

Submission on JdVVNL Petition for Approval of Aggregate Revenue Requirement, Tariff and Investment Plan for FY 2025-26



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1. INTRODUCTION

Jodhpur Vidyut Vitran Nigam Limited (JdVVNL) hereafter referred as “Petitioner” filed a Petition for approval of ‘Aggregate Revenue Requirement (ARR), Tariff and Investment Plan 2025-26’ in accordance with the provision of RERC (Terms and Conditions for Determination of Tariff) Regulations, 2025.

The present submission is in response to the Petition filed by JdVVNL as published on the commission’s website. We request the Commission to accept this submission on record.

This submission is structured in three sections as given under:

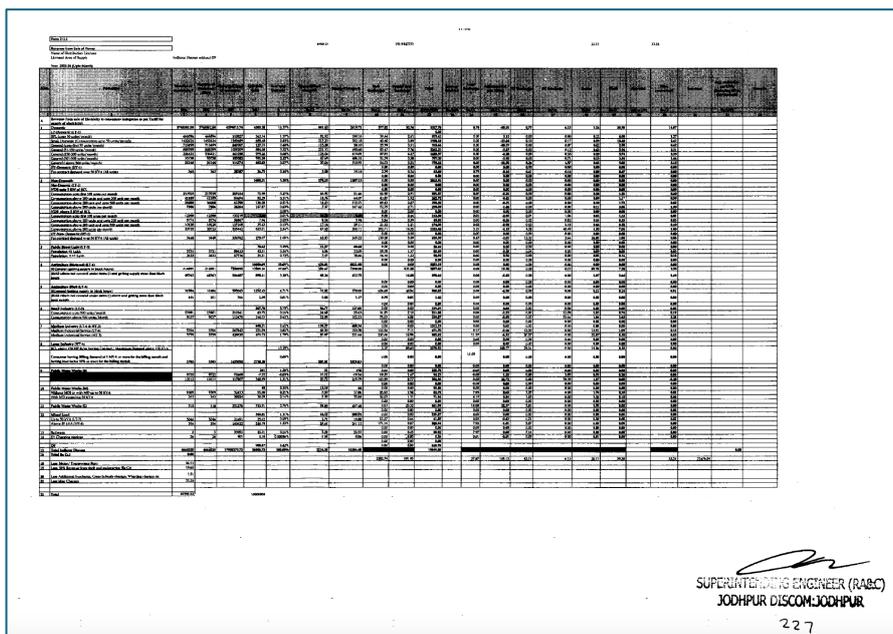
- A. Comments on the Petition for ARR for FY26
- B. Submission on the Tariff Rationalisation
- C. Submission on the non-compliance of the Commission’s directives

2. COMMENTS ON PETITION FOR ARR FOR FY26

2.1. Formats of the documents

The Commission, through multiple directives—including orders dated 14.07.2022 and 01.09.2022—has instructed the Discoms to enhance the accessibility and format of Petition documents uploaded on their websites. Specifically, Discoms were directed to provide Petition documents in searchable, machine-readable formats, along with signed copies of the Petitions. While Jaipur Discom has complied with these requirements, the Petitioner has submitted the Petition in a scanned image format, rendering the document unclear and partially unreadable (see Figure 1). This impairs stakeholders’ ability to analyse the content, provide constructive feedback, and impacts effective public participation

Figure 1 ARR Formats provided in scanned images form instead of excel sheets



We respectfully urge the Commission to take serious cognizance of the issues related to the quality of the Petition documents submitted by the Petitioner for stakeholder consultation. We request the Commission to direct the Petitioner to submit the Petition documents in the prescribed formats for the current year and all subsequent years to ensure clarity, consistency, and effective stakeholder engagement.

Also, we submit that, unlike the Ajmer and Jaipur Discoms, the Petitioner has failed to provide any update on the status of compliance with the Commission’s earlier directives. This lack of disclosure is concerning, as it compromises the transparency and integrity of the regulatory process. We therefore request the Commission to instruct the Petitioner to submit a detailed compliance report on the directives issued and to consider appropriate action for this failure to comply.

2.2. Claim of Return on Equity

It has been observed that the Petitioner has not submitted a claim for Return on Equity (RoE) as part of its filing. RoE is a fundamental component of the tariff framework for electricity distribution companies (Discoms), as it ensures a fair return on the equity capital invested in the business.

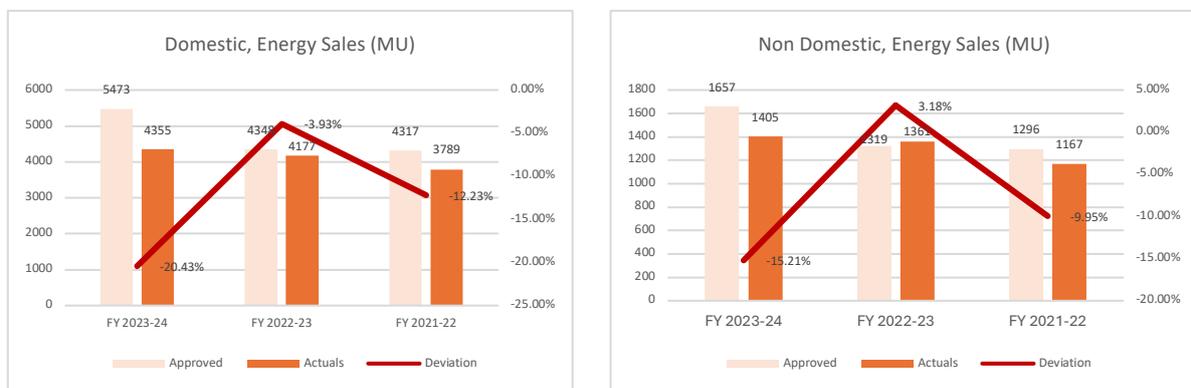
Incorporating RoE is essential for the financial sustainability of Discom operations. It plays a key role in enabling Discoms to fund long-term infrastructure upgrades, adopt new technologies, and enhance service delivery. Furthermore, RoE contributes to a balanced capital structure and incentivises efficient financial management and operational performance.

