

ANNUAL REPORT-2012-13



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**ORISSA ELECTRICITY REGULATORY COMMISSION
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ORISSA ELECTRICITY REGULATORY COMMISSION

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MISSION STATEMENT

The Orissa Electricity Regulatory Commission is committed to fulfill its mandate for creating an efficient and economically viable electricity industry in the State. It balances the interests of all stakeholders while fulfilling its primary responsibility to ensure safe and reliable supply of power at reasonable rates. It is guided by the principles of good governance, namely, transparency, accountability, predictability, equitability and participation in discharge of its functions. It safeguards the interests of the state and gives a fair deal to consumers at the same time.

2. PROFILES OF CHAIRPERSON & MEMBERS



Satya Prakash Nanda, Chairperson

Shri S. P. Nanda, formerly of the Indian Administrative Service, joined the Odisha Electricity Regulatory Commission on 13th October, 2011 after retiring as the Member, Board of Revenue to the Govt. of Odisha. Born on 19th March 1952, Shri Nanda has done Masters Degree in Political Science from University of Delhi. After a brief period of lectureship in Sri Venkateswara College, University of Delhi, he joined the Indian Administrative Service in 1975 in the Odisha cadre.

In an illustrious career spanning over 36 years, Shri Nanda has served as Secretary to Govt. of Odisha in Science and Technology, IT, Higher Education, Industries, Public Enterprises and Forest and Environment Departments. He has also served as the Chairman of the Odisha State Pollution Control Board. Besides he has served Govt. of Odisha as Agriculture Production Commissioner and Development Commissioner. Shri Nanda has made significant contributions in the areas of industrial development, industrial infrastructure development, science & technology, IT and environment management.

During his tenure as Chairman-cum-Managing Director of the Odisha Industrial Infrastructure Development Corporation, he was instrumental in the development, financing and management of various industrial areas and infrastructure projects of the State. Similarly, he has done pioneering work in the field of environment management as Chairman of Odisha State Pollution Control Board when it implemented for the first time the principle - 'Polluter Pays'.

A man of indomitable spirit and impeccable integrity, he has made his presence felt in various sectors of Odisha, be it Revenue, Agriculture, Forest and Environment Management or Industrial Development.

He has attended many national and international training programmes, seminars and workshops.



Shri Bijoy Kumar Misra, Member

Shri B.K. Misra, formerly of Indian Engineering Service, joined the Orissa Electricity Regulatory Commission as Member on 6th April, 2009 after serving about 37 years in Govt. of India and Bhutan. Born on 1st October, 1949 in Puri, Orissa, he graduated in Electrical Engineering in 1st class Honours in 1971 from REC, Rourkela (now NIT Rourkela). In the same year, he joined Central Electricity Authority (CPES Cadre).

In an illustrious career spanning over 38 years he has worked in various organizations viz Paradip Port Trust, EREB, Kolkata, NREB, New Delhi, Chukha Project Authority, Bhutan, Ministry of Power as OSD (Tariff)/Director, and CEA, HQ as Director/Chief Engineer, Secretary, CEA, Director (Technical) in Tala HEP (1020 MW) and Punatsangchhu HEP (1200 MW) in Bhutan.

Shri Misra has been nominated as Member of NIT – Rourkela in 2003-2008. He has been appointed as Director on the Board of Haryana Vidyut Prasaran Nigam Ltd. (HVPNL) and Member of Audit Committee of HVPNL, Haryana. He is also selected as external guide for Doctorate in Business Management Programme of AMU, Aligarh. He is also recipient of 'RAJIV GANDHI SADHBHAVNA AWARD – BEST ENGINEER OF THE YEAR 2007' received at the Prestigious award ceremony conducted by Rajiv Gandhi Forum on the occasion to observe 16th Death Anniversary of Bharat Ratna Late Rajiv Gandhi.

He has authored a number of technical papers and attended National and International Seminars and presented Keynote address on the subjects on Bulk Power Tariff, PPA, Tariff Issues and Concerns, Integrated Operation in Power Sector and Regulation in Power Sector etc. He has been nominated as India representative and read a paper on Indian Electric Power Market and Opportunity Available for the foreign Investors in the conference at New Orleans - USA. The paper published in Electrical World, McGraw Hill, New York. In 2005, he presented paper on "Regulations in Electricity Sector" in the All India Symposium on Electricity Laws conducted by Bar Council of Orissa, High Court, Cuttack.

He has undertaken specialized training in Load Despatching and

Communication in the works of M/s Siemens AG, West Germany and visited all European Countries and USA to deliver lecture/keynote address in various seminar/conference. In February'09, he was invited by Technical University Vienna, Austria to give keynote address on key issues of Underground Power House and Tunneling in an International Seminar on Hydro Power Development.



Shri Sivapada Swain, Member

Shri Sivapada Swain, formerly of the Indian Revenue Service, joined the Odisha Electricity Regulatory Commission on 9th April, 2012 after retiring as the Director General of Income Tax (Exemptions) to the Govt. of India. Born on 24th February 1952, Shri Swain has done Masters Degree in History from University of Delhi. After a brief period of lectureship in Odisha, he joined the Indian Revenue Service in 1976.

In an illustrious career spanning over 35 years, Shri Swain has held different positions in the field of Administration, Assessments and Investigation in the Income Tax Department of Bhubaneswar, Kolkata, Bangalore, Chennai, Hyderabad and Delhi. He was promoted to the Rank of Chief Commissioner of Income Tax, Additional Secretary to Govt. of India in April 2009 and was initially posted as Director General of Income Tax (Investigation), Hyderabad. Later, he was transferred to Delhi in January 2010.

As a Tax Officer, he has knowledge of not only Income Tax Act but also Company Law, Law of Contract, Transfer of Property and Sale of Goods Act etc. He has long experience in dealing with corporate accounts and finance. As Director of Finance, he was intimately connected with the first Power Purchase Agreement signed with Gridco.

A man of knowledge and conviction, he has made immense contribution to the Income Tax Department of the country. He has attended many national and international training programmes, seminars and workshops.

3. OVERVIEW OF THE COMMISSION

1. The Orissa Electricity Reform Act, 1995 (Orissa Act 2 of 1996), in short OER Act, 1995 was enacted for the purpose of restructuring the electricity industry, for rationalization of Generation, Transmission, Distribution and Supply of Electricity, for opening avenues for participation of private sector entrepreneurs and for establishment of a Regulatory Commission for the State, independent of the state government. OER Act, 1995 is the first of its kind in whole of the country. The Electricity Act, 2003 has been modelled mostly on the basis of the provisions of the OER Act, 1995.
2. An important component of power sector reform is establishment of an independent autonomous Regulator, the Orissa Electricity Regulatory Commission for achievement of objectives enshrined in the OER Act, 1995. It became functional on 01.8.96 with the joining of its three members, as the pioneer electricity regulator of the country.
3. The property, interest in property, rights and liabilities belonging to the erstwhile OSEB (Orissa State Electricity Board) were vested in the State Government as on 1.4.96. All loans, subventions and obligation of the Board towards the State stood extinguished. The State Government classified the assets, liabilities and proceedings acquired by the State as well as the assets, liabilities and proceedings relating to the undertakings owned by the State Government to (a) Generation Undertaking (b) Transmission Undertaking and those not classified within (a) & (b) to residual assets. The State Government was empowered to vest the Undertakings in GRIDCO & OHPC which the State did but only after upvaluation of assets on the same day and restructured the Balance Sheet of GRIDCO and OHPC.
4. The Grid Corporation of Orissa Limited (GRIDCO) was incorporated under Companies Act, 1956 on 20.4.95. All Transmission and Distribution Undertakings were transferred to GRIDCO on 01.4.96 with upvalued cost with a restructured Balance Sheet. It was to engage in the business of procurement, transmission & bulk supply of electric energy apart from planning, co-ordination & load forecast.
5. The Orissa Hydro Power Corporation Limited (OHPC) was incorporated under the Companies Act, 1956 on 21.4.95. All the generating assets of Government as well as OSEB have been transferred to OHPC on 01.4.96. This Corporation takes care of all the operating and ongoing Hydro Power Stations. 49% of the share of the Orissa Power Generation Corporation (OPGC) were disinvested to the US based AES company in January, 1999.

6. As a sequel to the passing of the Act, the distribution of power was privatized in Orissa and the management of the four subsidiary companies in charge of distribution in the Central Northern, Southern and Western zones of Orissa, namely CESCO, NESCO, SOUTHCO and WESCO was entrusted to private companies which took over 51% of the shares. GRIDCO became a deemed trading licensee from 10.6.05. The Orissa Power Transmission Corporation Ltd. (OPTCL) took over intra-state transmission & functions of the state load despatch centre on the same date.
7. In the year 2003, the Electricity Act, 2003 was enacted by Govt. of India and this came into force w.e.f 10.06.2003. The Electricity Act, 2003 has been modelled mostly on the basis of the various provisions of the erstwhile Orissa Electricity Reform Act, 1995. The Electricity Act, 2003 which came into force on 10th June, 2003, aims to promote competition, protect interest of consumers while supplying electricity to all areas, rationalize electricity tariff, ensure transparent policies regarding subsidies, and provide an enabling regulatory environment. Besides allowing for private investments in all the segments of the electricity supply chain, the Act provides various measures to introduce competition in the electricity industry. Now, the Chairperson and Members of OERC are appointed under section 82(5) of the Electricity Act, 2003 (No 36 of 2003) which is a Central Act.
8. The OERC completed 16th year of its operation on 01.08.2012. The Commission is operating at Bidyut Niyamak Bhavan, Unit- VIII, Bhubaneswar – 751012.

4. FUNCTIONS OF THE STATE COMMISSION

9. Section 86 of the Electricity Act, 2003 deals with the functions of the state Commission. As per section 86(1), the State Commission shall discharge the following functions, namely:-
- (a) Determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the state.
 - (b) Regulate electricity purchase and procurement process of distribution licenses including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
 - (c) facilitate intra-State transmission and wheeling of electricity;
 - (d) Issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
 - (e) promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
 - (f) Adjudicate upon the disputes between the licensees and generating companies and to refer any dispute for arbitration;
 - (g) Levy fee for the purpose of this Act;
 - (h) Specify State Grid Code consistent with the Grid Code specified under clause (h) of subsection (1) of Section 79 of the Electricity Act, 2003.
 - (i) Specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
 - (j) fix the trading margin in the intra-state trading of electricity; if considered, necessary; and
 - (k) Discharge such other functions as may be assigned to it under the Electricity Act, 2003.
10. As per Section 86(2) of the Electricity Act, 2003, the State Commission shall advise the State Government on all or any of the following matters, namely:-
- (i) Promotion of competition, efficiency and economy in activities of the electricity industry;

- (ii) Promotion of investment in electricity industry;
 - (iii) Reorganization and restructuring of electricity industry in the State;
 - (iv) Matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.
11. As per Section 86(3) The State Commission shall ensure transparency while exercising its powers and discharging its functions.
 12. As per the Section 86(4) in discharge of its functions, the State Commission shall be guided by the National Electricity Policy, 2005, National Electricity Plan and Tariff Policy, 2006 published under subsection(2) of section 3 of the Electricity Act, 2003.
 13. Besides, the other provisions of the Electricity Act, 2003 which have a direct bearing on the functioning of the Commission are extracted below for reference
 - (a) **Section 11 – Directions to generating companies**
 - (1) The Appropriate Government may specify that a generating company shall, in extraordinary circumstances operate and maintain any generating station in accordance with the directions of that Government. Explanation - For the purposes of this section, the expression “extraordinary circumstances” means circumstances arising out of threat to security of the State, public order or a natural calamity or such other circumstances arising in the public interest.
 - (2) The Appropriate Commission may offset the adverse financial impact of the directions referred to in sub-section (1) on any generating company in such manner as it considers appropriate.
 - (b) **Section 23 - Directions to Licensees**

“If the Appropriate Commission is of the opinion that it is necessary or expedient so to do for maintaining the efficient supply, securing the equitable distribution of electricity and promoting competition, it may, by order, provide for regulating supply, distribution, consumption or use thereof”
 - (c) **Section 37 – Directions by Appropriate Government**

The Appropriate Government may issue directions to the Regional Load Despatch Centres or State Load Despatch Centres, as the case may be, to take such measures as may be necessary for maintaining smooth and stable transmission and supply of electricity to any region or State.
 - (d) **Section 108 – Directions by State Government**

(1) In the discharge of its functions, the State Commission shall be guided by such directions in matters of policy involving public interest as the State Government may give to it in writing.

(2) If any question arises as to whether any such direction relates to a matter of policy involving public interest, the decision of the State Government thereon shall be final.

5. ACTIVITIES OF THE COMMISSION

ACTIVITIES OF THE COMMISSION

TARIFF DIVISION

14. The functions of the State Commission have been specified under Section 86 of Electricity Act, 2003. According to Section 86(1)(a), the Commission determines the Tariff for Generation, Supply, Transmission and wheeling of electricity, wholesale, Bulk or Retail, as the case may be within the State of Odisha. Keeping this in view the Commission obtains and analyses the Annual Revenue Requirements of the licensees and determines charges to be levied on various categories of consumers including those seeking open access to the intra-state transmission and distribution systems. It also undertakes scrutiny of power purchase agreements, approval of MYT Principles, cost data and Business Plans etc.
15. While fixing retail tariff for different type of consumers, Commission is mandated to follow the provision of the Electricity Act, 2003, Electricity Tariff Policy notified on 06.1.2006 and National Electricity Policy notified on 12.2.2005. Mainly Sections 61, 62, 65 and 86 of the Electricity Act, 2003 deal with principles and guidelines of tariff fixation. The important parameters for tariff fixation are as follows:-
- (i) The generation, transmission, distribution and supply of electricity should be conducted on commercial principles: Section 61(b) of Electricity Act, 2003.
 - (ii) The factors which would encourage competition, efficiency, economical use of the resources, good performance and optimum investments: Section 61(c).
 - (iii) Safeguarding the consumers' interests and at the same time recovering the cost of supply of electricity in a reasonable manner: Section 61(d).
 - (iv) The principles regarding efficiency in performance: Section 61(e).
 - (v) The tariff progressively reflects the cost of supply of electricity and also reduce cross subsidies in the manner specified by the appropriate Commission: Section 61(g).
- Para 8.3.(2) of the Tariff Policy enjoins upon the State Regulatory Commission to notify road map with a target that latest by end of the year 2010-11 tariffs are within $\pm 20\%$ of the average cost of supply.
- (vi) The National Electricity Policy envisages existence of some amount of cross-subsidy. As per Para 1.1 of National Electricity Policy, the supply of electricity at reasonable rate to rural India is essential for its overall development. Equally important is availability of reliable and quality power at competitive rates to Indian Industry to make it globally competitive and to enable it to exploit the tremendous potential of employment generation.
- Similarly, as per Para 5.5.2 of the National Electricity Policy, a minimum level of support may be required to make the electricity affordable for

consumers of very poor category. Consumers below poverty line who consume below a specified level, say 30 units per month, may receive special support in terms of Tariff which are cross-subsidized. Tariff for such designated group of consumers will be at least 50% of the “average (overall) cost of supply”.

- (vii) Promotion of Co-generation and generation of electricity from renewable sources of energy: Section 61(h).

Section 86(1) (e) casts responsibilities on the State Commission to promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee.

16. The important orders passed by the Commission during 2012-13 relating to Tariff matters are as follows:

- (i) Approval of Annual Revenue Requirement & Bulk Supply Price of GRIDCO for FY 2013-14 (Case No. 101 of 2012);
- (ii) Annual Revenue Requirement & Transmission Tariff of OPTCL for the FY 2013-14 (Case No. 102 of 2012);
- (iii) Approval of Annual Revenue Requirement & Generation Tariff of OHPC for FY 2013-14 (Case No. 100 of 2012);
- (iv) Approval of ARR and Fees and charges of State Load Dispatch Centre for the FY 2013-14 (Case No. 103 of 2012);
- (v) Approval of Annual Revenue Requirement & Retail Supply Tariff of four DISTCOs for the FY 2013-14 (Case Nos. 104,105,106 and 107 of 2012);

17. The Retail tariff for all categories of consumers has been notified vide the Commission’s Retail Supply Tariff Order dtd.20.03.2013 for the FY 2013-14. The electricity tariff in Odisha in general has remained unchanged from 01.02.2001 to 31.03.2010. There has been overall 22.20% rise in Retail Supply Tariff for FY 2010-11 over Retail Supply Tariff of FY 2009-10, 19.74% for 2011-12 over 2010-11, 11.84 % tariff rise over 2011-12 for the year 2012-13 and 2.4% rise for 2013-14 over 2012-13.

