

websites of the Commission and Discom. The last date for submission of suggestions/comments was notified as 20.08.2018.

S.No.	Name of News Paper	Published date
1.	Dainik Bhaskar	03.08.18
2.	Times of India	03.08.18
3.	Rashtradoot	03.08.18

- 1.4 In all 3 numbers of suggestions/comments were received on petition, The list of stakeholders is enclosed at **Annexure-A**.
- 1.5 The Commission forwarded the suggestions/comments submitted by the Stakeholders to the Jaipur Discom for giving reply.
- 1.6 JVVNL, submitted its replies vide letter dated 20.09.2018 to the comments/objections of the stakeholders under intimation to the Commission.
- 1.7 The public hearing in the matter was held on 25.09.2018. List of persons who have made oral submissions during the hearing enclosed at **Annexure-B**.
- 1.8 The Commission has considered the reply given by the Discom in respect of queries of the stakeholders and oral submissions made by the Discom & Stakeholders during the hearing and also perused all the relevant records while finalizing this order.
- 1.9 Petitioner prayed to approve the additional investment plan of FY 2018-19 as submitted.
- 1.10 All figures used in this order, unless stated otherwise, are in Rs. Crore.
- 1.11 The issue wise submissions of the stakeholders & Discom replies thereto are discussed as given in next chapter.

2: Stakeholders Comments/ Suggestions, Petitioner's response and the Commission's view:

2.1 General issues

2.1.1 Stakeholder Comments/ Suggestions

- 1 It was submitted that Discom should furnish rationale of filing the additional investment plan petition for FY 18-19.
- 2 It was submitted that in earlier petitions for FY 2014-15 JVVNL has projected a target of 13.5% for FY 2017- 18 well before UDAY and after UDAY a target of 15%. The Discom could not achieve the target of 15% even after making sufficient investment for loss reduction in various schemes.

2.1.2 Petitioner's Response

- 1 JVVNL submitted that it had filed the petition for approval of Investment plan for FY 18-19 on 30.11.17. Before preparing final petition and investment plan the JVVNL started the process of investment planning several months before 30.11.17 based on the inputs from various circles and divisions. The Discom filed the petition at that point of time considering the capital schemes planned and the associated cost to carry out the works under the various schemes. Post the submission of petition, JVVNL finalized more schemes of loss reduction in its area keeping in mind target of 15% AT&C loss by FY 18-19 which was approved by Commission as well as prescribed under UDAY.

JVVNL submitted that the Discom is proactive in efforts to reduce loss level in the State and benefit the honest consumers and did not want to wait for next financial year to plan and implement /adoption of smart meters. That is why additional investment plan for FY 18-19 filed before Commission for viability of Rajasthan Power Sector and to pass on benefit to honest consumers. JVVNL also submitted that one of the operational monitoring parameter under UDAY is Number of smart meters installed in a month. JVVNL in its efforts to reduce losses to 15% has started to take steps to implement smart meters.

JVVNL submitted that Commission in its order dt 28.05.18 (para 7.6) has also directed that “The Discoms should have a long term metering plan in force keeping in view the requirement of meters for replacement, new connections ,tariff rationalization measures (viz load based billing, ToD tariff etc.) and communication requirement and should be future ready with use of smart meters wherever required”.

2.2 Smart metering project

2.2.1 Stakeholder Comments/ Suggestions

1. It was submitted that complete details of benefits of smart metering indicated in the petition may be provided
2. It was submitted that copy of DPR (Detailed Project Report) of both projects may be provided by the Discoms.
3. It was submitted that before making such a huge investment, a sample project may be implemented.
4. It was submitted that JVNNL has not given the details as to how losses would be achieved as 15% with smart metering project. Replacement of existing meters with smart metering is work covered under O&M works. Hence additional investment plan petition not maintainable.

2.2.2 Petitioner’s Response

- 1 JVVNL submitted that benefits of smart metering projects have already been provided in the petition. Further submitted that smart metering project will provide detailed information of distribution system which can be used for infrastructural improvement. Energy consumption figures can be used to identify under loaded/overloaded transformers.
- 2 JVVNL furnished the DPR of both the schemes.
- 3 JVVNL submitted that these schemes were finalized after detailed analysis and estimating benefits to be achieved.

- 4 JVVNL submitted that they had already stated that they would undertake IT initiative including smart meters to achieve envisaged targets of 15% distribution loss under UDAY. Smart metering is an initiative taken for system improvement and accurate energy accounting of the distribution utility, which would help them achieve their milestone under the UDAY scheme.