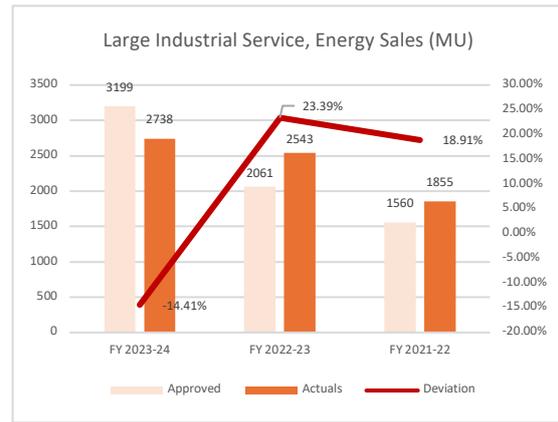
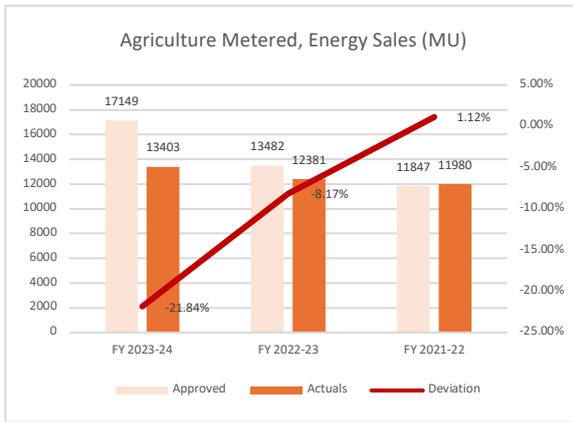
Given its significance, it is recommended that the Petitioner be directed to appropriately compute and include a claim for Return on Equity in accordance with the applicable regulatory guidelines.

2.3. Projection of Category wise Energy Sales

In Table 9 of the Petition, the Petitioner has projected category-wise energy sales for FY 2025-26 using the Compound Annual Growth Rate (CAGR) derived from historical sales data and trends. However, past True-Up exercises have revealed significant deviations between the approved and actual energy sales figures, indicating that the methodology adopted by the Petitioner is flawed and lacks accuracy (see Figure 2). Such over- or under-estimation of energy sales can adversely impact power procurement planning and compromise the quality of service delivery to consumers.

Figure 2: Category wise energy sales deviation in JdVVNL





Moreover, inaccurate sales projections may result in the backing down or surrender of surplus power, incurring fixed charges payable to generating companies, or compel the procurement of high-cost power through bilateral arrangements or electricity exchanges—ultimately imposing an additional financial burden on consumers.

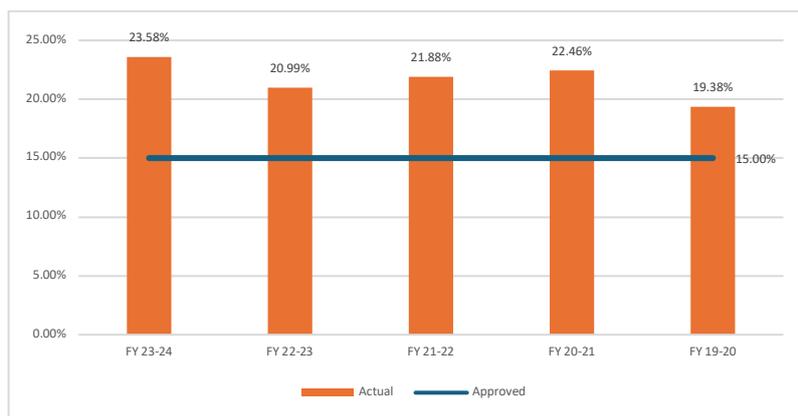
We request the adoption of a more robust methodology for forecasting energy sales. The Petitioner may consider following the Central Electricity Authority’s (CEA)¹ guidelines for medium- and long-term power demand forecasting, or refer to best practices adopted by other states, to minimise the deviation between approved and actual energy sales figures. We also request the Commission to direct the Petitioner to provide month-wise projections of energy sales for each consumer category and sub-category based on such methodologies.

2.4. Distribution and AT&C Losses Reduction

In FY 2023-24, the Petitioner failed to meet the approved distribution loss target, recording actual losses of 23.58% against the approved level of 15%. This significant deviation raises concerns about the Petitioner’s ability to achieve the proposed distribution loss targets and calls into question the effectiveness of the measures outlined for improving operational performance and consumer satisfaction. The Petitioner’s performance has been consistently unsatisfactory, with distribution losses consistently exceeding the levels approved by the Commission over the past several years. (see Figure 3). We request the Petitioner to provide a detailed explanation for its past failures in meeting approved targets, along with information on the additional measures being undertaken to ensure improved performance going forward.

