

**Main Text & Formats**

**Submitted to**

**Jharkhand State Electricity Regulatory Commission**

**Ranchi**

**By**

**SAIL, BOKARO**

**Petition to**

**Hon'ble Jharkhand Electricity Regulatory Commission**

**For**

**The approval of Aggregate Revenue Requirement ("ARR")**

**For**

**FY 2008-09, 2009-10 & 2010-11**

**and**

**Determination of Tariff for 2010-11**

**AFFIDAVIT**  
**BEFORE THE JHARKHAND STATE ELECTRICITY REGULATORY**  
**COMMISSION, RANCHI**

Filing No.....

Case No.....

IN THE MATTER OF:

Filing of the Aggregate Revenue Requirement (ARR) for the financial year FY 2008-09, 2009-10 & 2010-11 and Determination of Tariff for FY 2010-11 for the Licensee under Section 61, 62 and 86 of the Electricity Act, 2003

AND

IN THE MATTER OF SAIL, Bokaro

hereinafter referred to as "SAIL, Bokaro" which shall mean for the purpose of this petition the Licensee), a company incorporated under the provisions of the Companies Act, 1956 and having its main office at Bokaro

- Petitioner

## **AFFIDAVIT VERIFYING THE PETITION**

I, Rajendra Pandey, son of Late S.P. Pandey, aged **59** years, residing at Sector- 4C-1146, hereby solemnly affirm and state as follows:

1. I am Dy. General Manager, TE-Electrical, of SAIL, Bokaro the Petitioner in the above matter and am duly authorised by the said Petitioner to make this affidavit.

2. I say that on behalf of SAIL, Bokaro, I am now filing this Petition under The Electricity Act-2003 for approval of the Aggregate Revenue Requirement ("ARR") for FY 2008-09, 2009-10 & 2010-11 and Tariff Petition for FY 2010-11 SAIL, Bokaro for determination of tariffs to be charged by SAIL, Bokaro to its consumers in its Licensed Area in FY 2010-11.

3. I further say that the statements made and financial data presented in the aforesaid Petition are as per records of the Company and abstract from the Company's accounts and on the information received from the concerned officials and believed to be true to the best of my knowledge. Further, all the statements and financial data are based on Accounting figure of 2008-09, 2009-10 & 2010-11 and estimations and correct to the best of my belief.

4. Further, to my knowledge and belief, no material information has been concealed in the aforesaid Petition.

**DEPONENT**

**VERIFICATION**

I, Rajendra Pandey, solemnly affirm that the contents of above affidavit are true to the best of my knowledge and nothing has been concealed there from.

Verified at Bokaro on this 14<sup>th</sup> day of May-2010.

**DEPONENT**

**Witness:**

Sd/- R. Pandey

**BEFORE THE JHARKHAND STATE ELECTRICITY REGULATORY  
COMMISSION, RANCHI**

Filing No.....

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IN THE MATTER OF:

Filing of the Aggregate Revenue Requirement (ARR) for the financial year 2008-09, 2009-10 & 2010-11 and Determination of Tariff for FY 2010-11 for the Licensee under Section 61, 62 and 86 of the Electricity Act, 2003 and as per the regulations of Jharkhand State Electricity Regulatory Commission (JSERC) (Terms and Conditions for Distribution Tariff) Regulation, 2004.

AND

IN THE MATTER OF Steel Authority of India, Bokaro (hereinafter referred to as "SAIL-Bokaro" which shall mean for the purpose of this petition the Licensee), a company incorporated under the provisions of the Companies Act, 1956 and having its main office at Bokaro

## Petitioner

The Petitioner respectfully submits as under: -

1. Steel Authority of India , Bokaro is a company incorporated in the year 1964 under the provisions of the Companies Act, 1956 and is a wholly owned subsidiary of Steel Authority of India, New Delhi. Bokaro Steel City in the district of Bokaro, Jharkhand is contiguous to Bokaro Steel City service area of SAIL-Bokaro.

2. With the Electricity Act 2003 opening the sector for power distribution, as per the provisions of section 14 of Electricity Act 2003, Distribution License has been granted by Hon'ble Jharkhand state Electricity Regulatory Commission to SAIL, Bokaro and in reference to the Hon'able Commission's direction to SAIL-Bokaro to file petition for determination of "Distribution Tariff" for its licensed area, this petition is being filed.

3. The Hon'ble Commission has granted Power Distribution License (No.01 of 2005-06) to SAIL-Bokaro w.e.f. 28.7.2004 for the aforementioned area. Prior to Dated 28.07.2004, SAIL-Bokaro was a sanction holder under Electricity Act 1910, granted by the then State Government and accordingly it began the activity related to distribution of power in the said area.

4. Pursuant to the enactment of the Electricity Act, 2003, SAIL, Bokaro is required to submit its ARR and Tariff Petitions as per procedures outlined in section 61, 62 and 64, of EA 2003, and the governing regulations thereof.

5. FY 2005-06 was the first financial year of operations of the Distribution Business under the Electricity Act 2003. As per the provisions of the regulations governing the determination of tariff for the licensees and the direction, SAIL-Bokaro had filed its first Annual Revenue Requirement & Tariff Petition for FY 2007-08 in February '07. The Hon'ble Commission also directed SAIL, Bokaro to submit its tariff petition for the license area, as per the regulation after separating the accounts of Electricity Business from its main plant account of the Steel Plant for ARR and Tariff purpose.

6. SAIL, Bokaro could not file the petition as it was unable to segregate the accounts of electricity business from its main Plants' accounts. In the meantime the Commission had allowed the provisional tariff, the same that was approved for JSEB with a direction to submit the tariff petition for determination of the ARR for the year 2008-09 with full details vide its order dated 02.11.2007 passed in case no. 10 of 2007-08 (Copy enclosed).

7. Further, the Hon'ble Commission in its order later permitted SAIL, Bokaro to file its ARR and Tariff petition by 19<sup>th</sup> of November 2009. SAIL-Bokaro could not file the ARR and Tariff petition by Nov 2009 as input cost

for power purchased from Damodar Valley Corporation, which is only source of power supply, was under dispute at Appellate Tribunal for Electricity (APTEL), New Delhi. Hence on application dated 23.01.2010, Hon'ble Commission has been requested for further 3 months time for submission, on the assumption that at Hon'ble Tribunal case may be concluded, vide SAIL-BSL letter no TA/DGM/(Elect Maint)/92 dated 22/23 .01.2010.( Copy Enclosed).