18. **Salient features of Retail Supply Tariff – 2013-14**

- The average rise in Retail Supply Tariff for 2013-14 is 2.4% over 2012-13. The Annual average inflation rate as indicated by rise in WPI is of the Order of 7.6% in 2012-13 (April-January) and the rise in the Consumer Price Index (CPI) on an average has been 10% during the same period. Price of Diesel which is one of the inputs in thermal generation and also a cause of inflation has undergone a change of 16% from Rs.40.06/ Liter in March, 2012 to Rs.51/liter in Feb., 2013. Considering this the rise in electricity tariff approved now by the Commission is very nominal. The Commission is of the considered view that the consumers of Odisha can bear this slight rise in electricity tariff.
- The average cost of supply for DISCOMs has increased from 460.51 paise/unit in 2012-13 to 466.68 p/u in FY 2013-14.

- The average power purchase price of GRIDCO has reduced from 236.17 Paise per unit to 229.01 paise per unit.
- The Commission has not accepted the proposed ARR of DISCOM of Rs.10909.20 Crore and approved an amount 8266.99 Crore.
- The Commission has approved the distribution loss of 21.29% against the distribution loss of 34.13% proposed by DISCOMs. Similarly the Commission has approved AT&C loss of 22.08% in stead of 35.09% proposed by the DISCOMs.
- Cross subsidy has remained within $\pm 20\%$ for all the categories (LT/HT/EHT).
- There is no change in OPTCL Transmission Charge which remains 25 paise per unit.
- Average tariff for hydro power stations run by Odisha Hydro Power Corporation has been increased from 68.83 paise per unit in FY 2012-13 to 68.98 paise per unit in FY 2013-14.
- Avg. BSP of the state has gone downward from 270.74 paise/unit to 265.27 P/U.
- Out of an average Bulk Supply Price of 265.27 paise per unit of GRIDCO, CESU is required to pay 259.00 piase per unit, NESCO 290.00 paise per unit, WESCO 294.00 paise per unit and SOUTHCO 180.00 paise per unit. All the distribution companies have to pay 25 paise/unit as transmission cost.
- Kutir Jyoti tariff has been revised to Rs.65 per month in FY 2013-14 for consumption of 30 units per month from Rs.60 per month in FY 2011-12.

Other Tariff Related Issues

- No rise in tariff for irrigation, pumping and agriculture and allied agricultural activities, from the present level of 110 paise and 120 paise respectively for the consumers availing such power supply in LT. Marginal rise from 380 paise to 400 paise for allied agro industrial activities.
- Similarly no rise for irrigation, pumping & agriculture and allied agricultural activities, from the present level of 100 paise and 110 paise respectively for the consumers availing such power supply in HT. Marginal rise from 370 paise to 390 paise in case allied agro industrial activities.
- Marginal increase of tariff from 400 paise to 410 paise for the consumers of Bulk Domestic availing power supply at HT voltage.
- A Reliability surcharge has been introduced for such HT and EHT consumers availing power through dedicated feeder from grid/primary sub-station. Reliability surcharge @ 20 paise per unit shall be charged if reliability index is 99% and above and voltage profile at consumer end remains within the stipulated limit.
- Reconnection charges have been introduced for the defaulting consumers who don't pay electricity bill within due date and also not required to pay DPS. This charge is leviable to those consumers who don't pay electricity bills in time and have not been disconnected.

- In domestic category Average tariff for consumption of 50 units, 100 units, 200 units, 300 units, 400 units, 500 units and 600 units is Rs.2.30 kwh, Rs.3.15 kwh, Rs.3.58 kwh, Rs.4.05 kwh, Rs.4.29 kwh and Rs.4.51 kwh and Rs.4.66 respectively. A consumer is required to pay an average tariff of Rs.4.68 for the consumption of 600 units.

Table			
Consumption in Units	2012-13	2013-14	Increase over 2012-13
	Total Billed Amount (Rs)	Total Billed Amount (Rs)	
50	110.0	115.0	4.55%
100	305.0	315.0	3.28%
200	695.0	715.0	2.88%
300	1,185.0	1,215.0	2.53%
400	1,675.0	1,715.0	2.39%
500	2,205.0	2,255.0	2.27%
600	2,735.0	2,795.0	2.19%
700	3,265.0	3,335.0	2.14%

- Industries having captive generating plants, availing power in EHT shall have to pay 695 paise instead of 690 paise fixed during 2012-13.
- Average tariff rise from Rs.551.04 paise to Rs.559.18 in case of EHT consumers, Rs.552.09 paise to Rs.559.69 paise in case of HT consumers and Rs.368.52 paise to 374.66 paise in case of LT consumers.

Cross Subsidy:-

6. Section 61(g) Electricity Act, 2003 read with para 8.3.2 of Tariff Policy, 2006 stipulates that the tariff should be within $\pm 20\%$ of the average cost of supply. Hence, average tariff of any consumer should not be more than 560.01 paise and less than 373.34 paise. With this mandate, the Commission has fixed 374.66 paise in case of LT (-19.72% of average cost of supply of 466.68 paise), 559.69 paise for HT(+19.93% of average cost of supply) and 559.18 paise for EHT (+19.82% of average cost of supply).

Table

Cross-subsidy 2013-14					
Year	Level of Voltage	Average cost of supply for the State as a whole (P/U)	Tariff P/U	Cross-Subsidy P/U	Percentage of Cross-subsidy above/below or cost of supply
1	2	3	4	5= (4) – (3)	6= (5 / 3)
2009-10	EHT	263.00	295.05	32.05	12.19%
	HT		308.68	45.68	17.37%
	LT		179.99	-83.01	-31.56%
2010-11	EHT	327.37	416.61	89.24	27.26%
	HT		423.59	96.22	29.39%
	LT		219.21	-108.16	-33.04%
2011-12	EHT	408.87	506.98	98.11	24.00%

	HT		524.92	116.05	28.38%
	LT		300.34	-108.53	-26.54%
2012-13	EHT	460.51	551.04	90.53	19.66%
	HT		552.09	91.58	19.89%
	LT		368.52	-91.99	-19.98%
2013-14	EHT	466.68	559.18	92.50	19.82%
	HT		559.69	93.01	19.93%
	LT		374.66	-92.02	-19.72%

7. Tariff for Kutir Jyoti consumers:

- As enshrined in clause 5.5.2 of National Electricity Policy 2005, tariff of very poor category of consumers will be at least 50% of average (overall) cost of supply hence it should not be below 233.34 paise as approved average cost of supply is 466.68 paise. OERC has decided 217 paise per unit for Kutir Jyoti consumers although NEP stipulates for 233.34 paise per unit.
- Average Retail tariff of Rs.457.71 paise includes, 265.27 paise towards average bulk supply price of GRIDCO, 25 paise towards transmission charges, 0.16 paise towards SLDC charges and the rest Rs.167.28 paise towards the distribution cost.

8. Distribution loss not accepted by the Commission - normative performance parameters adopted while fixing tariff:-

- The commission allows normative AT&C loss of 22.08% instead of DISCOMs proposal of 35.09%. While rejecting the proposal of DISCOM's proposed AT&C loss, the Commission has approved 22.08% AT&C loss taking into account all efficiency parameters and carrying out the prudent check on the data/information furnished by DISCOMs. The tariff could have been increased manifold, if the loss proposed by DISCOMs have been accepted.

**Table
OVERALL PERFORMANCE OF DISCOMs**

	2011-12 (Audited)	2012-13 (Approved)	2012-13- (Provisional)	2013-14 (Approved)
DISTRIBUTION LOSS (%)				
CESU	38.20	23.00	37.00	23.00
NESCO	34.28	18.35	34.93	18.35
WESCO	38.89	19.60	38.27	19.60
SOUTHCO	46.42	25.50	43.32	25.50
ALL ODISHA	38.56	21.30	37.74	21.29
COLLECTION EFFICIENCY (%)				
CESU	97.14	99.00	92.00	99.00
NESCO	100.56	99.00	93.03	99.00
WESCO	97.13	99.00	94.75	99.00
SOUTHCO	97.79	99.00	94.48	99.00
ALL ODISHA	98.08	99.00	93.34	99.00

AT & C LOSS (%)				
CESU	39.97	23.77	42.05	23.77
NESCO	33.91	19.17	39.47	19.17
WESCO	40.65	20.40	41.51	20.40
SOUTHCO	47.60	26.25	46.45	26.25
ALL ODISHA	39.74	22.09	41.89	22.08

Table-

Break up of the Average Tariff for 2012-13 and 2013-14 (Paise per unit)

Sl. No.		2012-13	2013-14	Increase	
				In paise	In %age
1	Average cost of supply	460.51	466.68	6.17	1.34%
	Overall average tariff (paise per unit)	451.84	457.71	5.87	1.30%
2	Break up				
a.	Power Purchased from Generators by GRIDCO	236.17	229.01	-7.16	-3.03%
b.	Debt servicing and other expenditure of GRIDCO	34.57	36.26	1.69	4.89%
c.	Total Bulk supply price of GRIDCO (a+b) payable by DISCOMs	270.74	265.27	-5.47	-2.02%
d.	Transmission charges	25	25	0	0.00%
e.	SLDC charges	0.18	0.16	-0.02	-11.11%
F.	Distribution cost borne by the DISCOMs	155.92	167.28	11.36	7.29%

9. OHPC Tariff

The station-wise ARR and average tariff calculated for the year 2013-14 is presented in the table below:

Station-wise ARR & Average Tariff Approved For 2013-14

(Rs. Cr.)

Details of expenses	RHEP	UKHEP	BHEP	HHEP	CHEP	Sub-Total	UIHEP	Total
Saleable Design Energy(MU)	519.75	823.68	1171.17	677.16	485.10	3676.86	1942.38	5619.24
Total ARR (Rs. Crore)	40.79	29.13	83.31	62.66	25.33	241.26	156.41	397.67
Average cost (P/U) 2013-14	78.48	35.36	71.14	92.53	52.21	65.62	80.53	70.77
Average cost (P/U) for 2012-13	72.79	36.73	73.82	92.87	52.47	66.05	79.26	70.62

On the basis of the ARR determined above, the Commission has approved station-wise capacity charge and energy charge rate for the FY 2013-14 as per the schedule given below:

Station-wise Capacity Charge and Energy Charge Rate for FY 2012-13 & 2013-14

Name of the Power Stations	Capacity Charge (Rs. crore)		Energy Charge Rate (P/U)	
	2012-13	2013-14	2012-13	2013-14
Rengali HEP	18.915	20.39	36.392	39.230

Upper Kolab HEP	15.125	14.56	18.363	17.676
Balimela HEP	43.225	41.65	36.908	35.562
HHEP	31.445	31.33	46.437	46.266
CHEP	12.725	12.66	26.232	26.097
Upper Indravati HEP	76.980	78.20	39.632	40.259
Machhakund HEP	-	-	30.51	30.80

- The estimated energy drawal from Machhakund is approved at 262.50 MU at an average rate of 30.80 P/kWh and at a cost of Rs.8.08 crore for the FY 2013-14 against the average rate of 30.51 P/kWh and cost of Rs. 8.009 crore for FY 2012-13 for the same energy drawal.
- For the FY 2013-14, the estimated energy drawal from OHPC stations including Machhakund comes to 5881.74 MU (5619.24 MU plus 262.50 MU from Machkund) at an average rate of 68.98 p/kWh and at a total cost of Rs.405.75 crore in comparison to the estimated energy drawal of 5881.74 MU (5919.24 MU plus 265 MU from Machkund) at an average rate of 68.83 p/kWh and at a cost of Rs.404.83 crore for the FY 2012-13.

10. Transmission Charges- OPTCL:

- 23,448 MU of energy to be transmitted through OPTCL's network in FY 2013-14 as against 23485 MU in 2012-13.
- Total revenue requirement is approved at 585.87 crore for FY 2013-14 as against Rs.587.02 crore for FY 2012-13.
- Transmission charge to use OPTCL's line and sub-stations has been kept constant at 25.00 p/u w.e.f. 01.04.2013.
- The Open Access Charges has been kept constant at Rs.6000 /MW/Day for long-term customers for FY 2013-14.
- Short-term Open Access customers shall continue to pay Rs.1500 /MW/day w.e.f. 01.04.2013.
- The transmission loss has been approved as 3.80% for FY 2013-14.

11. BSP-GRIDCO

- The SMD approved for 2013-14 for DISCOMs is 3770 MVA.
- Transmission loss for wheeling of electricity by STU has been calculated at 3.80% for 2013-14, which is same as that of for 2012-13.
- Out of 24058.42 MU purchased, GRIDCO sales 23048 MU to DISCOMs and 100 MU to CGPs. Balance Power of 910.42 MU goes towards Transmission Loss on DISCOMs purchase.
- **Bulk Supply Price:**

DISCOM-wise Bulk Supply Price as approved by the Commission is as follows:-

Name of the DISCOMs	Bulk Supply Price approved for 2011-12	Bulk Supply Price approved for 2012-13	Bulk Supply Price approved for 2013-14
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	(P/U)	(P/U)	(P/U)
CESU	219.00	261.00	259.00
NESCO	262.00	301.00	290.00
WESCO	262.00	300.00	294.00
SOUTHCO	135.00	182.00	180.00
Total	231.65	270.74	265.00

- The table below summarizes how GRIDCO is required to purchase more power at cost higher than the quantum and rate approved by the Commission.

Comparison of power purchase cost of GRIDCO approved by the commission in the ARR vrs actual

Year	Commission's Approval			Actual		
	Energy MU	Rate P/U	Total cost Rs. in Cr.	Energy MU	Rate P/U	Total cost Rs. in Cr.
1999-00	10,176.13	103.36	1,051.82	11,197.38	104.10	1,165.60
2000-01	11,011.39	105.76	1,164.56	12,400.01	112.88	1,399.72
2001-02	12,345.07	94.60	1,167.82	12,467.03	95.27	1,187.77
2002-03	13,312.22	106.71	1,420.60	12,025.61	133.38	1,603.97
2003-04	14,818.80	115.52	1,711.87	15,896.76	100.33	1,594.89
2004-05	17,395.16	103.67	1,803.29	17,742.93	97.46	1,729.31
2005-06	16,640.02	110.36	1,836.38	16,806.08	120.41	2,023.58
2006-07	15,414.79	113.97	1,756.84	18,866.10	117.22	2,211.55
2007-08	17,539.47	119.91	2,103.11	20,934.39	119.91	2,510.28
2008-09	18,460.26	127.40	2,351.75	20,049.27	149.61	2,999.64
2009-10	19,719.37	148.27	2,923.80	20,956.19	196.94	4,127.03
2010-11	21,003.75	174.58	3,666.85	22,868.98	197.77	4,522.70
2011-12 (Provisional)	23,489.18	210.32	4,940.30	22,924.70	215.71	4,945.01
2012-13	24,096.88	236.17	5,691.02	24,086	231.00	5,554
2013-14	24,058.42	229.01	5,509.51			

12. Important initiatives by the Commission

The Commission allows different schemes which have been introduced in RST order for FY 2012-13 to continue until further orders. They are as follows:

Demand charges for Ice Factories dependant on fishing vis-a-vis statutory restriction on fishing

- During the statutory restriction imposed by the Fisheries Department, the Ice factory located at a distance not more than 5 KM towards the land from the seashore of the restricted zone will pay demand charges based on the actual maximum demand recorded during the billing period. There will be no changes in energy charges and other charges payable to the DISCOMs as per the existing Tariff Order and Regulations.