¹ https://cea.nic.in/wp-content/uploads/ps_lf/2023/07/Guidelines_for_Medium_and_Long_Term_Demand_Forecast-1.pdf

Figure 3: High distribution losses of JdVVNL from its approved losses of 15%



In addition to this, as per the True-Up for FY 2023-24, the AT&C (Aggregate Technical and Commercial) losses remain significantly high at 28.80%, whereas under the Revamped Distribution Sector Scheme (RDSS), the target is to reduce AT&C losses to the range of 12% to 15% by FY 2024-25. However, despite the clearly defined objective under the RDSS, the Petitioner has projected a significantly higher AT&C loss level of 18% for FY 2024-25. This deviation may result in only partial realization of the scheme’s benefits, which must be duly accounted for in the Petition.

Therefore, we request the Petitioner to submit circle-wise details of the loss reduction initiatives proposed, along with each initiative’s intended outcomes and corresponding implementation timelines. The Petitioner should also specifically highlight targeted efforts in high-loss circles.

2.5. Details of Faulty/Damaged Meters

Numerous media reports have highlighted a substantial number of faulty meters (*see ANNEXURE I*), for which provisional billing based on average consumption is being carried out. This raises serious concerns regarding billing accuracy and the overall reliability of the metering infrastructure.

We request the Commission to direct the Petitioner to furnish detailed, circle-wise information on the number of faulty meters identified and replaced during the period from FY23 to FY25. This data is essential to assess the scale of the issue and to ensure that timely corrective actions have been undertaken.

2.6. Pending Agriculture Connections

In the Rajasthan State Budget for the FY26, the government announced a provision for 50,000 new electricity connections under the agriculture category. The same is critical to support the agricultural sector and address the increasing demand for reliable power supply among farmers. However, as highlighted in multiple media reports (*see ANNEXURE II*), there appears to be a significant backlog in the actual release of these connections. It has also been reported and observed that a large number of applicants, despite having duly submitted demand notices and fulfilled the necessary formalities, are still awaiting the release of their agricultural connections.

In light of this, we request the Petitioner to provide a detailed circle-wise status of pending agricultural connections, including exact numbers, current stage of processing, reasons for any delays, and the expected timeline for completion.

2.7. RDSS Scheme

As per the JdVVNL Compliance Submission against the Commission's Directive in the order dated 24.11.2021, the Discom communicated that it aims to achieve 100% feeder metering by December 2022 and 100% DT metering by December 2023. We request the Petitioner to provide a circle-wise report on the total number of meters at feeders and DT, along with details of operational and faulty meters.

The Petitioner has also provided an activity-wise progress under the Revamped Distribution Sector Scheme (RDSS) in section 3.53 of the Petition. However, the submission does not include any details for the completion of the remaining activities.

We request the Petitioner to submit a comprehensive plan outlining the timelines and strategies for completing the remaining RDSS activities.

2.8. Compliance to ARR Formats

We would like to bring to the attention of the Commission that the Petitioner has failed to report technical and commercial losses at the 11 kV voltage level in the prescribed format of Form D 7.2 (see Figure 4) and has not provided any justification or reason for exclusion of the same. This constitutes non-compliance with regulatory requirements, and we respectfully request the Commission to direct the Petitioner to submit a detailed explanation for the same.

Figure 4: Non-reporting of technical and commercial losses at the 11 kV voltage level

Form D 7.2												
Distribution Losses												
Name of Distribution Licensee		JdVVNL										
Licensed Area of Supply		Jodhpur Discom										
FY 2023-24												
S. No.	Voltage Level	Total Feeders	Feeder meters	Energy Input	Total Output	Total Losses	Total Losses as % of Energy Input	Technical Loss	Total Technical Losses as % of Energy Input	Commercial Loss	Total Commercial Losses as % of Energy Input	
Jodhpur CC	11 kV	432	432	2,133	1630.36	472.14	25.47%	NA	NA	NA	11.68	
Jodhpur DC	11 kV	2,864	2,859	6,777	5179.64	1,499.97	18.94%	NA	NA	NA	34.86	
Pali	11 kV	967	967	2,290	1750.14	506.82	26.66%	NA	NA	NA	8.35	
Sirohi	11 kV	445	441	1,568	1198.56	347.09	26.74%	NA	NA	NA	7.85	
Jalore	11 kV	1,374	1,374	3,188	2436.56	705.60	25.01%	NA	NA	NA	11.79	
Barmher	11 kV	1,470	1,429	3,628	2772.63	802.93	25.13%	NA	NA	NA	12.91	
Jaisalmer	11 kV	694	693	1,583	1209.99	350.40	23.02%	NA	NA	NA	20.32	
Bikaner DC	11 kV	1,923	1,871	5,214	3984.92	1,153.99	19.15%	NA	NA	NA	33.37	
Hanumangarh	11 kV	812	812	2,151	1643.80	476.03	26.11%	NA	NA	NA	8.25	
Sri Ganganagar	11 kV	727	727	2,101	1605.57	464.96	23.79%	NA	NA	NA	18.44	
Churu	11 kV	1,029	1,029	2,991	2285.68	661.91	20.87%	NA	NA	NA	27.00	
D.F. Bikaner				1,189	908.87	263.20	0.00%	NA	NA	NA		
Jodhpur Discom		12,737	12,634	34,814	26606.7	7,705.04	22.13%	NA	NA	NA		

2.9. Circle-wise details of smart meters

We request the Petitioner to provide detailed information on the total numbers of smart meters installed along with the circle-wise list, with a further breakdown by category. Additionally, we request the Petitioner to specify its plans for smart meter installation over the next three years, along with details of the necessary tie-ups or arrangements made with the respective vendors.

2.10. Transmission Losses

In Table 11 of the Petition, the Petitioner has provided a figure for inter-state and intra-state transmission losses. However, it is important to note that the Commission, through its orders dated 24.11.2021, 01.09.2022, 31.03.2023, and 26.07.2024, has repeatedly directed the Discoms, to maintain separate accounts for inter-state and intra-state transmission losses and to provide this bifurcation in future true-up Petitions. The Commission has also warned that any further failure to comply with these directives would result in adverse action. Despite these clear directives, there has been persistent non-compliance with Commission's orders.