8. The power for distribution at SAIL-Bokaro is purchased from DVC, whose generation and transmission tariffs have to be determined by CERC. CERC did determine and notified the tariff for DVC's generation and inter-state transmission tariff on 3.10.2006 effective from 1.4.2006. The CERC order was challenged by DVC before Hon'ble APTEL and the order was remanded to CERC for limited "de novo consideration". The revised order after de-novo consideration was notified by CERC on 6.8.2009, which has been again challenged by DVC at Hon'ble APTEL. Though, The Hon'ble Tribunal pronounced and published order in appeal No. 146 of 2009 on 10.05.2010, yet the tariff determined would still to be made effective by the DVC for their Consumers.

9. In the meantime the DVC continues to bill consumers on the basis of DVC tariff determined in year 2000, which itself is in dispute. DVC claiming that its own tariff of year 2000 is continuing, where as CERC claims that tariff determined and notified by CERC on 3.10.2006 and revised on 6.8.2009 has not been stayed, hence is to be the tariff applicable to all concerned. As such, CERC claims that DVC's tariff cannot be taken as prevailing tariff applicable. This too has created confusion as to what tariff

has to be taken from DVC as input cost for power purchase for distribution business of SAIL-BSL.

10. This present petition is filed before the Hon'ble Commission for approval of the Aggregate Revenue Requirement (ARR) for the financial years FY 2008-09, 2009-10 & 2010-11 and Determination of Tariff for FY 2010-11 for the Licensee as per the Electricity Act 2003 and as per the provisions of the regulations issued by the Hon'ble Jharkhand State Electricity Regulatory Commission (JSERC) Terms and for Distribution Tariff) Regulation, 2004, for the area under its license. The cost of power purchase has been taken as to what was paid to DVC for the power purchase.

11. This application has been prepared in accordance with Section 61, 62 of the Electricity Act 2003 and has taken into consideration the provisions of the JSERC (Terms and Conditions for Distribution Tariff) Regulation, 2004 notified by Hon'ble Jharkhand State Electricity Regulatory Commission.

12. SAIL, Bokaro is filing such a detailed tariff determination application for the first time to the Hon'ble Commission and it has made all out efforts to provide the necessary data in the prescribed formats.

13. SAIL- Bokaro, along with this petition, is submitting the formats with data & information to an extent available and would make available any additional data required by the Hon'ble Commission from time to time.

**Prayers to the Commission:**

The petitioner respectfully prays that the Hon'ble Commission may:

- Examine the proposal submitted by the petitioner as detailed in the enclosed proposal for a favorable dispensation.
- The delay in filing this ARR Petition may please be condoned and the Hon'ble Commission is requested to accept this Petition and process the same.
- Pass suitable orders with respect of the ARR for FY 2008-09, 2009-10 & 2010-11 as proposed by SAIL, Bokaro in this petition amounting to Rs.371.27 crores for FY 2008-09, Rs. 345.67 crores for FY 2009-10 and Rs. 355.06 crores for the FY 2010-11 (projected) along with the relevant operational and financial parameters as proposed in the petition.
- Pass suitable orders with respect to the ARR for FY 2008-09, 2009-10 & 2010-11 for the expenses already incurred by SAIL for serving its consumers and approve treatment of the gap / surplus in the respective years as proposed by SAIL, Bokaro. Accordingly, permit the petitioner to recover the un-covered revenue gap, if any, of FY 2008-09, 2009-10 & 2010-11 through the Tariff being proposed to be

made applicable to the consumers during the FY 2010-11, which may be determined in line with the principles outlined in the Tariff Proposal submitted by SAIL, BOKARO.

- Condone any inadvertent omissions/errors/shortcomings and permit SAIL, BOKARO to add/change/modify/alter this filing and make further submissions as may be required at a future date.
- Pass such further orders, as the Hon'ble Commission may deem fit and appropriate keeping in view the facts and circumstances of the case.

Enclosed please find draft No. 492328 dated 07.05.2010 for Rs.30 lakh (Rupees Thirty lakh) in favour of Secretary, JSERC, Ranchi, as fee to the Hon'ble JSERC for the tariff determination of ARR for the years 2008-09, 2009-10 & 2010-11 and tariff for the year 2010-11. This cost may kindly be reimbursed to us, as Hon'ble Commission may deem fit.

Petitioner

Bokaro

Dated:

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<b>Abbreviations</b>	<b>Abbreviation Description</b>
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A&G	Administration and General
ARR	Aggregate Revenue Requirement, Annual Revenue Requirement
AS	Accounting Standard
CAGR	Compounded Average Growth Rate
CAPEX	Capital Expenditure
CERC	Central Electricity Regulatory Commission
Ckt Km	Circuit Kilo Meter
Crs	Crores
CWIP	Capital Works In Progress
DF	Distribution Franchisee
DNW	Distribution Net Work (of Steel Plant)
DPS	Delayed Payment Surcharge
DS	Domestic Service
DS- HT	Domestic Service High Tension
DVC	Damodar Valley Corporation

EA 2003	The Electricity Act 2003
ETL	Electro technical Laboratory
F&A	Finance & Accounts
FAS	Financial Accounting System
FY	Financial Year
GFA	Gross Fixed Assets
HP	Horse Power
HR	Human Resources
HT	High Tension
IT	Information Technology
JSERC	Jharkhand State Electricity Regulatory Commission
SAIL-BSL	STEEL AUTHORITY OF INDIA LIMITED, BOKARO
KV	Kilo Volt
KVA	Kilo Volt Ampere
KW	Kilo Watt
kWh	Kilo Watt Hours
LF	Load Factor
LT	Low Tension
LTIS	Low and Medium Tension Industrial Power
MD	Maximum Demand
MU	Million Units
MVA	Mega Volt Ampere

MW	Megawatt
NDS	Non-Domestic Service
O&M	Operation and Maintenance
PF	Power Factor
PLR	Prime Lending Rate
PPA	Power Purchase Agreement
R&M	Repairs and Maintenance
RoE	Return on Equity
Rs.	Rupees
SAP	System, Application and Production
SBI	State Bank of India
SERC	State Electricity Regulatory Commission
SLM	Straight Line Method
TOD	Time Of the Day

## **1. Summery**

Steel Authority of India, a Government of India Undertaking, established a steel plant at Bokaro in Bihar, now Jharkhand in 1964. In order to provide electricity to its officers and employees, Bokaro Steel Limited obtained sanction under Section 28 of Electricity Act 1910 from the then Government of Bihar in 1964. Since then it has been distributing electricity to the people living in Bokaro. It was buying power from DVC, another Government of India Undertaking, under PPA. Power so purchased was distributed for plant operation as well as for distribution in Bokaro Steel City for the people staying in the licensed area.

The task of maintaining the township, as a part of its operation, SAIL Bokaro has Town Administration Department under which there are number of wings like Town Electricity, Horticulture, Water Supply, building and roads maintenance etc. Electricity is received from DVC at Main Receiving Substation at Bokaro Steel plant at 132 KV and from there the power is distributed for distribution purpose. All expenses for the complete electrical business was being accounted for in the Plants accounts right from the inception, which was audited by Statutory Auditors and there after by C&AG of India. The requirement of electricity in plant, township and surrounding area, which formed its area of supply under State Government's sanction, was being provided by the plant management.

