May 2025 | Submitted to Rajasthan Electricity Regulatory Commission

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

CENTRE FOR ENERGY, ENVIRONMENT & PEOPLE

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1. INTRODUCTION

Jaipur Vidyut Vitran Nigam Limited (JVVNL) (*the Petitioner*) has filed a Petition before the Rajasthan Electricity Regulatory Commission (*the Commission*) for approval of 'Aggregate Revenue Requirement (ARR), Tariff and Investment Plan FY 2025-26' in accordance with the provision of RERC (Terms and Conditions for Determination of Tariff) Regulations, 2025.

In response to the Petition, Centre for Energy, Environment and People submits the following comments and suggestions in the interest of consumers and the power sector of Rajasthan. We respectfully request the Commission to admit this submission into the official record. This submission is structured in three sections as given under:

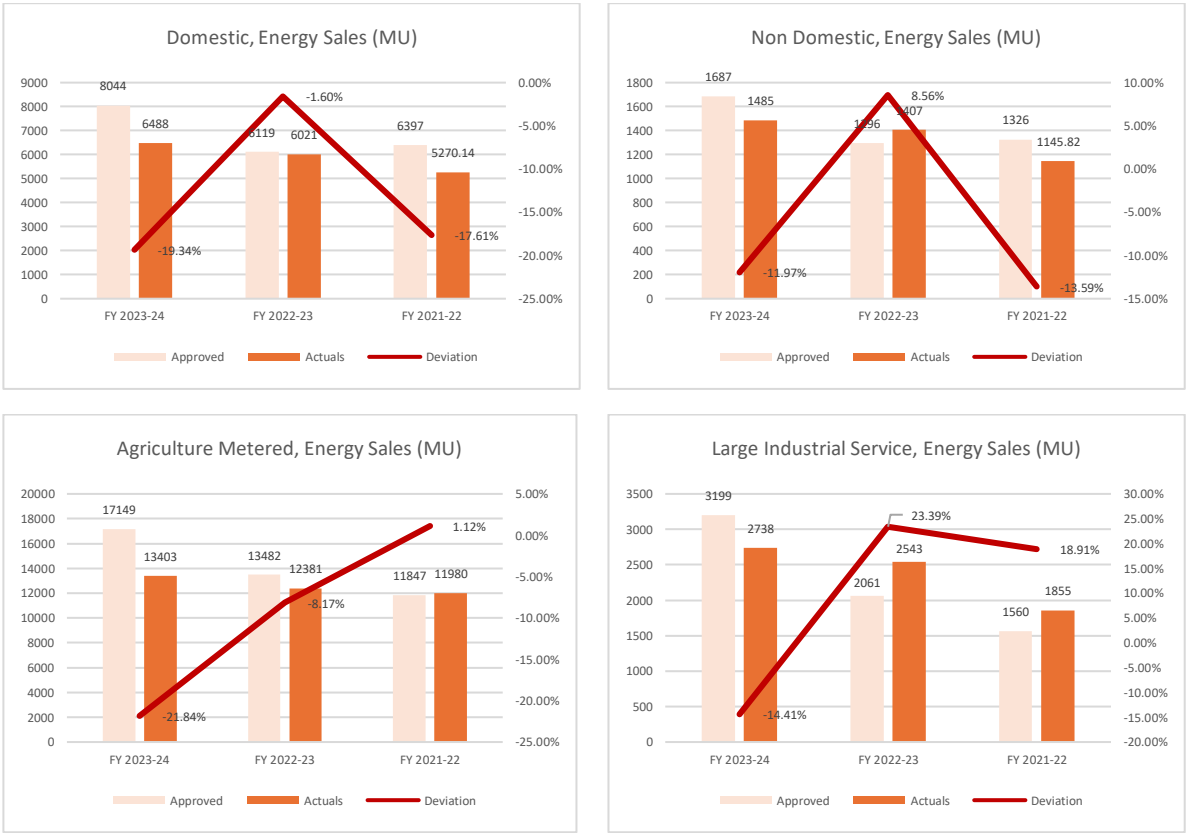
a) Comments on the Petition for ARR for FY26
b) Submission on the Tariff Rationalisation
c) Submission on the non-compliance of the Commission's directives

2. COMMENTS ON PETITION FOR ARR FOR FY26

2.1. Projection of Category wise Energy Sales

In Table 9 of the Petition, the Petitioner has projected category-wise energy sales for FY26 using Compound Annual Growth Rate (CAGR) derived from historical sales data. However, past true-up exercises have revealed significant deviations between approved and actual energy sales figures, indicating that methodology adopted by Petitioner is flawed and lacks accuracy (*see Figure 1*).

Figure 1: Category wise energy sales deviation in JVVNL



Such over- or under-estimation of energy sales can adversely impact power procurement planning and compromise the quality of service delivery to consumers. Moreover, inaccurate sales projections may result in backing down or surrender of surplus power, incurring fixed charges payable to generating companies, or compel 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 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.

2.2. 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.

