., difference between schedule and actual, is an inherent phenomenon associated with power system operation which keeps on happening continuously in the integrated power system.

Based on the continuous monitoring of the power portfolio (viz power available viz-a-viz power demand) of the Discom's on the RTC basis, the surplus power wherever is available managed judiciously on best effort basis through power surrender (as per the IEGC grid code) and/or Sale of power mainly in spot market. The surplus power whenever available is managed with an overall objective of optimizing the power purchase cost of Discom's as envisaged in BERC Power Purchase and Procurement Process of Licensee Regulation without adversely affecting the power supply position to the consumers. It may please be noted that the proceeds of the power surplus so sold would have effect of reducing the power purchase cost thus help in optimizing the overall power purchase cost.

Further, month-wise total energy from all sources purchased and month-wise energy traded through IEX is provided in ***Annexure-10***.

Query No. 11:

RE Power Purchased is shown as 2976.24 MU (Table -11) which is not tallying with that source shown in power purchase Table -12. Details of RE Power of 2976.24 MU purchased may be provided.

Petitioner's Response:

This is to submit that the total RE purchase for FY 22-23 is 3053.31 MU and the same is matching with the details as provided in Table-12 of the Petition. The breakup of total RE power of 3053.31 MU is shown below:

Particulars	**Bihar**	**NBPDCL**	**MU**
Solar	1969455007	875225805	875.23
Small Hydro	38776481	17232268	17.23
Biomass	5330680	2368954	2.37
Sugar	147028012	65339249	65.34
Big Hydro	2776912691	1234060000	1234.06
Wind 7%	50706244.4	22533855	22.53
Total	**4988209115**		
SBPDCL	**2771448985**		
NBPDCL	**2216760131**		**2216.76**

In addition to the above, the Captive Solar and non-Solar consumption and Wind power is as follows:

Other RPO	**MU**
Captive Consumption Solar	4.97
Captive Consumption Non-Solar BREDA	72.79
Wind Power	758.79
TOTAL RE POWER	**3053.31**

Accordingly, as per the total RE power of 3053.31 MU the revised computation of RPO is provided in ***Annexure-11***.

Query No. 12:

Wind RPO purchased is shown as 758.79 MU. As per the BERC RPO Regulations (4th Amendment) "Wind RPO shall be met only by energy produced from wind power projects commissioned after 31.03.2022.

The details of wind RPO may be provided in the following format.

S. No.	**Source**	**Capacity (MW)**	**Date of Commissioning of Project**	**Energy Purchased (MU)**

Petitioner's Response:

The details of Wind RPO of 758.79 MU as shown in the above format as provided in ***Annexure-12***. Further, this is to submit that as per the 4th amendment in the BERC (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2010 in Case No. SMP-12/2022 dt. 27.06.2023, the Petitioner has considered the Wind Power by energy produced from Wind Power Projects (WPPs) commissioned after 31st March 2022 and the wind energy consumed over and above 7% from WPPs commissioned till 31st March 2022. The relevant extract of the Regulations is as follows:

> "*The Obligation will be on total consumption of electricity by an obligated entity,*
>
> ***(a) Wind RPO Shall be met only by energy produced from Wind Power Projects (WPPs) commissioned after 31st March 2022 and the wind energy consumed over and above 7% from WPPs commissioned till 31st March 2022;***
>
> *(b) HPO shall be met only by energy produced from LHPs (including PSPs and small hydro projects (SHPs)), commissioned after 8th March 2019;*
>
> *(c) Other RPO may be met by energy produced from any RE based / green energy based power project not mentioned in (a) and (b) above."*

So, as per the Regulations wind power produced from Projects commissioned after 31st March 2022 and the wind energy consumed over and above 7% from the projects commissioned till 31st March 2022 has been considered while determining Wind RPO. 7% of the Wind power from the projects commissioned till 31st March 2022 has been considered while determining Other RPO.

Query No. 13:

It is stated vide Para 3.8.7 that "Wind RPO and HPO target together is to a tune of 143.6 MU in FY 2022-23. Petitioner has purchased total 758.79 MU under these heads. Therefore, it has achieved RPO targets in combination of wind RPO and HPO altogether". It may be clarified under which RPO Regulation of BERC the above is permitted.

Petitioner's Response:

The Petitioner in para 3.8.5 has in detail submitted the basis and methodology for computation of RPO for FY 2022-23. The Petitioner has submitted that the details of the Renewable Energy based power procured during FY 2022-23 has been considered based on the 4th amendment in the BERC (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2010.

For easy reference of the Hon'ble Commission, the relevant extract of the Petitioner is produced below:

3.8.5 ***Renewable Power Purchase Obligation:*** *It is submitted that the Hon'ble Commission has notified the BERC (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2010 and BERC (Terms and Conditions for Tariff Determination from Solar Energy Sources) Regulations, 2010. Further Hon'ble Commission initiated a Suo-Motu proceedings no. 42/2016 dated 24.11.2016 to bring in 2nd amendment in the BERC (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2010 dated 29.03.2017 to incorporate the various new/amended provisions specified in the revised Tariff Policy,2016 notified by the Ministry of Power Govt. of India vide gazette notification dated 28.01.2016 The Commission has also come up with its 3rd amendment in due course BERC (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2010. Further, Ministry of Power, Govt. of India, through its order no. 09/13/2021-RCM dated 22.07.2023 specified separate Wind RPO, HPO and other RPO within the overall RPO target for the FY 2022-23 to FY 2029-30.* ***Subsequently, BERC has adopted the RPO target as specified by the MoP for the year FY 2022-23 to FY 2029-30. Further Hon'ble Commission through a Suo-Motu proceedings brought in 4th amendment in the BERC (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2010****. Minimum quantum of electricity to be procured from Renewable Sources by Obligated Entity as percentage of total consumption is provided in table below.*

Table 1: Renewable Purchase Obligation (%)

FY	***Wind RPO***	***HPO***	***Other RPO***	***Total RPO***
2022-23	*0.81%*	*0.35%*	*23.44%*	*24.60%*
2023-24	*1.60%*	*0.66%*	*24.81%*	*27.08%*
2024-25	*2.46%*	*1.08%*	*26.37%*	*29.91%*
2025-26	*3.36%*	*1.48%*	*28.17%*	*33.01%*
2026-27	*4.29%*	*1.80%*	*29.86%*	*35.95%*
2027-28	*5.23%*	*2.15%*	*31.43%*	*38.81%*

FY	***Wind RPO***	***HPO***	***Other RPO***	***Total RPO***
2028-29	*6.16%*	*2.51%*	*32.69%*	*41.36%*
2029-30	*6.94%*	*2.82%*	*33.57%*	*43.33%*

3.8.6 ***In line with the above, the details of the Renewable Energy based power procured during FY 2022-23, has been given in the table below as per the Regulation and amendments issued therein****:*

…..

Query No. 14:

The Statement of UI bills exhibiting over drawal/ under drawal, deviation charges additional deviation charges, sign change charges etc to be provided.

Petitioner's Response:

The Statement of UI exhibiting over drawal/ under drawal, deviation charges additional deviation charges, sign change charges etc are provided in ***Annexure-14***.

It is pertinent to submit that the UI deviation as submitted in the Petition is at the State periphery. DSM for the DISCOMs includes the deviation incurred by Indian railways and deviation incurred in power procurement by Bhutan as well.

Treatment of DSM by Indian Railways-

The Bihar DISCOMs initially pay for the total deviation settlement for the state of Bihar. The SLDC deviation (MU) and SLDC deviation charge (Rs Cr) as shown in the Tariff Petition is the DSM settlement of Railways. As per the process followed, the Bihar DISCOMs initially pay for the deviation settlement for the state of Bihar and later the BSPTCL calculates and raises bills to Railways for their respective deviation in schedule and withdrawal. The amount recovered from Railways is then refunded to the DISCOMs and is booked under the revenue head in the audited books of account of the DISCOMs under **SLDC deviation charges**.

Treatment of Bhutan DSM-

The DISCOMs also purchase Hydel power from Bhutan from four Stations- CHUKKA HEP, MANGDECHHU HEP, TALA HEP and KURICHHU HEP. It is important to note that DSM is not applicable for these Hydel Power Stations located in Bhutan and the applicable deviation (difference between actual and scheduled) is to be paid by the procurers (DISCOMs). The settlement of such deviation in actual and scheduled power is known as Bhutan DSM.

Treatment by the Hon'ble Commission

The Hon'ble Commission in previous Tariff Orders for treatment of DSM has adopted a methodology wherein Deviation has been allowed by the Commission, but additional DSM has been disallowed. As submitted above, the DSM of DISCOMs includes DSM of Railways and Bhutan Deviation as well. So, while computing the DSM of DISCOMs, **the Hon'ble Commission may net off the DSM incurred due to the Railways and Bhutan DSM.**

Further, the Hon'ble Commission considers the SLDC Deviation charges (DSM of Railways) as non-Tariff income of the Petitioner and reduce the same from ARR of the Petitioner. So, it is double hit for the DISCOMs as the DSM charges paid by the Railways are net off from the ARR of the Petitioner while the actual DSM of the Petitioner is not allowed by the Commission.

The Hon'ble Commission is requested to consider the following for treatment of DSM:

Additional DSM may kindly be allowed by the Hon'ble Commission as this additional DSM is actually incurred on the part of railways and cost for the same is reduced from the ARR of the Petitioner considered it as Non-Tariff Income.

Query No. 15:

Month-wise, source-wise Regional Energy Account (REA) details of energy drawal from Central Stations (injected into CTU) to be provided.

Petitioner's Response:

Month-wise, source-wise Regional Energy Account (REA) details of energy drawal from Central Stations (injected into CTU) is provided in ***Annexure-15***.

Query No. 16:

Net ARR for FY 2022-23 is shown as Rs. 11662.09 Crore in Table- 45 whereas the same is exhibited as 11621.60 in Table- 44. The sum total of ARR in Table-45 works out to Rs. 11616.69 Crore. The figures are to be reconciled and correct figures to be provided.