When Electricity Act 2003 came in to operation, Electricity Act 1910 (under which the sanction was granted) was repealed. SAIL-Bokaro there after applied to JSERC for distribution license. After following the due process, JSERC granted "Distribution License" to SAIL-Bokaro and area of its operation was retained what was sanctioned by the then State Government. Under the new system, the distribution licensee has to keep its accounts separate for electricity business. Management found it difficult to separate the accounts of its electricity business. JSERC issued direction to submit tariff petition along with its accounts of electricity's business. After a long struggle the basis were finalized to extract the accounts of electricity business from Company's main accounts. Even the assets could not be identified. Based on certain assumptions as described below the accounts for the FY 2008-09 was segregated:

**Assumptions made in preparation of electricity accounts out of Plant's main Accounts as no separate accounts are being maintained for electricity business:**

**Balance Sheet Items:**

1. Loan Funds: This is the balancing figure in the balance sheet. The figure is understated as previous year losses have not been considered. This forms the capital for the electricity business.
2. Fixed Assets: The figures appearing here only pertain to TA-Electrical as DNW is not in a position to segregate the assets from the consolidated sheet.

3. Sundry debtors: Since separate debtors for electricity business has not been maintained, ratio of electricity component in bills of 2008-09 has been considered.
4. Current liabilities: Liability for DVC, TA-Electrical has been taken in totality, whereas liability of DNW & ETL has been taken on the assumption that work done by them for Township areas is 12.8% of their total job.
5. Provisions: Provisions have been calculated in the ratio of Employees Remuneration & benefits of electricity business vis a vis Total Employees Remuneration & benefits of BSL.

#### Profit & Loss Account Items:

Income from distribution of electricity: This constitutes of bills raised in electricity business, unbilled units consumed by BSL itself for Township purposes & for the difference of rate levied to employees.

1. Income from distribution of Electricity: This constitutes of bills raised in Electricity business, unbilled units consumed by BSL itself for township purposes & for the difference of rate levied to employees.
2. Employee Remuneration & Benefits: This has been calculated after considering total expenses on this account for TA-Electrical & 12.8% of total expenses on this account for DNW as well as ETL. Expenditure on account of provisions has been made in the ratio of

Employees Remuneration & benefits of electricity business vis a vis  
Total Employees Remuneration & benefits of BSL.

3. Stores & spares consumed: This has been calculated after considering total expenses on this account for TA-Electrical & 12.8% of total expenses on this account for DNW as well as ETL.
4. Power & Fuel: This consists of expenditure of DVC plus electricity duty paid. The figure does not include Rs 39.91 Crores of FCS bill raised by DVC as the same had not been considered in Bokaro Steel Plant Accounts for the year 2008-09.
5. Repair & Maintenance: This has been calculated after considering total expenses on this account for TA-Electrical & 12.8% of total expenses on this account for DNW as well as ETL.
6. Other Expenses: This has been calculated after considering total expenses on this account for TA-Electrical & 12.8% of total expenses on this account for DNW as well as ETL.
7. Deficit of Corporate Office: This has been calculated based on the ratio of Income from Electricity business vis a vis Sales of Bokaro Steel Plant.
8. Interest & finance charges: Working capital interest has been allocated in ratio of Income from Electricity business vis a vis Sales of Bokaro Steel Plant.
9. Depreciation: Assets earmarked by TA-Electrical for electricity distribution has only been considered. As regards DNW & ETL, it is not possible to clearly identify the assets related to electricity distribution of township.

## General Issues:

1. Taxation Matters: Taxation matters have not been considered as the same is being dealt at corporate level. TDS liability, claims for Cenvat,VAT etc has also not been shown as it is difficult to identify the same.
2. Stores & spares inventory: Since separate records for electricity business has not been maintained, it is difficult to identify the inventory lying with BSL for electricity distribution business.
3. Cash & Bank balances: Since separate records for electricity business has not been maintained, it is difficult to identify the cash & bank balances lying with BSL for electricity distribution business.
4. Share capital: Bokaro Steel plant does not have a share capital of its own as it is a unit of SAIL, therefore share capital of electricity distribution business cannot be determined thus the loan provided by SAIL and identifiable assets' cost has been taken as its Capital base.
5. Reserves & Surplus: Since separate records for electricity business has not been maintained, it is difficult to identify the reserves & surplus balances lying with BSL for electricity distribution business.

As the officers and the staff member live in the quarter provided by the Company, electricity is supplied to the quarters through meters fixed in each quarter. But in number of quarters the meter were found in-operational, the Management there after fixed flat rates for the type of quarter and electricity charges were recovered from the pay-roll of the officers and the members of the staff.

Under the provisions of the new Act electricity has to be supplied through good meters, it has been decided to replace all non functional meters. There has been lot of theft of electricity in the adjoining areas by hooking, to safe guard against such theft it has been decided to put under ground cable for the distribution network in such areas. Investments for these purposes have been proposed in next three years (Rs.10.00 crores each year).

## **2 Introduction**

Under Electricity Act 2003, license can be granted for distribution of electricity through their own distribution network, Steel Authority of India Limited, Bokaro(SAIL, BOKARO) is a company incorporated in under the provisions of The companies Act, 1956 and is a wholly owned subsidiary of Steel Authority of India (SAIL). The Bokaro Steel City in the district of Bokaro Jharkhand is contiguous to SAIL, BOKARO's service area, has been incorporated primarily to manufacture steel. The Company, through its town administration provides services like Power Services with own distribution network, Water Supply, Public Health and municipal services.

In line with the provisions of (JSERC) (Terms and Conditions for Distribution Tariff) Regulation, 2004 issued by the Hon'ble Commission, the licensee has to file with the Commission, a tariff with statements containing the expected revenue from the tariff charges including miscellaneous charges and other charges, if any, for the ensuing financial year. The statement should also include the current approved tariff and charges including the miscellaneous charges along with details and explanations of assumptions made.

FY2005-06 was the first financial year of operation of SAIL, BOKARO electricity distribution business in Bokaro Steel City under the new Act

2003. Commission in its order dated 02.11.2007 in case No. 10/2007-08 directed to submit for its approval of ARR and determination of distribution tariff for the Financial Year.

The present petition is filed with the Hon'ble Commission for approval of the Annual Revenue Requirement (ARR) for the financial year FY 2008-09, 2009-10 & 2010-11 and Determination of Tariff for FY 2010-11 for the Licensee.