- Regarding modalities of implementation of the concession with regard to payment of demand charges on actual maximum demand recorded during restriction period, it is difficult on the part of the Commission to identify which of the ice factory actually suffer from low business turn over due to the statutory restriction on fishing. It is the concerned distribution companies which are to identify only such ice factories located within a distance of not more than 5 KM towards the land from the sea shore of the restricted zone and then after periodical inspection and checking of meter reading the DISCOMs may allow payment of demand charges based on the actual maximum demand recorded during the restriction period only. The demand charges shall be based on maximum demand or 80% of the contract demand whichever is higher during the period other than the restriction period.

Allied Agro-industrial activities

- Due to practical difficulties in segregating cold storage load from food processing the food processing unit attached with cold storage shall be charged at Agro-Industrial Tariff if cold storage load is not less than 80% of the entire connected load. If the load of the food processing unit other than cold storage unit exceeds 20% of the connected load, then the entire consumption by the cold storage and the processing unit taken together shall be charged with the tariff as applicable for general purpose or the industrial purpose as the case may be.

Issue of Public lighting

- Due to unavailability of meter in many public lighting load, until metering is in place the Commission directs that billing should be done assuming 11 hours burning time taking the average use of summer and winter seasons.

Own Your Transformers (OYT) Scheme

- The scheme is now intended for individual LT Domestic and individual /group General Purpose consumers who would like to avail single point HT supply by owning their distribution transformers. In such a case the licensee would extend a special concession of minimum 5% rebate from the total bill (except Electricity Duty and meter rent) of the respective category apart from the normal rebate on the payment of the bill by the due date. For removal of doubt it is clarified that the bulk supply domestic category of consumers i.e. consumers in an apartment building or a colony are entitled to avail bulk domestic HT supply at a concessional flat rate and, therefore, not covered under 'OYT' scheme although they install their own Distribution transformers for availing power supply. The scheme was introduced to encourage LT less distribution only.

Pre-paid meters

- Regulation 54(3) of OERC Distribution (Conditions of Supply) Code, 2004 provides that the licensee shall make out a plan for introduction and adoption of new technologies (such as Pre-paid Meters, time of the day meters, automatic remote meter reading system through appropriate communication system) becoming available with the approval of the Commission or as per the directions of the Commission. Therefore, licensees must try to adopt new metering technologies for better consumer service. A pre-paid meter not only helps the consumers to manage their purchase of electricity well, but also reduces the receivable of DISCOMs.

Tatkal Scheme for New Connection

- The Commission has received a number of grievances regarding undue delay in providing new power connection to their premises with one plea or other by the field Engineers of DISCOMs. The Commission would like to introduce a “Tatkal scheme” for immediate power connection to the consumer premises after compliance of certain requirements.
- This Tatkal scheme is applicable to consumers availing LT supply for Domestic, Agricultural and General purpose only. The Tatkal charges are given below:

Table -

Category of Consumers	Tatkal charges
LT Single phase upto 5 KW load	Rs.2000
LT three phase 5 KW and above	Rs.2500
LT Agricultural consumers	Rs.1000
LT General purpose single phase and three phase consumers	Rs.4000

The above Tatkal charges don't include meter cost/rent.

‘Take or Pay’ Tariff

The Commission on analysis of submission of DISCOMs during hearing found that the ‘Take or Pay’ tariff scheme introduced by the Commission in FY 2012-13 has not borne the desired result. The intended expectation of more and more industries would go for higher load factor opting for ‘Take or Pay’ scheme has not been achieved, in practice. In stead the process industries who are already consuming power at higher LF have multiple benefits seriously affecting the revenue inflow of the DISCOMs. It has upset the existing cross-subsidy mechanism. Therefore, the Commission is pleased to withdraw the scheme w.e.f. FY 2013-14.

Issue of Security Deposit

As per Regulation 19(4) of OERC Distribution (Condition of Supply) code, 2004 the security deposit shall be paid in cash or by bank draft. It may also paid by cheque or credit card where specifically allowed by the licensee. There is no provision of payment of security deposit through Bank Guarantee in the Regulation. Modification to the existing provision may be considered only after the distribution companies achieve financial turn around and are able to generate enough cash for timely taking up of repair and renovation of the existing old distribution network. It is alleged that licensee is not reviewing the security deposit nor refunding the excess security deposit collected at the time of initial/enhanced power supply. Therefore, as per Regulation 20(1) of Supply Code, licensee should make a general review of security deposit available with them after revision of the tariff and refund or bill excess or shortfall in security deposit, if any. The status report may be submitted to the Commission by 30th June 2012,

Issue of Rice Mills

- Some objectors and representative of Rice Mills situated basically in Umarkote area of SOUTHCO have brought to our notice the poor quality of supply in their area. The objectors have highlighted the different prescribed standards of service and poor quality of service being given in the rural areas. But though for all towns and cities the same standard of service has been prescribed, the quality of service across the towns and cities is not the same at present. It is to be mentioned here that the Commission has been following uniform retail tariff throughout the State due to legacy of the past and present expediency. As the tariff is equal, the customers are also rightfully entitled for similar quality of services. Quality of service does not depend solely on the efficiency in operation of the licensees but also on several factors such as accessibility of the area of service, consumer density, outreach of the transmission Grid etc. over which the licensees have no control. Therefore, the four DISCOMs of the State have different operational settings. The licensees incur more cost to supply electricity to the remote areas in comparison to urban areas. In spite of that Commission keeping in mind the interest of the Consumers of the State have kept the differentiation in performance standards to the minimum by limiting it to urban and rural throughout the State. In this connection it may be clarified that only in case of restoration of power following interruption /failure of power supply and distribution transformer failure differential time limit has been fixed for urban and rural bodies but no such differentiation in case of low voltage, scheduled shut down etc. Therefore, it would not be prudent to accept the suggestion of the objector to provide a lower tariff for rural areas basing solely on the contention that the rural areas have different standard of performance in respect of voltage level, restoration of power, replacement of burnt/failed transformers etc. The Commission further wants to emphasize that due to massive industrialization of the State, urbanization is spreading very fast now in comparison to yesteryears. Therefore, the rural area of today will be urban area tomorrow. In this context, the rural consumers are very likely to be converted to urban consumers at some point of time availing the similar standard of performance what urban consumers are getting today.
- But the objectors of Umarkote area have brought to our notice alarmingly low quality of power supply to their area. As committed during hearing we have sent a fact finding team to that area. The expert team has been instructed to suggest both short term and long term solutions to the low voltage problem. Once the recommendations are available with us the Commission shall take up the issue both with the DISCOMs and OPTCL.

The issue of energy charge to the hostels run by SC/ST Department

During the Tariff hearing it has come to our notice that hostels attached to the schools run by SC/ST Department, Govt. of Odisha are facing difficulties in payment of electricity bills due to meagre paying capacity of the students residing in those hostels. Most of the students belong to BPL families. When we allow special reduced /highly subsidised tariff to their families it will be logical to extend a subsidised tariff to the children staying in those hostels. On an analysis it is found that the hostels are consuming on an average very low quantity of electricity. Therefore, the Commission allows Special Rebate of Rs.2.40 paise per unit to those hostels attached to the school recognized and run by SC/ST Dept., Govt. of Odisha on the energy charge under Specified Public Purpose category (HT/LT). DISCOMs would request State Govt. authorities to supply them the list of such schools qualifying for the Special Rebate.

Issue of NIT, Rourkela

NIT, Rourkela during hearing brought to our notice that they are HT Specified Public Purpose category of consumers. Their Electricity load can be classified as follows (a) Domestic (Colony) (b) Academic and (c) Hostels. The domestic load constitutes 60% of the total load approximately but all the above categories of load are paid at HT Specified Public Purpose category which results in paying higher tariff for domestic load equal to Specified Public Purpose category. Therefore, they have submitted for segregation of Institute and hostel load from domestic load of the colony. Considering the request we find that NIT, Rourkela is legitimately eligible for segregation of colony load from rest of the Institute and Hostel. We direct WESCO on the application of NIT, Rourkela and completing all the formalities as per Regulation to segregate colony load from institute and its hostels. The colony should get a separate connection as bulk supply domestic HT category.

Tariff for Start-up Power of IPPs/CGPs

Regulation 80(15) of Supply Code provides for emergency supply to industries having/owning generating station including Captive Power Plants (CGPs). This category relates to supply of power to industries with Generating Stations including Captive Power Plants only for start-up of the unit or to meet their essential auxiliary and survival requirements in the event of the failure of their generation capacity. Such emergency assistance shall be limited to 100% of the rated capacity of the largest unit in the Captive Power Plant of the Generating Station. DISCOMs submit that there should be demand charges for CGP emergency drawal. It is to be mentioned here that there can be two types of industries having CGPs. One is having a limited CD with DISCOMs and other is without any CD but connected to the Grid. In case of first category of industry they pay demand charges (80% of the contract demand or maximum demand whichever is higher) and energy charges. They have a right to draw any time upto the contract demand and emergency drawal price is not applicable to them. They pay normal tariff equal to any other similarly placed industries. But in case of second category of industries which have zero CD with DISCOMs they pay only charges for emergency drawal. However, if their drawal exceeds the 100% of the rated capacity of their largest unit they shall cease to be consumer for emergency supply and pay demand charge and energy charge for the balance period of financial year like any HT and EHT industrial category Similarly IPPs are consumers of DISCOMs for emergency drawal purpose only.

Graded Slab Tariff for HT/EHT Consumers

Considering more and more industries are running in higher load factor the Commission has modified Graded slab tariff for HT and EHT consumers as follows:

Table – 23
Slab rate of energy charges for HT & EHT (Paise per unit)

Load Factor (%)	HT	EHT
= < 60%	505	500
> 60%	400	395

Load factor has to be calculated as per Regulation 2 (y) of OERC Distribution Code, 2004. However, in calculation of load factor, the actual power factor of the

consumer and power-on-hours during billing period shall be taken into consideration.

Reliability Surcharge

Many concerns, basically HT/ EHT Industries brought to the notice of the Commission regarding uninterrupted quality power supply to their units. Many process industries particularly connected with the dedicated feeders from the Grid of OPTCL and Primary sub-station of DISCOMs objected to the restrictions being imposed on their units by the DISCOMs in case of exigency with or without the express intimation of SLDC. While there is a need to supply uninterrupted power to high end HT/EHT consumers this has to be viewed in the overall perspective of a situation of system unavailability / power deficit where a large number of ordinary consumers suffer power cut during peak hours and also sometimes during the summer months. The Commission is, therefore, of the view that for getting uninterrupted power supply in this adverse scenario the high end consumer must compensate the DISCOMs who may otherwise would have imposed power cuts on those consumers. Therefore, we introduce a concept of reliability surcharge in this tariff order for FY 2013-14. The reliability surcharge shall be payable to start with such HT and EHT consumers who get power supply through dedicated feeders from OPTCL Grid sub-station or from the primary 33/11 KV sub-station of DISCOMs. The reliability surcharge shall be 20 paise per_unit for all the units consumed by such HT and EHT consumers in the billing month. This surcharge is leviable over and above the bill amount based on normal tariff for that category of consumers after the rebate and penalty if any. The reliability surcharge is leviable if certain conditions are satisfied.

Adoption of new Metering Technology / Meter Rent

CEA (Installation and operation of Meters) Regulation, 2006 regarding adoption of new technologies OERC Supply Code, 2004 provides as follows:

“The licensee shall make out a plan for introduction and adoption of new technologies (such as Pre-paid Meters, time of the day meters, automatic remote meter reading system through appropriate communication system) becoming available with the approval of the Commission or as per the directions of the Commission.” As per Section 55 of Electricity Act, 2003 the licensee may require the consumers to give him security for price of a meter and enter into agreement for the hire thereof, unless the consumer elects to purchase a meter. In view of the above the consumer should have the first option to provide the meter so that they could have a genuine correct meter. If that option is not exercised, it is the duty of the licensee to give initial supply with a correct meter and not force the consumer to purchase one. It is needless to say that if subsequently the meter gets defective the licensee has to follow the procedure as laid out in the Regulation 97 of Supply Code.

- The monthly meter rent as approved by the Commission shall be charged from the consumers to whom meter has been supplied by the licensee. The licensee should strengthen their meter testing laboratories so that they can handle repair and replacement of defective meters quickly. Meter test report should be supplied to the consumer at the time of installation of the meter. The Commission desires that DISCOMs may initiate advance metering technology like pre-paid meters, automatic meter reading system (AMR/AMI) etc. by replacing sluggish yesterday technology meters in line with CEA and OERC

Regulation. The DISCOMs, in line with the stated smart metering policy may introduce AMR / AMI compliant pre-paid/post-paid smart meters (as per consumer choice) in selected urban areas to start with. No meter cost except usual meter rent shall be charged to the consumers of such areas.

13. Progress of CAPEX Work

- Finalisation of Technical Specification for all major supply items (35 Nos.) and Turn-key projects
- Finalization of (a) Procurement Guidelines, (b) Tender Specification of procurement/ supply, (c) Tender Specification for Turn-key Contracts for supply and erection.
- Finalization of Loan Agreement between GoO & GRIDCO and GRIDCO & DISCOMs and approved by Monitoring Committee on 26-06-2012.
- Engagement of TPEIA for four DISCOMs have finalized by GRIDCO for verification of AT&C loss and inspection of materials. Pre-dispatch inspection of materials by the TPEIA placed by the DISCOMs is in progress.
- Till date, DISCOMs have floated tender of worth Rs.805.29 crore (Reliance managed DISCOMs - Rs. 436.05 crore and CESU – Rs.369.24 crore for supply as well as turnkey projects.
- The value of Supply & Turnkey orders placed by DISCOMs are under:

Table –

(Rs. Cr)

Sl No	Description	CESU	WESCO, NESCO & SOUTHCO	Total
A	Supply of Materials	118.72	124.13	242.85
B	Turnkey	112.64	39.66	152.30
	Total	231.36	163.79	395.15

- CESU & Reliance managed DISCOMs have planned to spend Rs.137.88 crore and Rs.272.26 crore respectively by 31.03.2013.
- Out of total CAPEX Fund, Rs. 420.38 crore has been received from Govt of Odisha.
- GRIDCO has disbursed Rs. 87.66 Crore to Suppliers and Contractors as per requisition order of four DISCOMs. DISCOM wise utilization amounts is given below:

Table –

(Rs. Cr)

Particulars	WESCO	NESCO	SOUTHCO	CESU	Total
Utilisation	6.98	13.83	13.99	52.86	87.66

- The preparation of DPR for Phase-II has been finalized and submitted before OERC by GRIDCO. The tendering process of Supply of shall commence from 1st April 2013. The entire works of Phase –II shall be completed one year.

14. Accelerated Power Development Reform Programme (APDRP)

- Licensees in their filing have submitted that no amount has been estimated to be spent under APDRP scheme during the ensuing year FY 2013-14. The interest liability on APDRP has been considered on the adjusting loan only @ 12% for Govt. of Odisha loan and @13.5% on the loan received from REC/PFC.
- The interest liability on loans from GoO & REC/PFC is computed on the basis of the actual expenditure of APDRP during the current year and balance expenditure to be incurred during the ensuing year. The DISCOMs have not projected any receipts on account of APDRP loan from GoO or REC/PFC during the years FY 2012-13 & 2013-14. They have already utilized the amounts received during the previous years.

15. Truing up

The Commission have finalised the truing up upto FY 2010-11, in respect of all the Licensees including DISCOMs in Case No. 29, 30 & 31 / 2007 and Case No. 6, 7 & 8 / 2012 dated 19.03.2012. In the said order the Commission have allowed an amount of Rs. 9 cr. towards amortization regulatory assets in respect of SOUTHCO for the FY 2012-13. As per the said order WESCO, NESCO and CESU have landed with positive regulatory assets in the true up exercise, therefore no amortization of regulatory assets have been allowed to these three DISCOMs in the ARR for FY 2012-13.