Petitioner's Response:

This is to submit that the Petitioner has computed treatment of controllable and uncontrollable factors as per BERC MYT Distribution Regulations 2021. The same has also been mentioned in para 3.25.2 of the Petition extract of which is produced below:

> *3.25.2 Further, in the BERC MYT (Distribution) Regulation, 2021, the Hon'ble Commission has directed the Petitioner to share the gains/losses on accounts of controllable and uncontrollable factors in the following manner:*
>
> *10.1 The approved aggregate gain or loss to the Distribution Licensee on account of uncontrollable factors shall be a pass through, as an adjustment in the tariff of the Distribution Licensee, as specified in these Regulations and as may be determined in the Order of the Commission passed under these Regulations.*
>
> *…*
>
> *…*
>
> *11.1 The approved aggregate gain or loss to the Distribution Licensee on account of controllable factors shall be dealt with separately for aggregate gain and aggregate loss in the following manner:*
>
> *(a) Aggregate gain:*
>
> > *(i) Two-third of the amount of such gain shall be a pass through as an adjustment in the tariff of the Distribution Licensee, as specified in these Regulations and as may be determined in the Order of the Commission passed under these Regulations*
> >
> > *(ii) The balance one-third of the amount of such gain shall be on account of Distribution Licensee and such amount shall be utilized at the discretion of Distribution Licensee.*
>
> *(b) Aggregate Loss:*
>
> > *(i) One-third of the amount of such loss shall normally be a pass through as an adjustment in the tariff of the Distribution Licensee as specified in these Regulations and as may be determined in the Order of the Commission passed under these Regulations, provided the Commission is satisfied that such loss is not on account of deliberate action of the Distribution Licensee;*
> >
> > *(ii) The balance two-third of the amount of such loss shall be on account of Distribution Licensee.*

Based on the above, the Petitioner has computed the Gains and losses in Table 44- Net ARR and revenue gap for FY 2022-23 wherein the **Petitioner has considered the normative A&G expenses of Rs 339.17 Cr without considering Smart Prepaid meter rental expenses**, however, the total A&G expenses is Rs 383.38 Cr which has been shown in Table- 26 (A&G expenses for FY 2022-23) of the Petition. So, the Petitioner did not consider the Smart Prepaid meter rental expenses of Rs 44.21 Cr in Table-44 of the Petition.

The reason behind considering the normative A&G expenses of Rs 339.17 Cr without considering Smart Prepaid meter expenses is expenses were not taken into account as the time of computation of A&G norm for the MYT control period of FY 2022-23 to FY 2024-25 in the Tariff Order dated 25.03.2022. This has also been mentioned in the Petition in para 3.17.4 as shown below:

> *3.17.4.4 Accordingly, the A&G computed for 2022-23 (True-up), is shown in the table below:*
>
> *…..*
>
> *In addition to the A&G expense of Rs.339.17 Crore as computed above; the petitioner has additionally claimed rental charges for smart prepaid meter to the extent of Rs. 44.21 crores based on monthly rental per meter and the consideration of meter installed. It is worthwhile to mention that the Petitioner has considered the monthly rental of INR 86.23 per meter which is as per the order of the Hon'ble Commission in Case No. 05/2020. These expenses were not taken into account as the time of computation of A&G norm for the MYT control period of FY 2022-23 to FY 2024-25 in the Tariff Order dated 25.03.2022.*

Further, for ready reference of the Hon'ble Commission the revised computation of Table-44 and Table-45 of the Petition is provided in additional submission to the Tariff Petition.

Query-17:

Category wise number of Consumers, connected load and Energy sales actual for the 1st half of FY 2023-24 i.e., for the period April to September 2023 are to be provided.

Petitioner's Response:

This is to submit that the category wise number of consumers, Connected load and Energy sales actual for the 1st half of FY 2023-24, i.e., for the period April to September 2023 are provided in ***Annexure-17***.

Query-18:

What are the Category wise percentage of growth rate considered for projecting number of consumers, category-wise specific consumption per consumer considered for projecting Energy sales and category wise average connected load per consumer considered for projecting category-wise connected load for FY 2023-24 are to be provided.

Petitioner's Response:

This is to submit that the category wise percentage of growth rate considered for projecting number of consumers, category-wise specific consumption per consumer considered for projecting Energy sales and category wise average connected load per consumer considered for projecting category-wise connected load for FY 2023-24 have been shown in the Revenue Model submitted as part of the Tariff Petition. It has been clearly shown in the "Analysis form input sheet".

With easy reference to the Hon'ble Commission the same has been produced below:

Sr. No	Category of Consumers	Growth rate for number of consumers	Growth in Specific consumption per consumer	Average connected load per consumer
1	**Domestic**			
A	**Kutir Jyoti**	2%	2%	3%
B	**DS I Rural**	6%	1%	1%
C	**DS II Demand Based**	3%	2%	1%
D	**DS III**	5%	2%	1%
A	**NDS I - Metered Now Demand Based**	3%	4%	1%
B	**NDS II - Demand Based**	5%	1%	
i	Contract Demand <0.5 kW	5%		1%
ii	Contract Demand >0.5 kW	5%		
3	**Street Light Services**			
A	**SS Metered**	7%	3%	1%
B	**SS Unmetered**	7%	3%	1%
4	**Irrigation & Allied Services**			
A	**IAS I**			
i	Unmetered	10%	2%	1%
ii	Metered	18%	2%	1%
B	**IAS II**			
i	Metered (Now Demand Based)	1%	2%	1%
5	**Public Service Connections**			
A	**Public Water Works**	7%	2%	1%
B	**Har Ghar Nal**	5%	2%	1%
6	**Low Tension Industrial Services**			
A	**LTIS I (0-19 kW)**	6%	2%	1%
B	**LTIS II (>19 kW - 74 kW)**	4%	2%	1%
7	**LT Electric Vehicle Charging Station**	15%	2%	0%
8	**HT-General**			
A	**HTS (General)- I (11 kV)**	3%	2.00%	1.00%
B	**HTS (General)- II (33 kV)**	14%	2%	1.00%
C	**HTS (General)- III (132 kV)**	0%	1%	1.00%
D	**HTS (General)- IV (220 kV)**		2%	1.00%
E	**HTSS – (33 kV/11 kV)**	0%	2%	1.00%
9	**HT-Industrial Services**			

Sr. No	Category of Consumers	Growth rate for number of consumers	Growth in Specific consumption per consumer	Average connected load per consumer
A	HTIS (Industrial) – I (11 kV)	5%	2%	1%
B	HTIS (Industrial)– II (33 kV)	5%	2%	1%
C	HTIS (Industrial) – III (132 kV)	5%	2%	1%
D	HTIS (Industries)-IV (220 kV)	5%	0%	1%
E	HTIS (Oxygen Manufacturers)	5%	2%	1%
10	Railway Traction Services			
A	RTS		21%	0%
11	HT Electric Vehicle Charging Stations.	0%		2%

Query-19:

The actual distribution loss in FY 2022-23 is 15.18%. What is the rational in projecting the higher distribution loss at 16.00% in FY 2023-24.

Petitioner's Response:

This is to submit that the Monitoring Committee for RDSS constituted under Chairmanship of Secretary (Power), Govt of India, in its 9th meeting held on 28.04.2022, has approved the Action Plan and Loss Reduction DPR of the Petitioner under Revamped Distribution Sector Scheme (RDSS). Accordingly, the Monitoring Committee approved 22% for AT&C losses for the Petitioner for FY 2022-23. However, the Petitioner with its constant efforts towards improving its overall performance able to achieve 19.12% AT&C losses in FY 2022-23. Accordingly, actual distribution losses of 15.18% have been considered in FY 2022-23 and the same is also reflecting in the audited books of the Petitioner.

However, for FY 2023-24 the Petitioner has considered the Distribution losses as per the RDSS trajectory. Furthermore, it is pertinent to mention here that Ministry of Power vide its letter reference No.24/3/3/2019-PFC(MoP)- Part (2)-E-263367 dated 28th August, 2023 requested the Hon'ble Commission to adopt the AT&C loss trajectory for tariff determination in accordance with the trajectory agreed by the respective State Government and approved by the Central Government (under RDSS). The extract of the said letter is as follows:

> *Under Rule 20 of the Electricity Rules, it has been prescribed that the AT&C loss reduction trajectory adopted by the SERC for tariff determination shall be in accordance with the trajectory agreed by the respective State Governments and approved by the Central Government.*
>
> *….*
>
> *It has been brought to the notice of the Central Government that BERC has adopted a*

different trajectory than the one prescribed under the Rules. ***This is a violation of the Rules and therefore an offense under the Law. I have been directed to request you that the BERC may adopt the trajectory in accordance with the Rules and correct the tariff accordingly****.*

The Hon'ble Commission may kindly take into consideration the aforesaid letter dated 28th August, 2023 from MoP and pleading made by the DISCOMs to consider the AT&C losses trajectory approved in the Sanction letter and DPR of RDSS and accordingly consider the Distribution losses of the Petitioner for FY 2023-24 and FY 2024-25.

Query-20:

Central Transmission loss is considered as 3.14% based on latest 52 weeks average. Copies of the same are to be provided.

Petitioner's Response:

This is to submit that the copies of 52 weeks of interstate losses for FY 2023-24 are provided in ***Annexure- 20***.

Query-21:

The following details of new sources of power purchase (para 4.6.6) to be provided.

S. No.	Name	Capacity (MW)	Expected Date of Commissioning	Capacity allotted to Bihar (MW)
1	North Karanpura Unit-II	295		
2	Buxar TPP Unit -I	561		
3	SECI - Phase II (ACME Deoghar/ Dhaulapur)	150		
4	SBE (Renewable) SECT-Phase V	330		
5	SJVN Ltd (BREDA)	200		
6	Avada (BREDA)	50		

Petitioner's Response:

This is to submit that the above details have already been shared in para 4.6.6 of the Petition. The capacity of the Plants as shown in the Petition is same as the capacity allocated to Bihar. For easy reference of the Hon'ble Commission the details are again produced below:

4.6.6 New Sources: The power purchase for the new sources has been considered based on the commissioning status received from generators and CEA reports. Some of the new plants that are scheduled for Commissioning in FY 2023-24 are as follows:

S. No	Name of Unit	Expected COD	Capacity allocated to Bihar (MW)	Plant type
1	*North Karanpura Unit II*	Jan-24	295	Thermal
2	*Buxar TPP U1*	Mar-24	561	Thermal
3	*SECI Phase-II Solar (ACME Deoghar/ Acme Dhaulapur)*	Mar-24	150	Solar
4	*SBE Renewable (SECI Phase-V)*	Mar-24	330	Solar
5	*SJVN Ltd (BREDA)*	Nov-23	200	Solar
6	*Avada (BREDA)*	Mar-24	50	Solar

Query-22:

Why Energy is not projected in FY 2023-24 from new sources viz., SECI Phase- II solar (ACME Deoghar/ Dhaulapur) to be clarified.