### **3. Overall Approach for Present filing**

The key aspects of the approach to the filing are as discussed below:

#### **3.1 Annual Revenue Requirement for FY 2008-09, 2009-10 & 2010-11 and Tariff FY 2010-11.**

This section deals with actual performance for FY 2008-09 and takes into consideration the provisional Accounts for FY 2009-10, which are based on audited data / information till 31st March 2009 and provisional account for year 2009-2010. SAIL, BOKARO is filing the petition for the determination of Annual Revenue Requirement 2008-09, 2009-10 & 2010-11 and Tariff for distribution function for the year FY 2010-11 based on the past performance and expected growth in each element of cost and revenue for the ensuing year. SAIL, BOKARO has studied the past trends and other internal and external developments to estimate the projections for FY 2010-11. Separate extracted accounts for the year 2007-08 could not be prepared as such SAIL-BSL is approaching the Hon'ble Commission with extracted accounts for the year 2008-09 and 2009-10.

#### **3.2 Allocation of Assets and Costs**

The entire budgeting and maintenance of accounts in Bokaro Steel Plant is centralized and all the cost of all services provided are accounted for in the Plant's accounts. For the purpose of the filing this petition the cost, expenditure and revenue collected have been obtained from the Plant's

main account. The power is received from the generating company, DVC, in the main plant and from there, Power is provided for town distribution keeping in view the ratio of power purchased for the Plant and what is passed for Town distribution system. The cost of operation at that level have been allocated in that ratio. The cost data has been captured by SAIL, BOKARO through the Financial Accounting System maintained and separate cost centres that have been created, through which identification of directly allocable expenditures has been provided for. In case of expenditures which are of common in nature, the same has been apportioned on logical basis keeping in view the generally accepted accounting norms and principles which are explained at appropriate places.

**Table 1: Allocation of Cost**

<b>Items</b>	<b>Assumption with its rationale</b>
<b>HR</b>	<b>Direct cost of employees working in power distribution, employees of other department working for this section specially for maintenance based on the percentage of cost of that department.</b>
<b>O&amp;M cost</b>	<b>Cost of providing the service direct cost as well as percentage basis if from other wings of the plant</b>
<b>Legal cost</b>	<b>Cost of legal serviced which could be allocated to distribution service.</b>
<b>HQ cost.</b>	<b>Based on the percentage of above three cost out of the total expenditure, HQ expenditure is allocated to distribution services.</b>
<b>Power Cost</b>	<b>Out of the total supply received from DVC and quantum passed on for distribution purpose. Percentage of the power passed for distribution, cost too has been allocated on the same percentage.</b>
<b>Depreciation</b>	<b>Depreciation of the power receiving station of the plant is shared on the same ration as of power purchase and passed on for distribution.</b>

### 3.3. Performance of SAIL, BOKARO

In this section SAIL, BOKARO outlines its actual performance for FY 2008-09, 2009-10 & 2010-11 and projections for Year 2010-2011. The capital projected cost for improving the efficiency has also been taken into account.

Table No. 2

	2007-08	2008-09	2009-10	2010-11 projected
Total power purchase in MU	982.917	987.740	1000.757	1021.00
Total cost of power purchase in lakhs of Rs.	30344.16	308,45.639 lakhs	280,21.196 lakhs	285,88.00 lakhs
Cost of power used in plant	22024.70	224,70.77 lakhs	205,21.196 laakhs	
Billed amount from consumers other than plant in lakhs of Rs.	1957.78	1986.59	2055.81	
Total collection from consumers other than plant in Lakhs of Rs.	1900.40	1765.35	1850.73	
Un-realised amount paid by Company for above in Lakhs of Rs.	57.38	221.24	205.08	
Capital project to be undertaken to improve collection in lakhs of Rs.	nil	nil	nil	10,00.00

SAIL-BSL has been purchasing power from DVC under a PPA, DVC the Generator under Government of India, had been charging as per the tariff fixed by it in September 2000, according to which the energy charge has been @ Rs.1.63/kwh plus Fuel Surcharge Cost and Rs. 365/- per KVA/month.

### 3.4 Energy Sales

The sale of energy for last two years and projection for 2010-11 is given below. It was noted that the total number of company quarter remained the same, number to employees as gone down BUT the consumption has gone up. This shows the pattern of increasing trend per quarter. In many of the company quarters the meter is either not working or malfunctioning which lead to fixation of units consumed in each type of quarter. IT is felt that this system of power supply through large scale defective meters is not correct as it increases the waste of energy and discourages efficient use of electricity. Thus it has been decided to replace all non-functioning meters in phased manner with new one and distribution network also needs to be augmented to avoid tapping or hooking.

Whereas the Total price paid for the total procurement of Energy from DVC for the year 2008-2009 amounts to Rs 308.45 crores/- ( Rs . Three hundred eight crores and forty five lakhs.)

**Table 3**

#### **Financial Year 2008-2009.**

Catergory	No of consumers	Units Consumed ( Th. Units)	Energy Charges Billed ( Th. Rs)
(a)DS-II,0-200 U/m	23000	35000	47250
(b)DS-II,200-400 U/m	14000	49000	72310
© DS-II < 400 U/m	271	2603	4491
DS-HT	4	6380	12760

Catergory	No of consumers	Units Consumed ( Th. Units)	Energy Charges Billed ( Th. Rs)
LT-IS	40	431	1465
NDS-II	1371	14769	50215
HT/LT Utilities	Various	70453	199900
T& D Loss	33%	89193	-----
Subtotal		267829	38,83,91
Plant supply		720217	224,70,77
Grand Total		987740	263,54,68

In addition Rs 12169440/- ( Rs one crore twenty one lakh sixtynine thousand four hundred forty ) has been collected as fixed charges.

Table 4.

Financial Year 2009-2010.

Catergory	No of consumers	Units Consumed ( Th Units)	Energy Charges Billed ( Th Rs)
(a)DS-II, 0-200 U/m	22500	34200	46170
(b)DS-II,200-400 U/m	14400	50400	74376
© DS- II < 400 U/m	371	3563	6146
DS-HT	4	6500	13000
LT-IS	40	431	1465
NDS-II	1423	15351	52193
HT/LT Utilities	Various	68285	193748
T& D Loss	32% of town	88910	-----
Subtotal		267640	38,70,98
Plant supply		733113	205,27,16.4
Grand Total		100753	243,98,14.00

In addition Rs 12231840/- ( Rs one crore twenty two lakhs approx) have been collected as fixed charges.