16. Renewable Purchase obligation

- OERC in its order dt 30.09.2010 vide Case No. 59/2010 has issued a Regulation fixing the RPO in the State of Odisha. Every Obligated Entity shall purchase not less than 5% of its total annual consumption of energy from co-generation and renewable energy sources under the RPO Regulations from 2011-12 onwards with 0.5 percentage increase every year thereafter, till 2015-16 or as reviewed by the Commission even earlier, if any. Provided that 0.10 percentages out of the RPO so specified in the year 2011-12 shall be procured from generation based on solar as renewable energy source and shall be increased at a rate of 0.05 percentage every year thereafter till 2015-16 or as reviewed by the Commission even earlier, if any. Accordingly, the year and source wise RPO would be as below:

Year-wise target	Minimum quantum of purchase in percentage (in terms of energy consumption in the State in KWH)			
	Renewable		Co-generation	Total
	Solar	Non-solar		
2009-10 (Actual)	-	0.80	3.45	4.25
2010-11	-	1.0	3.50	4.5
2011-12	0.10	1.20	3.70	5.0
2012-13	0.15	1.40	3.95	5.5
2013-14	0.20	1.60	4.20	6.0
2014-15	0.25	1.80	4.45	6.5
2015-16	0.30	2.00	4.70	7.0

- The Co-generation and renewable energy sources excepting roof-top Solar PV and bio-gas sources shall be connected to the State Grid at a voltage level of 132 KV or 33 KV or 11 KV subject to technical suitability determined by the licensee. If any dispute arises about the technical suitability of connection of such sources with the grid, the matter shall be referred to the Commission whose decision in this regard shall be final.
- The Commission, vide in order dated 18-11-2010, designated OREDA as State Designated Agency for accreditation and recommending the renewable energy projects for registration and to undertake to function under OERC (Renewable and Co-Gen purchase obligation and it's compliance) Regulation 2010.

17. Renewable Sources of Energy and Tariff

As per the estimation of Odisha Renewable Energy Development Agency (OREDA), the Nodal Agency for development of Renewable Energy Sources, the RE power potential of the state is about 16430 MW, where as per the estimation of WISE, the RE potential of the state is about 7874 MW as shown in the table below.

RE power potential of Odisha

Sl. No	Sources	RE Potential assessed by OREDA (in MW)	RE Potential assessed by WISE (in MW)
1	Wind Energy	1700	2430
2	Biomass Power	350	240
3	Micro/ Mini /Small hydro	360	184
4	Municipal Solid / liquid waste	20	20
5	Solar	14000	5000

The Commission in its order dated 14.09.2010 in Case No. 37/2008 have approved following levelized generic tariff for various renewable sources applicable for the project to be commissioned during the Control period from 2010-11 to 2012-13. The Commission may however review the generic tariff for Sollar PV and Solar Thermal annually owing to the changing Capital Cost benchmark. The levelized generic tariff for various renewable sources of energy having "Single part tariff" is approved as in the following table:

Table

Particular	Levelled Total Tariff (for the control period 2010-11 to 2012-13) (Rs./kWh)	Benefit of Accelerated Depreciation (if availed) (Rs./kWh)	Net Levelled Tariff (upon adjusting for Accelerated Depreciation benefit) (if availed) (Rs./kWh)	Tariff Period (Years)
Wind Energy	5.31	(0.83)	4.48	13
SHP projects of 5 to 25 MW capacity	3.64	(0.55)	3.09	13
SHP projects below 5 MW	3.91	(0.60)	3.31	35

capacity				
Solar PV	17.80	(3.03)	14.77	25
Solar Thermal	14.73	(2.41)	12.32	25

The levelled generic tariff for various renewable sources of energy having “Single part tariff with two components” was approved as in the following table:

Particular	Levelled fixed component of Tariff (Rs./kWh)	Variable(Fuel) Component of tariff for FY 2010-11	Effective tariff for FY 2010-11	Benefit of Accelerated depreciation (if availed) (Rs./kWh)	Net Tariff (Rs./kWh)
Biomass	1.95	2.14	4.09	(0.21)	3.88
Non-fossil fuel based co-generation	2.26	2.14	4.40	(0.28)	4.12

Note: 1. For Biomass projects the tariff approved above including levelled fixed component and variable (fuel component) for FY 2010-11 has been shown. The approved tariff year-wise for entire tariff period i.e.13 years is shown in the output table at Appendix-3 of the detailed Order.

2. For Non-fossil fuel based co-generation projects the above approved tariff including levelled fixed component and variable (fuel component) for FY 2010-11 has been shown. The approved tariff year-wise for entire tariff period i.e.13 years is shown in the output table at Appendix-4 of the detailed Order.

Further, the Commission in its order dated 23.09.2011 in Case No. 151-155/2010 has revised the generic tariff of Bio-mass projects commissioned during the control period of 2010-11 to 2012-13 as given in the table below.

Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Variable tariff	2.92	3.06	3.21	3.37	3.54	3.72	3.91	4.10	4.31	4.52	4.75	4.99	5.24
Levelled fixed Tariff	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95
Year-wise Tariff	4.87	5.01	5.16	5.32	5.49	5.67	5.86	6.05	6.26	6.47	6.70	6.94	7.19
Benefit of Accel. Deprn	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21
Year-wise tariff after Accel Deprn.	4.66	4.80	4.95	5.11	5.28	5.46	5.65	5.84	6.05	6.26	6.49	6.73	6.98

The Commission vide its order dated 20.06.2012 in Case No. 1 of 2012 has re-determined the generic tariff of Solar PV and Solar Thermal Projects commissioned during the FY 2012-13 as given in the table below.

Particular	Levelled Tariff (Rs./kWh)	Benefit of Accelerated Depreciation (Rs./kWh)	Net Levelled Tariff (Benefit of Accelerated Depreciation if availed) (Rs./kWh)	Tariff Period (Years)
Solar PV	13.34	(1.75)	11.59	12
	8.74	-	8.74	13
Solar	14.81	(1.96)	12.85	12

Thermal	10.91	-	10.91	13
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Power Purchase from Renewable Sources:

- In its ARR for FY 2013-14, GRIDCO has projected to procure 195 MU from Meenakhi Small Hydro Electric Project and 105 MU from Samal Small Hydro Electric Project @ Rs.3.68 per unit during FY 2012-13. The total procurement cost of this 300 MU Renewable Energy amounts to Rs 110.40 crore.
- The Commission in its Order dated 19.05.2011 in Case Nos.17 & 24 of 2011 have fixed Rs.3.68 per Kwh (inclusive of 4 Paise per Kwh as trading margin of PTC) towards procurement of power by GRIDCO from PTC in respect of drawal from Samal Barrage SHEP of M/s. OPCL and Lower Kolab & Middle Kolab SHEPs of M/s.MPL. Hence, the Commission accepts the proposal of GRIDCO and accordingly, the cost of Rs.110.40 Cr towards procurement of 300 MU of power at the rate of 368.00 P/U from the said small hydel sources during FY 2013-14 is approved by the Commission.
- GRIDCO has proposed to procure 120 MU of renewable energy from Bio-mass sources @ 516 p/u at a total cost of Rs.61.92 cr. The Commission vide its order dated 23.09.2011 in Case No.151 to 155 of 2010 has re-determined the tariff for procurement of power from Bio-mass sources and according to the said order, the tariff for bio-mass energy would be 516 p/u for FY 2013-14, if the benefit of accelerated depreciation is not availed and 495 p/u, if benefit of accelerated depreciation is availed. Energy availed by GRIDCO from bio-mass sources during FY 2013-14 will be paid by GRIDCO at this tariff as the case may be. However, for the purpose of computation of ARR of GRIDCO for FY 2013-14 the Commission considers the tariff of 516 p/u for Bio-mass energy. Accordingly, the Commission approves the proposal of GRIDCO to procure 120 MU from Bio-mass renewable sources at a cost of Rs.61.92 crore @ 516 p/u.
- GRIDCO has proposed to procure 65.76 MU of solar energy from different sources at the total cost of Rs.69.735 cr. with an average rate of 1060.45 p/u as indicated in the Table below:

Table -27
Proposed Procurement & Cost of Solar Power during FY 2013-14

Sl. No.	Solar RE Sources	Energy Proposed for FY 12-13 (MU)	Rate (P/U)	Total Cost (Rs. Cr.)
1	8 Nos. of Solar PV projects of 1MW each under RPSSGP *	13	628	8.164
2	20 MW through NVVN under 'New Projects scheme' under JNNSM,Ph-1	33	1272	41.976
3	10 MW through NTPC from 5 MW Solar PV projects at Dadri & Faridabad	17	1039	17.663
4	5 MW from M/s Alex Green Energy Ltd. through OREDA State scheme	2.76	700	1.932
	Total	65.76	1060.45	69.735

The Commission approves the above proposal of GRIDCO. Accordingly, the procurement cost of total 65.76 MU of solar power comes to Rs.69.74 cr. at an average rate of 1060.45 p/u.

18. Implementation of Intra-State ABT :

The Commission vide its Order dated 07.02.2012 in Case No. 2 of 2012 has fixed the date of implementation of Intra-State ABT (Phase-I) in real time mode with commercial implication in the State of Odisha w.e.f 01.04.2012. The Intra-State ABT(Phase-I) is in operation since 01.04.2012. The Intra-State ABT (Phase-II) including Generators & Captive & Co-generation plants will be implemented shortly.

SLDC to function as Independent System Operator (ISO)

- Section 31 and 32 of the Electricity Act, 2003 contemplate SLDC as an Independent Apex Body to ensure integrated operation of the power system in the State. The Act also provides for financial independence of SLDC under Section 32 (3) by way of levy and collection of fees and charges from generating companies and the licensees using the Intra-State transmissions network. OERC has formulated the OERC (Fees and Charges of SLDC and other Related matters) Regulations, 2010 for implementation of levy of annual fee and charges for SLDC functions in Odisha.
- The Commission vide Order dtd. 20.03.2013 approved ARR of Rs.7.979 crore comprising System Operation Charges (SOC) of Rs.63.84 Lakh per annum (Rs.5.32 lakh per month) from the transmission licensees, System Operation Charges (SOC) and Market Operation Charges (MOC) taken together of Rs.734.11 lakh per annum (Rs.61.18 lakh per month) from both Generating Station as well as Distribution Licensees of the state during FY 2013-14.

Open Access in Transmission and Distribution:

- OERC has issued OERC (Terms and Conditions for Open Access) Regulations, 2005 on 06.06.2005 for introduction of Open Access to the intra-state transmission and distribution system in Orissa effective from 21.06.2005.
- As per that Regulation, consumers seeking Open Access to the distribution and/or intra-state transmission system can avail supply of electricity exceeding 1 MW from any licensee other than the Distribution Licensee of the respective area of supply w.e.f. 01.04.2008 and from a generating company w.e.f. 01.01.2009.
- The Commission has also issued OERC (Determination of Open Access Charges) Regulation, 2006 on 06.06.2006 which is made effective from 18.07.2006.
- As per this Regulation transmission charges (payable to STU), wheeling charges and cross subsidy surcharges (payable to DISCOMs) are being notified by the Commission for Open Access consumer every financial years w.e.f. FY 2008-09.

Present status of Open Access

- All the STOA applications for inter-State / intra-State Open Access have been processed by SLDC.

- In the year 2009-10, 315 numbers of applications were received for STOA in Inter State Transmission system. Consent had been accorded for 301 numbers of applications. The remaining 14 numbers have been rejected due to non compliance of Provisions of CERC (Open Access in Inter state Transmission) Regulations..
- In the year 2010-11, 132 numbers of applications were received for STOA in Inter State Transmission system. Consent had been accorded for 101 numbers of applications. The remaining 31 numbers have been rejected due to non compliance of Provisions of CERC (Open Access in Inter state Transmission) Regulations.
- In the year 2011-12, 127 numbers of applications were received for STOA in Inter State Transmission system. Consent had been accorded for 104 numbers of applications. The remaining 23 numbers have been rejected.
- 2 nos. of intra-state STOA are allowed.
- In the year 2012-13, 332 numbers of applications were received for STOA / MTOA in Inter State Transmission system. Consent had been accorded for 308 numbers of applications. The remaining 24 numbers have been rejected.
- 8 nos. of intra-state STOA are allowed.
- No application is pending with SLDC. Generally the status of the applications is conveyed to the applicant within three days by SLDC as per the Regulation.
- Some of the STOA applications have been denied by SLDC for non-compliance of SCADA and other provisions of Indian Electricity Grid Code (IEGC) and Odisha Grid Code (OGC).
- There are two other long term captive consumers such as M/s ICCL and NALCO which have been availing Open Access since OSEB days.

19. Franchisee:

During the annual performance review the Commission had reviewed the status of Franchisee operation in the state by all the four DISCOMs. The status of franchisees as on 31st March, 2013 is as given bellow.

Franchisee Activity as on 31st March-2013					
	CESU	NESCO	WESCO	SOUTHCO	ODISHA
No of Micro-Franchisees	448	36	8	0	492
No of Consumers Covered	274970	56464	1135	0	332569
No of Macro-Franchisees	27	8	11	1	47
No of Consumers Covered	322892	63611	114206	18149	518858
No of Input Based-Franchisees	3	3	2	1	9
No of Consumers Covered	94018	70367	41872	51904	258161
Total no of consumers covered under Franchisee	691880	190442	157213	70053	1109588

20. Arrear Analysis of the Licensee:

A brief overview of the arrear position of the DISCOMs is as given bellow.

STATUS OF ARREAR

Rs in crore

WESCO	As on 31.03.2009			As on 31.03.2010			As on 31.03.2011				As on 31.03.2012				
	Category	Non-Govt	Govt & Psu	Total	Non-Govt	Govt & PSL	Total	Non-Govt	Govt & PSL	Total	% to total	Non-Govt	Govt & PSL	Total	% to Total
EHT	15.46	0	15.46	-12.63	0	-12.63	-6.76	0	-6.76	-0.73		0	0	0	0
HT	11.06	13.63	24.69	13.30	14.92	28.22	16.89	16.62	33.51	3.61		22.43	16.98	39.41	4.02
LT	645.35	52.39	697.74	758.02	54.55	812.57	841.57	60.73	902.3	97.12		875.57	64.88	940.45	95.98
TOTAL	671.87	66.02	737.89	758.69	69.47	828.16	851.7	77.35	929.05	100.00		898	81.86	979.86	100

NESCO	As on 31.03.2009			As on 31.03.2010			As on 31.03.2011				As on 31.03.2012				
	Category	Non-Govt	Govt & Psu	Total	Non-Govt	Govt & PSL	Total	Non-Govt	Govt & PSL	Total	% to total	Non-Govt	Govt & PSL	Total	% to total
EHT	57.24	0	57.24	101.44	0	101.44	90.8	0	90.8	9.64		78.44	0	78.44	8.76
HT	20.72	11.14	31.86	19.42	12.14	31.56	19.58	11.96	31.54	3.35		23.20	11.26	34.46	3.85
LT	591.61	54.2	645.81	679.28	58.53	737.81	756.84	62.58	819.42	87.01		716.80	65.96	782.76	87.39
TOTAL	669.57	65.34	734.91	800.14	70.67	870.81	867.22	74.54	941.76	100.00		818.44	77.22	895.66	100

SOUTHCO	As on 31.03.2009			As on 31.03.2010			As on 31.03.2011				As on 31.03.2012				
	Category	Non-Govt	Govt & Psu	Total	Non-Govt	Govt & PSL	Total	Non-Govt	Govt & PSL	Total	% to total	Non-Govt	Govt & PSL	Total	% to total
EHT	0.84	0	0.84	0.73	0	0.73	0.51	0	0.51	0.11		0	0	0	0
HT	11.15	16.17	27.32	9.89	21.94	31.83	8.02	27.00	35.02	7.72		4	20	24	5.57
LT	316.94	59.8	376.74	329.51	57.02	386.53	359.07	59.23	418.3	92.17		354	53	407	94.43
TOTAL	328.93	75.97	404.9	340.13	78.96	419.09	367.60	86.23	453.83	100.00		358.00	73.00	431.00	100

CESU	As on 31.03.2009			As on 31.03.2010			As on 31.03.2011				As on 31.03.2012				
	Category	Non-Govt	Govt & Psu	Total	Non-Govt	Govt & PSL	Total	Non-Govt	Govt & PSL	Total	% to total	Non-Govt	Govt & PSL	Total	% to total
EHT	36.72	0	36.72	15.56	0	15.56	15.95	0	15.95	1.10		32.74	0	32.74	2.18
HT	104.99	76.71	181.7	49.69	113.86	163.55	62.83	113.86	176.69	12.21		65.16	56.09	121.25	8.07
LT	1028.67	123.67	1152.34	1115.74	80.63	1196.37	1162.22	92.59	1254.81	86.69		1196.81	151.56	1348.37	89.75
TOTAL	1170.38	200.38	1370.76	1180.99	194.49	1375.48	1241.00	206.45	1447.45	100.00		1294.71	207.65	1502.36	100

All Orissa	As on 31.03.2009			As on 31.03.2010			As on 31.03.2011				As on 31.03.2012				
	Category	Non-Govt	Govt & Psu	Total	Non-Govt	Govt & PSL	Total	Non-Govt	Govt & PSL	Total	% to total	Non-Govt	Govt & PSL	Total	% to total
EHT	110.26	0	110.26	105.1	0	105.1	100.5	0	100.5	2.66		111.18	0	111.18	2.92
HT	147.92	117.65	265.57	92.3	162.86	255.16	107.32	169.44	276.76	7.34		114.79	104.33	219.12	5.75
LT	2582.57	290.06	2872.63	2882.55	250.73	3133.28	3119.7	275.13	3394.83	90.00		3143.18	335.4	3478.58	91.33
TOTAL	2840.75	407.71	3248.46	3079.95	413.59	3493.54	3327.52	444.57	3772.09	100.00		3369.15	439.73	3808.88	100.00

21. Functioning of the Energy Police Station & Vigilance and Antitheft Measures

The Commission had reviewed the progress of Licensees in controlling theft of electricity with the help of Energy Police Stations. The performances of DISCOMs with respect to reducing theft as on 31st March, 2013 for complete year is as given bellow.