Petitioner's Response:

This is to submit that the expected date of the commissioning of SECI Phase- II solar (ACME Deoghar/ Dhaulapur) **is 31.03.2024** and the same has also been submitted in the Petition. So, no energy has been projected in FY 2023-24 from the said plant.

Query-23 to 25:

23. The following discrepancies noted in Table no.52 (Power Purchase projected for FY 2023-24) are to be clarified.

a) **For New Sources viz., SECI Phase-II solar and SBE Renewable (SECI Phase V) energy projections are not shown.**
b) **For SBE Renewable (SECI Phase V) only share allocation of 151.80 MW is shown but energy from it is not shown.**

c) From PTC JITPL and PTC SKS Power Share allocation of 57.50 MW and 34.50 MW are shown but no Energy from these sources is projected.

d) Share allocation of capacity (MW) from the central, State and IPP sources considered are different from the capacity allocation (MW) of actual shown for FY 2022-23.

Reasons to be provided.

24. The following discrepancies noted in Table 55 (Power Purchase cost projections for FY 2023-24) are to be clarified.

a) For North Karanpura Unit III and Buxar TPP unit II, no Energy drawl is shown but fixed charges of Rs.7.58 Crore and Rs.179.51 Crore are shown.

25. For the Central Sector Stations, State and IPP stations the allocation of power to the state in MW may be provided in the following format for FY 2023-24

Petitioner's Response:

Query-23

a) & b) For New Sources viz., SECI Phase-II solar and SBE Renewable (SECI Phase V) energy projections are not shown as the expected date of Commissioning **is 31.03.2024**, So, the energy has been shown in FY 2024-25.

c) Share allocation from PTC JITPL and PTC SKS Power is shown inadvertently as these sources have been discontinued after December 2022. There is no impact on cost as no fixed or energy charges have been shown against these plants.

d) Share allocation of capacity (MW) from the central, State and IPP sources considered are same as from the capacity allocation (MW) of actual shown for FY 2022-23. Where there are some minor changes the same is due to change in share allocation from the Ministry of Power. The revised Share allocation letters are being submitted as ***Annexure- 23***.

Query-24

The revised Power Purchase cost and quantum is submitted along with this response to the queries of the Hon'ble Commission.

Further, this is to submit that the Hon'ble Commission vide Order dt. 23.06.2023 in Case No. 12/2023 in the matter of "Petition for approval on Procurement of 150 MW Power from Unallocated Quota of various regions on RTC basis in the Month of May 2023" accorded its Regulatory approval on procurement of 150 MW power by Bihar allocated by Ministry of Power, Govt. of India from Unallocated Quota of various regions on RTC basis from 00:00 hrs. of 03.05.2023 to 24:00 hrs. of 31.05.2023. The relevant extract of the Order is as follows:

> *"This commission observes that the state of Bihar has made efforts by way of sending request to the MoP for changing the allocation from RTC to peak hour only and seeing no response in this direction, deal locate the entire 150 MW power thus allocated to it on RTC basis was requested. This was accordingly done by the MoP vide its letter dated 30.05.2023 and no dispatch was done after 31st May 2023**. In between 52.34 MU power was dispatched to Bihar for a total billed amount of Rs. 21.95 Cr.** The average cost of power availed under the aforesaid allocation from 3rd May 2023 to 31st May 2023 comes to Rs 4.19 per KWh which is less than the average rate of power purchase approved in MYT Tariff order for FY 2023-24.*
>
> ***Considering the facts, figures & circumstances mentioned above, Commission accords its Regulatory approval on procurement of 150 MW power allocated by Ministry of Power, Govt. of India** from Unallocated Quota of various regions on RTC basis from 00:00 hrs. of 03.05.2023 to 24:00 hrs. of 31.05.2023. The Petition is accordingly disposed off."*

As above, the Hon'ble Commission approved the power purchased from unallocated quota of 52.34 MU (28.26 MU- SBPDCL and 24.08 MU- NBPDCL) with power purchase cost of Rs 21.95 Cr (11.85 Cr- SBPDCL and 10.10 Cr- NBPDCL). Accordingly, the Petitioner has now considered the impact of power purchase from unallocated quota for FY 2023-24.

Further, in compliance to the Hon'ble Commission's Order dt. 09.11.2023 in the matter of "Petition seeking regulatory approval on Procurement of 107.751 MW and 51.520 MW Power allocated by ERPC, MoP, GoI vide letter dated 20.10.2023 from Farakka-I & II and Kahalgaon-I respectively on RTC basis" wherein the Hon'ble Commission has allowed regulatory approval on procurement of 159.271 MW power (107.751 MW from Farakka STPS Stage I & II units and 51.520 MW from Kahalgaon STPS stage I units of NTPC) on Round The Clock (RTC) basis wef Oct, 2023, the Petitioner has considered the procurement of power from Farakka-I & II and Kahalgaon-I as per the Regulatory approval, i.e., 107.751 MW from Farakka STPS Stage I & II units and 51.520 MW from Kahalgaon STPS stage I units.

So, the revised Power Purchase for FY 2023-24 has been submitted as Additional submission with this response to queries. The same has been captured in the revised excel Tariff Models submitted with this submission.

Query-26:

The Share allocation letters of Ministry of Power/Eastern Regional Power Committee may be furnished for FY 2023-24.

Petitioner's Response

The Share allocation letters of Ministry of Power/Eastern Regional Power Committee for FY 2023-24 are provided in ***Annexure-26***. It is pertinent to mention here that the information pertaining to the Share allocation to Bihar is being provided in the Public Domain by the Eastern Region Power Committee (ERPC) and the same may be fetched through their website, i.e., https://erpc.gov.in/

Query-27:

Furnish month wise minimum, maximum and average demand vis-ä-vis availability and shortfall / surplus status of MW and MU, so that realistic approval may be accorded for FY 2023-24.

Petitioner's Response

Month wise minimum, maximum and average demand vis-ä-vis availability and shortfall / surplus status of MW and MU for FY 2023-24 has been provided in ***Annexure-27***.

Query-28 to 29:

28. The source wise actual power purchase month-wise from April 2023, to September, 2023 along with Fixed charges, Energy charges, Miscellaneous charges etc., is to be furnished.

29. The source-wise, month-wise from October, 2023 to March, 2024 power purchase projected showing the share allocation (MW), PLF and Auxiliary consumption etc., considered to be provided.

Petitioner's Response

This is to submit that the source wise actual power purchase month-wise from April 2023, to September, 2023 along with Fixed charges, Energy charges, Miscellaneous charges etc. and the source-wise, month-wise from October, 2023 to March, 2024 power purchase projected showing the share allocation (MW), PLF and Auxiliary consumption etc. has already been provided in the Power Purchase Model submitted as part of the Tariff Petition. Further, for easy reference of the Hon'ble Commission revised Power Purchase Model is again submitted along with all the excel Tariff Model as part of this response to the queries of the Hon'ble Commission.

Query-30:

For FY 2023-24, how fixed cost (Rs in Cr) and energy cost (Rs. / kWh) are considered for central, state and IPP sources of power purchase. If they are as approved by CERC, extract of relevant orders of CERC to be provided.

Petitioner's Response

This is to submit that the fixed and energy cost for Central, State and IPP sources of Power Purchase have been considered based on the following:

- The actual energy charges and fixed cost of the power stations has been considered based on actual 6 months data (April to September) for FY 2023-24.

- The impact of increase in variable cost of the Plants due to coal blending has been considered while determining the power purchase cost in FY 2023-24. Ministry of Power vide its Letter No. 23/13/2021-R&R (Pt-l) dated 26.03.2022 has allowed at least 10% coal blending. Further the MoP issued Advisory dated 25.10.2023 which allowed blending of imported coal up to 6% till March 2024.

- In view of the above, 10% increase in Variable charges has been considered over the actual six months' cost of FY 2023-24 and 4% increase in fixed charges has been considered over the actual fixed cost of FY 2022-23.

- Further, in view of the change in methodology of computation of Transmission charges as have been increased 10% with respect to that approved by the Hon'ble Commission for FY 23-24 in MYT Order dated 23.03.2023.

- The details of new plants has been considered as per information available with the Petitioner.

The above have been mentioned in detail in the Tariff Petition under Clause 4.9 "Power Purchase Cost". The same has again been produced below for kind reference of the Hon'ble Commission:

4.9 Power Purchase Cost

4.9.1 The power purchase cost mainly comprises of fixed charges and energy charges for two-part tariff stations i.e., NTPC, NHPC & PTC in case of Petitioner. The Petitioner has considered the actual energy charges and fixed cost for these power stations based on actual 6 months data for FY 2023-24.

4.9.2 Ministry of Power vide its Letter No. 23/13/2021-R&R (Pt-l) dated 26.03.2022 has informed the following:

> *"It has been observed that due to sharp increase in electricity demand some areas, in the country, are facing power shortage. With soaring power demand, the generation needs to be maximised. Efforts have been made to increase the supply of domestic coal; however, there is still a gap between the requirement of coal and the supply of coal, because of which the coal stock at the generating stations are depleting at a worrisome rate. The gap in demand and supply of domestic coal is anticipated to continue in next few months.*

Looking into the emergent situation due to rise in demand and non-adequate supply of domestic coal, all States and Gencos based on domestic coal have been directed vide letter dated 28th April, 2022 (copy enclosed at Annexure-I) to import at least 10 percent of their requirement of coal for blending. The States were advised to give timely clearance to IPP's, wherever required in the PPA for blending of imported coal. It was also mentioned in the letter that procurement of coal must be done in a transparent manner to obtain competitive rates.

……

Ministry of Power (MOP) have also issued the direction under Section 107 of the Electricity Act, 2003 on 18.05.2022 (copy enclosed at Annexure-Ill) to CERC to take suitable action to allow higher amount of blending with imported coal. Copy of this direction was sent to all state governments and SERCs/JERCs with the request to take similar appropriate action.

….

In the light of the present emergent circumstances, and in continuation of the directions to import coal for blending, using the powers under Section 11 of the Act, it is hereby directed that:

……..