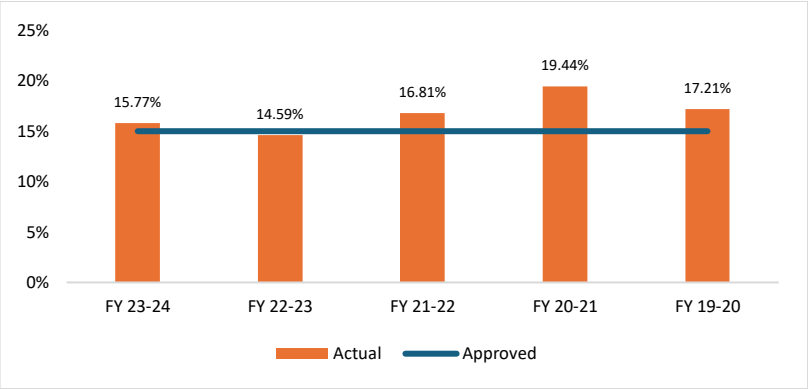
Incorporating RoE is essential for the financial sustainability of Discom operations as it plays a key role in enabling them to fund long-term infrastructure modernisation, adopt new technologies, and enhance service delivery. Furthermore, RoE contributes to a balanced capital structure and incentivises 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 RoE in accordance with the applicable regulatory guidelines.

2.3. Distribution and AT&C Losses Reduction

In FY24, the Petitioner failed to meet the approved distribution loss target, recording actual losses of 15.77% against the approved level of 15%. Although the deviation is marginal, it remains significant due to the considerable scope for improvement. 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 2*). Even Ajmer Discom has reported lower losses than the Petitioner, thus underscoring the need for close scrutiny of the proposed distribution loss targets and the effectiveness of measures outlined to enhance operational performance and consumer satisfaction. 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 2: High distribution losses of JVVNL from its approved losses of 15%



In addition to this, as per the True-Up for FY24, the AT&C (Aggregate Technical and Commercial) losses remain significantly high at 20.05%, whereas under the Revamped Distribution Sector Scheme (RDSS), the target was to reduce AT&C losses to the range of 12% to 15% by FY25. 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.

2.4. Discrepancy in Distribution Losses Data

The data provided by the Petitioner in Form D7.2 of the ARR format appears vague and potentially inaccurate. Specifically, the Petitioner has reported distribution losses for FY24 without accounting for the losses in the distribution franchisee (DF) areas. As shown in *Figure 3*, the energy input in DF areas, DF Kota and DF Bharatpur, is reported as 1,878.27 MU and 0 MU, respectively. We request the Petitioner to explain and justify the reported zero energy input in DF Bharatpur (*see Figure 3*).

Figure 3: Distribution Losses for FY 24 in Form D 7.2 of ARR Format of JVVNL

Form D 7.2

Distribution Losses

Page 1

Name of Distribution Licensee: JVVNL
Licensed Area of Supply: Jaipur Discom

FY 2023-24

S. No.	Voltage Level	No of Feeders	Feeders metered	Energy Input		Sales to LT Consumers	Sales to HT Consumers	Total Output	Total Losses	Total Losses (% of Energy Input)	Total Technical Loss	Total technical Losses (% of Energy Input)	Total Commercial Loss	Total Commercial Losses (% of Energy Input)
1	2	3	4	5		6	7	8	9	10	11	12	13	14
Alwar	11 kV	1385	1385	3376.91	0.00	NA	NA	2733.60	643.30	19.05%	NA	NA	NA	NA
Bharatpur	11 kV	501	501	1384.05	0.00	NA	NA	1221.76	162.29	11.73%	NA	NA	NA	NA
Dholpur	11 kV	220	220	2294.28	0.00	NA	NA	1939.30	354.98	15.47%	NA	NA	NA	NA
Dausa	11 kV	531	531	1063.07	0.00	NA	NA	746.28	316.79	29.80%	NA	NA	NA	NA
Karauli	11 kV	415	415	4573.26	0.00	NA	NA	4110.53	462.74	10.12%	NA	NA	NA	NA
JCC North	11 kV	929	929	840.68	0.00	NA	NA	621.53	219.15	26.07%	NA	NA	NA	NA
JCC South		0	0	832.69	0.00			686.63	146.06	17.54%				
JPDC North	11 kV	1634	1634	2979.13	0.00	NA	NA	2758.02	221.11	7.42%	NA	NA	NA	NA
JPDC South		0	0	2315.61	0.00			2071.98	243.64	10.52%				
Jhalawar	11 kV	574	574	1145.08	0.00	NA	NA	1006.88	138.20	12.07%	NA	NA	NA	NA
Baran	11 kV	490	490	1192.26	0.00	NA	NA	870.27	322.00	27.01%	NA	NA	NA	NA
Kota	11 kV	418	418	3106.85	0.00	NA	NA	2320.23	786.62	25.32%	NA	NA	NA	NA
Bundi	11 kV	379	379	1646.00	0.00	NA	NA	1282.15	363.85	22.11%	NA	NA	NA	NA
Sawai madhopur	11 kV	440	440	888.75	0.00	NA	NA	518.33	370.42	41.68%	NA	NA	NA	NA
Tonk	11 kV	434	434	727.65	0.00	NA	NA	553.78	173.87	23.89%	NA	NA	NA	NA
Bhiwadi	11 kV	0	0	1603.12	0.00	NA	NA	1229.45	373.66	23.31%	NA	NA	NA	NA
Dudu	11 kV	0	0	1485.01	0.00	NA	NA	1246.36	238.65	16.07%	NA	NA	NA	NA
Kotputli	11 kV	0	0	345.73	0.00	NA	NA	306.25	39.48	11.42%	NA	NA	NA	NA
Deeg	11 kV	0	0	3066.93	0.00	NA	NA	2819.80	247.13	8.06%	NA	NA	NA	NA
Ganganagar City	11 kV	0	0	1551.68	0.00	NA	NA	1336.61	215.06	13.86%	NA	NA	NA	NA
JAIPUR DISCOM	11 kV	8350	8350	36418.73	0.00	NA	NA	30379.73	6039.00	16.58%	NA	NA	NA	NA
D. F. Kota	11 kV	0	0	1878.27		NA	NA	1878.27	0.00	0.00%	NA	NA	NA	NA
D. F. Bharatpur	11 kV	0	0	0.00		NA	NA	0.00	0.00	#DIV/0!	NA	NA	NA	NA
Jaipur Discom with	11 kV	8350	8350	38297.00		NA	NA	32258.00	6039.00	15.77%	NA	NA	NA	NA