Anti Theft Measures	CESU	NESCO	WESCO	SOUTHCO	All Odisha
No of cases Finalized under Section 126 & 135	13763	2068	15440	7744	39015
Amount Finalized (Rs. cr)	9.86	1.02	11.47	8.06	30.41
Amount Assessed during filing of case (Rs Cr)	9.86	5.2	11.47	18.69	45.22
No of Connection Regularized	2736	2154	28533	135	33558
Amount Collected (Cr.)	2.51	0.27	7.74	6.22	16.74
NO. of FIR Lodged	548	118	151	181	898
No. of illegal consumers prosecuted/Initiated in Court	-	101	91	77	269
Number of disconnection made	-	33957	163236	11863	209056
Revenue realized (Rs. Cr.)	-	23.93	63.92	5.43	93.28

22. Monitoring of the performance of the Licensees

1. **Performance Review During the FY 2012-13** – The Commission monitors the performance of the utilities under various financial & technical parameters, including distribution loss, AT&C loss, collection efficiency, license conditions and performance standards, etc. Interruptions in Distribution System are measured in terms of Reliability Indices. Annual Review for the FY 2012-13 was taken up during the month of June 2013. The performance of DISCOMs for FY 2012-13 are summarized as follows:-

Overall Performance of DISCOMs

	2009-10		2010-11		2011-12		2012-13	
	OERC Approval	Actual (Aud)	OERC Approval	Actual	OERC Approval	Actual	OERC Approval	Actual
A. DISTRIBUTION LOSS (%)								
CESU	26.30%	39.43%	25.37%	38.30%	24.00%	38.20%	23.00%	37.00%
NESCO	23.00%	32.52%	18.46%	32.75%	18.40%	34.28%	18.35%	34.93%
WESCO	22.50%	35.09%	19.93%	38.89%	19.70%	38.89%	19.60%	38.27%
SOUTHCO	27.92%	48.03%	27.82%	48.22%	26.50%	46.42%	25.50%	43.32%
ALL ORISSA	24.45%	37.37%	22.22%	38.34%	21.71%	38.56%	21.30%	37.74%
B. COLLECTION EFFICIENCY (%)								
CESU	98.00%	91.45%	98.00%	92.62%	99.00%	97.14%	99.00%	92.00%
NESCO	98.00%	95.50%	98.00%	92.38%	99.00%	100.56%	99.00%	93.03%
WESCO	98.00%	96.03%	98.00%	91.32%	99.00%	97.13%	99.00%	94.75%
SOUTHCO	98.00%	94.04%	98.00%	91.54%	99.00%	97.80%	99.00%	94.48%
ALL ORISSA	98.00%	94.28%	98.00%	92.05%	99.00%	98.08%	99.00%	93.34%
C. AT & C LOSS (%)								
CESU	27.77%	44.61%	26.86%	42.85%	24.76%	39.97%	23.77%	42.05%
NESCO	24.54%	35.56%	20.09%	37.87%	19.22%	33.91%	19.17%	39.47%
WESCO	24.05%	37.67%	21.53%	44.19%	20.50%	40.65%	20.40%	41.51%
SOUTHCO	29.36%	51.13%	29.27%	52.60%	27.24%	47.60%	26.25%	46.45%
ALL ORISSA	25.96%	40.95%	23.77%	43.24%	22.49%	39.74%	22.09%	41.89%

LT Performance of DISCOMs-As on March-2013

	2009-10 (Provisional)		2010-11		2011-12 (Provisional)		2012-13 (Provisional)	
	OERC Approval	Actual	OERC Approval	Actual	OERC Approval	Actual	OERC Approval	Actual
A. LT LOSS (%)								

CESU	35.04%	51.97%	29.40%	51.63%	29.20%	49.91%	27.55%	47.53%
NESCO	33.19%	55.83%	29.40%	55.36%	27.05%	55.59%	25.42%	54.98%
WESCO	35.86%	62.96%	29.40%	64.80%	27.11%	61.77%	25.27%	62.21%
SOUTHCO	29.50%	56.23%	29.40%	55.42%	27.75%	53.63%	25.08%	49.51%
ALL ORISSA	34.04%	56.41%	29.40%	56.58%	27.98%	54.81%	26.12%	53.87%
B. COLLECTION EFFICIENCY IN LT (%)								
CESU	98.00%	96.51%	98.00%	89.80%	99.00%	93.95%	99.00%	87.00%
NESCO	98.00%	77.43%	98.00%	75.60%	99.00%	99.83%	99.00%	74.61%
WESCO	98.00%	76.01%	98.00%	73.70%	99.00%	89.80%	99.00%	99.16%
SOUTHCO	98.00%	92.77%	98.00%	87.70%	99.00%	95.08%	99.00%	90.00%
ALL ORISSA	98.00%	87.62%	98.00%	83.20%	99.00%	94.43%	99.00%	83.91%
C. AT & C LOSS FOR LT (%)								
CESU	36.34%	53.65%	30.81%	56.55%	29.91%	52.94%	28.27%	54.51%
NESCO	34.53%	65.80%	30.81%	65.74%	27.78%	55.67%	26.17%	66.42%
WESCO	37.14%	71.84%	30.81%	73.40%	27.84%	65.67%	26.02%	62.53%
SOUTHCO	30.91%	59.39%	30.81%	60.83%	28.47%	55.91%	25.83%	54.67%
ALL ORISSA	35.36%	61.81%	30.81%	63.87%	28.70%	57.33%	26.86%	61.29%

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ENGINEERING DIVISION

A Major Activities of Engineering Section (FY 2012-13)

This Division provides vital technical input for grant, revocation, amendment or exemption from license. It monitors the performance of the utilities [i.e. Bulk Supply (Trading) Licensee, Transmission Licensee and Distribution Licensees] under various technical parameters, including license conditions and performance standards. Interruptions in Distribution System are measured in term of Interruption Reliability Indices (known as SAIFI, SAIDI and MAIFI), for which the Distribution Licensees submit their monthly, quarterly and annual performance report including the interruption ones in a report every quarter and a consolidated annual report in every financial year. This Division also looks into general complaints of technical nature affecting large areas / industrial / group of consumers.

1. The Annual Guaranteed and Overall Performance report for the year 2011-12 were submitted by the DISCOMs. The consolidated Annual Guaranteed Performance report was published in the OERC website and Overall Performance report was published in daily newspapers on 25.11.2012 and also in the OERC website. The Overall Standards of

Performance of DISCOMs, as reported and furnished through affidavit for the year 2011-12 is placed as **Annexure-I**.

2. OPTCL has inherited from GRIDCO a considerable ageing transmission network. Continuous up-gradation and regular repairs and maintenance are required to keep the network in a safe and operational condition and to meet the growing requirements of DISCOMs' demand as well as to fulfill the Commission's and consumers' expectations on quality of supply, performance standards and availability of transmission network. As a result of this, the Commission, over the past several years, has been allowing a significantly higher amount for R&M expenses for encouraging the Licensee to undertake regular & adequate maintenance and also engaged technical expert teams to suggest short term and long term measures for improvement of the power supply system. Timely maintenance of equipment can prolong the longevity of the equipments, reduce downtime and provide quality supply. With the aforesaid objective, the Commission has suggested to undertake the remedial measures as mentioned below:

- Replacement of old obsolete and defective equipment such as CBs, CTs and PTs and LAs.
- Preventive maintenance of equipments using sophisticated testing kits like Capacitance and Tan delta kits, moisture content measurement kit, CB analyzer etc.
- Replacement of old and defective insulators including provision of Long Rod insulators in saline prone areas.
- Identification of hotspots in Switchyard and Lines by utilizing Thermo vision Camera and necessary follow up maintenance work.
- Double Jumpering at angle points in EHT Lines.
- Provision of additional Transformers taking into consideration the N-1 contingency criteria.
- Maintaining stock of ERS to towers as well as Restoration Gangs at strategic locations to meet exigency conditions.
- Provision of 3rd Bay in the Grid S/Ss and augmentation of the existing transformation capacity.

3. To ensure that the engineers of the Licensees are well versed with various provisions of Electricity Laws, Standards, Codes, Acts etc, the Commission had advised the GoO to revive the conducting of professional examination for the engineers of the

licensee/OHPC/OPGC. However, in view of the provisions contained in Regulation 7 of the CEA(Measures relating to safety and Electric Supply) Regulations, 2010, the licensees should take appropriate actions as regards to safety measures for operation and maintenance of transmission, distribution system. This would ensure adherence of safety parameters and minimize Electrical Accidents.

4. The Commission has directed OPTCL that DISCOMs are to be intimated well before the completion of any transmission project so that they should be prepared for receiving power from those and accordingly build their downstream distribution lines for evacuation of power. OPTCL should discuss with the DISCOMs before submission of transmission project for approval of OERC, so that the investment on s/s should not be left idle due to non-completion inter linking transmission lines.

5. In order to extend quality & reliable power to the consumers of the state, distribution licensees are to comply the following recommendations:

- Regular measurement of earthing at every locations and proper record keeping.
- Regular checking of connectors and joints.
- Replacement of worn out arcing AB switches.
- Operation of all breakers and their mechanism must be checked at least once in a month.
- Daily checking of Battery electrolyte specific gravity. Cell tester and Hydrometers must be made available at all 33/11 kV S/S.
- Proper fencing and compound walls should be provided in all S/Ss for safety & security.
- Long, overloaded 11 kV feeders should be provided with intermittent S/Ss.
- Load balancing, pruning of tree branches, replacement of damaged insulators & lightning arrestors.

The Commission expects that with continuous monitoring, the system will revive and continue to give good service to the consumers if certain vital elements of the system are taken care of the Commission may also engage the services of independent expert teams and /or Commission's officials in future to verify the correctness of the compliance reported/to be reported by the licensees.

6. The Engg. Division took up the following other activities during the FY 2012-13:

(a) **Publication of Orissa Grid Code (OGC) Regulations, 2006 and its Amendment**

i) The Commission has framed the Orissa Grid Code (OGC) Regulation, 2006 (effective 14.06.06) and has amended the same from time to time based upon the proposals from the stakeholder, recommendations of the Grid Coordination Committee and orders of orders of OERC issued in different cases for its amendment. Some significant change has been made in Grid connectivity issue, where the connectivity at 33 kV may normally be allowed for any generator including CGP up to 25 MW for dedicated line (tie line) and up to 15 MW in case of non-dedicated (non-tie) line. Further, in case of any of the beneficiaries/ISGS/SGS who are allowed open access is indulging in unfair gaming or collusion, the matter shall be reported by the SLDC to the Member-Secretary Grid Coordination Committee for investigation and take necessary action.

ii) Further, on the direction of the Commission, Member Secretary Grid Coordination Committee has discussed the matter as regards to the procedure for regulating standards of connectivity to the grid and establishment of voice and data communication to SLDC, Bhubaneswar in line with the CEA (Technical Standards for connectivity to grid) Regulations, 2007 and OGC, 2006. After a detailed discussion taking in to account all the relevant Regulations/Codes etc., "Procedure for Provision of Voice & Data Communication facilities" finalized by the GCC was approved by the Commission. The same has been published in the extraordinary Odisha Gazette No. 485 dated 29.03.2012

Further, the amendment of OGC as per fresh IEGC-2011 is under process and GCC's report is being awaited.

(b) Amendment to OERC Distribution (Conditions of Supply) Code,2004.

The existing provision of the Supply Code has categorised consumers basing on the purpose of supply. In the meanwhile nature and purpose of supply of certain categories of consumers have changed. Therefore, the Commission contemplates amendment to Regulation 80 (5) (i) & (ii) of the OERC Distribution (Conditions of Supply) Code, 2004 in the interest of the general public. It has come to the notice of the Commission and also submitted by four DISCOMs of the State that number of agricultural consumers (enjoying highly subsidised tariff) in urban areas outnumber the agricultural consumers in rural areas in the State. The concessional tariff for the category mentioned above is intended to promote Agriculture. It is a fact that most of the farmers are located in rural areas. Land use pattern in Urban area is largely residential and commercial and not Agricultural. Hence, the amendment to the Regulation 80 (5) (i) & (ii) of OERC Distribution (Supply Code), 2004 has been made. The Commission has, therefore, published the said

amendment in the extraordinary Odisha Gazette No. 477 dated 19.03.2013 for information of the general public.

(c) Publication of System Performance during FY 2012-13 of OPTCL

The annual system performance of OPTCL for the year 2011-12 was submitted by OPTCL on 23.07.2012 and the supporting data on 18.08.2012. The consolidated statement of system performance was examined and approved along with the observations by OERC on 04.09.2012 for publication.

The summery findings of Transmission and Bulk Supply Performance as submitted by OPTCL are as below:

- i) The annual peak demand of OPTCL was 3511 MW during 2011-12 as compared to 3347 MW during 2010-11.
- ii) GRIDCO had drawn 15280.45 MU from the State sector and 7453.907 MU from the Central sector and 186.906 MU as net banking and IEX power export during 2011-12, whereas it had drawn 15268.99 MU, 6961.936 MU and 60.892 MU respectively from the State, Central sector and banking power during 2010-11.
- iii) During this period, OPTCL made addition of 2.4 Ckt km of 220 kV lines and 60.934 Ckt. km of 132 KV lines. As on 01.04.2012, OPTCL is having total 521.935 ckt. km of 400 KV lines, 5486.325 ckt. km of 220 KV lines and 5287.703 ckt km of 132 KV lines. There was capacity addition of 3 nos. of 132/33 KV S/S during the said period.
- iv) During 2011-12, 22.5 hours of load restriction was clamped on rotation basis to curtail demand due to non-availability of generation/failure of generating stations and no restriction was clamped due to non-availability of transmission capacity. Also, there was no rescheduling of generation on account of non-availability of transmission capacity.

(d) Issuance of Intra State Trading Licence in Electricity:

OERC in exercise of the powers conferred under Section 14 of the Electricity Act, 2003(36 of 2003) granted Intra State Trading Licence in Electricity to M/s. Oricon Equipments (P) Ltd, At- Kalinga Complex, Plot No.B, Unit-1, Rajpath, Bhubaneswar- 751009 vide its order dated 16.01.2013 to trade electricity as an electricity trader for trading of power upto 10 MUs per month or 120 MUs per annum within the State of Odisha, subject to the terms and conditions contained in the Act, the Rules made by the Government of Orissa and the Regulations specified by the Commission from time to time, including statutory amendments, alternations, modifications, re-enactments thereof.