## ENERGY SALES in year 2009-2010

In the year 2009-2010, month wise Energy allocation/consumption and energy procurement from DVC are presented in table below:

Table No. 5

Month / Energy	Energy purchased from DVC ( Th. Kwh)	Energy supplied to plant ( Th. Kwh)	Energy supplied TA Network (Th. Kwh)
April 09	64624.712	42215	22410
May 09	79284.746	55906	23378
June 09	75254.147	52374	22880
July 09	80390.473	56551	23839
Aug 09	82305.089	59355	22950
Sept 09	90860.793	69242	21618
Oct 09	88248.774	65413	22836
Nov 09	95393.053	73535	21858
Dec 09	86465.791	62905	23560
Jan 10	77750.638	55050	22700
Feb 10	79328.427	60388	18940
March 10	100850.841	80179	20671
Total	1000757.484	733113	267640

During the years 2008-09 and 2009-2010, Consumer-wise energy consumption and energy billed are presented in the table below.

### 3.5 Categorization of Consumers:

At present SAIL-BSL is recovering from the consumers the tariff allowed by Hon'ble JSERC according to which following are the categories and the tariff prevailing:

Table 6.

Sl.No	Category	Tariff rate	Fixed charge	Remarks
1	DS I Domestic upto 200kwh	Rs.1.35/kwh	Rs.20/- per connection /month	There is no rural area under its jurisdiction with BPL consumers hence no Kutir Jyoti tariff
2	DS II Domestic upto 400 kwh	Rs.1.70/kwh	Rs.20/per connection per month	
3.	DS III above 400 kwh	Rs.1.70/kwh	Rs.40/-per connection per month	
4.	DS HT	Rs. 1.50/kwh	Rs 30/ KVA/ month	
5.	LTIS	Rs.3.50/kwh	Rs.60/HP/ month	
6.	NDS	Rs.3.60/kwh	Rs. 100/ per kW	
7.	HT	Rs.4.00/kwh	Rs. 140/ KVA / month	
8	Utilities	Rs.3.50/ kwh	Rs. 20/ connection / month	

The collection from the tariff has been as under:

Table 7.

Year	Amount billed in lakhs of Rs	Collection in lakhs of Rs..
2007-08	239,82.48	239,25.10
2008-09	244,57.36	242,36.12
2009-10	225,82.97	223,78.50

For the year 2010-2011 onwards SAIL-BSL proposes to have new categorization of consumers on the lines as under: This has been proposed with a view that Electrical Energy is recognized now as most convenient energy tool for all round development of all sectors of society. Further this has helped in faster development of social structure. Large no of Energy efficient tools/ machinery are now easily available in the market and its use should be encouraged. Modern Electrical tools can encourage conservation of electrical energy, which should be encouraged. SAIL-BSL proposes that wastage must be brought to the minimum, if it can not be eliminated completely. It is also of importance to note that Electrical Energy, at present, is largely generated from non-renewable Fossil Fuels, which is depleting at very fast rate. Conservation of Fossil Fuel is seen essential for energy stability of the country. Generation from renewable sources is still very expensive and limited in our country.

**Table 8. New Categorisation of Consumers proposed:**

S.N	Category	Type of consumers covered ( the list is indicative only)
1	DS-I	All consumption for only Domestic Consumers consuming up to 200 Kwh / month
2	DS-II	All consumption for only Domestic Consumers consuming up to 400 Kwh / month
3.	DS-III	All consumption for only Domestic Consumers consuming more than 400 Kwh / month
4	LT- Industrial/ Commercial services	Low Tension Industrial or Commercial Consumers like Flour mills, Oil Mills, Atta chakki, dal Chakki, Haulers, Spellers, Consumers using arc welding sets, Electric motors, Private Institutions like Schools/ Nursing homes/ Institution/ Hospitals, Banks, Institutional Offices, Office cum residence, Mandirs / masjids / gurudwara , etc, Mobile towers, Temporary connections for celebrations, Construction sites,
5	HT- Industrial/ Commercial services	HT Industrial or Commercial Consumers like Flour mills, Oil Mills, Private Institutions like Schools/ Nursing homes/ Institution/ Private Hospitals, Banks, Institutional Offices, Office cum residence, Mandirs / masjids / gurudwara , Cinema Halls, Construction sites etc,
6	D S- HT	Colonies taking HT supply for Domestic purposes only like Housing colonies, Multi storied buildings, Housing Complexes
7	HT-DS (Composite)	Housing Colonies taking supply where domestic as well as commercial/ industrial consumers are supplied Energy.
8	HT/LT Utilities & Services	Consumers taking power for public utility such as Street lights, water supply arrangements, area illumination, High mast illumination. Government Schools, Government Hospitals, Community Centers

Projections for the Financial Year 2010-11 are based upon the projected increase in demand for the current consumers as well as estimated increase in sales through addition of new consumers in the network based

on above categorization of consumers. The projected connected load has been derived based on present connected loads, load under process and load expected from fresh applications for each consumer category.

BSL has to pay money in advance to DVC for power procurement for the energy. However the recovery from consumers at large is made on the basis of billing in the following month. These results in gap of 3 to 4 months between the money spent on power purchase and money recovered from power sale. It would have been appropriate to charge at least one month estimated bill value as security deposit from consumers. A token interest free security deposit money is thought to be proposed to be recovered from these consumers in days ahead. Part of month shall be considered as full month for the purpose of calculation of security deposits, meter charges and fixed charges.

Following recoveries are proposed in this tariff :

**Table 9. Proposed fixed charge recoveries**

Category	Fixed charges/month	Meter charges/month
DS I	Rs.25.00/pm	Rs 10/-
DS II	Rs30.00/pm	Rs 10/-
DS III	Rs.50/pm	Rs 10/-
DS – HT	Rs 40/perKVA/month	Rs 100/-
HT-DS (Composite)	Rs -do-	Rs 100/-
LT-IS/Commercial	Rs 80/HP/month	Rs 100/-
HT-IS/Commercial	Rs 120/KVA/month	Rs 100/-
HT/LT Utilities & Services	Rs 25/connection/month	Rs 10/-

SAIL-BSL proposes to recover charges for meter testing and other services provided on the lines and rates provided by other licensees in the State of

Jharkhand. Meter rent will not be charged from the consumers who buy and use their own meters. SAIL-BSL also proposes the Hon'ble Commission may also allow to recover Delayed Payment Surcharge as in the case of other distribution licensees in the state.

### 3.6 Distribution Loss

3.6.1 The energy balance for the FY's 2008-09 and FY 2009-10 have been outlined below and based on which the Distribution Loss for FY's 2008- 09 and 2009-10 is as depicted below:

**Table 10. Distribution Loss for FY 08-09 and 2009-10**

<b>Particulars of energy in MUs</b>	<b>2008-09</b>	<b>2009-10</b>
<b>Total energy input (A)</b>	<b>987.740</b>	<b>1000.757</b>
<b>Energy sale in MUs</b>	<b>898.547</b>	<b>911.843</b>
<b>LT</b>	<b>131.497</b>	<b>152.230</b>
<b>HT</b>	<b>767.050</b>	<b>759.613</b>
<b>Total energy sale (B)</b>	<b>898.547</b>	<b>911.843</b>
Distribution loss (A-B)	89.193	88.910
<b>Total loss in percentage</b>	<b>9.03 %</b>	<b>8.98%</b>

### 3.7 Energy Balance

3.7.1 The projection of the Energy Balance for FY 2010-11 is based on the Energy Sales projections being grossed up by estimated Distribution Loss at 30 % in the Township area and grossed up to about 8.3 %( taking in to account Plants' consumption) On the overall basis to arrive at the quantum of power purchase required to cater to the expected demand.