The Petitioner has repeatedly informed the Commission about formation of a Committee to address this issue. In this context, we request the Petitioner to provide an update on the status of the committee and the recommendations it has made to comply with the Commission's directive.

Furthermore, we would like to highlight that the transmission losses claimed by the Discom are exceptionally high when compared with losses from states with comparable geography and load profiles (*see Table 1*). We request the Commission to scrutinise this issue, seek clarification on the high transmission losses, and direct the Petitioner to provide details on the measures taken to mitigate them.

Table 1: Transmission Losses in states with comparable geography and load profiles

State	Transmission Loss	FY	Source
Maharashtra	3.27%	2023-24	State Grid Loss Account (<i>see pg. 01</i>)
Gujarat	3.84%	2022-23	GETCO Tariff Order FY25 (<i>see pg. 56</i>)
Madhya Pradesh	2.61%	2023-24	MPERC ARR for FY26 (<i>see pg. 23</i>)

2.11. New Capacity Addition

In Table 12 of the Petition, the Petitioner has outlined the details of new capacity additions planned for Rajasthan Discoms in FY26, totalling 6,439.4 MW. A significant portion of this proposed capacity, around 4,675 MW, is expected to be sourced from solar power projects within Rajasthan. However, it is important to highlight that most of these solar projects are yet to be commissioned. Based on multiple Quarterly Reports on Under-Construction Renewable Energy Projects published by the Central Electricity Authority (CEA), it has been consistently observed that solar power projects tend to face delays in execution and commissioning. In this context, the Petitioner's assumption of energy availability from these projects appears overly optimistic.

Moreover, the Petitioner has not provided critical project-level details, such as the names and locations of the specific solar power plants from which energy is proposed to be contracted. Similarly, for the proposed wind power projects, no project-level information has been submitted.

In view of the above, the Petitioner is requested to submit the following:

- a) Plant-wise and project-wise details of new capacity contracted, including developer name, location, expected commissioning date, and contracted capacity;

- b) Status reports for each of these projects
- c) A realistic projection of actual capacity addition within the planning horizon, taking into account known delays and project execution risks.

Furthermore, we respectfully request the Commission to undertake a prudence check of the proposed new capacity additions. This review should assess the actual likelihood of timely availability of power from these sources. Only capacity that is reasonably certain to come online within the projected timeline should be approved for consideration in the energy availability plan for the state.

2.12. Inconsistent CUF Assumptions Leading to Overestimated Power Generation

In Table 13 of the Petition, the Petitioner has projected power generation under the PM-KUSUM Component C scheme (feeder-level solarisation) based on a Capacity Utilisation Factor (CUF) of 19%. However, as stated in point (ii) of paragraph 5.13 on page 48 of the Petition, the contractual CUF target to be achieved by the developer for decentralized renewable energy projects under the HAM framework is only 17% during the agreement period. This discrepancy raises concerns regarding the realism and internal consistency of the generation projections. Overestimating the CUF can result in inflated generation forecasts, which may adversely impact downstream planning, financial projections, and revenue realization. Accordingly, through the Commission, we request the Petitioner to:

- a) Clarify the rationale behind adopting different CUF projections in the Petition
- b) Recalculate and revise the projected power generation figures, unless a strong justification is provided for the deviation.

2.13. Distribution Franchisee

The Petitioner submitted combined sales projections for the areas served by JdVVNL and its distribution franchises. However, in paragraph 3.44, the Petitioner merges the sales to consumers in JdVVNL's area with those of the DF areas. Consequently, the sales projections do not account for the distribution losses incurred by the DF and instead focus only on sales to various categories of consumers in the DF area, thus under-projecting the sales to be incurred by the Discoms.

We request the Petitioner to project sales for JdVVNL's area separately from that of the DF, by considering the power sold to DF as a single sale. The same shall also be used to project the revenue realised as the revenue from the consumers in the DF area shall not be recovered by the Discom and Petitioner only realised the revenue from the input sale to DF at the bulk rate. Escalations in the sales to DF can be computed based on trends from previous years.

We further request the Commission to order a detailed performance review of distribution franchises. The sales data (exclusive of DF sales) is also essential to compute the normative O&M expenses (employee expenses, A&G expenses, and R&M expenses) of the Discom, as the Commission has been approving the O&M expenses in the true-up based on sales made to consumers exclusive of the DF area

2.14. Energy Balance

The Petitioner, in Table 15 of the Petition, provides the Energy Balance for FY25 and FY26. We request that the energy balance be revised according to the updated sales projections, considering sales to DF at the input level and revised distribution loss targets. This will ensure more accurate and realistic projections in line with actual conditions and performance targets.

2.15. Disallow O&M expenses for Distribution Franchises

The Petitioner requests approval for O&M expenses, including sales to the distribution franchises. However, since JdVVNL does not undertake O&M in the distribution franchise area, we request the Commission to deny this request and not allow O&M expenses for overall sales that include sales to the distribution franchise area.

2.16. Capital Investment Plan (Institutional Strengthening)

As per the RERC (Investment Approval) Regulation, 2006, Distribution Licensees are permitted to allocate up to 1% of their Investment Plan towards institutional strengthening. Accordingly, the Petitioner should plan and implement training programs and other related initiatives. We request the Petitioner to provide details on action plan for the training and safety of employees along with the amount it is planning to incur for such activities. Furthermore, as per the Commission's directive, a cost-benefit analysis of the investments made should be conducted and be filed with the said Petition.