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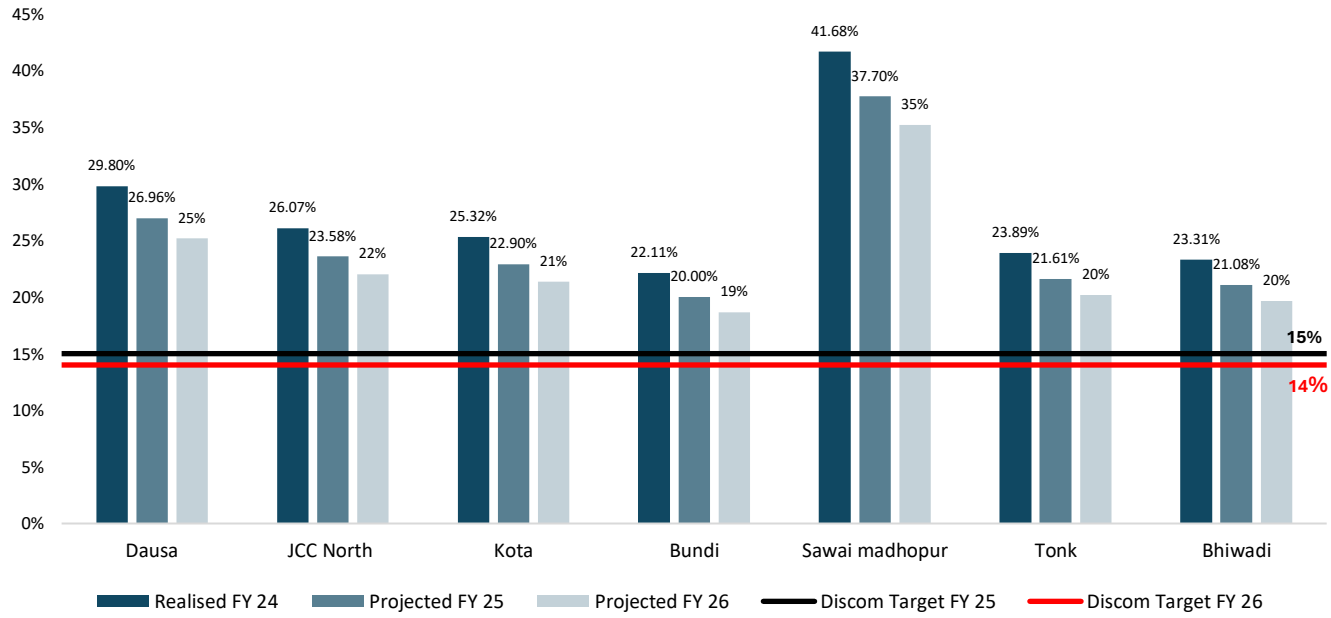
Furthermore, the Petitioner has reported an overall distribution loss of 16.58% for FY24, excluding losses from the DF areas. It has not disclosed the corresponding loss figures for DF areas of Kota and Bharatpur. Similarly, for FY25 and FY26, the Petitioner has provided overall distribution loss figures without disclosing the respective losses for these franchisee areas. Therefore, the Petitioner's claim of an overall distribution loss of 15.77% is difficult to accept, given the inconsistency in the reporting methodology across the years.

Therefore, we respectfully request the Commission to consider 16.58% as the actual distribution loss for FY24 and to disallow the Petitioner's claim of 15.77%, which appears unclear and unsubstantiated. We also request the Commission to direct the Petitioner to furnish detailed energy input data and distribution loss figures for the DF areas for FY25 and FY26 to ensure transparency and accuracy in the loss estimation.

2.5. High Distribution Losses in Circle

As per the Form D7.2 of the ARR formats, the distribution losses in several other circles, namely JCC North, Kota, Bundi, Sawai Madhopur, Tonk, and Bhiwadi, are alarmingly high (above 20% losses). These figures are well above the targets projected by the Petitioner for FY25 and FY26, which are 15% and 14%, respectively. The current trajectory of loss levels in these areas indicates a considerable deviation from the anticipated benchmarks and underscores the need for intensified corrective measures and strategic interventions (*see Figure 4*).

Figure 4: High distribution losses projected in few circles of Jaipur Discom



In this context, it is important to note that the Petitioner has reported a loss of 26.07% in the JCC North Circle, an urban area, which raises serious concerns regarding data accuracy and the effectiveness of Discom operations. In view of the above, we respectfully request the Commission to direct the Petitioner to implement similar loss reduction initiatives in the aforementioned circles.