Table No 11. Energy balance for the year 2009-2010, and year 2010-2011.

Energy balance in MUs	2009-10 Actual	2010-11 Projected
Energy requirement	1000.757	1021.000
Energy Sale	911.843	936.250
Overall distribution loss %	8.98%	8.3%
Overall distribution loss in MUs	88.910	84.750
Total energy requirement	1000.757	1021.000
Energy available	1000.757	1021.000
Total energy purchased	1000.757	1021.000

### 3.7.2 Power Purchase:

The energy purchased by SAIL Bokaro in last three / four years from DVC in total is as under:

Table no 12. **Energy Purchase from DVC**

Year	Energy in (MUs)
2006-07	854.135
2007-08	982.917
2008-09	987.740
2009-2010	1000.757

SAIL Bokaro distributed energy year-wise within the licensed area as under:

**Table 13. Energy Distribution between Distribution area.**

Year	Energy supplied to plant (in Th-KWH)	Energy supplied to TA network (in Th-KWH)
2006-2007	591428	262707
2007-2008	715088	267828
2008-2009	720217	267523
2009-2010	733113	267640

SAIL-Bokaro licensed business management does not manage power distribution and power utilization within the plant. Licensee manages only in put supplies to the plant. SAIL-Bokaro manages the distribution business in the rest of the area.

**Table 14. Power Purchase Cost from DVC - FY 2008-09 , FY 2009-10 and FY 2010-11 ( Projected)**

(in lakhs of ruppes)

Source	Yr 2008-09 (Actual)	Yr 2009-10 (Actual)	Yr 2010-11
DVC	30845.639*	28021.196*	28588.000*
Total	30845.6398	28021.196*	28588.000*

\* These charges are provisional only

The above cost as purchase cost of power is subject to the changes in generation and transmission tariff notified by CERC depending on the decision of Hon'ble APTEL.

#### **4. Operation & Maintenance (O&M) Expenses**

The various components of O&M expenditure are explained in the sections below:

##### **4.1 Employee Cost**

The direct employee cost for the licensee in FY 2008-09, has been as under :

The direct employee cost related to the licensee operations and the allocated cost is Rs. 18,77.00 Lakhs.

The direct employee cost for FY 2009-10 has been estimated keeping in view the wage revision and allocated cost it is expected to be Rs 20,64.00 lakhs. The Indirect common employee cost from various back office functions of SAIL, BOKARO distribution licensee has been apportioned on the basis explained earlier.

##### **4.2 Repair and Maintenance (R&M) Charges**

The R&M Expenses has been Rs. 2,04.00 lakh during the year 2008-09 and at Rs.2,04.00 Lakhs for FY 2009-10 and is expected to be Rs 1204 Lakhs in the year 2010-2011, the increase is due to under-ground cabling and metering to be under taken this year.

##### **4.3 Administration & General Costs (A&G)**

The direct A&G expenses incurred by SAIL, BOKARO for common cost apportioned to distribution work was Rs. 24,73.00 Lakhs in FY 2008-09, and estimated to be Rs. 25,20.00 Lakhs provisionally for the FY 2009-10.

For the purpose of projecting the A&G Cost for FY 2010-11, estimation of cost under each expense head has been undertaken, after giving due consideration to the requirement of administrative support in tune with the business expansion envisaged in the ensuing year. Accordingly, direct A&G Cost is estimated at Rs. 26,46.00 Lakhs.

#### 4.4 Total Operating cost

Thus the total operating cost for FY 2008-09 and 2009-10 for SAIL- Bokaro and provisional cost for FY 2010-2011.

**Table 15. Operation & Maintenance expenses (in lakhs of rupees)**

<b>Particulars</b>	<b>2008-09 (Actuals) Rs In lakhs</b>	<b>2009-2010 Provisional Rs In lakhs</b>	<b>2010-2011 Projected Rs In lakhs</b>
<b>Employees' cost</b>	<b>18,77.00</b>	<b>20,64.00</b>	21,67.00
<b>Repair &amp; Maintenance Exp.</b>	<b>2,04.00</b>	<b>304.00</b>	1304.00
<b>Administration &amp; Gen cost</b>	<b>24,73.00</b>	<b>25,20.00</b>	26,46.00
<b>Total O&amp;M</b>	<b>45,54.00</b>	<b>4888.00</b>	6117.00

#### 4.4 Depreciation

The value of the GFA created has been Rs. 72.26 crores. The computation of depreciation is based on Straight Line Method, which is same as prescribed in the Tariff Regulations issued by the Hon'ble Commission using the rates as provided in Appendix II to the Tariff Regulations. The capital cost taken is Rs.

**72.26 crores depreciation cost comes to Rs. 5.506 crores (@7.62%) for each of the year.**

#### **4.5 Interest and Finance Charges**

The Interest costs have been estimated under the following three heads:

- Interest on Debt;
- Interest on Working Capital; and
- Interest on Security Deposit.

##### **4.5.1 Capital Structure:**

The capital structure of the Electricity Business of SAIL-BSL consists of assets valued at Rs.72.26 crores which has been put in place after SAIL provided Rs. 89.26 crores as loan.

##### **4.5.2 Interest on Debt and Return of Equity**

The entire capital expenditure incurred by SAIL, BOKARO has been funded through its own resources i.e. through equity infusion of Rs. 89.26 crores. Therefore, the investment in Distribution System till date is considered on normative basis at 70:30 debt equity ratio. The normative loan has been computed as 70% of Capital employed (that is Loan and the GFA).

Based on the normative debt estimated as specified in preceding para, the interest liability is calculated @ 12.75% which is equivalent to SBI PLR of 12.25% as on the 1st April 2008 plus additional 0.50% for the risk margin as calculated by bank. Thus, interest charges for the FY 2008-09 and FY 2009-10 on 70% debt (Rs.62.48 crores) works out to Rs. 7.966 crores for both the years and RoE on Rs. 26.778 crores (30% amounts to Rs 3.748 crores (14 %).