2.17. O&M Expenses for Smart Meters

We further request the Petitioner to provide the monthly O&M expenses being incurred per meter along with the benefits observed in the areas where the smart meters are installed and estimates of O&M expenses for smart meters for FY26. Additionally, we request the Petitioner to assess and provide details of the cost reductions due to billing (spot billing charges and the bill collection charges) and collection efficiency gains resulting from the implementation of smart metering. This will help in understanding the financial impact and benefits of the smart meter deployment.

2.18. Discrepancy in Power Procurement Planning

In paragraph 4.4 of the Petition, the Petitioner has stated that it anticipates surplus energy availability from upcoming generation plants and decentralised renewable energy sources and excluded power procurement from short-term sources. However, monthly reports from the Market Monitoring Cell² indicate that Rajasthan has been consistently procuring power from the short-term market each month, raising questions on the Petitioner's assumption of surplus availability for FY26 (see Table 2). It may be noted that Rajasthan purchased a net 2,800 MU of power during FY24 from short term sources while, from September 2024 to January 2025 alone, the state has already procured 3,790 MU from the short-term market.

² https://www.cercind.gov.in/report_MM-2025.html

Table 2: Month wise short term power procurement by Rajasthan

Month	Net Power Procurement (in MU)
Aug-24	-1,087.87
Sep-24	720.74
Oct-24	1,274.01
Nov-24	1,087.59
Dec-24	1,120.55
Jan-25	675.17

Furthermore, the Petitioner has stated that any additional power procurement, if required, would be presented at the time of the true-up process. We respectfully submit that such an approach should not be accepted by the Commission. Given the evidence of continuous short-term procurement and the lack of a concrete, forward-looking energy procurement plan, reliance on post-facto justifications undermines regulatory transparency and prudent planning. Accurate and timely power procurement planning should be an integral part of the tariff Petition to enable the Commission to carry out a meaningful assessment of power availability, cost implications, and consumer impact.

In light of the above, we urge the Commission to direct the Petitioner to submit a detailed and realistic power procurement plan that includes both long-term and short-term sources. Also, ensure that all relevant power purchase information is submitted upfront, and not deferred to the true-up stage.

2.19. Rural Electrification

Table 19 of the Petition presents the planned financial outlay allocated for various activities, including the budgeted physical targets associated with Rural Electrification Works for the FY25 and FY26. These targets encompass key objectives such as village electrification and the provision of new electricity connections in rural areas.

In this context, the Petitioner is hereby requested to furnish detailed, circle-wise targets for each of the following components under the Rural Electrification Works programme for FY25 and FY26:

- a) Village Electrification: specifying the number of villages proposed to be electrified in each circle.
- b) Release of New Electricity Connections: indicating the number of new rural household or consumer connections planned in each circle.

2.20. Refinancing of Loans

We request the Petitioner to provide detailed plans for refinancing high-interest rate loans with lower interest rates aimed at reducing existing debts.

2.21. Non- Tariff and Other Tariff Income

The Commission, through its directive dated 24.11.2021, has instructed Discoms to explore and implement asset monetisation strategies, including setting up EV charging stations, utilising buildings

for advertising hoardings and ATMs, leveraging advertisements on portals/apps, and considering sale of unused lands at commercial locations to local bodies.

The Managing Directors of the Discoms were specifically instructed to personally oversee the implementation of asset monetisation initiatives, issue the necessary guidelines, and submit quarterly compliance reports detailing the actions undertaken and the revenue generated, on a circle-wise basis. The directive emphasised the importance of optimising revenue streams through various means, including pole rentals, monetisation of vacant lands and buildings, and utilisation of advertisement space on electricity bills.

In this context, the Petitioner was requested to provide projections for each of these asset monetisation avenues. However, the Petitioner has only submitted projected revenue from pole rentals for FY25 and FY26, which reflect a marginal increase over the actual revenue for FY24, amounting to just INR 5.31 crores in the case of a major Discom like JdVVNL. This negligible increase suggests a lack of seriousness and inadequate effort by the Petitioner in pursuing asset monetisation opportunities in a meaningful and strategic manner.

In this regard, we respectfully request the Commission to direct the Petitioner to submit a comprehensive report evaluating the monetization potential of its assets. The report should include detailed information on land, poles, and other relevant assets, the current income derived from these assets, and a strategic plan to enhance this income.

2.22. Voltage-Wise Loss of Supply

The Commission's order dated 31.03.2023 directed the Petitioner to conduct an independent study to calculate voltage-wise losses and voltage-wise cost of supply. Despite the Commission's directive in its order dated 01.09.2022, which required Discoms to submit voltage-wise cost of supply based on actual losses and sales rather than the dispensation allowed by APTEL's judgment, the Petitioner failed to comply.

Despite repeated reminders and opportunities provided by the Commission, the Petitioner still submitted data using the APTEL methodology, which was subsequently rejected by the Commission. We request the Commission to take strict note of the Petitioner's laxity in fulfilling these obligations and request imposition of penalties, including a reduction in the Annual Revenue Requirement (ARR).

2.23. ToD Tariff for Consumers with Load above 10 kW

Time of Day (ToD) tariff system uses both surcharges and rebates to encourage consumers to shift their electricity usage during off-peak hours. Under point (iii) of the Tariff Rationalisation section, the Petitioner has proposed the implementation of a Time of Day (ToD) tariff for consumers equipped with smart meters and having a connected load exceeding 10 kW. In Annexure 1 of the Petition, the Petitioner has submitted the proposed ToD surcharge and rebate applicable to energy charges (*see Table 3*).