2.6. Details of Faulty/Damaged Meters

Currently, for billing of faulty meters, the Discoms have adopted an approach of provisional billing based on average consumption. This approach adversely affects billing accuracy and undermines overall reliability of the metering infrastructure. Hence, senior Discom officials directed field officers to replace the faulty meters (*see ANNEXURE I*). 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.

2.7. 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 address the increasing demand for reliable power supply among farmers. However, as highlighted in multiple media reports (*see ANNEXURE II*), there is 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.

2.8. RDSS Scheme

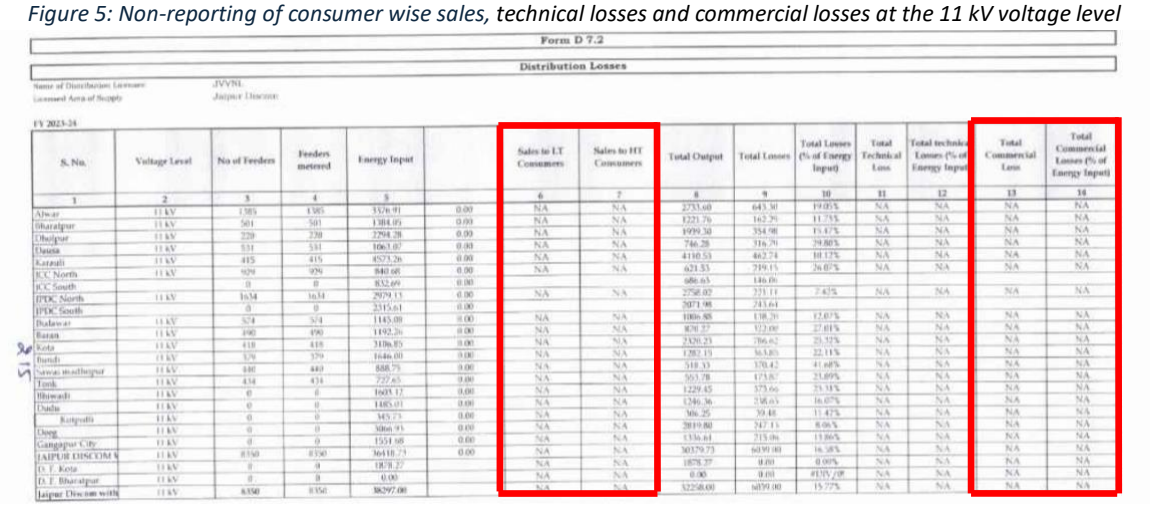
We request the Petitioner to provide a circle-wise audit report on the total number of meters at feeder and Distribution Transformers (DTs), along with details of operational and faulty meters. The Petitioner has previously submitted on various occasions that it aims to achieve 100% feeder metering and DT metering by 2023. We request the Petitioner to provide an update on the same and detailed explanation for the delay in achieving the said target, if applicable.

The Petitioner has also provided an activity-wise progress under the RDSS in Section 3.58 of the Petition. However, the Petition does not include any details for completion of remaining activities. We request the Petitioner to submit a comprehensive plan outlining the timelines and strategies for completing said remaining activities under the RDSS scheme.

2.9. Compliance to ARR Formats

We wish to bring to the Commission's attention that Petitioner has failed to report technical and commercial losses at the 11 kV voltage level in prescribed format of Form D7.2 (*see Figure 5*), including sales to LT and HT consumers. No justification or explanation has been provided for this omission. This constitutes non-compliance with regulatory requirements, and we respectfully request the Commission to direct the Petitioner to submit a detailed explanation for same.

Figure 5: Non-reporting of consumer wise sales, technical losses and commercial losses at the 11 kV voltage level