##### **4.5.2 Interest on Working Capital**

Regulation 12 of JSERC (Terms and Conditions for Distribution Tariff Regulations) provides for Interest on Working Capital that is required to

meet the shortfall in collection over and above the target approved by the Commission. The interest on working capital is worked as under:

O & M charge:	Rs.0.17 crore ( 1 month O&M charge)
Maintenance @ 1% of GFA	Rs.0.72 crores
Receivable of 2 months	Rs. 4.57 crores
Total IWC	Rs. 5.46 crores

#### **4.5.3 Interest on Security Deposit**

Regulation 12 of JSERC (Terms and Conditions for Distribution Tariff Regulations) provides Interest on Consumer security deposits which shall be equivalent to the bank rate or more, as may be specified by the Commission from time to time. SAIL, Bokaro did not charge any security deposit till date but now it is proposed to charge Security deposit from other than SAIL's employee / establishment consumers which is included in the proposed tariff.

#### **4.5.4 Total Interest and Finance Charges**

Accordingly, the Interest and Finance Charges for the FY'2008- 09 and 2009-10 is calculated as Rs. 11.714 crore for each of the years.

#### **5. Provision for Bad and Doubtful Debts**

The Tariff Regulations of the Hon'ble Commission does not provide for any provision for bad and doubtful debts recovery hence no provision has been made on this account.

## **6. Income Tax**

The income tax is calculated based on the provisions of the IT Act 1961.

The tax computations are based on adding back the Depreciation as per the amount claimed in ARR and calculated based on the rates of depreciation as specified in the Annexure-II to JSERC Regulation and deducting the Depreciation calculated as per the requirement under the Income Tax Act using the Written Down Value Method.

Income Tax for all the operations of SAIL –BSL is paid at SAIL corporate office in a consolidated manner. No specific money has been accounted on head of Income tax on electricity business alone. SAIL –BSL, hence, proposes to bear the income tax payments on it's own head and not pass on to the consumers.

### **6.1 Non-Tariff Income**

Non-Tariff Income includes Rent, Delayed Payment Surcharge and Supervision Charges among others. SAIL-BSL did not charge any rent for anything what so ever till date. Similarly no delayed payment surcharge are being charged as also the supervision charges for the services provided is not charged. Hence we had no none tariff charges till date for FY 2008-09 and FY 2009-10.

For the year 2010 2011 we estimate some charges on these accounts as proposed in the tariff petition as approved by the Hon'ble commission.

## **8. Annual Revenue Requirement of SAIL, BOKARO**

Based on the above discussion, the ARR with the Estimated GAP for SAIL, BOKARO for the FY 2008-09 and FY 2009-10 relating to the works out as under:

**Table 16. Annual Revenue Requirement FY 2008-09 FY 2009-10****Actual cost for 2008-09 , Provisional cost for year 2009-10 and projected cost for year 2010-2011 in lakhs of rupees**

<b>ARR</b>	<b>2008-09 (Actual)</b>	<b>2009-10 (provisional)</b>	<b>2010-11 Projected</b>
<b>COST</b>			
<b>Power purchase cost</b>	<b>308,45.639</b>	<b>280,21.196</b>	<b>285,88.00</b>
<b>Employees' cost</b>	<b>18,77.00</b>	<b>20,64.00</b>	<b>21,67.00</b>
<b>O &amp; M expenses</b>	<b>204.00</b>	<b>304.00</b>	<b>304.00</b>
<b>A &amp; G Expenses</b>	<b>24,73.00</b>	<b>25,20.00</b>	<b>27,20.00</b>
<b>Interest and Financial charges</b>	<b>11,71.40</b>	<b>11,71.40</b>	<b>11,71.40</b>
<b>Depreciation</b>	<b>550.6</b>	<b>550.6</b>	<b>550.6</b>
<b>Provision for bad and doubtful debt</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Income Tax</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Interest on Working Capital</b>	<b>5.46</b>	<b>5.46</b>	<b>5.46</b>
<b>Total costs (a)</b>	<b>371,27.099</b>	<b>346,36.66</b>	<b>355,06.46</b>
<b>A R R needed</b>	<b>371,27.099</b>	<b>346,36.66</b>	<b>355,06.46</b>
<b>Revenue at present tariff (b)</b>	<b>239,82.48</b>	<b>244,57.36</b>	<b>263,24.04</b>
<b>Revenue from Fixed Charges</b>	<b>1,21.69</b>	<b>1,22.32</b>	<b>2,02.98</b>
<b>Revenue Gap (a) – (b) --</b>	<b>130,22.93</b>	<b>100,56.98</b>	<b>89.79.44</b>
<b>Average cost of supply</b>	<b>Rs 3.76/kwh</b>	<b>Rs.3.46/kwh</b>	<b>Rs.3.47/kwh</b>

## **A. Rationalised Tariff:**

Keeping in view that energy conservation is encouraged by use of more efficient equipments and wastage is reduced, different slabs of electricity charges are proposed in the Domestic category of consumer.

- DS-I – Domestic Services I : Consumption from 0 to 200 kwh
- DS-II –Domestic Services II: Consumption from 201 Kwh to 400 kwh.
- DS-III-Domestic Services III: Consumption more than 400 kwh
- NDS-II – Non-Domestic Services
- LT-IS / Comm : Low Tension Industrial and Commercial Supply
- HT-IS / Comm : High Tension Industrial and Commercial Supply
- Temporary Supply at LT
- **Fixed** charges as well as energy charges shall apply in case of the all category of LT.

## **B. Load Management:**

SAIL, BOKARO is also proposing to change the slabs for Domestic Services who are using high power consuming equipments like ACs. In the domestic use there will three slabs and in each slab the charge proposed is for all consumptions for that slab. The new slab system is expected to encourage consumers to use less quantity of electricity to remain within the lower slab of tariff.

### **1.6 Revenue at Proposed Tariff in FY 2010-11**

Based on the tariff proposed above, following is the summary of the revenue from various consumer categories at the proposed tariff rates.

Table 17. **Proposed Tariff**

CATEGORY OF CONSUMERS	PROPOSED Tariff P/Kwh
DS-1	@ P 260/ Kwh
DS-II	@ P 300/ Kwh
DS-III	@ P 350/ Kwh
DS-HT	@ P 350/ Kwh
HT-DS (Composite)	@ P 425/ Kwh
LT-Industl /commercial	@ P 450 /Kwh
HT-Industl/ commercial	@ P 450/ Kwh
HT/LT Utilities/ services	@ P 200/ Kwh

Table 18 For Financial Year 2010-2011(Projected)

Category	No of consumers	Units consumed (Th. Kwh )	Revenue billing ( Th. Rs)
DS 1	22000	39600	102960
DS II	15000	54000	162000
DS III	300	1620	5670
DS—HT	4	600	2100
HT- DS-(Composite)	1	4600	20700
LT- Indust /comml	1480	28000	126000
HT Indust / Comml	7	900	4050
HT/LT Utilities/services	Various	61000	122000
T &D loss	----	84750	-----
Sub total	-----	275670	545480
Plant- supply	-----	745330	2086924
Grand Total	-----	1021000	2632404

SAIL-BSL has been paying the entire DVC power purchase cost in the year 2005-2006, 2006-07, 2007-2008,2008-09 and year 2009-2010 even though the recovery from the consumers have been substantially less.