(e) Other important tasks carried out by the Engineering Division during 2011-12 include:

- i. Annual System Performance of OPTCL.
- ii. Long Term Demand Forecast and Transmission Plan for the State of Orissa.
- iii. Monitoring the recommendations of the Technical Enquiry Committees constituted to know the Status of Maintenance of Power House, Grid Substations, Distribution Substations and various Transmission & Distribution Elements.
- iv. Amendment/Up-dating of Orissa Grid Code, after analyzing the proposal either by Grid Co-ordination Committee or by the orders of the Commission after following the due procedure.
- v. Periodic amendment of OERC (Conditions of Supply) Code, 2004/ Standard of Performance Regulation.
- vi. Monitoring the implementation of the recommendations made by the Working Group constituted for "Technical Loss Reduction".
- vii. Analysis of Electrical Accidents and issue of specific guidelines on receipt of Consumer Complaints in order to improve power supply situation in various Licensee's area.
- viii. Review of electrical accidents and issues regarding inspection of electrical installations for safety in electric supply in the backdrop of notification of Regulations by the Central Electricity Authority (CEA) in this regard and consequent issues of advice to the government of Orissa.
- ix. CEA, CERC, FOR, Assembly Questions, Parliament Questions, Press Releases on technical issues.
- x. General Consumer Complaints.
- xi. Monitoring of License Fees.
- xii. Technical visit to licensee area, S/S and Electrical Installation.
- xiii. Energy Conservation and DSM.
- xiv. Renewable Energy Certificate Mechanism
- xv. Investment approval of the licensees.
- xvi. Approval, review & implementation of Distribution (Planning & Operation) Code.
- xvii. Cost Data for DISCOMs.
- xviii. Investigation into power supply problems in different areas of the DISCOMs.

Major Activities of IT section (FY 2012-13)

1. Procurement of IT Equipments and Services

- (a) Five computers of HP make with Intel core i3-350, 2 GB RAM, 320 GB HDD & TFT monitor were procured for Rs.1.67 lac. Two more computers of same make with Intel core i5 processor and similar specification as above were procured for Rs.0.78 lac.
- (b) One notepad from HP with Intel core i3-350, 2 GB RAM and 320 GB HDD was procured for Rs.39,743/-.
- (c) One Apple iPad with 32 GB memory, 3G, Wi-Fi and other accessories like smart cover was purchased for Rs.44,500/-.
- (d) Quick Heal Total Internet Security software (40 Users) were purchased for Rs.20,000/- and were installed in the existing computers.
- (e) The contract for Leasing of 100 GB web space and hosting existing portal of OERC (www.orierc.org) along with mission-critical applications on Oracle was renewed for a period of one year with the existing terms and conditions including the same financial provision of Rs.1,98,540/- (inclusive of all charges and taxes).

2. Advising Commission & Utilities on IT Projects

IT section advised the Commission and also, the utilities in the matters of information and communication technologies especially in Smart Grid and Enterprise Resource Planning (ERP).

3. Attending Specialized Training

Shri J.C. Mohanty, Jt. Director(IT) attended "Orientation Training Programme on PSS/E (Power System Analysis Software) of Siemens, PTI" organized by PGCIL (Power Grid Corporation of India Ltd.) at ERPC conference room during December 2012. Higher level training programme on this software would follow in the year 2013.

4. Maintenance of Database, Hardware and Software

a) Maintenance of Database entailed the following activities

- Cesu Billing System data transfer from DBF to text
- Converting Data to Oracle format
- Exporting data from Local Server
- Importing & configuring Data in Web Server
- Regular backup of
 - CBIS (Cesu Billing Information System)
 - RIMS (Regulatory Information Management System)
 - Savior System (Attendance Recording System)
 - CTS (Case Tracking System)

b) Hardware Maintenance involved the following activities

- Solving Computer Booting/Shutdown/Hang problems
- Resolving Network problems
- Fixing of Printer and Monitor related problems
- Maintenance of Oracle Server, Internet Server, Switch, HUB, Modem, Mail Server etc.

c) Software Maintenance entailed the following activities

- Installation of software including Operating System and Application software
- Up gradation of software including anti-virus

5. Managing OERC Pension Fund Trusts

The Group Superannuation Cash Accumulation (GSCA) Plan and Group Leave Encashment Scheme (GLES) of the LIC of India have been adopted by OERC for its employees. As per the actuarial estimation made by LIC towards superannuation of employees of OERC, a sum of Rs.92 lac was transferred to GSCA fund of LIC on 14-11-2012. From the GSCA fund, LIC purchased annuity of Rs.53.34 lac for three pensioners in this financial year and the balance of that fund at the end of the FY 2012-13 stood at Rs.4.29 crore. Moreover, the GLES fund, at the end of FY 2012-13, had a balance of Rs.70 lac.

ACTIVITIES OF THE REGULATORY AFFAIRS DIVISION DURING FY 2012-13

The Regulatory Affairs Division was created with re-designation of vacant post of Director (Law) as Director (Regulatory Affairs) by the State Govt. The new Director (Regulatory Affairs) joined in the Division on 04.04.2012. The function of the Division is multi-disciplinary in nature which involves Legal, Engineering and Finance discipline etc. The newly created division deals with all legal matters pertaining to the functions of the Commission. It also scrutinizes applications / replies/objections filed before the Commission, rendering necessary legal advice on various matters. The Division engages Advocates for representing the Commission in various Courts, Fora and Tribunals including liaisoning with legal counsels. Drafting and vetting of Regulations, Tariff Order, practice directions, notifications; maintaining relevant legal information, participating in Commission's proceedings are the prime functions of this Division.

1. Case matters before the High Court/Supreme Court/ATE

During the year 2012-13 the Commission had received notices in 33 cases from the Hon'ble High Court of Orissa. The Commission also received notices in 25 appeals from the Appellate Tribunal for Electricity (ATE), New Delhi and received notices in two Civil Appeals from the Hon'ble Supreme Court of India, & also the Commission has preferred Civil Appeals in three nos. cases against the judgement of the Hon'ble ATE before the Hon'ble Supreme Court of India.

The Commission had engaged Shri Rutwik Panda, Advocate on Record and Shri P. Ramesh Bhatt, Sr. Advocate in Supreme Court of India/ Appellate Tribunal for Electricity, New Delhi as its Legal Counsels.

2. **Regulations Framed under Electricity Act, 2003 by OERC**

Consequent upon implementation of the Electricity Act, 2003, the Orissa Electricity Regulatory Commission has framed a number of Regulations which are shown in the Table below:

Sl No.	Name of the Regulations	Odisha Notification Date	Published in Orissa Gazette No. and Date
1.	OERC (Conditions of Supply) Code, 2004.	21 st May, 2004	28 th May, 2004
2.	OERC (Licensees Standards of Performance) Regulations, 2004.	21 st May, 2004	28 th May, 2004
3.	OERC (Grievances Redressal Forum and Ombudsman) Regulations, 2004.	5 th April, 2004	17 th May, 2004
4.	OERC (Terms and Conditions for Determination of Tariff) Regulations, 2004.	9 th June, 2004	10 th June, 2004
5.	OERC (Procedure for filing appeal before the Appellate Authority) Regulations, 2004.	21 st May, 2004	28 th May, 2004
6.	OERC (State Advisory Committee) Regulations, 2004.	21 st May, 2004	28 th May, 2004
7.	OERC (Conduct of Business) Regulations, 2004.	21 st May, 2004	28 th May, 2004
8.	OERC (Terms and Conditions for Open Access) Regulations, 2005.	6 th June, 2005	21 st June, 2005
9.	OERC (Determination of Open Access Charges) Regulations, 2006	6 th June, 2006	18 th July, 2006
10.	Odisha Grid Code Regulation, 2006	-	14 th June, 2006
11.	OERC (Intra-State ABT) Regulations, 2007	17 th December, 2007	14 th February, 2008
12.	OERC(Fees and Charges of State Load Despatch Centre and other related matters) Regulation, 2010	6 th June, 2010	18 th November, 2010
13.	OERC (Renewable and Co-generation Purchase	30 th September,	14 th December,

Sl No.	Name of the Regulations	Odisha Notification Date	Published in Orissa Gazette No. and Date
	Obligation and its Compliance) Regulation, 2010	2010	2010
14.	OERC (Demand Side Management) Regulation, 2011	20 th August, 2011	16 th November, 2011

The above Regulations are available in the commission's web site –www. orienc. org.

3. **Fees for filing of the petition or applications**

In exercise of power under S. 86(1)(g) of the Electricity Act , 2003 read with Regulation 10(5) of the OERC (Conduct of Business) Regulations, 2004 the Commission vide its Notification dated 31.08.2009 published in Orissa Gazette No. 1500 dtd. 07.10.2009 has prescribed the Schedule of Fees for filing of the petition or applications before the Commission.

4. **Proceedings before the Commission**

The Regulatory Affairs Division examined and scrutinized petitions/ replies/ objections filed before the Commission.

The Division advised and rendered legal opinion on matters referred to it by the Engineering, Tariff, Secretarial and Administrative Divisions.

There are 120 no. of Cases were registered and 104 no. of Cases were disposed of by the OERC during the period from 01.04.2012 to 31.03.2013.

Important Orders passed during 1st April, 2012 to 31st March, 2013.

Sl. No.	Case No. (No/Year)	Date of Final Order	Subject
1	126/2010	16/5/2012	For determination of reactive energy charges for FY-10-11 under reg (5)(i) of OERC (Determination of Open access charfes,2006)
2	129/2010	3/1/2013	For cros-subsidy surcharges from generators, which have not maintained their status as CGPs and selling more than 49% of their total generation to GRIDCO/Outside.
3	51/2010	30/5/2012	For approval of PPA executed between OHPC & GRIDCO for purchase of power from Balimela Hydro Electric Project
4	39/2012	23/6/2012	U/s. 142 of Electricity Act, 2003 for non-compliance of the OERC orders dated 22.07.2006 & 26.04.2011 passed in Case Nos. 36/2005

			& 63/2006 & 3/2007 respectively.
5	20/2012	17/5/2012	To waive/relax RPO u/ss2(12) & 86(10(e) of the EA-Act,2003 read with reg 2(h) & 10 of OERC .
6	05/2012	1/5/2012	For approval of reduction of installed capacity for UK hydro electric project for calculation of PAFM during capital maintenance of Unit#4
7	113/2011	4/4/2012	U/s 86 of Electricity Act, 2003 read with S.21 of OER Act,1995 & other enabling provisions for approval of PPA executed with OPGC for purchase of power
8	112/2011	4/4/2012	U/s 94(f) of EA-2003 read with reg. 70 of OERC (Conduct of business) reg2004 for review of order passed in base no 151-155/2010
9	59/2012	15/9/2012	NESCO CAPEX PROGRAMME FOR FY 2010-11 AND FY 2011-12
10	58/2012	27/9/2012	WESCO CAPEX PROGRAMME FOR FY 2012-13 AND FY 2013-14
11	57/2012	15/9/2012	WESCO CAPEX PROGRAMME FOR FY 2010-11 AND FY 2011-12
12	103/2012	20/3/2013	Annual Revenue requirement & levy of annual fee & operating charges of SLDC function
13	43/2012	23/6/2012	Investment Proposal of OPTCL
14	18/2012	24/9/2012	U/s 142 of the EA-2003
15	04/2012	28/4/2012	For fixation or refixation of tariff for procurement of power from64 MW Thermal power plant (IPP) at khadagprasad, Dhenkanal.
16	16/2011	30/5/2012	For approval of PPA between OHPC & GRIDCO for purchase of power from Chiplima HEP
17	62/2012	27/9/2012	SOUTHCO CAPEX PROGRAMME FOR FY 2012-13 AND FY 2013-14
18	61/2012	15/9/2012	SOUTHCO CAPEX PROGRAMME FOR FY 2010-11 AND FY 2011-12
19	60/2012	27/9/2012	NESCO CAPEX PROGRAMME FOR FY 2012-13 AND FY 2013-14
20	25/2012	13/7/2012	For approval of Open Access Charges for FY 2012-13
21	70/2011	17/9/2012	For seeking approval of PPA
22	08/2011	13/7/2012	[Under clause 1(xiv), 2(vii) and 3(vi) of OERC (Determination of open access charges) Regulation, 2006 in view of S.42 of EA 2003.
23	10/2012	14/5/2012	U/s 94(f) of EA-2003 read with Reg. 70 of OERC(CB) Reg, 2004 for review of order dated 13-09-2011 passed in case no 28,29,107,108

			of 2010
24	50/2012	18/9/2012	For review of the order dtd. 19.03.2012 passed in Case No.29,30&31 of 2007 and 6,7,8 of 2012
25	49/2012	12/11/2012	Approval of PPA between GRIDCO and Shalivahana Green Energy Ltd.
26	133/2010	30/5/2012	U/s 86 of the EA,2003 read with section 21 of the Orissa Electricity Reform Act,1995 and other enabling provisions for approval of PPA
27	132/2010	30/5/2012	PPA between OHPC & GRIDCO for purchase of power from Hirakud Hydro Electric project of 275.5 MW
28	84/2011	4/4/2012	PPA between RIDCO and 8 Nos. of solar PV developers for procurement of Power.
29	131/2010	30/5/2012	For approval of PPA between OHPC & GRIDCO for purchase of power from UK HEP (4X80MW)
30	24/2012	13/7/2012	For approval of Open Access Charges for FY 2012-13
31	26/2012	13/7/2012	For approval of Open Access Charges for FY 2012-13
32	107/2012	20/3/2013	Annual Revenue requirement & retail supply Tariff for FY-2013-14
33	106/2012	20/3/2013	Annual revenue requirement & retail supply tariff for FY-2013-14
34	105/2012	20/3/2013	Annual Revenue requirement & Retail supply tariff for FY-2013-14
35	104/2012	20/3/2013	Annual Revenue requirement & retail supply tariff for FY-2013-14
36	102/2012	20/3/2013	Annual Revenue Requirement & Transmission Tariff for FY-2013-14
37	101/2012	20/3/2013	Annual Revenue requirement & Bulk supply price for FY-2013-14
38	100/2012	20/3/2013	Annual Revenue Requirement & Generation Tariff for FY-2012-13
39	01/2013	20/3/2013	Consultative paper on 3rd control period of MYT during the period for FY 2013 to 2017
40	01/2012	20/6/2012	Suomotu proceeding for re-determination of generic tariff in respect of solar PV and solar thermal power.
41	29/2011	4/4/2012	Approval Of PPA for procurement of power
42	06/2011	13/7/2012	{Under clause 1(xiv), 2(vii) and 3(vi) of OERC (Determination of open access charges) Regulation, 2006 in view of S.42 of EA 2003}
43	48/2012	23/8/2012	Suo Motu proceeding initiated by the Commission under Regulation 70 (1) of OERC (Conduct of Business) Regulation, 2004 for implementation of 'Take or Pay' Tariff for HT and EHT Industries with guaranteed load factor introduced in their RST Order in Case No.

			93-96 of 2011 for FY 12-13.
44	80/2012	14/12/2012	An application under Regulation 3.10(1) & (2) of the Odisha Grid Code (OGC) Regulations, 2006 for approval of Long term Demand Forecast for the period of 2011-12 to 2020-21.
45	28/2011	14/12/2012	For resolution of the unresolved issues between M/s Sterlite Energy & WESCO on power availed by M/s SEL from CGP of M/s Vedanta Aluminium regarding pre hearing in case no 15/2010

5. **Consumer Counsel**

The Commission had engaged World Institute for Sustainable Energy (WISE), Pune as consumer counsel for analysis tariff applications of licensees for FY 2012-13. The said consumer counsel submitted its reports & presented its views during the tariff hearing of the Commission. The Commission has also engaged 9 NGOs/persons as consumer counsel to collect necessary feedback on consumer services from WESCO, NESCO, SOUTHCO & CESU areas and participate in the tariff hearing. Out of which five consumer counsels had submitted their reports and participated in the tariff hearing of the Commission.