2.3 Integrated Power Development Scheme(IPDS) & National Smart Grid Mission(NSGM) Scheme

2.3.1 Stakeholder Comments/ Suggestions

1. It was submitted that Under IPDS scheme the project cost for 8 Nos. subdivisions is Rs. 104.21 Cr and cost received under tender comes out to Rs. 193.75 Cr, which is 86% higher of project cost. JVVNL may provide details and justify the same. Under NSGM scheme for 21 towns cost received under tender was Rs. 119.13Cr. and project cost was Rs. 131.82 Cr. The Discom may clarify the same. On this basis average cost of meter comes out to be approximately Rs. 7990/-per meter which appears to be on higher side.
2. It was submitted that basis of the figures taken in cost benefit analysis of IPDS scheme for calculating payback period may be intimated.
3. It was submitted that details of existing losses of municipal towns be provided by the JVVNL.
4. It was submitted that in the cost benefit analysis statement of NSGM (National Smart Grid Mission) scheme figures for FY 16-17 has taken whereas in IPDS scheme these are for FY 17-18. The Discom may clarify the same.

2.3.2 Petitioner's Response

- 1 JVVNL submitted that difference in cost of DPR and received under tender is due to difference in price of node. DPR was finalized as per cost

of node as decided by the financial agency and market price of node was more than the cost decided by the financial agency.

- 2 JVVNL submitted that per unit cost was taken as Rs. 6.07 it was according to the actual calculation of FY 2016-17
- 3 JVVNL furnished the list of town wise losses under smart metering scheme to be funded under NSGM.
- 4 JVVNL furnished the cost benefit analysis statement of NSGM scheme figures for FY 17-18.

Commission View:

Commission has taken note of all the comments of the stakeholders and Discom response to them and has suitably considered these while dealing with additional investment plan of Discom.

3: Proposed Additional Investment Plan of JVVNL for FY 2018-19, Analysis and Decision of the Commission

Proposed Additional Investment Plan for FY 2018-19

- 3.1 The JVVNL has proposed additional investment plan under IPDS and NSGM projects/schemes to be executed along with the approved investment plan in FY 2018-19 as discussed in foregoing paras.
- 3.2 The JVVNL submitted that post submission of the investment plan petition for FY 2018-19, during the course of time, a couple of more schemes were also finalized, keeping in mind the target of 15% AT&C losses which are to be achieved by the Discom by FY 2018-19.
- 3.3 Jaipur Discom submitted that after filing tariff petition for FY 2018-19, vide letter No. 77 dated 10.5.18 they had submitted that they shall achieve the target of loss reduction with the help of certain new interventions and execution of new projects, this includes two major Smart Meter Projects. These two projects were not included in the petition of investment plan for the year 2018-19 approved by the Hon'ble Commission vide order dated 28.5.2018. The Discom did not mention regarding these projects in the petition submitted to Hon'ble Commission since the schemes were finalized in the due course of time, when the process for approval of the Investment Plan was taking place.
- 3.4 Jaipur Discom submitted that Hon'ble Commission vide its order dt 28.05.18 gave directions to go ahead with smart metering, but specific directions to execute the Smart Meter Projects were not mentioned in the tariff order dated 28.5.2018.
- 3.5 Jaipur Discom submitted that Smart Meter Projects can be executed only by making provisions in the investment plan for adequate expenditure and to comply with the directions of the tariff order dated 28.5.2018. The consequential effect of the expenditure in addition to original investment plan may be considered through subsequent true-up for FY 2018-19.

Smart meter project under Integrated Power Development Scheme (IPDS):

3.6 The Discom has proposed investment of Rs. 193.75 Crore in FY 2018-19 for smart metering project under IPDS scheme. The Executive Director (IPDS) vide their letter No. 52041 dt. 03.11.17 has intimated that the monitoring Committee in its 10th meeting held on 13.06.17 has decided to allocate Rs. 750 Cr. for installation of Smart Metering solutions for UDAY participating States and desired the DPR(Detailed Project Report)from States and desired the DPR duly recommended by DRC(Distribution Reforms Committee) before 25.11.17 as per point No. 6 of the guidelines mentioned hereunder. As per guide lines of the Smart Meter project the DPRs should be proposed either on CAPEX or revenue recovery model with deferred payment liabilities, to be serviced through improved efficiency gains arising out of smart metering. However, IPDS funding to the extent of 60% (85% for special category States) would be admissible only for the CAPEX portion (i.e. cost of smart meters, head end system and communication equipment) limited to maximum of Rs. 2000/- per node(i.e. GBS liability under IPDS would be a maximum of Rs. 1700/- per node for special category States and Rs. 1200/- per node for other States). The details of the scheme are provided below:

No of meters	Project cost as per DPR and NIT	Area
<p>281782 Nos.:</p> <p>1 phase-263232 Nos.</p> <p>3 phase whole current - 17540 Nos.</p> <p>3 phase LTCT- 1010 Nos.</p>	<p>DPR cost=Rs. 104.21 Cr</p> <p>Cost received under Tender=193.75 Cr.</p>	<p>7 Nos. Sub division of Jaipur city Circle: Bhankrota, Puranaghat,Amber, Sanganer, Pratap Nagar, Jagatpura, & Jhotwara</p> <p>1No Subdivision of Tonk: A1</p> <p>Total 8 Nos. Subdivisions</p>

Smart meter project under National Smart Grid Mission (NSGM):

3.7 The Discom has proposed investment of Rs. 119.13 Crore in FY 2018-19 for smart metering project under NSGM scheme. The ministry of power, Govt of India has approved establishment of National Smart Grid Mission (NSGM) to implement Smart Grid activities on a larger scale in the country to make Indian power Infrastructure cost effective, responsive, reliable and self healing. With a view of better and efficient use of smart grid technological intervention, NSGM prime activities is to promote deployment of smart meters and AMI for all the consumers in the selected area. The support from NSGM for implementation of smart Grid projects would primarily consists of following activities;

- Assistance in formulation of projects including pre-feasibility studies, technology selection guidelines, cost benefit analysis, financing models etc.
- Funding of these projects together with Discoms and other financing agencies.

Under the scheme grant is available from Central Govt. up to 30% of the project cost and DPR be duly recommended by DRC.

The details of the scheme are provided below:

No of meters	Project cost as per DPR and NIT	Area
<p>149089 Nos.:</p> <p>1 phase-135700 Nos.</p> <p>3 phase whole current - 12544 Nos.</p> <p>3 phase LTCT- 845 Nos.</p>	<p>DPR cost=Rs. 131.82 Cr</p> <p>Cost received under Tender=119.13 Cr.</p>	<p>3 Nos. Municipal Towns of Baran Circle: Anta, Baran & Mangrol</p> <p>7 Nos. Municipal Towns of Bharatpur Circle: Bayana, Bhusawar, Deeg, Kaman, Kumher, Nadbai, Weir</p> <p>3 Nos. Municipal Towns of Bundi Circle: Keshoraipatan, Lakheri, Nainwa</p> <p>3 Nos. Municipal Towns of Dholpur Circle: Bari, Dholpur, Rajkhera</p>

No of meters	Project cost as per DPR and NIT	Area
		<p>1 No. Municipal Town of Karauli Circle: Karauli</p> <p>4 Nos. Municipal Towns of Jhalawar Circle: Aklera, Jhalrapatan, Jahalawar, Pirawa</p> <p><u>Total 21 Nos Municipal Towns</u></p> <ul style="list-style-type: none"> • These towns having more than 25% T&D losses • Only urban consumers are selected

Analysis of the Commission and decision:

3.8 The Commission in its various orders has laid emphasis on improvement in metering. Commission vide para 7.6 of its order dt.28.05.18 in the matter of approval of Aggregate Revenue Requirement and Tariff has already observed as under:-

“The Discoms should have a long term metering plan in force keeping in view the requirement of meters for replacement , new connections ,tariff rationalization measures (viz load based billing, ToD tariff etc.) and communication requirement and should be future ready with use of smart meters wherever required. Jaipur Discom has informed that they are taking up implementation of Smart Meter Project under the provisions of IPDS scheme wherein they shall also receive funding from Central Govt. Other Discoms based on their requirement and making due diligence may take up similar projects. However with Smart Grids and Smart Meters the working of Discoms should also be smart enough to reap the maximum benefits of investments”

- 3.9 Commission has observed that Discom shall receive grants from the Central Government in both the proposed schemes i.e. IPDS & NSGM and DPRs shall be duly recommended by the Distribution Reforms Committee at the State level.
- 3.10 Commission has also observed that investment approved for FY 2018-19 in respect of Jaipur Discom was Rs.1673.08 Cr. whereas ceiling limit for FY 2018-19 was Rs. 3084.77 Cr. The additional investment plan proposal of Rs.312.88 Cr. shall be within ceiling limit for FY 2018-19. Accordingly, proposed additional investment by Discom for FY 2018-19 is approved. However actual impact of proposed investment shall be considered at the time of true up.
- 3.11 The petition stands disposed off accordingly. Copy of this order may be sent to the petitioner, stakeholders, CEA and Government of Rajasthan.

(Prithvi Raj)
Member

(S.C. Dinkar)
Member

(Shreemat Pandey)
Chairman

ANNEXURE-A

1. Sh. Y.K. Bolia
2. Sh. B.M. Sanadhya
3. Sh. G.L. Sharma

ANNEXURE-B

1. Sh. Sandeep Singh, Advocate for petitioner
2. Sh. B.M. Sanadhya
3. Sh. G.L. Sharma