



# **TARIFF ORDER**

**Approval of True-up of FY 2020-21, Annual Performance Review of FY 2021-22 and Aggregate Revenue Requirement (ARR) for FY 2022-23 to FY 2024-25 and Determination of Retail Tariff for FY 2022-23**

**Petition No. 80/2022**

**for**

**Electricity Wing of Engineering Department, Chandigarh (EWEDC)**

**11<sup>th</sup> July 2022**

**JOINT ELECTRICITY REGULATORY COMMISSION**

**For the State of Goa and Union Territories,**

**3<sup>rd</sup> and 4<sup>th</sup> Floor, Plot No. 55-56, Sector -18, Udyog Vihar - Phase IV**

**Gurugram, (122015) Haryana**

**Telephone: +91(124) 4684705 Telefax: +91(124) 4684706**

**Website: [www.jercuts.gov.in](http://www.jercuts.gov.in)**

**E-mail: [secy.jercuts@gov.in](mailto:secy.jercuts@gov.in)**

**THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY**

# Table of Contents

<b>1. Chapter 1: Introduction</b>	<b>15</b>
1.1. About Joint Electricity Regulatory Commission for the State of Goa and UT's (JERC)	15
1.2. About Union Territory of Chandigarh	15
1.3. About Electricity Wing of Engineering Department, Chandigarh (EWEDC)	15
1.4. Multi Year Tariff Regulations, 2018	16
1.5. Multi Year Tariff Regulations, 2021	16
1.6. Filing and Admission of the Present Petition	16
1.7. Interaction with the Petitioner	17
1.8. Notice for Public Hearing	17
1.9. Public Hearing	18
<b>2. Chapter 2: Summary of Suggestions/ Objections received, Response from the Petitioner and the Commission's Views</b>	<b>19</b>
2.1. Regulatory Process	19
2.2. Suggestions/ Objections, Response of the Petitioner and Commission's Views	19
2.2.1. Equal gap in tariff slabs for Domestic Consumers	19
2.2.2. Discrimination of treatment in VIP and Non-VIP areas in Chandigarh	20
2.2.3. Mandatory installation of solar panels on all houses and apartments	20
2.2.4. Overdraw Penalty-kW Basis	21
2.2.5. Separate Regulation for recovery of charges	21
2.2.6. Management Information System	22
2.2.7. Metering / replacement of non-functional defective 11 KV meter	22
2.2.8. Energy Audit	22
2.2.9. Assets created from consumer contribution	23
2.2.10. Monthly billing for Domestic and NRS category of Connection	23
2.2.11. Non-Framing of Instruction - Term & Conditions of supply	24
2.2.12. Non replacement of electro-mechanical meter & Non-Functional Meters	24
2.2.13. Delay in completion of 66 kV works	25
2.2.14. Replacement of old cable	25
2.2.15. Sale of Scrap	26
2.2.16. Abandoned Diesel Powerhouse of UTED located in Timber Market Sector 26, Chandigarh	26
2.2.17. Availability of material at departmental store	26
2.2.18. General Problem of the residents near Lal-Dora	27
2.2.19. Subsidy for consumers with solar roof-top	27
2.2.20. Customer care and Department website	28
2.2.21. Hiring of Contractual employees	28
2.2.22. Installation of Smart meters	28
2.2.23. Prices charged for Single-Phase Meters	29
2.2.24. Monthly billing for all consumers except Agriculture	29
2.2.25. Pre-paid Electric Meters and Smart Meters	30
2.2.26. Commissioning of 220 kV/66 kV substation at Hallo Majra	30

2.2.27. Creation of a separate Police Station for investigating electrical thefts in Chandigarh	30
2.2.28. Refund of Excess ED charged from Solar consumers	31
2.2.29. Over charging of Fixed Charges w.e.f. 4 <sup>th</sup> April 2015	31
2.2.30. Replacement of Service Connection cable from pole to the meter in Consumer premises	32
2.2.31. Procurement of Materials (Meters, Tools and Safety Equipment)	32
2.2.32. Directive dated 9 <sup>th</sup> January 2013 (kVA Based Tariff)	32
2.2.33. Maintenance of Roads/Passage stretch from V-6 Roads (Internal Sector roads) to sub-stations in various sectors of Chandigarh	33
2.2.34. Creation of Special Tariff Slab for Defense Forces	33
2.2.35. Operational Safety and Insurance	34
<b>3. Chapter 3: True-up of the FY 2020-21</b>	<b>35</b>
3.1. Applicable provisions	35
3.2. Approach for the True-up of FY 2020-21	35
<b>4. Chapter 4: Annual Performance Review for the FY 2021-22</b>	<b>36</b>
4.1. Applicable Provisions and Background	36
4.2. Approach for the Review for the FY 2021-22	36
4.3. Energy Sales	37
4.4. Inter-State Transmission Loss	38
4.5. Intra-State Distribution Loss	39
4.6. Power Purchase Quantum & Cost	39
4.6.1. Availability of power	41
4.6.2. Power Purchase Cost	41
4.6.3. Transmission Charges	41
4.6.4. Total power purchase quantum and cost	41
4.7. Renewable Purchase Obligation (RPO)	44
4.8. Energy Balance	46
4.9. Operation & Maintenance Expenses	48
4.9.1. Employee Expenses	49
4.9.2. Administrative and General (A&G) Expenses	50
4.9.3. Repair & Maintenance Expenses (R&M)	50
4.9.4. Total Operation and Maintenance Expenses (O&M)	51
4.10. Capital Expenditure and Capitalisation	51
4.11. Capital Structure	52
4.12. Depreciation	54
4.13. Interest on Loan	56
4.14. Return on Equity (RoE)	59
4.15. Interest on Consumer Security Deposits	60
4.16. Interest on Working Capital	61
4.17. Income Tax	62
4.18. Provision for Bad & Doubtful Debts	63
4.19. Non-Tariff Income	63
4.20. Aggregate Revenue Requirement (ARR)	64