Table 3: ToD Surcharge and Rebate on Energy Charges

SLOTS	6 AM TO 8 AM SURCHARGE ON ENERGY CHARGES	12 PM TO 4 PM REBATE ON ENERGY CHARGES	6 PM TO 10 PM SURCHARGE ON ENERGY CHARGES
Time of Day (ToD)	5%	10%	10%

In this regard, the Petitioner is requested to provide a clear explanation of the methodology adopted in designing the ToD tariff structure. Additionally, the Petitioner is also requested to furnish circle-wise and category-wise data on consumers with connected loads above 10 kW, distinguishing between those with smart meters and those without.

2.24. Medium Term Business Plan

The Commission had directed the Discoms to prepare a 'Medium-Term Business Plan' covering likely impact of influx of renewable energy, distributed generation and prosumers, electric vehicles, smart metering and other related trends of power sector. It had also suggested incorporating optimisation of capacity charges where a resource adequacy study would capture all types of sources, including BESS and PSPs.

The Petitioner has submitted a Medium-Term Business Plan that highlights the anticipated influx of new renewable energy sources and distributed generation at the state level. However, no supporting studies or documents have been provided to offer a comprehensive or holistic view of this business plan at the Discom level. Furthermore, the submission lacks any specific plans related to the integration of electric vehicles and the implementation of smart metering within the JdVVNL area.

It is also submitted that all three Discoms have provided an identical 'Medium-Term Business Plan' for the development of their respective utilities. This uniform approach is not feasible for acceptance, as each Discom operates in distinct geographical regions with different number of consumers in each category and their needs, and operational and governance challenges.

Given these variations, a one-size-fits-all strategy cannot effectively address the unique needs of each Discom. Therefore, we respectfully request the Commission to direct the Petitioner to prepare a well-defined and Discom-specific Medium-Term Business Plan with timelines. This revised plan should include a detailed Resource Adequacy Plan tailored to the operational and maintenance (O&M) requirements of the Petitioner's jurisdictional area, taking into account local demand profiles, infrastructure needs, and future growth trajectories.

2.25. Compensation on SoP Violations

The Commission, in its orders dated 31.03.2023 (see Page 268 of the Order dated 31.03.2023) and 26.07.2024 (see Page 276 of the Order dated 26.05.2024), had directed the Petitioner to report all consumer service parameters based on smart meters wherever installed and to immediately pay direct compensation for any violations. Additionally, for other consumers, the Discoms have been mandated to develop a system for the automatic adjustment of compensation in electricity bills and to report this in the formats submitted to the Commission, as well as in the next ARR.

In this regard, we request the Petitioner to provide detailed, circle-wise information on direct compensation disbursed for violations of the standard of performance (SoP). This should include the total number of consumers who have received compensation, and the overall amount disbursed.

2.26. Plan for Annual Accumulated Losses

According to the 24th Annual Report of the Petitioner, the accumulated losses of JdVVNL stood at INR 34,524.32 crore as of 31.03.2023. These losses have been steadily increasing over the past several years (*see Table 4*), despite receiving substantial financial support through central government bailout packages and loss subsidies from the state government. This ongoing financial distress has had several adverse effects on the Petitioner's long-term sustainability and its ability to effectively serve its consumers.

Table 4: Average net loss of the Petitioner of last three financial years

FINANCIAL YEAR	LOSS (IN INR CR.)
FY 2020-21	1731.29
FY 2021-22	1464.72
FY 2022-23	1524.19
Total loss	4720.20
Average loss	1573.40
Accumulated losses (as on 31.03.2023)	34524.32

In light of the above, we request the commission to direct the Petitioner to submit a comprehensive and time-bound action plan aimed at eliminating these accumulated losses. The plan should outline clear strategies for cost optimisation, revenue enhancement, operational efficiency improvements, and financial restructuring to ensure the Discom's future viability.

3. SUBMISSION ON THE TARIFF RATIONALISATION

3.1. Adverse Impact of New Tariff Structure on Low Income Groups

The Petitioner has proposed merging multiple slabs within domestic category of consumers (BPL, Astha Cards and Small Domestic) and restructuring tariffs across other slabs. This restructuring entails a reduction in energy charges coupled with a corresponding increase in fixed charges under the proposed tariff structure. While such simplification may appear administratively efficient, it disproportionately affects low-consumption domestic consumers, particularly Below Poverty Line (BPL) households, Astha Card holders, and other small domestic users.

The average billing rate (ABR) in proposed tariff structure is of INR 9 which is INR 1.25x higher than from the existing tariff structure as illustrated (*see Table 5*).

Table 5: Impact of Proposed Tariff on Small Domestic Consumer (up to 50 units/ Month)

PARTICULAR	ENERGY CHARGES (IN INR)	FIXED CHARGES (IN INR)	TOTAL (IN INR)	ABR
Existing tariff structure	4.75 * 50 = 237.5	150	387.50	7.75
Proposed tariff structure	6 * 50 = 300	150	450.00	9.00

Household Consumption Expenditure Survey (HCES 2022) reveals that in Rajasthan, households belonging to the lowest-income decile have spent 3.84% in urban areas and 2.82% in rural areas of their monthly budget on electricity, corresponding to 2.43% for urban and 1.95% for rural households belonging to the top decile. It clearly shows that even a bare minimum of electricity usage by poor households results in a significant burden on their monthly budget compared to the richer households. Therefore, electricity tariffs for domestic consumers demand further attention ensure equity, increase energy efficiency, and financial and environmental sustainability.