This direction is for coal imported for blending by such domestic coal-based power plant up to 31.03.2023"

4.9.3 As above, the MoP has accepted there is sharp increase in electricity demand some areas and the country is facing power shortage. There is a gap between the requirement of coal and the supply of coal, because of which the coal stock at the generating stations is depleting at a worrisome rate. And the gap in demand and supply of domestic coal is anticipated to continue in next few months. To fulfil the requirement of coal the MoP allowed imported coal for blending by such domestic coal-based power plant up to 31.03.2023.

4.9.4 Further, due to variable monsoon rainfall in H1 of FY 2023-24 compared to the corresponding period of FY 2022-23, hydro generation has dropped by almost

11%. Therefore, in order to ensure uninterrupted power supply across the country, MoP issued Advisory dated 25.10.2023 which allowed blending of imported coal up to 6% till March 2024. Accordingly, the Petitioner has considered the impact of increase in variable cost of the Plants due to coal blending while determining the power purchase cost in FY 2023-24 and FY 2024-25 in this Tariff Petition.

4.9.5 Due to the impact of coal blending the variable cost of the Thermal Power Plants increased upto as high as 50% with respect to the cost prevailing in April. Further, the variable cost continues to increase at a much higher rate for Quarter-II of FY 2022-23 as compared to Q-I.

4.9.6 Transmission charges have been increased 10% with respect to that approved by the Hon'ble Commission for FY 23-24 in MYT Order dated 23.03.2023.

4.9.7 Petitioner has considered the new plants as per information available with the Petitioner. The new plants for which cost details are not available, the cost break-up of similar capacity plants has been considered for projection.

Query-31:

In the table no. 704 (Revenue for FY 2023-24) the expected Revenue from sales of SLDC deviation (226.92 MU), Sugar Mills (5.67 MU), Solar Companies (0.63 MU), IEX through PTC (2177.12 MU), IEX through BSPHCL are not shown. The expected Revenue from these to be provided)

Petitioner's Response

This is to submit that the SLDC deviation, Sugar Mills and Solar companies' sales is to be considered based on the actual data. However, due to inadvertent error the Petitioner has projected has shown the same for FY 2023-24 as well. Although in the revenue model submitted as part of the Tariff Petition the same has not been considered and has no impact on the revenue.

So, the Hon'ble Commission is requested to kindly ignore the Sale shown SLDC deviation, Sugar Mills and Solar companies for FY 2023-24.

Further, the Petitioner has shown Power traded through exchange (surplus power) in FY 2023-24 and FY 2024-25. The revenue of this surplus power is considered at Rs 5/kWh as per the actual rate during the FY 2022-23 wherein the surplus power has been sold at Rs 5/kWh. So, the corresponding revenue form this surplus power is Rs 1566.03 Cr that has been deducted from the net ARR. The Petitioner requests the

Hon'ble Commission to approve the energy balance based on above calculations for FY 2023-24.

Query-32:

Revenue shown in Table 704 is Rs.14,241.99 Crore, whereas the same is shown as Rs.14,226.90 Crore in Table 715 (Sl.no.23). Discrepancy is to be clarified.

Petitioner's Response

This is to submit that due to some inadvertent error the revenue shown in Table-704 was shown as Rs 14,241.99 Cr whereas the same should be as per Table-715, i.e., Rs 14,226.90. The revised submission of Table-704 is provided in **Additional submission to the Tariff Petition submitted along with this response to the queries.**

Query-33 to 35:

33. It is stated vide para 5.3.10 (I) that the number of consumers for FY 2024-25 are projected considering the figures as on September 2023 and thereafter an appropriate growth rate across the categories is to be considered.

a) Category wise number of consumers as on 30.09.2023 to be provided.

b) Category wise growth rates considered for projecting number of consumers for FY 2024-25 and on which base figures considered is to be provided.

34. It is stated vide para 5.3.10 (III) that the average connected load per consumers has been taken as per the actual data of previous year for projecting category wise connected load for FY 2024-25.

The category-wise average connected load (Kw) considered for projecting the connected load for FY 2024-25 to be provided.

35. It is stated vide para 5.3.10 (IV) that the Energy sales are projected by considering an average consumption per consumer per month and then multiplying with projected number of consumers.

The category wise average consumption per consumer per month considered is to be provided.

Petitioner's Response

This is to submit that the Category wise number of consumers as on 30.09.2023 is provided as ***Annexure- 17***.

Further, category wise percentage of growth rate considered for projecting number of consumers, category-wise specific consumption per consumer considered for projecting Energy sales and category wise average connected load per consumer considered for projecting category-wise connected load for FY 2024-25 have been shown in the Revenue Model submitted as part of the Tariff Petition. It has been clearly shown in the "Analysis form input sheet".

Query No.: 36

(a) The average consumption per consumer per month for kutir Jyoti is working out to be 55.66 units (Table 76), against the norm of 50 units.

(b) The average connected load per consumer for Kutir Jyoti is working out to 253 units against the norm of 250 units.

Revised figures considering the norms to be provided.

Petitioner's Response

The projection has been made as per the past data. Further, it is to clarify that the excess consumption of more than the norm of 50 units has been considered as per the tariff applicable for DS-I category. The bifurcated details of the same is given hereunder:

Consumption slabs (Kutirjyoti)	Sales (MU)	Fixed charges (Rs Cr)	Energy Charges (Rs Cr)	Total Revenue (Rs Cr)
First 50 Units	2632.74		1992.98	1992.98
51-100 Units	298.07		225.64	225.64
Total	**2930.81**	**105.31**	**2218.62**	**2323.93**

Query No.: 37

Details of AT&C loss as approved under RDSS for FY 2023-24 & FY 2024-25 to be provided in the following format:

	Particulars	FY 2023-24	FY 2024-25
1	Distribution Loss (%)		
2	Billing Efficiency (%)		
3	Collection Efficiency (%)		
4	AT&C loss (%)		

Petitioner's Response

The AT&C losses along with the bifurcation of Distribution losses, Collection efficiency and Billing efficiency have also been provided in the Tariff computation sheet submitted as part of the Tariff Petition. However, again for the easy reference of the Hon'ble commission the details are as follows:

Particulars	FY 2023-24	FY 2024-25

Billing Efficiency	83.40%	85.45%
Collection Efficiency	97.12%	98.30%
Distribution Loss	16.60%	14.55%
AT&C Loss	**19.00%**	**16.00%**

Query No.: 38

Details of the New Sources of power purchase shown for FY 2024-25 to be provided in the following table:

S.No	Name	Capacity (MW)	Capacity allocated to Bihar (MW)	Expected date of commissioning
1	Barh Stage-I unit II	381		
2	North Karanpura Unit III	295		
3	Buxar TPP unit	561		
4	Adani Green Energy	600		
5	Greenko Energy Pvt. Ltd	210		

Petitioner's submission

This is to submit that the above details have already been shared in para 5.7.3 of the Petition. For easy reference of the Hon'ble Commission the details are again produced below:

5.7.3 The following plant addition has been considered by the Petitioner in FY 2024-25:

Table 2:Upcoming Plant Addition in FY 2024-25

S. No	Name of Unit	Expected COD	Quantum to Bihar (MW)	Plant type
1	*Barh Stage I Unit III*	Mar-25	381	Thermal
2	*North Karanpura Unit III*	Jul-24	295	Thermal
3	*Buxar TPP U2*	Jun-24	561	Thermal
4	*Adani Green Energy*	Jul-24	600	Solar
5	*Greenko Energy Pvt. Ltd. (SECI Hybrid)*	Jul-24	210	Solar

Query No.: 39

Surplus Energy of 3375.04 MU is arrived in Energy Balance (Table 80) and Power Purchase of 1511.98 MU from PTC (IEX) at a rate of Rs.10.02 per unit is projected (Table 82).

When there is such huge surplus energy available from various sources, why Energy purchase from PTC(IEX) at a higher rate of Rs.10.02 per unit is projected to be explained.

Petitioner's Submission

This is to submit that the Petitioner has shown Energy surplus of 3375.04 MU on overall yearly basis for FY 2023-24, however, it has been observed that in some time blocks during August to September the Petitioner has deficit. To cater the energy demand, the Petitioner need to purchase power from the Power Exchange.

The Petitioner further submits that scheduling/power procurement is always done strictly following the BERC (Power Purchase and Procurement Process of Licensee) Regulations, 2018, which mandates meeting the consumer demand on block-to-block basis following MoD/ least cost principle.

Since there has been gap in Demand and availability in the past, the DISCOMs were left with no other options but to rush for purchasing power from spot market.

Query No.: 40

a) Very low capacity (MW) are considered for FSTPP-I&II and KHSTPP-I in FY 2023-24 and FY 2024-25 as shown below.

Source	FY 2022-23		FY 2023-24		FY 2024-25	
	MW	MU	MW	MU	MW	MU
FSTPP-I&II	214.30	1185.69	49.57	886.83	49.57	252.12
KHSTPP-I	151.79	911.39	23.70	581.28	23.70	128.87

Abnormal PLFs for FSTPP-I&II and KHSTPP-I are considered at 204.25% as 279.99% in FY 2023-24 for projecting energy. Reasons for the above discrepancies to be clarified.

b) For NPGCL also different capacities are considered as shown below.

Source	FY 2022-23		FY 2023-24		FY 2024-25	
	MW	MU	MW	MU	MW	MU
NPGCL	721.44	4726.19	754.23	4973.56	772.09	3850.08

Whether additional capacity (MW) is allocated from NPGCL in FY 2023-24 & FY 2024-25 to be furnished.

c) Similarly for SECI Green Infra capacity increased from 46 MW (in FY 2023-24) to 138 MW (in FY 2024-25) and for Alfanar capacity increased from 23 MW (in FY 2023-24) to 138 MW (in FY 2024-25).

Any additional units are commissioned, or any additional capacity is allocated from these sources to be clarified.

d) For North Karanpura Units II & III (capacities each 295 MW) allocation is considered at 105.50 MW only (at 35.76% shown instead of 46%).

Petitioner's Submission

a) In compliance to the Hon'ble Commission's Order dt. **09.11.2023** in the matter of "Petition seeking regulatory approval on Procurement of 107.751 MW and 51.520 MW Power allocated by ERPC, MoP, GoI vide letter dated 20.10.2023 from Farakka-I & II and Kahalgaon-I respectively on RTC basis" wherein the Hon'ble Commission has allowed regulatory approval on procurement of 159.271 MW power (107.751 MW from Farakka STPS Stage I & II units and 51.520 MW from Kahalgaon STPS stage I units of NTPC) on Round The Clock (RTC) basis wef Oct, 2023, the Petitioner has considered the procurement of power from Farakka-I & II and Kahalgaon-I as per the Regulatory approval, i.e., 107.751 MW from Farakka STPS Stage I & II units and 51.520 MW from Kahalgaon STPS stage I units.