**RT – 1 & 2**

FY 08-09

Sl.No.	Consumer	Voltage KV	No. of consumers	Consumption In thousand Units	Fixed Charge	Energy charge	Rev from Fixed Charge (In Th. Rs.)	Rev from Energy Charge (In Th. Rs.)	Total Revenue (In Th. Rs.)
1.	Domestic 0-200 kwh 201-400 Above 400 kwh	0.23	23000 14000 271	35000 49000 2603	Rs. 20/pm 20/pm 40/pm	Rs./kwh 1.35/ 1.70/ 1.90	5520 3360 65.04	47250 72310 4491	52770 75670 4556.0
2.	DS HT	11	4	6380	30/KVA /month	2.0	1560	12760	14320
3.	LTIS	0.44	40	431	60/HP/ month	3.40/	19.2	1465	1484.2
4.	NDS	0.44/0.23	1371	14769	100/ per KW	3.40	1645.2	50215	51860.2
5.	HT- Composite	11							
6.	HT Industry/ commercial	11			140/- KVA/ month				
7.	Utilities	0.44/0.23	Various	70453	20/ per connec- tion	2.83	----	199900	199900

**RT – 1 & 2**

FY 09-10

Sl.No.	Consumer	Voltage KV	No. of consumers	Consumption In thousand Units	Fixed Charge	Energy charge	Rev from Fixed Charge (In Th. Rs.)	Rev from Energy Charge (In Th. Rs.)	Total Revenue (In Th. Rs.)
1.	Domestic 0-200 kwh 201-400 Above 400 kwh	0.23	22500 14400 371	34200 50400 3563	Rs. 20/pm 20/pm 40/pm	Rs./kwh 1.35/ 1.70/ 1.90	5400 3456 89.04	46170 74376 6146	51570 77832 6235
2.	DS HT	11	4	6500	30/KVA /month	2.0	1560	13000	14560
3.	LTIS	0.44	40	431	60/HP/ month	3.40/ 3.40	19.20	1465	1484.20
4.	NDS	0.44/0.23	1423	15351	100/ per KW	3.40	1707.6	52193	53900.6
5.	HT- Composite	11							
6.	HT Industry/ commercial	11			140/- KVA/ month				
7.	Utilities	0.44/0.23	Various	70453	20/ per connec- tion	2.83	----	193748	193748

RT4

Revenue from current / existing tariff:

**Financial Year 2008-2009.**

Catergory	No of consumers	Units Consumed ( Th. Units)	Energy Charges Billed ( Th. Rs)
(a)DS-II,0-200 U/m	23000	35000	47250
(b)DS-II,200-400 U/m	14000	49000	72310
© DS-II < 400 U/m	271	2603	4491
DS-HT	4	6380	12760
LT-IS	40	431	1465
NDS-II	1371	14769	50215
HT/LT Utilities	Various	70453	199900
T& D Loss	33%	89193	-----
Subtotal		267829	38,83,91
Plant supply		720217	224,70,77
Grand Total		987740	263,54,68

In addition Rs 12169440/- ( Rs one crore twenty one lakh sixtynine thousand four hundred forty ) has been collected as fixed charges.

**RT4**

Financial Year 2009-2010.

Catergory	No of consumers	Units Consumed ( Th Units)	Energy Charges Billed ( Th Rs)
(a)DS-II, 0-200 U/m	22500	34200	46170
(b)DS-II,200-400 U/m	14400	50400	74376
© DS- II < 400 U/m	371	3563	6146
DS-HT	4	6500	13000
LT-IS	40	431	1465
NDS-II	1423	15351	52193
HT/LT Utilities	Various	68285	193748
T& D Loss	32% of town	88910	-----
Subtotal		267640	38,70,98
Plant supply		733113	205,27,16.4
Grand Total		100753	243,98,14.00

In addition Rs 12231840/- ( Rs one crore twenty two lakhs approx) have been collected as fixed charges.

RT- 7

Sl. No.	Category	Share of Rev from Energy charge in total rev	Share of Rev from Fixed charge in total rev	Share of Rev from Energy charge in total rev	Share of Rev from Fixed charge in total rev
1	DS 1	11.5619	1.352266	18.20	1.17
2	DS II	18.6252	0.86545	28.63	0.80
3	DS III	1.53908	0.022287	1.00	0.02
4	DS-- HT	3.25545	0.390655	0.37	1.04
5	HT- DS- (Composite)	0	0	3.66	0.32
6	LT- Indust /comml	13.437	0.4324	22.27	0.25
7	HT Indust / Comml	0	0	0.72	0.00
8	HT/LT Utilities/services	48.5183	0	21.56	0.00

## **EMPLOYEES' REMUNERATION & BENEFITS (FY 08-09)**

Salaries & wages	8.81
Wage revision & other prov	6.73
Company's contribution to provident fund & other funds	0.80
Travel concession	1.28
Welfare expenses	0.00
Gratuity	1.15
TOTAL	18.77

**JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION  
RANCHI**

Case No. 10/2007-08

CORAM

**S.K.F. KUJUR**, Chairman

**P.C. VERMA**, Member (T)

**(Smt) S. SINHA**, Member (Legal)

IN THE MATTER OF

Petition of M/s SAIL-Bokaro Steel Plant for determination of distribution tariff for supply of electricity for the year 2007-08

**ORDER**

(02.11.2007)

The Commission had decided to determine the distribution tariff suo-moto for SAIL/Bokaro Steel Plant because despite all efforts by the Commission SAIL/Bokaro Steel Plant has not been able to provide information needed to finalize ARR and thereafter the distribution tariff. What they have provided is in totality of SAIL/Bokaro Steel Plant and not of the distribution business. It is not possible to approve any ARR as in their own petition they have not proposed the Revenue Requirement.

The time for submission of tariff petition to determine ARR for the year 2008-09 has also arrived. The Commission has decided that for the present (start from 1<sup>st</sup> of November 2007), the SAIL/Bokaro Steel Plant is allowed provisional tariff, the same that has been approved for the JSEB recently (copy enclosed) and

the licensee (SAIL/Bokaro Steel Plant) must immediately submit the tariff petition for determination of the ARR for the year 2008-09 with full details.

The tariff petition is hereby disposed of.

Sd/-  
(S. Sinha)  
Member (Legal)

Sd/-  
(P.C. Verma)  
Member (Tech)

Sd/-  
(S.K.F. Kujur)  
Chairman