6. **Drafting and legal vetting**

The Division drafted, and also made legal vetting of public notices, show cause notices, circulars etc. and assisted the Engineering Division in amendment of Regulations.

7. **Legal Information**

The Division subscribed law journals/reports/Collected CDs such as AIR, CLT and Energy Law Reports to update information on latest judicial precedents / legislative developments. It gathered relevant information on Acts, Rules, Regulations and Orders on legal and regulatory matters relating to electricity. Relevant Orders of High Courts, Supreme Court, Central Electricity Regulatory Commission (CERC), Appellate Tribunal for Electricity (ATE), Rules and Notifications of Govt. of Orissa/ Govt. of India.

8. According to Rule 11 of the Electricity Rules, 2005, formulated by the Central Govt. the jurisdictions of the courts other than the Special Courts shall not be barred under sub-section(1) of section 154 till such time the Special Court is constituted under sub-section(1) of section 153 of the Act. Creation of additional number of courts is essential to meet the growing number of litigations so that natural justice is available at large to a variety of consumer class.

9. **Abatement**

Under Section 150 of the Electricity Act, 2003 whoever abates an offence under the said Act shall be punished as provided for the offence.

If any officer of employees of the licensee or electrical contractor abates the offence he shall be punished with imprisonment for the terms which may be extended three years, or with fine, or with both.

10. **BAR OF CIVIL COURT**

According to Section 145 of the Electricity Act, 2003, no Civil Court have jurisdiction to entertain any suit or proceeding of grant injunction in respect of any matter empowered to an Assessing officer, Appellate Authority, Adjudicating officer.

6. SECRETARIAT & ADMINISTRATION DIVISION

80. The Secretariat of the Commission looks after the administration of the Commission. It is the pivot of the Commission's activities. Under the provisions of section 91(1), the Secretary is required to assist the Commission to carry out its functions. The OERC (Conduct of Business) Regulations, 2004 also defines the role of Secretary as the spokesman & representative of the Commission in all matters pertaining to its proceedings/hearings. Secretary of the Commission has also been declared as Head of Office by Govt. of Odisha. The Secretary is assisted by Deputy Director (Personal & Administration) under the existing provisions.

81. The Commission Secretariat is the repository of the Commission's orders and records and carries out all correspondences on behalf of the Commission. The true copies/certified copies of orders, documents, and notification for and on behalf of the Commission are issued by the Secretariat. The Secretary being the custodian of the seal of the Commission acts as the ex-officio Secretary of the State Advisory Committee and is the first Appellate Authority under the RTI Act, 2005.

82. The Administration Section is manned by Deputy Director (P&A) and a Steno-cum-Computer Assistant who supports him in Administration Works. This Section provides vital

support to the Commission in various matters such as recruitment, appointment of executives and non-executives, house keeping, procurement of materials, equipment maintenance, organizing functions/seminars/ workshop, printing of Tariff Order & other publications, Audit & Accounts, matters relating to FOR, FOIR, CEA, CBIP, Ministry of Power, SAFIR, CIGRE, Assembly & Parliament, caretaking, security, training, performance appraisal, materials management etc.

83. Accounts Section under the Secretariat is manned by Accounts Officer who is assisted by Accountant-cum-Cashier and is responsible for preparation of bills, maintenance of accounts, reconciliation, audit (both financial & transaction) handling of cash and other accounts related work.

7. Consumer Interest

19. Under the Orissa Electricity Reform Act, 1995, the Orissa Electricity Regulatory Commission is mandated to safeguard the interests of the state consumers and ensures that all consumers are provided with reliable, safe and uninterrupted power supply at reasonable rates. The Electricity Act 2003 also provides wide ranging provisions to protect the interest of consumers. It gives electricity consumers a statutory right of minimum standards of supply and service. The Commission's approach to consumer protection has been proactive from the inception & in order to fulfill its legal obligation, the OERC has undertaken a number of steps to empower electricity consumers. They are

- **Issue of regulations, codes, licenses and practice directions**
 - OERC (Conditions of Supply) Code, 28th May,2004
 - OERC (Licensees Standards of Performance) Regulations, 28th May 2004.
 - OERC (Grievances Redressal Forum and Ombudsman) Regulations, 17th May 2004.
 - OERC (Terms and Conditions for Determination of Tariff) Regulations, 10th Jun 2004.
 - OERC (Procedure for filing appeal before the Appellate Authority) Regulations, 28th May 2004.
 - OERC (State Advisory Committee) Regulations, 28th May 2004.
 - OERC (Conduct of Business) Regulations, 28th May 2004.
 - OERC (Terms and Conditions for Open Access) Regulations, 21st June 2005.
 - OERC (Determination of Open Access Charges) Regulations, 18th July 2006.
 - Orissa Grid Code (OGC) Regulations, 14th June 2006.
 - OERC(ABT) Regulations,2007

➤ **Consumer Friendly Tariff**

- Introduction of Multi Year Tariff(MYT) in 2003
- Rationalisation of Tariff towards cost base and voltage base
- Reduction of cross subsidy
- Quantification of T&D loss and benchmarks in tariff for restricting loss in Business Plan, 2003
- Introduction of Time of Day (ToD) tariff for all three phase consumers in 2004
- Introduction of spot billing and meter cards
- Introduction of Voluntary Disclosure Scheme for unauthorized consumers
- Appointment of Consumer Counsel in Tariff Proceedings in 2009-10.
- Tariff for Agro-industrial consumers was reduced, being made equal to that for irrigation pumping sets.
- Omission sets targets for loss reduction, franchisee appointment.

● **Standards of Performance & Grievance Redressal**

- Introduction of guaranteed overall and individual Standards of Performance
 - Performance Standards published annually
 - Vigorous monitoring of licensees performance
 - Proceedings conducted by Commission to penalise the Distribution licensees' for non-compliance of GRF/Ombudsman orders
 - Inspection by independent enquiry teams regarding the maintenance of transmission and distribution system.
 - SAC Monitoring Subcommittee on quality of supply, standards of performance & commercial loss reduction, constituted.
- Alternate Dispute Resolution forum in OERC in 1998
- Creation of 12 Grievance Redressal Fora and 2 Ombudsman to dispose of consumer complaints
 - Inspection of GRF done by Commission officers
 - State level workshops to sensitize representative PR institutions & ULBs on standards of performance & tariff process.
 - Training & workshops held for Presidents/ Members of GRF/Ombudsman
- SAC representing cross-section of consumers in state constituted - Frequent Meetings are held for constructive advice

- State Co-ordination Forum formed by Govt. of Orissa - Chairperson & Members of OERC are Chairperson and Members of Forum
- District Committees formed
- **Pro active Consumer education**
 - Annual publication of comprehensive book on Orissa power sector "Orissa Power Sector an Over view"
 - Direct consumer interface programs
 - Print & audio-visual campaign in news dallies, radio & TV on GRF & Ombudsman, safety environmental awareness.
 - Publication of FAQs, booklets & brochures
 - Translation of regulations into local languages
 - Networking of consumer groups empanelled with OERC
 - Compilation of Regulations published in English and Oriya
 - Publication of posters.

➤ **Training & capacity building**

- Extensive training for Distcom staff by OERC on regulations/Electricity Act, 2003
- Gramsat used to sensitize senior government functionaries on state power sector issues
- Introduction of intra state open access
- State wide Consumer Satisfaction Survey
- State level workshop on consumer rights
- Approval of Consumer Service Documents of Distcos and their license conditions
 - Consumer Rights Statement
 - Complaint Handling Procedure
 - Code of Procedure on Payment of Bills
- Consumer counsel engaged for analysis and presentation of Tariff applications for FY 2008- 09 and FY 2009-10

20. As per the clause 15.11 (B) of Conditions of Distribution Code (OERC Regulations, 2004), there is an existing Complaint Handling Procedure for disposal of consumer complaints at their level. Aggrieved consumers can approach the Jr. Manager/SDO/Executive Engineer and there is time bound schedule for disposal of their complaints at different levels up to

- the CEO. Each Division is required to have a Consumer Cell to deal with consumer complaints.
21. With the Electricity Act, 2003 came into force w.e.f. June 2003; a statutory provision was made for disposal of consumer complaints by a two tier mechanism consisting of Grievance Redressal Fora and Ombudsmen. If the licensee fails to address complaints the consumer can now approach the GRF and the Ombudsman for relief. The OERC framed a regulation called the OERC Grievance Redressal Forum and Ombudsman Regulation, 2004 which was notified in July 2004.

GRF and Ombudsman

1. Ten GRF and four Ombudsmen were set up in the four distribution zones of the state and they became functional in October, 2004. Two additional GRFs were set up in Paradeep and Khurda respectively in June 2006. In 2008 after the term of the Ombudsman was completed, two Ombudsmen were redesignated for Orissa, ie, Ombudmen-1 for Cesu area and Ombudsmen-II for Nesco, Wesco & Southco area. At present there are 12 GRFs and two Ombudsmen working in the State. Their location and address are given below:

Twelve Grievance Redressal Fora (GRFs) & Two Ombudsmen

1. The President, GRF, Dhenkanal, CESU, Near Fisheries Office, Kunjakant, Dhenkanal-759001.
2. The President, GRF, Cuttack, 3R-1, CESCO Colony, Badambadi, PO: Arundeo Nagar, Dist-Cuttack.
3. The President, GRF, Bhubaneswar, CESU, Plot No. 363, Sahidnagar, Bhubaneswar-7.
4. The President, GRF, Khurda, CESU, Quarter No.3R/1, T.L.C. Colony, Khurda -752055.
5. The President, GRF, Paradeep, CESU, AT-Pitambarpur, PO- Bhutmundai, Via-Kujang, Dist-Jagatsinghpur.
6. The President, GRF, Jajpur, NESCO, T.T.S. Colony, Dhabalagiri, At- Sobra, Jajpur.
7. The President, GRF, Balasore, NESCO, Near Kali Mandir, Balasore-756001.
8. The President, GRF, Rourkela, WESCO, Office of the S.E, Rourkela Electrical Circle, Q-2, Rourkela Civil Township, Rourkela.
9. The President, GRF, Burla, WESCO, Qtr No. D-2, Near Power House Club in Burla Town, P.O.Burla, Dist-Sambalpur-768017.
10. The President, GRF, Bolangir, WESCO, O/o S.E. (Elect), Bolangir Electrical Circle, At/Po-Bolangir.

11. The President, GRF, Berhampur, Near De Paul School, Engineering School Road, Berhampur-760010.
12. The President, GRF, Jeypore, SOUTHCO, Power House Colony, Jeypore, Dist-Koraput.

Two Ombudsmen

Ombudsmen-I (CESU Zone), Qrs. No. 3R S/2, GRIDCO Colony, P.O. - Bhoinagar, Bhubaneswar- 751022.

Ombudsmen-II (NESCO, WESCO & SOUTHCO Zone), Qrs. No. 3R S/2, GRIDCO Colony, P.O. - Bhoinagar, Bhubaneswar- 751022.

2. As per reports of GRFs & Ombudsmen to the OERC, from April 2012 to March 2013, 4687 cases were disposed of by the GRFs.
3. 198 cases came up for appeal before the two Ombudsmen and 198 were disposed of at the end of March, 2013. The position has been indicated below:

4. Quarterly progress report on consumer complaints by the GRFs/Ombudsman for FY 2012-13

Name of licensee	Name of GRFs/Ombudsman	No of cases disposed	Order implemented by the licensees	Cases passed in favour of consumer
NESCO	Balasore	314	219	255
	Jajpur	359	197	161
SOUTHCO	Berhampur	504	346	480
	Jeypore	338	240	285
WESCO	Burla	481	232	477
	Rourkela	407	340	382
	Bolangir	962	787	838

CESU	Bhubaneswar	101	3	5
	Khurda	415	249	314
	Cuttack	92	42	69
	Dhenkanal	214	65	201
	Paradeep	302	Not reported	287
Ombudsman-I	CESU	78	38	59
Ombudsman-I	3REL-Discoms	120	22	19

5. The Consumer can also approach the Commission directly under Section 142 of the Electricity Act, 2003 if any provisions of the Act or any regulation is violated by the licensee. The Commission has set up its own Grievance Redressal Cell to monitor disposal of consumer complaints by the licensee. The Public Affairs Officer reports to the Secretary of the Cell. As on March 2013, 65 consumer complaints were registered with the cell. They were forwarded to the concerned GRFs/Distcoms for necessary action.
6. The Commission organized an interactive meeting with members of 12 GRF & two Ombudsmen on disposal of cases and compliance of orders of GRFs/ Ombudsman and discussion on "Disposal of cases & implementation of orders of GRF/Ombudsman by licensees" at the OERC Conference Hall. The Chairperson OERC presided over the meeting and a number of problems & issues on the topic were discussed on the occasion. Teams of officers of OERC also visited GRF & Ombudsman offices and inspected their records & functioning as per statutory requirement. They also held consumer interface programmes in all the GRF & Ombudsman Headquarters.

Publicity

7. In order to ensure transparency, all orders of the Commission regarding major issues are passed after conducting open public hearings. In 2012-13 the Commission carried out a number of public relation activities including press briefings during the annual tariff hearing, issue of press releases and preparation of promotional materials.

8. An awareness campaign was implemented covering national & local news dailies & All India Radio which was launched in April, 2012 and continued upto March, 2013. Various messages covering topics such as new connection, disconnection, metering, billing, grievance redressal, energy conservation & power theft were published in leading English & Odia news papers. Consumer interface programmes were held at Bhubaneswar, Khurda, Cuttack, Paradeep, Dhenkanal, Jajpur, Balasore, Burla, Bolangir, Rourkela, Berhampur, Jeypore.

Workshop/Seminar

9. A 1 day workshop on 'Development of Grid Connect Small, Mini & Micro Hydro Projects' in the State of Odisha was organized in collaboration with WAPCS on 15 Sept. 2012. Inaugurated by the Hon'ble Energy Minister, Odisha, Shri Arun Sahoo at the Swoti Premium, Bhubaneswar and a Solar Conference was organized in collaboration with TIE on 6th Oct, 2012. Inaugurated by the Hon'ble Energy Minister, Odisha, Shri Arun Sahoo. Comprising stake holder from the the power Sector. The workshop which was highly successful.

Publication

10. A Compendium of Orders on Annual Revenue Requirement & Bulk Supply & Retail Supply Tariff for FY 2012-13 was published by OERC and distributed among various stakeholders including consumer group.
11. Copies of the FAQ (Frequently Asked Questions of Electricity Consumers) in English & Oriya were distributed among various consumer groups, local self government bodies. Self Help Group and Staff of Distcoms for creating greater awareness of Rules, Regulations and Standards in the Sector.

Press Clipping Service

12. In order to keep the Commission abreast of up-to-date developments in the power sector within and outside the State, a daily press clipping service is maintained in the Commission. Articles and news items relating to the regional, national and international developments in the power sector published in the media were scanned and put up to the Commission for perusal and suitable action. The Commission took suo-motu action on a number of such complaints.

Right to Information

13. The PAO and the Secretary, OERC respectively have been nominated as the PIO and Appellate Officer under the RTI Act. In 2012-13, forty three applications were made under the RTI to the Commission and were disposed off.

84. Assets acquisition

- i. One no. Wooden Stool has been procured.
- ii. One no. Astro MB Chair (Feather Lite) has been procured.
- iii. Two nos. Steel Almirah has been procured.
- iv. One no. Digital Clamp Meter has been procured.
- v. One no. Ahuja Wireless Microphone has been procured.
- vi. One no. Apple IPod has been procured.
- vii. 4 nos. Telephone Set has been procured.
- viii. One no. Maruti Sx4 Vehicle has been procured.
- ix. One no. Bicycle has been procured.
- x. One no. Laptop (HP Pro book) has been procured.
- xi. 5 nos. HP Compaq Business PC has been procured.
- xii. One no. Hitachi 1.5 Ton Split AC has been procured.

