



TARIFF ORDER

Annual Performance Review for FY 2020-21 and Aggregate Revenue Requirement (ARR) and Determination of Retail Tariff for the FY 2021-22

Petition No. 44/2021

For

**Electricity Department Andaman & Nicobar Administration
(EDA&N)**

31st May 2021

JOINT ELECTRICITY REGULATORY COMMISSION

For the State of Goa and Union Territories,

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List of abbreviations

| Abbreviation | Full Form |
|--------------|--|
| A&G | Administrative and General |
| Act | The Electricity Act, 2003 |
| APR | Annual Performance Review |
| ARR | Aggregate Revenue Requirement |
| ATE | Appellate Tribunal of Electricity |
| CAGR | Compound Annualized Growth rate |
| Capex | Capital Expenditure |
| CEA | Central Electricity Authority |
| CGS | Central Generating Stations |
| Cr | Crores |
| DG | Diesel Generator |
| Discom | Distribution Company |
| FY | Financial Year |
| GoI | Government of India |
| HPP | Hired Power Plant |
| HT | High Tension |
| JERC | Joint Electricity Regulatory Commission for the state of Goa and Union Territories |
| kVA | Kilo Volt Ampere |
| kWh | Kilo Watt Hour |
| LT | Low Tension |
| MoP | Ministry of Power |
| MU | Million Units |
| MW | Mega Watt |
| MYT | Multi Year Tariff |
| NTPC | National Thermal Power Corporation |
| O&M | Operation and Maintenance |
| PH | Power House |
| PLF | Plant Load Factor |
| PPA | Power Purchase Agreement |
| REC | Renewable Energy Certificate |
| RPO | Renewable Purchase Obligation |
| SECI | Solar Energy Corporation of India Limited |
| SERC | State Electricity Regulatory Commission |
| T&D | Transmission & Distribution |
| TVS | Technical Validation Session |
| UI | Unscheduled Interchange |
| UT | Union Territory |
| YoY | Year on Year |

Before the
Joint Electricity Regulatory Commission
For the State of Goa and Union Territories, Gurugram

QUORUM

Sh. M. K. Goel, Chairperson

Petition No. 44/2021

In the matter of

Approval for the Annual Performance Review for the FY 2020-21, Aggregate Revenue Requirement (ARR) and Retail Tariff for the FY 2021-22.

And in the matter of

Electricity Department Andaman & Nicobar Administration (EDA&N) Petitioner

ORDER

Dated: 31st May 2021

- 1) This Order is passed in respect of a Petition filed by the Electricity Department Andaman & Nicobar Administration (EDA&N) (herein after referred to as “The Petitioner” or “EDA&N” or “The Licensee”) for approval of Annual Performance Review for the FY 2020-21, Aggregate Revenue Requirement (ARR) and Retail Tariff for the FY 2021-22 before the Joint Electricity Regulatory Commission (herein after referred to as “The Commission” or “JERC”).
- 2) The Commission scrutinised the said Petition and generally found it in order. The Commission admitted the Petition on 23rd April 2021. The Commission thereafter requisitioned further information/clarifications on the data gaps observed to take a prudent view of the said Petition. The Commission also held a Technical Validation Session to determine sufficiency of data and the veracity of the information submitted. Further, suggestions/ comments/ views and objections were invited from the Stakeholders and Electricity Consumers. Further, due to the COVID-19 pandemic that had adversely impacted the movement of people as per the guidelines of GoI which had suggested avoiding of travel and gathering of people as far as possible, the Commission had decided to conduct the Public Hearing virtually. The virtual Public Hearing was held on 18th May 2021, and all the Stakeholders/Electricity Consumers present in the Public Hearing were heard.
- 3) In order to mitigate the hardship of Electricity Consumers and DISCOMs/EDs in view of nationwide lockdown due to COVID-19, the Commission had issued SUO MOTU ORDER NO. JERC/LEGAL/SMP/27/2020 on 10th April, 2020 wherein the Commission provided relief to industrial and commercial consumers and acknowledged the need for additional working capital requirement by the Distribution Licensees. Further, the Commission viewed that the lockdown will also impact certain other parameters of ARR like sales/sales mix, power purchase quantum and cost and revenue. The Commission opined that it will consider all such additional costs and variations in parameters

appropriately while evaluating the APR of FY 2020-21 and thereafter in True-up of FY 2020-21. Accordingly, the Commission has considered the impact of lower sales, rebate received in power purchase cost and some other parameters due to COVID 19 as part of APR for FY 2020-21. Further, the Commission will consider the actual impact of COVID 19 on various parameters of ARR while carrying out the truing up for FY 2020-21.

- 4) The Commission could not carry out the True-up for FY 2017-18, FY 2018-19 and FY 2019-20, since the Petitioner has not submitted the true-up petition for FY 2017-18, FY 2018-19 and FY 2019-20. The Commission shall revisit the ARR for the FY 2017-18, FY 2018-19 and FY 2019-20 after the submission of true-up petition along with audited accounts by the Petitioner.
- 5) The Commission based on the Petitioner's submissions, relevant MYT Regulations, facts of the matter, rules and provisions of the Electricity Act, 2003 and after proper due diligence and prudence check has approved the APR of FY 2020-21 and ARR along with Retail Tariff for the FY 2021-22.
- 6) A Summary has been provided as follows:
 - (a) The following table provides ARR, Revenue and gap as submitted by the Petitioner and approved by the Commission in the APR of FY 2020-21:

Table 1: Standalone Revenue Gap/ (Surplus) approved for FY 2020-21 (INR Crore)

| S. No | Particulars | Petitioners submission | Approved by Commission |
|-------|--|------------------------|------------------------|
| 1 | Net Revenue Requirement | 801.89 | 629.00 |
| 2 | Revenue from Retail Sales at Existing Tariff | 166.97 | 153.19 |
| 3 | Net Gap /(Surplus) | 634.92 | 475.80 |

- (b) The following table provides ARR, Revenue and gap as submitted by the Petitioner and approved by the Commission for FY 2021-22:

Table 2: Standalone Revenue Gap/ (Surplus) approved for FY 2021-22 (INR Crore)

| S. No | Particulars | Petitioners submission | Approved by Commission |
|-------|--|------------------------|------------------------|
| 1 | Net Revenue Requirement | 906.14 | 715.75 |
| 2 | Revenue from Retail Sales at Approved Tariff | 192.17 | 166.19 |
| 3 | Net Gap /(Surplus) | 713.97 | 549.56 |

- (c) The Petitioner has proposed a hike of 17.01% in the energy charges. If any gap remains will be met through the budgetary support. The Petitioner has also submitted a letter with reference No. EL/PL/10-1/2021/2004 dated May 27, 2021 stating that any revenue gap remaining shall be met through budgetary support as being done in past years.
- (d) The Commission has approved a marginal tariff hike of 3.36% for FY 2021-22 over the tariff for FY 2020-21.
- (e) The Commission has approved the ABR for FY 2021-22 as INR 6.85/kWh as against the approved Average Cost of Supply of INR 29.51/kWh.
- (f) This Order shall come into force with effect from 1st June 2021 and shall, unless amended or revoked, continue to be in force till further orders of the Commission.

The licensee shall publish the Tariff Schedule and salient features of Tariff as determined by the Commission in this Order within one week of receipt of the Order in three daily newspapers in the