   So, the revised Power Purchase for FY 2023-24 and FY 2024-25 has been submitted as Additional submission with this response to queries. The same has been captured in the revised excel Tariff Models submitted with this submission.

b) There has been some change in the share allocation of Thermal Power Plants. The Share allocation letters of Ministry of Power/Eastern Regional Power Committee for FY 2023-24 are provided in ***Annexure-26***.
   Further, the revised Power Purchase for FY 2023-24 and FY 2024-25 has been submitted as Additional submission with this response to queries. The same has been captured in the revised excel Tariff Models submitted with this submission.

c) Due to inadvertent error, the share allocation of M/s Green Infra and M/s Alfanar has been computed in FY 2024-25. The share allocation of M/s Green Infra and M/s Alfanar may kindly be considered same as considered in FY 2023-24, i.e., 100 MW for M/s Green Infra and 50 MW for M/s Alfanar at Bihar level. The revised allocation has been captured in the revised excel Tariff Models submitted with this submission. It is pertinent to note that there would be no impact on the Power Purchase cost as only Energy cost is involved while computing the Power Purchase cost of RE projects.

d) This is to submit that for North Karanpura Units II & III (capacities each 295 MW) allocation is considered at 46% for NBPDCL and 54% for SBPDCL. The same has been considered while computing the Power Purchase cost for FY 2023-24 and FY 2024-25.

Query No.: 41

Revenue at existing tariff is shown as Rs.15772.02 Crore in Table 99, whereas the same is shown as Rs.15743.65 Crore in Tables 100 & 102. Discrepancy is to be clarified.

Petitioner's submission

This is to submit that due to some inadvertent error the revenue shown in Table-99 was shown as Rs 15,772.02 Cr whereas the same should be as per Table-100& 102, i.e., Rs 15,743.65. The revised submission of Table-99 is provided in Additional submission to the Tariff Petition submitted along with this response to the queries.

Query No.: 42

Gross Power Purchase is shown as 24614.59 MU for FY 2024-25 (para 6.6.5) whereas the same is 24412.96 MU as per table no. 79,80 and 82. Correct table figure to be provided.

Petitioner's submission

The revised table under para 6.6.5 is as follows:

Gross Power Purchase (MU)	24,412.96
Less: PGCIL Loss (MU)	661.46
Net Power Purchase (MU)	23,751.50
Power Purchase Cost including PGCIL Charges (Rs. Crore)	14,193.47
Average Power purchase Cost	5.98

Query No.: 43

As stated in Para 6.3.2 under Network cost, the Network cost has to be apportioned according to the sales volume in each of the Voltage. But in para 6.6.8 the network costs are allocated in proportion to energy input at that voltage level. Reasons for deviation in methodology adopted to be clarified.

Petitioner's submission

This to submit that the Petitioner has worked out the voltage wise cost of per unit supply based on the methodology followed by the Hon'ble Commission in the tariff order dated 25th March 2022. Accordingly, the Petitioner has apportioned the network cost among the consumers of various voltage level i.e., 220/132 kV, 33 kV, 11 kV and LT levels, equitably on pro-rata basis.

Query No.: 44

Gross Power Purchase is shown as 63301.49 MU (Table no. 152) whereas the same works out to 53071.65 MU (24412.96 + 28658.69).

Petitioner's submission

The revised table under para 8.3.2 is as follows:

Gross power purchase (MU)	53,071.64
Less: PGCIL loss (MU)	1,459.64
Net power purchase (MU)	51,612.01
Power purchase cost including PGCIL charges	30,855.38
Average power purchase rate	**5.98**

Query No.: 45

In table no.153, Transmission charges are considered as Rs.0.38 Ps/Kwh whereas the same are Rs.0.44 Ps/Kwh in Table no.152.

Similarly, APPC is shown as Rs.5.98 Ps/Kwh in Table no.153 whereas the same is Rs.5.07 Ps/Kwh vide table no.152.

Revised tables with correct figures to be provided.

Petitioner's submission

The revised table for Cross Subsidy Surcharge computation with 0.38 Ps/kWh is as follows:

	Tariff	**APPC**	**Intra-state Transmission Loss**	**Transmission Charge**	**33 kV**	**11 kV**		**20% of applicable tariff**	**CSS**
132 kV	10.44	5.98	3.00%	0.38	0	0	3.90	2.09	2.09
33 kV	11.05	5.98	3.00%	0.38	0.01	0	4.50	2.21	2.21
11 kV	11.05	5.98	3.00%	0.38	0.01	0.01	4.49	2.21	2.21
HTSS	10.44	5.98	3.00%	0.38	0.01	0	3.89	2.09	2.09

Query No.: 46

The petitioner has proposed reactive charges at 10 paise per KVAH for FY 2024-25 stating that the same is based on the actual rate of Reactive Energy charge billed by ERPC. The supporting data i.e., copies of bills by ERPC to be provided.

Petitioner's submission:

The Petitioner in the Tariff Petition has submitted that the rate of Reactive Charges proposed by the DISCOMs is based on the actual rate of Reactive Energy Charge billed by ERPC and its escalating trend over the past few years. The actual reactive charge of 16.5 paise/kVArh as per the reactive energy bills prevailing in September 2023 is provided herewith as ***Annexure-46***.

Further, the Petitioner has already submitted the actual Bills pertaining to the Reactive Energy Charges along with the Tariff Petition. The Hon'ble Commission is kindly requested to approve the rate as projected by the DISCOMs for FY 2024-25.

Query No.: 47

The details of how the total Connected demand for FY 2024-25 at 27561.215 KW and overall Demand charges for FY 2024-25 at Rs.6033 Crore are worked out in the table vide para 8.3.2 to be provided.

Petitioner's submission:

This is to submit that the total Connected demand for FY 2024-25 at 27561.215 KW is the sum of connected demand of both the DISCOMs as projected for FY 2024-25. Similarly, the overall Demand charges of Rs.6033 Crore is the sum of Fixed Charges of both the DISCOMs as projected for FY 2024-25.

Query No.: 48

The Petitioner has not provided any details for determining the Congestion charges of Open Access consumers. The same are to be provided.

Petitioner's submission:

The Petitioner in the Petition has submitted that as per the BERC Open Access Regulations, 2021 the Hon'ble Commission has allowed other charges as determined by the Commission. The relevant extract of the Petition is as follows:

8.8 Congestion Charges

8.8.1 As per regulation 25 of the BERC Open Access Regulations, 2021

"25. Other Charges

In addition to the above charges, the regulatory charges, ***congestion charges*** *and any other charges imposed by Central Commission and/or State Commission shall be payable by the open access customers."*

8.8.2 In view of the same the Hon'ble Commission is requested to determine and approve congestion charges for Open Access Consumers in order to mitigate the issues related to transmission and distribution of power.

So, the Hon'ble Commission is kindly requested to determine and approve congestion charges for Open Access Consumers in order to mitigate the issues related to transmission and distribution of power. **Moreover, it is worthwhile to mention that the arrangement of Congestion charges is not prevailing in any states.**

Further, CERC has issued Regulation named as "**Central Electricity Regulatory Commission (Measures to relieve congestion in real time operation) Regulations, 2009**" and amendments thereof, wherein congestion charge is defined has provided hereunder.

> *"**Congestion charge**" means the supplementary charge kicked in on **one or more Regional entities in one or more Regions for transmission of power from one Region to another or from one State to another within a Region** when the deviations from the schedule cause the net drawal of power in the inter-regional or intra-regional transmission links to go beyond the Total Transfer Capability limit;*

Further, it is evident from the aforesaid CERC Regulation that Congestion charges is based on Total Transfer Capability (TTC), Available Transfer Capability (ATC) and Transmission Reliability Margin (TRM) which are determined by NLDC in consultation with CTU.

NLDC is required to perform **transmission system reliability studies for the summer, monsoon, winter and pre-winter/post winter** (when the all-India demand is least) scenarios for peak and off-peak**, to determine the TTC** of its system.

Further, NLDC and/or concerned RLDC, may **revise the TTC , ATC and TRM due to change in system conditions**, which includes change in network topology or change in anticipated active or reactive generation or load, on account of outage or otherwise, of one or more generators or transmission lines, at any of the nodes in the study.

Example: As per CERC Order dated 17.03.2010, **the congestion charge determined was Rs.5.45 per unit which was applicable for all regions**. The levy of congestion charge came into force with immediate effect and to remain in force till further order of the Commission. **The basis for determining Rs.5.45 per unit is explained hereunder:**

- CERC in its order notifying the congestion charge regulations said the rate of congestion charge was fixed at a rate higher than the difference between maximum unscheduled interchange (UI) charge and UI charge at 50 Hz.
- The maximum UI charge then was Rs 7.35 and UI charge at 50 Hz was Rs 1.92 per unit and the difference worked out to Rs 5.43 per unit.
- Accordingly, the congestion charge was fixed at Rs 5.45 per unit,

Financial Issues

1) Regulatory Accounts for FY 2022-23:

Regulation 14 (b) specify true up of expenses shall be on the basis of expense estimates made in the beginning of the year under consideration, actual expenses booked in the audited books of accounts of the Distribution Licensee for the year, and after prudence check of data by the Commission.

Regulation 3.1(4) specify "Audited accounts" for the purpose of these regulations means (Audited) Regulatory Accounts prepared in accordance with BERC (Power Regulatory Accounting) Regulations, 2018

Regulation 3.1(6) specify "Books of Accounts" means Regulatory Books of Accounts drawn up in accordance with BERC (Power Regulatory Accounting) Regulations, 2018 Regulatory accounts along with audit certificate may be furnished.