We respectfully urge the Commission to retain the existing tariff slab for small domestic consumers, particularly those consuming up to 50 units per month. Eliminating this slab under the proposed tariff structure may lead to a significant increase in their electricity bills, thereby adversely affecting economically weaker households such as BPL families and Astha Card holders. Protecting low-income consumers from tariff shocks is essential to ensuring universal and inclusive access to electricity, in line with provisions of national tariff policy.

Therefore, we request that the Commission direct the Petitioner to reconsider the proposed slab restructuring and retain the existing concessional slab to safeguard the interests of these vulnerable consumer segments.

3.2. Effective Tariff and Comparison with Other States

It is important to highlight that under the proposed tariff, both fixed charges and energy charges for small domestic consumers, particularly those consuming up to 50 units per month, are significantly higher in Rajasthan compared to other states such as Gujarat and Maharashtra.

For instance, the fixed charge for Below Poverty Line (BPL) and Astha Card holders in Rajasthan is a steep ₹566/kW/month, calculated based on the average connected load for these consumer categories. In contrast, the corresponding charges in Gujarat and Maharashtra are significantly lower at ₹5/kW/month and ₹34/kW/month, respectively (*see Table 6*).

Table 6: Comparison of Rajasthan Fixed Energy Charges (as per Proposed Tariff) with Gujarat and Maharashtra Fixed Energy Charges

S. NO	CATEGORY	SUB-CATEGORY	LOAD SLABS	CONSUMPTION SLABS (UNITS/MONTH)	RAJASTHAN (INR/KW/MONTH)	GUJURAT (INR/KW/MONTH)	MAHARASHTRA (INR/KW/MONTH)	
1	Domestic	BPL & Astha Card			566	05	34	
		Small Domestic		upto 50	126			
		General Domestic		0-50	113		Single phase: INR 128	
				50-150	108		Three phase: INR 424	
				150-300	137			
				300-500	137			
				500 and above	126			
				over 50 kVA		300		
				<= 2 kW			15	
				2-4 kW			25	
		4-6 kW			45			
		> 6 kW			70			

Source: Author's analysis

Moreover, this imbalance becomes even more concerning when considering that higher-consumption slabs within the domestic category are subject to comparatively lower fixed charges on a per-kW basis, highlighting an inequity in the tariff design. Such a structure disproportionately penalizes low-usage, low-income households and effectively results in the most economically vulnerable consumers in Rajasthan subsidizing higher consumption categories—contrary to the principles of fairness, equity, and progressive tariff design.

Similarly, the proposed energy charge for BPL consumers in Rajasthan under the new tariff structure is INR 6.00 per unit, which is substantially higher when compared to other comparable states. For example, in Gujarat, BPL consumers are charged only INR 1.50 per unit, and in Maharashtra, the charge is INR 1.56 per unit (see Table 7).

Table 7: Comparison of Rajasthan Proposed Energy Charges with Gujarat and Maharashtra Energy Charges

S. NO	CATEGORY	SUB-CATEGORY	LOAD SLABS	CONSUMPTION SLABS (UNITS/MONTH)	PROPOSED RAJASTHAN (INR/UNIT)	GUJURAT (INR/UNIT)	MAHARASHTRA (INR/UNIT)
1	Domestic	BPL & Astha Card			6	1.5	1.56
		Small Domestic General Domestic		upto 50	6		
				0-50	6	3.05	4.71
				50-150	6	3.5	4.71 - 10.29
				150-300	7	4.15 - 5.2	10.29
				300-500	7	5.2	14.55
				500 and above	7.5	5.2	16.64
			over 50 kVA		6.5	5.2	16.64

Source: Author's analysis

We request the Commission to take cognizance of this disparity and direct the Petitioner to revise the proposed energy charges for BPL consumers and rationalize the fixed charge structure—particularly for small domestic consumers and BPL beneficiaries—to ensure a just and affordable tariff regime. A more balanced and inclusive tariff approach is essential to uphold the principles of social equity and ensure universal access to affordable electricity.

4. SUBMISSION ON THE NON-COMPLIANCE OF THE COMMISSION'S DIRECTIVES

The Commission has consistently emphasised the need for performance improvement by the Discoms and has issued specific directives in various past orders, including the most recent tariff order dated 26.07.2024. In that tariff order, the Commission had clearly directed the Managing Directors (MDs) of the Discoms to personally monitor the implementation of each directive and to submit a detailed and pinpointed compliance report outlining the status of compliance with each instruction.

However, despite this explicit directive, the Petitioner has failed to submit the required compliance report along with the current Petition. We request the Commission to take serious note of this non-compliance and direct the Petitioner to immediately submit a comprehensive compliance report, detailing the actions taken and progress achieved against each of the Commission's earlier directives. The Petitioner's true-up petition includes the status of compliance with the Commission's directives, as outlined below:

4.1. Reporting of Subsidy

The Commission therefore, vide its Tariff Order dated 26.07.2024, had directed the Discoms to furnish a quarterly report indicating demand for subsidy raised by them, energy consumed by the subsidised category, consumer category-wise per unit subsidy declared by the state government, actual subsidy received in accordance with Section 65 of the Electricity Act, gap in subsidy due and paid as well as other relevant details. The Commission had also directed the Discoms to appoint a nodal officer, who on their behalf are to send a quarterly report within 30 days from the end date of the quarter, detailing reasons for non-receipt of subsidy and action taken accordingly.

However, in the compliance status submitted by the Petitioner along with the True-Up Petition of FY24, the Petitioner has reported that only the Quarter-II internal audit report has been furnished. No explanation has been provided for the non-submission of Quarter-I and Quarter-III reports. We request the Petitioner to provide details of the quarterly submission of these reports and any punitive action taken against Discom officials, if any, in cases of non-compliance.