Form D 7.2

Distribution Losses

S. No.	Voltage Level	No of Feeders	Feeders metered	Energy Input		Sales to LT Consumers	Sales to HT Consumers	Total Output	Total Losses	Total Losses (% of Energy Input)	Total Technical Loss	Total technical Losses (% of Energy Input)	Total Commercial Loss	Total Commercial Losses (% of Energy Input)
1	2	3	4	5		6	7	8	9	10	11	12	13	14
Alwar	11 kV	1385	1385	3376.91	0.00	NA	NA	2733.60	643.30	19.05%	NA	NA	NA	NA
Bharatpur	11 kV	501	501	1384.05	0.00	NA	NA	1221.76	162.29	11.75%	NA	NA	NA	NA
Dholpur	11 kV	229	229	2294.28	0.00	NA	NA	1939.30	354.98	15.47%	NA	NA	NA	NA
Dausa	11 kV	531	531	1063.07	0.00	NA	NA	746.28	316.79	29.80%	NA	NA	NA	NA
Karauli	11 kV	415	415	4573.26	0.00	NA	NA	4110.53	462.74	10.12%	NA	NA	NA	NA
JCC North	11 kV	929	929	840.68	0.00	NA	NA	621.53	219.15	26.07%	NA	NA	NA	NA
JCC South		0	0	852.69	0.00			686.63	146.06					
JPDC North	11 kV	1634	1634	2979.13	0.00	NA	NA	2756.02	223.11	7.42%	NA	NA	NA	NA
JPDC South		0	0	2315.61	0.00			2071.98	243.64					
Dalawar	11 kV	574	574	1145.00	0.00	NA	NA	1006.88	138.20	12.07%	NA	NA	NA	NA
Baran	11 kV	690	690	1192.26	0.00	NA	NA	870.27	322.00	27.01%	NA	NA	NA	NA
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Bhiwadi	11 kV	0	0	1603.12	0.00	NA	NA	1229.45	373.66	23.31%	NA	NA	NA	NA
Dadu	11 kV	0	0	1485.01	0.00	NA	NA	1246.36	238.65	16.07%	NA	NA	NA	NA
Kotputli	11 kV	0	0	345.73	0.00	NA	NA	306.25	39.48	11.42%	NA	NA	NA	NA
Dausa	11 kV	0	0	3066.93	0.00	NA	NA	2819.80	247.13	8.06%	NA	NA	NA	NA
Gangapur City	11 kV	0	0	1551.68	0.00	NA	NA	1336.61	215.08	13.86%	NA	NA	NA	NA
JAIPUR DISCOM	11 kV	8350	8350	36410.73	0.00	NA	NA	30570.73	6090.00	16.38%	NA	NA	NA	NA
D. T. Kota	11 kV	0	0	1878.27		NA	NA	1878.27	0.00	0.00%	NA	NA	NA	NA
D. T. Bharatpur	11 kV	0	0	0.00		NA	NA	0.00	0.00	#DIV/0!	NA	NA	NA	NA
Jaipur Discom with	11 kV	8350	8350	38297.00		NA	NA	32258.00	6039.00	15.77%	NA	NA	NA	NA

2.10. 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.

2.11. 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 also 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 intra-state transmission losses reported by the Discom are higher than 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	Intra-State Transmission Losses	FY	Source
Maharashtra	3.18%	2022-23	MSEDCL, Truing-up of ARR for FY 2022-23 (*see pg. 275*)
Gujarat	3.37%	2025-26	GETCO, Determination of ARR and Tariff for FY 2025-26 to FY 2029-30 (*see pg. 78*)
Madhya Pradesh	2.61%	2025-26	MPERC, ARR for FY 2025-26 and Retail Supply Tariff Order for FY 2025-26 (*see pg. 25*)

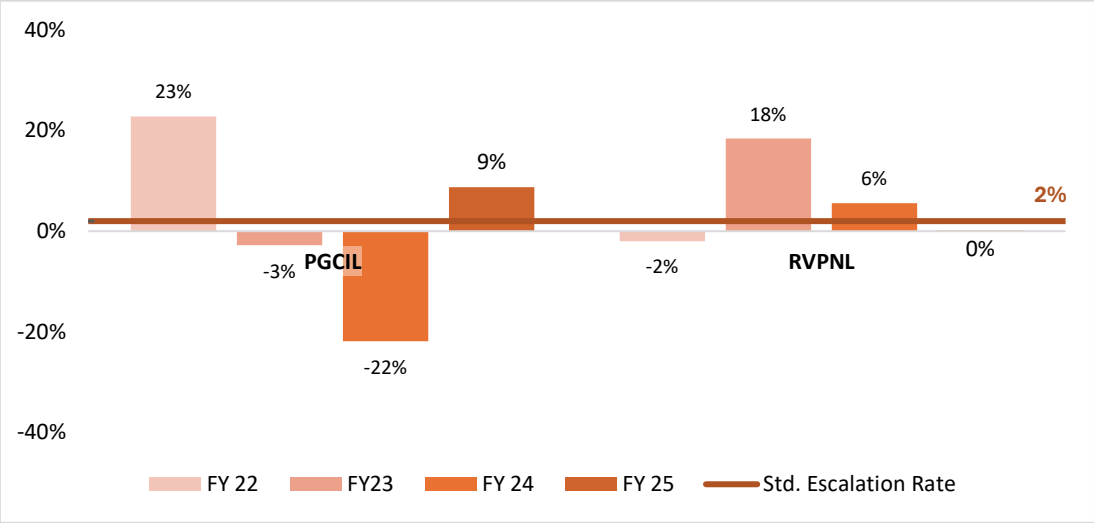
2.12. Transmission & SLDC Charges

In Paragraph 4.43 of the Petition, the Petitioner has applied a nominal annual escalation rate of 2% to project transmission charges for FY26, based on the projections for FY25. However, the Petitioner has not provided any rationale and methodology adopted to arrive at the 2% annual escalation rate for calculating transmission and SLDC charges.

It is observed that the projected figures do not reflect the prescribed 2% increase, with a significant deviation from our calculations. The escalation applied in Table 17 of the Petition appears inconsistent with the 2% increase over FY24 transmission charges as per Form D3.4 of the ARR format, raising concerns about the accuracy of the escalation methodology used.

Additionally, the year-on-year deviations in Transmission and SLDC charges, as projected and reported by the Petitioner in its true-up petitions, show significant variation. Notably, the charges from two major transmission network providers, PGCIL and RVPNL, have shown variations ranging from -22% to +23% in different years, compared to the uniform 2% annual escalation rate projected by the Petitioner in each ARR filing. This inconsistency raises concerns about the accuracy and reliability of the Petitioner's cost projections (*see Figure 6*).