Petitioner's Response

Regulation 3.1(4) of BERC MYT Regulation, 2018 mandates the DISCOMs to prepare Regulatory Accounts in accordance with the BERC (Power Regulatory Accounting) Regulations, 2018, however, it is to bring to kind attention of the Hon'ble Commission that currently nowhere in India similar kind of accounting practice is being followed. Hence, the State DISCOMs are not able to derive any insight on how to start with the process of regulatory accounting. Under such circumstances the DISCOMs are constrained in preparation and submission of regulatory accounting. Further, guidance from Hon'ble Commission is also required in arriving at the methodology and template formats for preparing the Regulatory Accounts as may be required by the Hon'ble Commission. In this regard Discoms have earlier prayed to the Hon'ble Commission. In view of above, it is further prayed to the Hon'ble Commission, that the omission of Regulatory Accounts from the submissions made under the tariff filing process is condoned and the audited books of accounts submitted, may be considered for admittance of tariff petitions.

2). Opening Balances (CWIP, GFA, Depreciable assets and Grants): Opening balances in respect of GFA, CWIP, Depreciable value of assets, Grants, adopted in the tariff petition for FY 2022-23 are not in agreement with the closing balances approved in true up for of FY 2021-22in Tariff Order dated 23.03.2023. The details are given hereunder:

Particulars	Closing balances approved in truing up for FY 2021-22 in TO dated 23.03.2023	Opening balances adopted in the petition for FY 2022-23
CWIP	2773.36	1703.52
GFA	21009.39	21541.25 (as per accounts 21462.11)
Depreciable value of Assets (excl. land	19961.24	20492.71
Value	12011.42	11755.28

Grants		

It is observed that the opening balances of GFA and CWIP are adopted based on opening balances reflected in the annual accounts for FY 2022-23. The audited accounts include Ind AS 101 as discussed in the Tariff order dated 25.02.2019 (Para 4.14). The petitioner shall adopt opening balances based on the closing balances approved in true up for FY 2021-22 in Tariff order dated 23.03.2023.

The Commission has been emphasizing the point year on year during the course of process of tariff petitions; however, the licensee is repeating the same inaccuracy in the tariff petitions.

Petitioner's Response:

The Petitioner hereby submits that Ind AS – 16 Property, Plant and Equipment defines carrying cost as the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated impairment losses. As such, the value of Property, Plant and Equipment have been taken at their carrying value and not at the historical cost and hence, there is a difference in the opening balance adopted in the tariff petition for FY 2022-23 with the closing balance of 2021-22 approved in Tariff order dated 23.03.2023. The petitioner hereby contends that by adopting closing balances approved in truing up for FY 2021-22 in TO dated 23.03.2023, there will be complete deviation from the books of accounts. The petitioner further states that it has adopted the opening balance of equity and loan for FY 2022-23 as per the closing balance approved by the Hon'ble Commission for FY 2021-22. However, the matter regarding adoption of opening balances is pending with the APTEL. In case the decision comes in the favour of NBPDCL, the opening and closing balances of all the preceding years will change accordingly.

Further, it is submitted that due to double capitalization in the head of land and land rights hence (1.18) difference in discard of asset.

Furthermore, it is submitted relating to GFA that there were double capitalization during FY 2021-22 of INR 1172.36 Crore (given in statutory Audited Report). The DISCOM has not claimed the same double capitalization in tariff Petition and reduced its depreciable gross block by INR 1172.36 crore.

3). Assets capitalised:

According to Note 2 of audited annual accounts for FY 2022-23, the assets capitalised are at Rs.1168.39 crore. However, additions to GFA is considered at Rs.1062.61 crore (Table 20) in the petition. The differences may be reconciled and actual values reported duly indicating the direct additions to the GFA without routing through the CWIP.

Petitioner's Response:

The Petitioner hereby justifies the difference of INR 105.78 Crore (1168.39 - 1062.61 = 105.78) as explained below.

The total assets reversal through inter unit against doble capitalization of GFA for FY 21-22 is INR 1251.50 Crore; out of which INR 1172.36 Crore has already been adjusted during the tariff petition of

FY 22-23 and rest of INR 79.15 Crore (105.78 – 26.62 = 79.15 Crore) has been adjusted in addition of GFA during the financial year FY 22-23. The details table is provided below:

Rs in Lakhs

Particulars		**As per Tariff Petition**	**As per Audited Accounts**	**Difference**
		1	**2**	**3=1-2**
Closing balance as on 31.3.2022	1	21,533.79	22,706.16	-1,172.37
Opening balance as on 01.04.2022	2	21,541.25	21,462.11	79.14
Difference	**3=1-2**	**-7.46**	**1,244.04**	**-1,251.51**
Additon During FY 2022-23	4	1,062.61	1,168.39	-105.78
Reversal / Adjustment during the FY 2022-23	5	42.39	69.01	-26.63
Closing balance as on 31.03.2023	**6=2+4-5**	**22,561.48**	**22,561.49**	**-0.01**

4). <u>Asset disposal/sale/transfer</u>:

Note 2 of accounts depict assets disposal/sale/transfer at Rs.69.01 crore, however, in the petition (Table 20) Rs.42.39 crore is considered. Same may reconciled and actual values reported along with the reasons.

Petitioner's Response:

The Petitioner hereby submits that the difference of Rs.26.62 Crore (69.01-42.39=Rs.26.62 Cr) is on account of overstatement of addition as well as reversal of assets during FY 2022-23. However, this does not impact the closing balance of the GFA as well as the net block of assets.

5). <u>Depreciation (Table 21)</u>:

For computing the depreciation, the asset additions during the year (excluding value of land) is considered at Rs.1063.79 crore, whereas under the GFA (Table 20) the total . additions are considered at Rs.1062.61 crore (including value of land). The values may be reconciled and correct values reported.

Petitioner's Response:

The Petitioner hereby submits that for computation of depreciation the cost of land and land rights is not included in the GFA. This is as per the BERC MYT Regulation 2021. The key extract of the same is provided below:

23. Treatment of Depreciation.—

(a) Depreciation shall be calculated for each year of the control period on the original cost of the fixed assets of the corresponding year.

…..

*Provided that f**reehold land shall not be treated as a depreciable asset and its cost shall be excluded**…*

6). <u>Depreciation (Table 21)</u>:

Calculation sheet for computing weighted average rate of depreciation of 4.83% on opening assets and 4.80% on additions during the year may be furnished.

The audited accounts (Note 2) depict depreciation at Rs.1062.41 crore and withdrawal of depreciation at Rs.39.82 crore. In form 15 of the petition the depreciation is shown at Rs.1028.74 crore and withdrawal of depreciation is shown at Rs.14.80 crore.

The values may be reconciled and correct values reported.

Petitioner's Response:

The Petitioner hereby submits that referring the table No.21 of the Petition, depreciation for the year of FY 22-23 is computed at INR 1013.94 Crore and average GFA is computed at INR 21,003.41 Crore. Therefore, the Weightage average rate of depreciation on opening assets is computed as 4.83% (1013.94 / 21,003.41 = 4.83%).

Further, In the same table, depreciation for GFA on grant is computed at INR 567.14 Crore and average grant is computed as INR 11,826.84 Crore. Therefore, the Weightage average rate of depreciation on addition of assets is computed as 4.80% (567.14 / 11,826.84 = 4.80%).

In reference to format 15 of the Petition, the Petitioner submits that the difference in depreciation based on accounts vis-à-vis format 15 is on account of reversal of assets against insurance claimed.

7). <u>Funding of capitalisation</u>:

Funding of capitalisation depicted in Table 19 (Grants, Equity and loan) is not in conformity with the source of funding as per the working sheet furnished in support of format 11 of the tariff petition.

Petitioner's Response:

The Petitioner hereby submits that the capitalization depicted in table 19 (Grants, Equity and loan) is INR 1062.61 Crore, whereas the source of funding as per the working sheet in support of format 11 of the petition is INR 1062.57 Crore. The Petitioner submits that the difference of INR 0.04 Crore is on account of direct capitalization without routing from any scheme under CWIP.

8). Norms:

No. of Substations existing as on 31.3.2023 are at 606 (approved in truing up for FY 2021-22 in TO dated 23.03.2023). No. of SS claimed 628 in true up for FY 2022-23 i.e., 22 new substations are added in FY 2022-23. Details of the same may be furnished showing name of the SS, Date of commissioning/put to use along with certificate from the competent authority for record.

Petitioner's Response:

The Petitioner hereby submits that the details of 22 nos. of new substations added in FY 2022-23 is enclosed herewith as **Annexure-8 NB.**

9). Rental charges for Smart prepaid meter Rs.44.21 crore:

The Commission order dated 25.04.2023 in case no.05/2020 has ordered as follows:

"6. Order

1. *In view of above stated facts and circumstances, installation of 23.50 Lacs Smart Pre-Paid Meters is allowed, at a monthly meter rent of Rs.86.23/- as deliberated under Commission 's analysis paragraph 3.2(ii)(G)to the paragraph 5 above, which is subject to variation on account of;*

   i) Budgetary support for smart metering project to be received from Government.

   ii) Any change in cost, information, and quantitative data, which are basis of derivation of such monthly meter charges for the eight years of project life.

2. *Such expenses of smart metering solutions may be allowed as a part of A&G expenses over and above the norms specified under MYT Order, subject to following conditions which are to be met by Discoms / Licensees;*

a) *Statutory Auditors certificate showing allocation of audited expenses like Meter reading and Bill Distribution cost, Collection Franchisee Commission, Replacement of Defective meters or any other expenses incurred on consumers without Smart Meters for determination of initial base value of such A&G norms by the Commission. The certificate shall also mention same expenses incurred after implementation of smart prepaid meter;*

b) *Discoms shall provide quarterly Statement of reduction of AT&C losses in respect of Consumer Group, separately for each Division, who are supplied electricity by Smart Meters.*

c) *Commission, satisfies about prudency and correctness of above expenses, and it is practical to allow such smart prepaid metering cost (after netting off above expenses) as a part of A&G expenses over and above the norms specified under MYT Order;*

d) *Separate Statement of realization from sale of power for prepaid metered consumers is prepared as a part of audited account showing at least, number of consumers, connected load, revenue from sale of energy and unit sold in KWh.*

e) *Discoms shall inform Commission about prudent utilization plan of employees who would become free from metering, billing and collection activities post smart meter installation.*

3….

4…..

The petitioner is directed to submit the information as required above in order to consider the rental charges for smart prepaid meters in truing up for FY 2022-23.
Further, information relating to the claim of Rs.1.74 crore for FY 2021-22 may also be furnished.

Petitioner's Response:

The Petitioner hereby submits that DISCOMs are continuously evolving on account of several measures and schemes / programs initiated by the central or state Government. The implementation of Prepaid smart metering under RDSS is expected to enhance the operational efficiency of DISCOMs thereby helping them in proving financial sustainability.

