OFFICE OF THE JOINT ELECTRICITY REGULATORY COMMISSION FOR UT OF J&K AND UT OF LADAKH

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Suo-Motu Order No. JERE 102 9-2022

In the matter: Determination of Average Pooled Power Purchase Cost (APPC) for the distribution licensees JPDCL, KPDCL and LPDD in the UT of J&K and UT of Ladakh for Financial Year 2022-23.

Pile No. JERe/Law-3/1/2022/F-0 Daied: 06.09.2022.

Coram:

Shri. Lokesh D. Jha, Chairman, Shri. Ajay Gupta, Member (Technical), Shri, Mohd, Rafi Andrabi Member (Finance).

ORDER

(Date of Order 06 · 09 . 20)

1. In exercise of powers conferred by sections 86(1)(e) of the Electricity Act 2003 read with sections 181 and all other powers enabling it in this behalf, and after previous publication, the Joint Electricity Regulatory Commission for UT of J&K and UT of Ladakh(Commission) has notified the Joint Electricity Regulatory Commission for Union Territories Jammu & Kashmir and Ladakh (Renewable Purchase Obligation, its Compliance and REC framework Implementation) Regulations, 2022 (RPO-REC Regulations 2022) on 07.07.2022. Regulation 11.1 of the JERC for UT of J&K and UT of Ladakh RPO-REC Regulations 2022 defines the Pooled Cost of Power Purchase (APPC), which is reproduced below:

"Pooled Cost of Power Purchase" is the weighted average pooled price at which the Distribution Licensee shall purchase the electricity including cost of self-generation, if any, in the previous year from all the long-term and short-term energy suppliers, but excluding those based on renewable energy sources"

2. The Commission has adopted JERC for State of Goa and UTs (Solar PV grid interactive system based on Net Metering) Regulations 2019, As per the billing, energy accounting and settlement procedure provided in the Regulations 11.3 for net metering arrangement, the unadjusted net credited units of electricity as at the end of each financial year shall be considered as units purchased by the distribution licensee

at average power purchase cost of the concerned distribution licensee or feed-in tariff determined for that year without considering subsidy and accelerated depreciation, whichever is lower, provided that, at the beginning of each settlement period, the cumulative quantum of injected electricity carried forward will be re-set to zero.

- 3. The Commission has received the tariff petitions from the three distribution licensees namely JPDCL, KPDCL & LPDD serving the consumers in UT of J&K and UT of Ladakh. The Commission has also received the power purchase related information from the holding company Jammu and Kashmir Power Corporation Limited (JKPCL) for FY 2021-22.
- 4. As per JKPDD (Reorganization) First Transfer Scheme 2020, JKPCL, the holding company is made responsible for procurement of power on behalf of the distribution licensees in UT of J&K and UT of Ladakh. Presently JKPCL is also procuring power on behalf of LPDD the licensee responsible for transmission and distribution of electricity in UT of Ladakh. JKPCL procure power from different generating stations and allocate the quantum to the three distribution licensees as per their demand. The Commission has gone through the power procurement details furnished by JKPCL as well as the three distribution licensees in their ARR and Tariff petitions for FY 2022-23 submitted to the Commission.
- 5. After verifying the information submitted in the ARR and Tariff Petition, the Commission determines the APPC for the year 2021-22 as **Rs 3.75/kWh** which will be applicable for FY 2022-23. The APPC approved by the Commission in this order shall be applicable for all three distribution licensees namely JPDCL, KPDCL & LPDD for FY 2022-23.
- 6. The APPC as determined above shall continue to be applicable until modified by the Commission through a separate order.

7. Order accordingly.

(Ajay Gupta)

MEMBER-Technical

(Mohd.Rafi Andrabi)

MEMBER- Finance

(Lokesh D. Jha)