Figure 6: Deviation of Transmission charges from 2% escalation rate considered by petitioner in each ARR petition



Furthermore, the Petitioner has not provided essential details such as the contracted transmission capacity (in MW) and the applicable transmission tariff (in INR/kW/month) in Forms D 3.4 and D 3.5 for both FY25 and FY26 (*see Figure 7*). These details are critical for verifying accuracy of projected transmission and SLDC charges, and we request Petitioner to furnish missing information accordingly.

Figure 7: Form 3.4 of FY 25 for Transmission Charges

FormD 3.4

Transmission Charges

Name of Distribution Licensee	JVVNL
Licensed Area of Supply	Jaipur Discom
Transmission Charges	
Year	**2024-25**

S. No.	Name of Transmission/Distribution Network Provider	Contracted Capacity (MW)	Transmission Tariff (Rs./KW/Month)	Transmission Charges (Rs. Crore)
1	2	3	4	5
1	PGCIL	N/A		810.33
2	MARU TRANSMISSION			14.53
3	Aravali Transmission services			8.96
4	HADOTI POWER			18.00
5	THAR POWER			12.93
6	BARMER POWER			14.41
7	RVPNL			1316.39
8	POC charges			10.88
	Total			**2206.44**

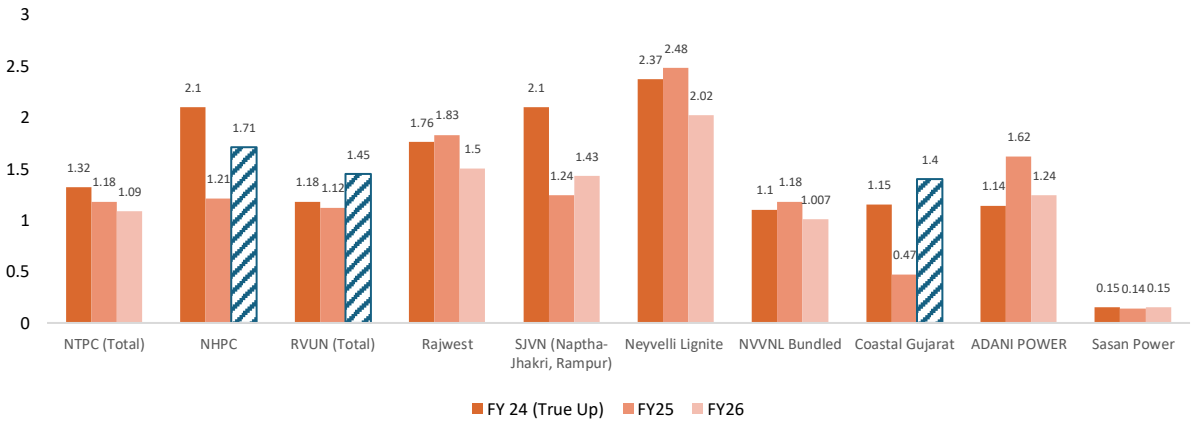
2.13. Variation in Capacity Charges

Based on an analysis of Form 3.1 of the formats for True-up for FY24 and ARR of FY25 and FY26, it can be seen that the capacity charges of various generating stations in terms of INR/unit varies significantly across the years. In light of the above, we request the Petitioner to provide a detailed explanation for these deviations, along with the measures undertaken to enhance accuracy and minimise such discrepancies. Additionally, we request the Petitioner to submit detailed computation

for energy sent out and the capacity charges paid/payable by the utility for the projected years FY25 and FY26, including underlying assumptions, contractual provisions, and performance parameters.

Additionally, we have noted that the projected capacity charges for FY26, particularly for NHPC, RVUN (Total) and Coastal Gujarat, are considered significantly high when compared with other sources (*see Figure 8*). We therefore request the Petitioner to justify procurement of power from these sources at such high capacity charges.

Figure 8: Capacity Charges (INR/kWh) of plants for power projections of Rajasthan Discoms from FY 24 to FY 26



2.14. New Capacity Addition

In Table 12 of the Petition, the Petitioner outlines the planned new capacity additions 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 projects within Rajasthan. However, it is important to note that most of these solar projects are yet to be commissioned.

Based on project update reports on under-construction projects published by the Central Electricity Authority (CEA), it has been consistently observed that solar power projects often experience delays in execution and commissioning. Therefore, the Petitioner's assumptions regarding energy availability from these projects appear overly optimistic.

Furthermore, 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, no project-level information has been submitted for the proposed wind power projects.

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.

2.15. 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 5.12 on Page 46 of the Petition, the contractual CUF target to be achieved by the developer for decentralised 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 realisation. Accordingly, 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.

2.16. 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.

2.17. Disallow O&M expenses for Distribution Franchises

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

2.18. Capital Investment Plan (Institutional Strengthening)

As per the RERC (Investment Approval) Regulation, 2006, Discoms 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.

2.19. O&M Expenses for Smart Meters

We 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.

2.20. Discrepancy in Power Procurement Planning

In Paragraph 4.46 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 Cell[2] 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.

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.

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

2.21. Rural Electrification

Table 19 of the Petition outlines the planned financial outlay for various activities, including the budgeted physical targets related to Rural Electrification Works for FY25 and FY26, with allocations of INR 1,731 Cr. and INR 1,103 Cr. respectively. 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: Specify the number of villages proposed to be electrified in each circle;

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

b) Release of New Electricity Connections: Indicate number of new rural household or consumer connections planned in each circle.