Further, the Petitioner submits that Prepaid smart metering installation are undertaken in the phase wise manner in the state. The meter installation schedule is designed in such a way that more or less the Prepaid smart meters are installed uniformly across all the divisions at any point of time. This is resulting into gradual improvement in performance of almost all divisions without any specific division getting improved significantly at the cost of others. Therefore, it is evident that recognizable benefits due to Prepaid smart metering shall be experienced after some time.

Moreover, the Petitioner submits that in addition to the expected tangible benefits of Prepaid smart metering, it has provided several intangible benefits to the consumers and DISCOMs.

Point wise reply to the above points are as follows:

a) Regarding the statutory auditors certificate showing allocation of audited expenses like Meter reading and Bill Distribution cost, Collection Franchisee Commission, Replacement of Defective meters or any other expenses incurred on consumers without Smart Meters for determination of initial base value of such A&G norms by the Commission this is to submit that the Annual Audited Accounts containing all the above components are certified by the statutory auditors and are submitted to the Hon'ble Commission along with the Tariff Petition.
b) Regarding quarterly statement of reduction of AT&C losses in respect of Consumer Group, separately for each division, who are supplied electricity by Smart Meters, this is to submit that to assess the impact of Smart Metering on the DISCOM's revenue, a comprehensive study was conducted in three towns- Dalasingsarai, Rosera and Muzaffarpur Urban-1. Smart Meter installation in Dalsingsarai and Rosera Towns achieved full saturation by FY 2021-22 while the Muzaffarpur Urban-1 is likely to achieve full saturation FY end of FY 2023-24. The results are as follows:

FY	Average Monthly paying		
	Muzaffarpur Urban-1	Dalasingsara	Rosera
FY 21-22	58%	63%	61%
FY 22-23	64%	70%	67%
FY 23-24 (upto Sept'23)	81%	75%	73%

Particulars	Muzaffarpur Urban-1	Dalasingsara*	Rosera*
Assessment in FY	42%	60%	64%

Particulars	Muzaffarpur Urban-1	Dalasingsara*	Rosera*
23-24 vis-à-vis FY 21-22			
Increase in revenue in FY 23-24 vis-à-vis FY 21-22	52%	90%	93%

** The changes shown are with respect to FY 18-19.*

d) Regarding separate statement of realization from sale of power for prepaid metered consumers is prepared as a part of audited account showing at least, number of consumers, connected load, revenue from sale of energy and unit sold in KWh, this is to submit that the Smart Meter installation is expected to achieve full saturation in FY 2024-25. So, the DISCOM may kindly be allowed to submit the separate statement of the above parameters in FY 24-25.

e) Regarding information about the prudent utilization plan of employees who would become free from metering, billing and collection activities post smart meter installation, this is to submit that the Metering, Billing and Collection has been outsourced by the DISCOM to the Billing agencies and the DISCOM is likely to achieve reduction in cost after complete installation of the Smart Prepaid meters.

Further, 1.94 is the rental charges of Smart Prepaid Meter claimed by the Petitioner in FY 21-22 which was not approved by the Hon'ble Commission in the True-Up of FY 21-22. The Hon'ble Commission vide Order dt. 08.06.2023 in Case No.- 26/2022 in the matter of approval of Capital Expenditure and Capitalization Plan for the MYT control Period from FY 2022-23 to FY 2024-25 wherein the Hon'ble Commission has allowed the impact of the Capitalization of schemes based on the actual information to be submitted in the True-Up, the Petitioner has considered the impact of CAPEX schemes. As per the directions of the Hon'ble Commission, the Petitioner has considered the actual expenses based on audited accounts of the Petitioner for FY 2021-22 in this Petition. The detailed calculation for INR 1.74 Crore on account of the rental charge has been provided in the Petition.

In view of the above, it is hereby requested that the expenses of smart metering solutions may be allowed as a part of A&G expenses over and above the norms specified under MYT Order regardless of the specified conditions.

10) The rental charge of Rs.44.21 crore is claimed by the petitioner under A&G expenses, however, the same is not factored in to the ARR Table 44.

Petitioner's Response:

This is to submit that the Petitioner has computed treatment of controllable and uncontrollable factors as per BERC MYT Distribution Regulations 2021. The same has also been mentioned in para 3.25.2 of the Petition extract of which is produced below:

3.25.2 Further, in the BERC MYT (Distribution) Regulation, 2021, the Hon'ble Commission has directed the Petitioner to share the gains/losses on accounts of controllable and *uncontrollable factors in the following manner:*

10.1 The approved aggregate gain or loss to the Distribution Licensee on account of uncontrollable factors shall be a pass through, as an adjustment in the tariff of the Distribution Licensee, as specified in these Regulations and as may be determined in the Order of the Commission passed under these Regulations.

…

…

11.1 The approved aggregate gain or loss to the Distribution Licensee on account of controllable factors shall be dealt with separately for aggregate gain and aggregate loss in the following manner:

(a) Aggregate gain:

> *(i) Two-third of the amount of such gain shall be a pass through as an adjustment in the tariff of the Distribution Licensee, as specified in these Regulations and as may be determined in the Order of the Commission passed under these Regulations*
>
> *(ii) The balance one-third of the amount of such gain shall be on account of Distribution Licensee and such amount shall be utilized at the discretion of Distribution Licensee.*

(b) Aggregate Loss:

> *(i) One-third of the amount of such loss shall normally be a pass through as an adjustment in the tariff of the Distribution Licensee as specified in these Regulations and as may be determined in the Order of the Commission passed under these Regulations, provided the Commission is satisfied that such loss is not on account of deliberate action of the Distribution Licensee;*
>
> *(ii) The balance two-third of the amount of such loss shall be on account of Distribution Licensee.*

Based on the above, the Petitioner has computed the Gains and losses in Table 44- Net ARR and revenue gap for FY 2022-23 wherein the **Petitioner has considered the normative A&G expenses of Rs 339.17 Cr without considering Smart Prepaid meter rental expenses**, however, the total A&G expenses is Rs 383.38 Cr which has been shown in Table- 26 (A&G expenses for FY 2022-23) of the Petition. So, the Petitioner did not consider the Smart Prepaid meter rental expenses of Rs 44.21 Cr in Table-44 of the Petition.

The reason behind considering the normative A&G expenses of Rs 339.17 Cr without considering Smart Prepaid meter expenses is expenses were not taken into account as the time of computation of A&G norm for the MYT control period of FY 2022-23 to FY 2024-25 in the Tariff Order dated

25.03.2022. This has also been mentioned in the Petition in para 3.17.4 as shown below:

3.17.4.4 Accordingly, the A&G computed for 2022-23 (True-up), is shown in the table below:

…..

In addition to the A&G expense of Rs.339.17 Crore as computed above; the petitioner has additionally claimed rental charges for smart prepaid meter to the extent of Rs. 44.21 crores based on monthly rental per meter and the consideration of meter installed. It is worthwhile to mention that the Petitioner has considered the monthly rental of INR 86.23 per meter which is as per the order of the Hon'ble Commission in Case No. 05/2020. These expenses were not taken into account as the time of computation of A&G norm for the MYT control period of FY 2022-23 to FY 2024-25 in the Tariff Order dated 25.03.2022.

Further, for ready reference of the Hon'ble Commission the revised computation of Table-44 and Table-45 of the Petition is provided in additional submission to the Tariff Petition.

11) Expenses for FY 2022-23 (Note 32):

The actual A&G expenses reported through audited accounts depict substantial increase in the expenses over the previous year ie.2021-22 under the following heads of expenditure:

No.	Particulars	FY 2022-23	FY 2021-22	Increase	% Increase
		c		E=C-D	F=E/D*100
1	Meter reading & bill distribution	127.13	79.15	47.98	61%
2	Computer billing	8.36	4.01	4.35	108%
3	Franchisee commission	84.53	74.68	9.85	13%

It can be observed, expenses under the above expenditure heads has increased substantially. Implementation of smart prepaid meters and benefits in terms of savings under the above heads may be reported along with reasons for increase.

Petitioner's Response:

The Petitioner hereby submits that increase in expenditure of Meter reading & bill distribution in FY 22-23 as compared to FY 21-22 is on account of two factors:

1) Rate for Meter reading & bill distribution, payable to the agency, has increased.

2) The number of consumers has increased from 113.82 lakh in FY 21-22 to 119.49 lakh in FY 22-23.

It is worthwhile to mention that the expenditure on computer billing is on account of nos. of transactions undertaken. Since, the number of consumers has increased in FY 22-23 as compared to FY21-22, therefore, expenditure on computer billing has increased accordingly.

Further, increase in expenditure of Franchisee commission in FY 22-23 as compared to FY 21-22 is because the rate for RRF has increased in FY 22-23 as compared to FY 21-22. For example: The rate of spot billing and bill distribution has increased from Rs.6.39 per consumer per month plus taxes to Rs.12.15 per consumer per month plus taxes. Both the LOA has been enclosed herewith as **Annexure-11 NB** for reference.

Further, it is to submit that the Petitioner has considered A&G expenses in True-Up of FY 2022-23 as per the Regulatory norms irrespective of the actual A&G expenses as per the audited accounts of the Petitioner.

12) Expenses for FY 2022-23 (Note 32):

The audited accounts depict Rs.44.40 crore under Miscellaneous expenses. Details may be reported.

Petitioner's Response:

The Petitioner hereby submits that the details of miscellaneous expense of INR 44.40 Crore for FY 22-23 is enclosed herewith as **Annexure-12 NB.**

13) Expenses for FY 2022-23 (Note 32):

The audited accounts depict Rs.5.11 crore under Call Centre service expenses. The expenditure has increase substantially over the previous year (Rs.1.38 crore). Reasons may be reported.

Petitioner's Response:

The Petitioner hereby submits that the call center service is on account of number of calls handled and issues resolved. There has been increase in number of consumers in FY 22-23 as compared to previous FY 21-22 and also large number of smart meter installation has also been increased. The number of Customer Care Agents has been also increased to handle the large call volume and also the PRI Lines. Therefore, the expenditure on call center has been increased accordingly.

In this regard, the requisite documents (for both SBPDCL and NBPDCL) are enclosed herewith as ***Annexure-13*** for kind reference of the Hon'ble Commission.