4.2. Smart Grid and Demand Side Management Cell

The Commission, vide its Order dated 26.07.2024, had directed the Discoms to constitute Smart Grid and Demand Side Management Cell(s) with well-defined roles and responsibilities. The Commission had also directed them to conduct baseline study and develop data to formulate Demand Side Management and Smart Grid Plan/Programme. With the approval of the Commission, the Discoms were to act upon said plans. The Commission had also directed them to develop cost recovery mechanism.

However, the Petitioner has failed to comply with the said directive. While it has created an RE-DSM Cell, the specific roles and responsibilities of the Cell have not been provided in the last compliance report attached with FY24 True-up Petition of the Petitioner. It has also not reported undertaking any baseline study or developed data which would help in formulating Demand Side Management Plan and Smart Grid Plan. Additionally, there is no disclosure of the development of a cost recovery mechanism. The Petitioner has also not provided any details regarding the implementation of energy efficiency programs or Demand Response programs as part of its DSM planning.

4.3. Reporting of Renewable Energy Capacity Addition and Contracted

In the Tariff Order dated 26.07.2024, the Commission had directed the Discoms to regularly monitor and report the progress of renewable energy capacity addition and the capacity contracted by the Rajasthan Discoms. The Commission also specified that this information be submitted on a quarterly basis in the prescribed format (pg. 293 of RERC tariff order dated 26.07.2024).

However, the Petitioner has failed to comply with this directive and has not submitted the required details regarding the renewable energy capacity addition and the capacity contracted.

4.4. EV Charging Infrastructure

The Commission had directed, vide its order dated 21.12.2020, that the Discoms must create an EV Cell for monitoring EV charging stations and defined various crucial functions for the Cell. Subsequently, the Commission, in the Tariff Order passed on 26.07.2024, had directed the Discoms to expedite the setting up of EV charging stations and also propose necessary investment for upgrading their network for seamless integration of EV infrastructure.

The Petitioner has not provided any details regarding setting up of an EV Cell for overseeing the installation of charging infrastructure. It has submitted in the compliance report with FY24 True-Up Petition that only 11 charging station connections have been released in its jurisdiction.

4.5. Fixed Assets Register (FAR)

In the Tariff Order dated 26.07.2024, the Commission had directed the Discoms to go through the Report submitted by M/s. RFSDL and take necessary actions 'including those materials in the report to update their process and make asset register as per the requirement of the Regulations'. The report recommends that the Discoms develop a comprehensive financial management and accounting manual. Additionally, the report recommends capacity building exercises for the staff of Discoms, gather their feedback and refine the manual. The report also recommends appointing a third-party for physical verification and also appoint a field-team for cross-verification.

The Petitioner has not clarified if it has submitted the FAR for FY24. It has further stated that it still in process of complying with some aspects of the report submitted by M/s. RFSDL, without giving detailed status of compliance. If the manual for management and accounting has been prepared by the Petitioner, it must be directed to submit the same before the Commission. Additionally, it should also clarify if it has undertaken any capacity building exercises for its staff towards the same and if it has received any feedback from them. Furthermore, it should give the details of third-party appointed for the purpose of physical verification.

The Commission should also direct the discom to disclose detailed steps it has taken towards implementing IT/ERP system for streamlining tasks, improving efficiency and enhancing data accuracy.

4.6. Distribution Franchisee

The Commission in previous ARR & Tariff orders directed Discoms to finalise the report on the performance of the franchisees by independent auditor within 3 months from the from the date of the issuance of that order and also place the same on the website. In tariff order 26.07.2024 the Commission again directs the Discoms to furnish report up to last financial year and submit a copy along with next ARR Petition and be placed on the website also.

However, the Petitioner has failed to comply with this directive, as the current ARR Petition does not include the required performance report from an independent auditor, nor has the report been uploaded to the website.

4.7. Skill Development and Training

The Commission had previously directed the Discoms to establish their own skill development and training centres. Additionally, Discoms were mandated to allocate at least 1% of their total capital expenditure (capex) towards staff skill development and training, including safety training, and to report the same to the Commission along with the subsequent tariff Petition.

However, the Petitioner has failed to provide any information regarding the utilisation of this 1% capex for the intended purpose, thereby not complying with the Commission's directive.

5. ANNEXURE I

Media Report 1: <https://dainik.bhaskar.com/CCxf7Sw7ORb>

Hindi News / Local / Rajasthan / Barmer / Meter
Fault; Average Bills Issued To 56 Thousand 857
Consumers, Not Changed Even After 1 Year

**ऑन स्पॉट बिलिंग: मीटर फॉल्ट; 56
हजार 857 उपभोक्ताओं को जारी
किए औसत बिल, 1 साल बाद नहीं
बदले**

बाड़मेर 1 महीने पहले



डिस्कॉम कार्यालय में खराब मीटरों का लगा ढेर।

6. ANNEXURE II

Media Report 2: <https://www.patrika.com/sri-ganganagar-news/thousands-of-farmers-of-rajasthan-are-waiting-for-agricultural-connection-for-2-years-19546960>

श्री गंगानगर

राजस्थान के हजारों किसानों को कृषि कनेक्शन का 2 साल से इंतजार, आखिर क्यों नहीं हो रहे कनेक्शन?

पांच हजार से अधिक किसान दो साल से कृषि कनेक्शन का इंतजार कर रहे हैं। अप्रैल 2022-23 में इन किसानों को कृषि कनेक्शन के लिए डिमांड नोटिस जारी किया गया था।

श्री गंगानगर • Apr 22, 2025 / 12:03 pm • Santosh Trivedi