2.22. 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.

2.23. 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.

Furthermore, as per the Commission's directive dated 01.09.2022, Discoms are required to report circle-wise details of poles and cables, along with the corresponding income generated. However, the Petitioner has not provided any details under "*Income from Asset Monetisation*" in Form D 2.4 (Non-Tariff Income), which constitutes a violation of the Commission's directives and Order dated 24.02.2025 regarding the prescribed ***formats for submission of the Aggregate Revenue Requirement (ARR), tariff proposals, and truing-up petitions for Distribution Licensees*** (*see Figure 9*). Hence, Petitioner is requested to provide projections for each asset monetisation avenue in Form D2.4 for FY24, FY25, and FY26.

Figure 9: Income from Asset Monetisation is not provided in the Format

Form D 2.4

Non-tariff Income

Name of Distribution Licensee: JVVNL
Licensed Area of Supply: Jaipur Discom (Rs Cr)

S.No	Particulars	Previous Year FY 2023-24 Audited	Current Year FY 2024-25 Anticipated	Ensuing Year FY 2025-26 Anticipated	Remarks
1	2	3	4	5	6
1	Interest on loans and advances to employees	-	-	-	
2	Interest on loans and advances to suppliers/contractors	0.16	-	-	
3	Interest and other income from investments and deposits	7.21	7.65	8.10	
4	Interest income (others)	26.53	-	-	
5	Income from rent on land/building				
6	Rental From Staff Quarters	0.07	0.07	0.08	
7	Registration fees	0.62	0.65	0.69	
8	Sale Of Tender Forms	0.62	0.66	0.70	
9	Income from Testing Charges	10.86	11.51	12.20	
10	Gain on Exchange Rate Difference	0.01	0.01	0.01	
11	Excess Prov. of Gratuity written back	160.81	0.00	0.00	
12	Income from sale of scrap	39.64	42.02	44.54	
13	Interest on subvention received from govt.	328.85	348.58	369.50	
14	Income from sale of power to its staff				
15	Rebate for early payment	12.81	13.57	14.39	
16	Refund of UI Charges	254.43	-	-	
17	Delayed Payment Charges	302.46	-	-	
18	Other miscellaneous receipts	76.77	81.37	86.25	
19	**Total (A)**	**1221.85**	**506.11**	**536.48**	
B	**Other Tariff Income**				
1	Meter Rent/Service Line Rental/transformer rent	25.54	27.08	28.70	
2	Recoveries for theft of Power/ Malpractice	13.88	14.71	15.59	
3	Misc. Charges from Consumers	260.02	275.62	292.16	
4	Other Income - True up credit of RVPNL	21.31	-	-	
5	Other Income - True up credit of RVUNL	-	-	-	
	Total (B)	**320.76**	**317.41**	**336.45**	
	Less: Interest on funding DPS amount of Principal				
	Grand Total	**1542.61**	**823.52**	**872.93**	

In this regard, we respectfully request the Commission to direct the Petitioner to submit a comprehensive report evaluating the monetisation 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.

2.24. Voltage-Wise Loss of Supply

The Commission's order dated 01.09.2022 required Discoms to submit voltage-wise cost of supply based on actual losses and sales rather than the dispensation allowed by the APTEL's judgment. The Commission, reiterated its directive vide Order dated 31.03.2023, where the Discoms were directed to conduct an independent study to calculate voltage-wise losses and voltage-wise cost of supply. The Petitioner has failed to comply with the same despite repeated directives and opportunities, and still submitted data using the APTEL methodology.

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 ARR.

2.25. 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 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, 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.

2.26. 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 Petitioner's 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.

2.27. Compensation on SoP Violations

The Commission, in its orders dated 31.03.2023 and 26.07.2024, 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.

2.28. Plan for Annual Accumulated Losses

According to the 24th Annual Report of the Petitioner, the accumulated losses of the Petitioner stood at INR 28,263 Cr. These losses have been steadily increasing over the past several years, 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.

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.

2.29. Mukhyamantri Nishulk Bijali Yojana

In Paragraph 3.41 of the Petition, the Petitioner has stated that projections under the PM Surya Ghar Yojana have already been considered, excluding the anticipated capacity additions under the State Government's similar scheme. Furthermore, the Petitioner has indicated that additional incentives will be provided to beneficiary consumers to encourage a reduction in energy consumption.

In light of this, we respectfully request the Petitioner to furnish a comprehensive strategy for implementing the Mukhyamantri Nishulk Bijali Yojana in the Petitioner O&M area. This should include details such as the expected timeline, estimated capacity addition, projected number of

beneficiary households, and the anticipated quantum of solar energy generation and injection into the grid through these consumer installations.

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 1.25x higher than from the existing tariff structure as illustrated (*see Table 4*).

Table 4: 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 request 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 INR 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 INR 5/kW/month and INR 34/kW/month, respectively (*see ANNEXURE III*)

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 penalises 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 ANNEXURE IV*).

We request the Commission to take cognizance of this disparity and direct the Petitioner to revise the proposed energy charges for BPL consumers and rationalise 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 Petitioner has submitted the status of compliance with the Commission's directives in its petition; however, multiple instances of non-compliance remain unaddressed. We submit the following comments on the Commission's directives and request the Petitioner to take necessary actions to ensure full compliance.