Further, it is to submit that the Petitioner has considered A&G expenses in True-Up of FY 2022-23 as per the Regulatory norms irrespective of the actual A&G expenses as per the audited accounts of the Petitioner.

14).Employee expenses for FY 2022-23 (Note 29):

The audited accounts depict Rs.141.09 crore towards Terminal benefits. Details may be provided along with clarification that the amount relates to contribution made towards further benefits of the in-service employees and the amount do not include the payments made to the employees retired from service during the year.

Petitioner's Response:

The Petitioner hereby submits that the cost incurred towards the terminal benefit cost of employee are related to pension, gratuity and leave encashments provisioning amount and is based on actuarial report. The details of the same is attached herewith as **Annexure-14NB.**

Further, the Petitioner confirm that this amount does not include the payments made to the employees retired from service during the year. It is worthwhile to mention that the payment made to the employees retired from service is made through the master trust and not from the Company account.

15) A&G expense:

No. of employees shown in the form 6 is at 4153 for FY 2022-23, 4145 for FY 2023-24 and 4673 (Projected) for FY 2024-25. Net attrition of 528 no. of employees are projected for FY 2024-25. Notice/Board minutes etc. if any in support of the recruitment of employees may be furnished.

The cost of manual working for line and operation maintenance of power grid, etc. . through agency shall form part of R&M expenses. It is evident from the Note 32 of the audited annual accounts, these expenses are booked under R&M — Manavbal expenses Rs.107.19 crore for FY 2022-23. In view the fact, considering no. of employees at 10223 for computing normative A&G expenses shall be justified.

Petitioner's Response:

The Petitioner hereby submits that A&G expense is calculated considering the regular employee expense and contractual employee expense (Manavbal expenses) as well. This is as per the norms stipulated in the BERC MYT Regulations.

16). Prior period adjustment in P&L account:

Note 16.1 of the audited accounts for FY 2022-23 depicts certain adjustments made to P&L account. Details of transactions may be furnished along with the adjustment entries (journal vouchers) for record.

Petitioner's Response:

The Petitioner hereby submits that the details pertaining to prior period adjustment is enclosed herewith as **Annexure-16 NB.**

APR for FY 2023-24:

17)Trial balance:

Showing the head-wise revenue and expenses and assets and liabilities for the 1st half year of FY 2023-24 i.e. from 1.04.2023 to 30.09.2023 may be furnished.

Petitioner's Response:

The Petitioner hereby submits that head-wise revenue and expenses and assets and liabilities for the 1st half year of FY 2023-24 i.e., from 1.04.2023 to 30.09.2023 is enclosed herewith as **Annexure-17 NB.**

Capex and Capitalisation:

18). Capitalization of Rs.1584 crore has been proposed for FY 2023-24. Scheme-wise/workwise status may be furnished.

Petitioner's Response:

The Petitioner hereby submits that the proposed capitalization of INR 1584 Crore for FY 23-24, Scheme-wise/workwise has already been provided in format-11 of the Tariff Petition. Further, the scheme wise status is being provided as ***Annexure-18***.

19). Capex and capitalization achieved during 1st half year of FY 2023-24 may be furnished showing scheme-wise/work-wise details.

The capitalization of works proposed under scheme "Own sources Rs.160.49 crore" and 'State Plan-Others Rs.522.91 crore". Work-wise details and value may be furnished.

Petitioner's Response:

The Petitioner hereby submits that the company is maintaining the books of Accounts through Tally software which is a kind of manual system of accounting. Therefore, for furnishing the details of scheme wise/work wise capex and capitalization can be done through manual system which is a cumbersome and time taking exercise. Furthermore, it is worthwhile to mention that the Petitioner performs the scheme wise/work wise capex and capitalization on yearly basis.

Further, the scheme wise status is being provided as ***Annexure-18***.

20) Smart prepaid meters: Cost of meter is considered at Rs.10342.20/Meter by NBPDCL whereas the meter cost considered by SBPDCL is at Rs.9777.14/Meter. Comparative statement showing technical parameters and cost variance of the both the meters may be furnished for record.

Petitioner's Response:

Smart metering with pre-paid functionality project is a very ambitious project of not only Government of Bihar but also of Government of India. The main objective of the project is to provide correct bill to the consumer in time with a facility make its payment in easy installments as per consumption and also to keep a track on their consumption on real time basis which will facilitate in reduction in wastage of energy.

Approval of Government of Bihar was accorded for implementation of 148 Lakhs smart metering with pre-paid functionalities under both distribution companies in five phases. For implementation of first phase for 26 Lakhs smart pre-paid meters, NIT 24/PR/NBPDCL/2021 was invited by NBPDCL based on QCBS. Six (6) bidders participated in this tender, however, based on the examination of the technical proposal of all six bidders, 3 bidders were found non- responsive. So, price Bid of 3 bidders was opened, out of which M/s Secure Meters Limited has quoted the lowest price and the bidder has been declared as L-1 bidder.

Similar tenders were also invited under SBPDCL though for a lesser volume of work wherein it has also been **found that common responsive bidders of both distribution companies have quoted much higher price than the L1 bidder of NBPDCL**. **M/s Genus Power Infrastructure Limited who is L1 bidder in SBPDCL is non-responsive bidder in NBPDCL as it could not meet the basic minimum technical criteria for higher volume of work in NBPDCL**.

M/s Secure also submitted in its proposal an additional feature of free recharge facility as backup to the main communication, smart prepaid prepayment meter is provided with capacitive touch keypad and Bluetooth, provisioning consumer to punch the recharge coupon or transfer it via Bluetooth, whenever the communication infrastructure goes down. Since smart meter has to be installed mostly in the rural area, this feature will facilitate better reconnection facility to the consumers.

So, keeping in view that the DISCOMs have different terrain, consumer mix, Sales mix and Energy mix, different Bidders participated in the Smart Prepaid tender and different rates were discovered. Due to difference in the above-mentioned parameters, different rates are discovering in different States that are coming up with the Smart Prepaid tenders. The Hon'ble Commission is requested to kindly consider the submission made by the Petitioner.

21) Capital investment scheme of Smart prepaid meters under Phase II and Phase III is not submitted to the Commission for approval. Reasons may be reported.

Petitioner's Response:

The Petitioner hereby submits that installation of Smart prepaid meters under Phase II and Phase III has been planned under RDSS scheme which is under implementation in the state. It is worthwhile to mention that the Action Plan and DPR for RDSS scheme has already been approved by the Ministry of Power, Govt. of India.

Further, the Petitioner in its CAPEX Petition (Case No. 26/2022) in the matter of "Petition for approval of Capital Expenditure and Capitalization Plan for the MYT Control Period FY 2022-2023 to FY 2024-2025 by North Bihar Power Distribution Company Ltd. (NBPDCL)" submitted in detail the Capital investment scheme planned under Phase-II and Phase-III for Smart Prepaid Meters. This

Capital Investment Plan was prepared with a three (3) FYs horizon period from FY 2022-23 to FY 2024-25 as shown below:

DISCOMs	NBPDCL		SBPDCL	
Schemes	Capex	Capitalization	Capex	Capitalization
1. Implementation Plan of Universal Smart Pre-Paid Metering				
FY 2022-23	67.16	67.16	67.83	67.83
FY 2023-24	515.16	515.16	199.60	199.60
FY 2024-25	1719.87	1719.87	707.99	707.99
Total	**2302.19**	**2302.19**	**975.42**	**975.42**

BERC vide Order dt. April 28, 2023, in Case No. 26/2022 and 27/2022 pronounced the final Order in the matter of approval of Capital Expenditure and Capitalization Plan for the MYT Control Period FY 2022-23 to FY 2024-25 wherein the Commission granted in-principal approval for implementation of the CAPEX Plan as per the cost estimate, investment schedule and time schedule indicated hitherto. So, the Commission allowed the impact of the CAPEX to be filed during the True-Up of FY 2022-23 to FY 2024-25.

22). Smart prepaid meters installed each month of FY 2023-24 (upto November 2023) may be reported.

Petitioner's Response:

The Petitioner hereby submits that Smart prepaid metering actually installed up to November 2023 along with the installation plan is enclosed herewith as **Annexure-22 NB.**

23). Holding company expenses:

Represent mainly employee expenses are escalated at 10% over the previous year instead of CPI indexation allowed by the Commission. Reasons reported.

Petitioner's Response: The Petitioner hereby submits that holding expenses for preceding six years are enumerated in the table below:

Particulars	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**	**2017-18**
Holding Company Expenses	23.19	22.55	15.65	21.61	18.06	11.21
% increase in expense over PY	3%	44%	-28%	20%	61%	

Further in MYT order dates 25.03.2021, the Hon'ble Commission has considered CPI inflationary increase of 6.00% for projecting holding company expenses of FY 2021-22 and WPI inflationary increase of 2.42% for projecting holding company expenses of FY 2022-23. It is worth mentioning here that projection of holding company expenses by CPI and WPI inflation is not an ideal basis for projecting holding company expenses, as the Holding Company Expenses represent employee cost, R& M expenses and A&G expenses.

It may further be noted that, even though the year-on-year increase is more than 20%, however, in order to have a conservative approach, the petitioner has considered an average increase of 10%.

ARR for FY 2024-25:

Capex and Capitalisation:

24). Capex Rs.3716.12 crore and Capitalisation of Rs.3991.88 crore is projected for FY 2024-25. 98% of the capex and capitalisation projected is related to RDSS scheme. Cummulative capitalisation of Smart prepaid meter scheme is Rs.2416.69 crore (Rs.350.66 crore in 2023-24 and Rs.2066.06 crore in 2024-25) against the in-principle approval of Rs.2302.19 crore (case no.26 of 2022 dated 28.04.2023) during the entire control period FY 22-23 to FY 24-25 towards implementation plan of Universal Smart Pre-Paid Metering. Reasons for cost escalation may be justified.

Petitioner's Response:

The Petitioner hereby submits that the calculation of cumulative capitalisation of INR 2302.19 Crore during entire control period of FY 22-23 to FY 24-25 for implementation of Smart prepaid meter (in case 26 of 2022) was based on preliminary assessment. Further, the cumulative capitalisation of INR 2416.69 crore (Rs.350.66 crore in 2023-24 and Rs.2066.06 crore in 2024-25) during the entire control period FY 22-23 to FY 24-25 is based on the metering schedule which has changed due to uncontrollable factors. This has resulted into cost escalation for implementation of Smart prepaid meter.