4.1. Smart Grid and Demand Side Management Cell

In their submissions in the Tariff Petition filed in the previous year, the Discoms submitted that they have participated in Smart Grid Projects under Integrated Power Development Scheme (IDPS) and National Smart Grid Mission (NSGM) schemes, and that they request the Commission to frame smart grid regulations with focus on smart metering works. Therefore, 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 not complied with the aforementioned directive. While it has identified certain Demand Side Management (DSM) measures for implementation, it has not established a dedicated DSM Cell with clearly defined roles and responsibilities. Furthermore, there is no indication that a baseline study has been undertaken or that any relevant data has been developed to support the formulation of a comprehensive DSM Plan or Smart Grid Plan.

Additionally, the Petitioner has not disclosed the development of a cost recovery mechanism. If such a baseline study has been conducted or a cost recovery mechanism has been formulated, it is respectfully submitted that the Petitioner be directed to furnish the relevant documentation. The Petitioner should also be directed to provide complete details regarding the establishment of the DSM Cell, if any, along with information pertaining to its activities.

4.2. 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 propose necessary investment for upgrading their network for seamless integration of EV infrastructure.

The Petitioner has not provided any information regarding the establishment of an EV Cell to oversee the installation of charging infrastructure. It has only stated that survey work has been completed for 30 units, and that 50 units are sanctioned for implementation up to FY26.

In view of the above, it is respectfully submitted that the Petitioner may be directed to clarify the status of the constitution of the EV Cell. If such a Cell has been established, the Commission may kindly direct the Petitioner to disclose its roles and responsibilities, as well as the steps undertaken to expedite the installation of EV charging stations.

4.3. 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 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 Petitioner to disclose detailed steps it has taken towards implementing IT/ERP system for streamlining tasks, improving efficiency and enhancing data accuracy.

4.4. Voltage Wise Losses

The Commission had directed vide its Orders dated 01.09.2022, 31.03.2023 and 26.07.2024 that the Discoms to undertake sample study of voltage-wise losses for at least two Nos. 33/11KV urban and two Nos. 33/11 KV rural substations by an independent third-party and associated lines representing proper sample for each circle. It had further directed that the losses of entire circle should be extrapolated based on the sample study and final report be submitted before the Commission within four months of the Order.

However, the Petitioner has failed to provide details regarding the appointment of a third party for undertaking the assessment of voltage-wise losses and has not submitted the corresponding report to the Commission.

In light of this non-compliance, it is respectfully submitted that, as per the directive issued in the Tariff Order dated 26.07.2024, the concerned officer may be held accountable, and appropriate action may be initiated for failure to comply with the Commission's directions.

4.5. Skill Development and Training

The Commission had directed the Discoms to create their own skill development and training centre. Further, Discoms were directed to incur at least 1% of total capex on the skill development and training of staff including training on safety and intimate the same to the Commission along with next Tariff petition.

While the Petitioner has submitted that training is conducted regularly at the circle or division level training session and sub-divisional level safety training session. Additionally, the Petitioner has only spent INR 0.18 Cr. on training its employees in FY 24, as against the mandate of at least 1% of its total capex on the skill development and safety training of staff.

It is therefore requested that the Commission direct the Petitioner to submit details of skill development and training programs conducted to date, including specific information on safety training. Additionally, we request the Commission to direct the Petitioner to provide a detailed training schedule.

4.6. Disposal of Scrapped Assets

It is observed that a substantial number of the Petitioner's assets have been retired due to planned or unplanned reasons, such as end-of-life or damage, and are presently lying as scrap across various premises. These scrapped assets impose additional security obligations on the engineering staff, occupy valuable storage space, and pose safety and theft risks. Accordingly, the Petitioner may be directed to dispose of such assets in a timely and orderly fashion. The Petitioner may be issued directions to ensure prompt reporting of such assets as they are created, and develop circle-wise Standard Operating Procedures (SOPs) for timely disposal of these assets, mandating their disposal within six months of their retirement.

4.7. Adoption of Circles by MD: Reduction of Losses

In its Order dated 26.07.2024, the Commission directed Discoms that MDs shall continue to furnish information of losses and revenue realised in three circles with the highest losses adopted by the

MD/Director, indicating interventions made and outcome in terms of reduction of losses, and with next year ARR they will give a snapshot of losses of FY21 to FY24 (till filing).

In accordance with the directive, the MD of the Petitioner had adopted the Bharatpur, Dholpur, and Dausa circles with the specific objective of reducing distribution losses. Although the Petitioner has submitted distribution loss data in Form D7.2, it is observed that the reported losses in the Dausa Circle remain significantly higher than the Petitioner's average loss level of 15.77%. The Commission is requested to direct the Petitioner to submit a detailed clarification explaining the continued high losses in Dausa circle despite being adopted for focused interventions.

5. ANNEXURE I

Media Report 1:
https://www.bhaskar.com/local/rajasthan/jaipur/news/discom-chairman-ordered-to-replace-faulty-meters-immediately-134792502.html

डिस्कॉम चेयरमैन ने दिए खराब मीटर तुरंत बदलने के आदेश: कहा- मीटर में खराबी होने से निगम को राजस्व का नुकसान होता है

जयपुर 1 महीने पहले

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। अप्रेल 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

7. ANNEXURE III

Table 5: 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

8. ANNEXURE IV

Table 6: 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		upto 50	6		
		General Domestic		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