85. Participation in Training/ Seminar/ Workshop/ Conference

Participation in Training/ Seminar/ Workshop/ Conference etc. are integral part of knowledge based organization like OERC. Officers and Staff have attended various training programmes, seminars, workshops & conferences in the year 2012-13 to enhance their professional skills and update their knowledge (**Annexure**).

STATE ADVISORY COMMITTEE MEETING

86. The State Advisory Committee meetings are usually held in every quarter of a year. During the year there were three meetings held at Conference Hall of OERC on 20.06.2012, 25.09.2012 and 28.02.2013 and the minutes of the meeting are at **Appendice**.

ANNEXURES

RETAIL SUPPLY TARIFF EFFECTIVE FROM 1ST APRIL, 2013

Sl. No	Category of Consumers	Voltage of Supply	Demand Charge (Rs./KW/Month)/ (Rs./KVA/Month)	Energy Charge (P/kWh)	Customer Service Charge (Rs./Month)	Monthly Minimum Fixed Charge for first KW or part (Rs.)	Monthly Fixed Charge for any additional KW or part (Rs.)	Rebate (P/kWh)/ DPS
LT Category								
1	Domestic							
1.a	Kutir Jyoti <= 30 Units/month	LT	FIXED MONTHLY CHARGE-->			65		
1.b	Others							10
	(Consumption <= 50 units/month)	LT		230.00		20	20	
	(Consumption >50, <=200 units/month)	LT		400.00				
	(Consumption >200, <=400 units/month)	LT		500.00				
	Consumption >400 units/month)	LT		540.00				
2	General Purpose < 110 KVA							10
	Consumption <=100 units/month)	LT		510.00		30	30	
	Consumption >100, <=300 units/month)	LT		620.00				
	(Consumption >300 units/month)	LT		690.00				
3	Irrigation Pumping and Agriculture	LT		110.00		20	10	10
4	Allied Agricultural Activities	LT		120.00		20	10	10
5	Allied Agro-Industrial Activities	LT		400.00		80	50	DPS/Rebate
6	Public Lighting	LT		540.00		20	15	DPS/Rebate
7	L.T. Industrial (S) Supply <22 KVA	LT		540.00		80	35	10
8	L.T. Industrial (M) Supply >=22 KVA <110 KVA	LT		540.00		100	50	DPS/Rebate
9	Specified Public Purpose	LT		540.00		50	50	DPS/Rebate
10	Public Water Works and Sewerage Pumping<110 KVA	LT		540.00		50	50	10
11	Public Water Works and Sewerage Pumping >=110 KVA	LT	200	540.00	30			10
12	General Purpose >= 110 KVA	LT	200	540.00	30			DPS/Rebate
13	Large Industry	LT	200	540.00	30			DPS/Rebate
HT Category								
14	Bulk Supply - Domestic	HT	20	410.00	250			10
15	Irrigation Pumping and Agriculture	HT	30	100.00	250			10
16	Allied Agricultural Activities	HT	30	110.00	250			10
17	Allied Agro-Industrial Activities	HT	50	390.00	250			DPS/Rebate
18	Specified Public Purpose	HT	250		250			DPS/Rebate
19	General Purpose >70 KVA < 110 KVA	HT	250		250			10
20	H.T Industrial (M) Supply	HT	150		250			DPS/Rebate
21	General Purpose >= 110 KVA	HT	250		250			DPS/Rebate
22	Public Water Works & Sewerage Pumping	HT	250		250			10
23	Large Industry	HT	250		250			DPS/Rebate
24	Power Intensive Industry	HT	250		250			DPS/Rebate
25	Mini Steel Plant	HT	250		250			DPS/Rebate
26	Railway Traction	HT	250		250			DPS/Rebate
27	Emergency Supply to CGP	HT	0	700.00	250			DPS/Rebate
28	Colony Consumption	HT	0	450.00	0			DPS/Rebate
EHT Category								
29	General Purpose	EHT	250		700			DPS/Rebate
30	Large Industry	EHT	250		700			DPS/Rebate
31	Railway Traction	EHT	250		700			DPS/Rebate
32	Heavy Industry	EHT	250		700			DPS/Rebate
33	Power Intensive Industry	EHT	250		700			DPS/Rebate
34	Mini Steel Plant	EHT	250		700			DPS/Rebate
35	Emergency Supply to CGP	EHT	0	695.00	700			DPS/Rebate
36	Colony Consumption	EHT	0	440.00	0			DPS/Rebate

Note:

Slab rate of energy charges for HT & EHT (Paise per unit)

Load Factor (%)	HT	EHT
= < 60%	505	500
> 60%	400	395

- (i) The reconnection charges w.e.f. 1.4.2013 shall be as follows.

Category of Consumers	New Rate Applicable
LT Single Phase Domestic Consumer	Rs.150/-
LT Single Phase other consumer	Rs.400/-
LT 3 Phase consumers	Rs.600/-
All HT & EHT consumers	Rs.3000/-

- (ii) The meter rents for FY 2013-14 is as follows.

Type of Meter	Monthly Meter Rent (Rs.)
1. Single phase electro-magnetic Kwh meter	20
2. Three phase electro-magnetic Kwh meter	40
3. Three phase electro-magnetic tri-vector meter	1000
4. Tri-vector meter for Railway Traction	1000
5. Single phase Static Kwh meter	40
6. Three Phase Static Kwh meter	150
7. Three phase Static Tri-vector meter	1000
8. Three phase Static Bi-vector meter	1000
9. LT Single phase AMR/AMI Compliant meter	50
10. LT Three phase AMR/AMI compliant meter	150

* The meter rent shall be collected for 60 months from the existing and new consumers.

- (iii) A Reliability surcharge has been introduced for such HT and EHT consumers availing power through dedicated feeder from grid/primary sub-station. Reliability surcharge @ 20 paise per unit shall be charged if reliability index is more than 99% and above and voltage profile at consumer end remains within the stipulated limit. (For details see the order)
- (iv) Reconnection charges have been introduced for the defaulting consumers who don't pay electricity bill within due date and also not required to pay DPS. This charge is leviable to those consumers who don't pay electricity bills in time and have not been disconnected. (For details see the order)
- (v) Prospective small consumers requiring new LT single phase connection upto and including 5 KW load shall only pay a flat charge of Rs.1500/- as service connection charges towards new connection excluding security deposit as applicable as well as processing fee of Rs.25/-. The service connection charges include the cost of material and supervision charges.

- (vi) A "Tatkal Scheme" for new connection has been introduced which is applicable to LT Domestic, Agricultural and General Purpose consumers.
- (vii) In case of installation with static meter/meter with provision of recording demand, the recorded demand rounded to nearest 0.5 KW shall be considered as the contract demand requiring no verification irrespective of the agreement. Therefore, for the purpose of calculation of Monthly Minimum Fixed Charge (MMFC) for the connected load below 110 KVA, the above shall form the basis.
- (viii) The billing demand in respect of consumer with Contract Demand of less than 110 KVA should be the highest demand recorded in the meter during the Financial Year irrespective of the Connected Load, which shall require no verification.
- (ix) Three phase consumers with static meters are allowed to avail TOD rebate excluding Public Lighting and emergency supply to CGP @10 paise/unit for energy consumed during off peak hours. Off peak hours has been defined as **12 Midnight to 6 AM** of next day.
- (x) Hostels attached to the Schools recognised and run by SC/ST Dept., Govt of Odisha shall get a rebate of Rs.2.40 paise per unit in energy charge under Specified Public Purpose category (LT / HT) which shall be over and above the normal rebate for which they are eligible.
- (xi) Swajala Dhara consumers under Public Water Works and Sewerage Pumping Installation category shall get special 10% rebate if electricity bills are paid within due date over and above normal rebate.
- (xii) Drawal by the industries during off-peak hours upto 120% of Contract Demand without levy of any penalty has been allowed. "Off-peak hours" for the purpose of tariff is defined as from **12 Midnight to 6.00 A.M.** of the next day. The consumers who draw beyond their contract demand during hours other than the off-peak hours shall not be eligible for this benefit. If the drawal in the off peak hours exceeds 120% of the contract demand, overdrawal penalty shall be charged over and above the 120% of contract demand. When Statutory Load Regulation is imposed then restricted demand shall be treated as contract demand.
- (xiii) General purpose consumers with Contract Demand (CD) < 70 KVA shall be treated as LT consumers for tariff purposes irrespective of level of supply voltage. As per Regulation 76 (1) (c) of OERC Distribution (Conditions of Supply) Code, 2004 the supply for load above 5

KW upto and including 70 KVA shall be in 2-phase, 3-wires or 3-phase, 3 or 4 wires at 400 volts between phases.

- (xiv) Own Your Transformer – “OYT Scheme” is intended for the existing individual LT domestic, individual / Group General Purpose consumers who would like to avail single point supply by owning their distribution transformer. In such a case licensee would extend a special concession of 5% rebate on the total electricity bill (except electricity duty and meter rent) of the respective category apart from the normal rebate on the payment of the bill by the due date. If the payment is not made within due date no rebate, either normal or special is payable. The maintenance of the ‘OYT’ transformer shall be made by DISCOMs. For removal of doubt it is clarified that the “OYT Scheme” is not applicable to any existing or new HT/EHT consumer.
- (xv) Power factor penalty shall be
- i) 0.5% for every 1% fall from 92% upto and including 70% plus
 - ii) 1% for every 1% fall below 70% upto and including 30% plus
 - iii) 2% for every 1% fall below 30%

The penalty shall be on the monthly demand charges and energy charges

There shall not be any power factor penalty for leading power factor. Power factor incentive is hereby withdrawn. (Please see the detailed order for the category of consumers on whom power factor penalty shall be levied.)

- (xvi) The printout of the record of the static meter relating to MD, PF, number and period of interruption shall be supplied to the consumer wherever possible with a payment of Rs.500/- by the consumer for monthly record.
- (xvii) Tariff as approved shall be applicable in addition to other charges as approved in this Tariff order w.e.f. 01.04.2013. However, for the month of April, 2013 the pre-revised tariff shall be applicable if meter reading / billing date is on or before 15.04.2013. The revised tariff shall be applicable if meter reading/billing date is on 16.04.2013 or afterwards. The billing cycle as existing shall not be violated by the DISCOMs.

Annexure-2

ANNEXURE-I

ODISHA ELECTRICITY REGULATORY COMMISSION

PERFORMANCE OF ELECTRICITY DISTRIBUTION COMPANIES
IN ORISSA DURING 2011-12 AS REPORTED AND FURNISHED THROUGH AN AFFIDAVIT

ACHIEVEMENT ON OVERALL STANDARDS OF PERFORMANCE:

LICENSEES	Period	CESU	NESCO	WESCO	SOUTHCO
		For the year 11-12	For the year 11-12	For the year 11-12	For the year 11-12
Achievement in % of the licensees in the following service area	Minimum % target fixed by the Commission				
Rectification of fuse-off call within 6 hrs. of receiving the complaint in urban areas	90	99.98	99.93	98.99	100.00
Rectification of fuse-off call within 24 hrs. of receiving the complaint in rural areas	90	99.99	99.90	99.21	99.00
Restoration of line break-down within 12 hrs. of receiving the complaint in urban areas	95	99.95	100.00	97.43	100.00
Restoration of line break-down within 24 hrs. of receiving the complaint in rural areas	95	99.84	100.00	97.95	100.00
Replacement of Distribution Transformer within 24 hrs. of receiving the complaint in urban areas	95	100.00	100.00	98.53	100.00
Replacement of Distribution Transformer within 48 hrs. of receiving the complaint in rural areas	95	94.87	100.00	97.29	100.00
Completing the work within 12 hrs. of the scheduled outage before 5 PM/6 PM	90	100	--	--	--
No. of hourly measurement in which the supply frequency went beyond $\pm 3\%$	--	--	--	--	--
No. of cases in which voltage at the point of commencement of supply exceeded 3% of the voltage limits fixed under I.E. Rules, 1956					
EHT		--	--	--	--
HT		--	--	--	--
LT		--	--	--	--
Rectification of Street light fault within 6 hrs. of receiving the complaint	90	92	--	90	100.00
No. of faulty bills prepared as a percentage of total no. of bills issued	0.1	10	0.32	0.1	--
No. of faulty/defective meters as a percentage of total no. of existing meters	5	10	24	5	10
Total no. of interruption each lasting more than 5 minutes faced by 1 KW connected load (SAIFI)		100	225	30	229
Total no. of interruption each lasting less than 5 minutes faced by 1 KW connected load (MAIFI)		55	29	35	130
Total duration of interruption in minutes each 1 KW connected load (SAIDI)		4031	3151	674	9329
No. of accident cases		10-11 11-12	10-11 11-12	10-11 11-12	10-11 11-12
Fatal Human		23 14	13 12	20 20	28 20
Fatal Animal		13 09	13 06	26 25	11 20
Non-fatal Human		10 35	05 07	11 11	29 17
Non-fatal Animal		06 0	0 0	0 1	1 0

Note :1. The information on Guaranteed Standards of Performance is available in the OERC website: www.orierc.org and in respective websites of the Distribution Licensees i.e. www.cescoorissa.com for CESU, www.nescoorissa.com for NESCO, southcoorissa.com for SOUTHCO and wescoorissa.com for WESCO.

2. The aforesaid information are based on the data furnished by the Distribution Licensees submitted through affidavit and is not based on any independent audit carried out by the Commission.

3. Members of the public may furnish their comments on the above data to the Commission.

Issued by OERC in Public interest.

Annexure-3

Income & Expenditure Account for the year ended 31st'March 2013

(In Rupees)

Expenditure	Figures for the current year	Income	Figures for the current year
1	2	3	4
1. Payment to and provisions towards salaries	31,179,063.00	1.Grants-in-aid from the Government of Orissa.	Nil
2. Office & Establishment & Repair & Maintenance Expenses	11,617,342.00	2. Grant from Other Sources.	Nil
3.Depreciation of Assets.	904,723.00	3. Receipts of the Commission	86,614,212.45
4. Other Expenditure.	570,963.00	4. Interest on	
5. Excess of Income over Expenditure	42,342,121.45	a) Cash at Bank	
		b) Investment	
		5. Excess of Expenditure over Income	NIL
	86,614,212.45		86,614,212.45

Yet to be audited by C &

AG of India

Receipt and Payment Account for the year ended 31st March 2013

Receipts	Figures for the current year	Payments	Figures for the current year
1	2	3	4
1. To balance b/d.		1. By Payment to and provisions for employees	30,488,114.00
(i) Cash at Bank	4,180,584.39	2. By Office and Establishment Expenses	11,831,052.20
(ii) Cash in Hand	9,443.00	3. By Purchase of Assets	2,071,122.00
		4. By Advances	
2. To Grants-in-aid from the Government of Orissa	30,000,000.00	a) Advances to employees	3,301,108.00
		b) Contingent Advances	
		c) Advance Payment of Income Tax/TDS	1,211.00
3. To Grant from Other Sources	NIL	5. Deposits Payments (Fixed Deposit in Bank)	30,000,000.00
		6. By Balance c/d.	
4. To Receipts of the Commission	88,907,577.51	(i) Cash at Bank	97,069,668.70
		(ii) Cash in Hand	6,820.00
5. Receipts from Investment	52,242,454.00	7. Other Expenditure	570,963.00
		8. Other Payments	-
	175,340,058.90		175,340,058.90

Yet to be audited by C & G of India

Balance Sheet as on 31st March of the year 2013

(In Rupees)

Liabilities	Figures for the current year	Assets	Figures for the current year
1	2	3	4
1. General Fund(Opn Bal)	65,680,844.34	1. Fixed Assets	36,427,630.98
Add: (Less) Excess of income over Expenditure (or expenditure over Income) during the year transferred from Income and Expenditure account.	42,342,121.45	2. Investment	10,318,746.91
2. Loans	Nil	3. Current Assets and Advances.	128,745,129.05
3. Current liabilities and provisions.	67,468,541.15	4. Grants-in-aid receivable from Government of Orissa.	Nil
		5. Grants from other sources	Nil
	175,491,506.94		175,491,506.94

Yet to be audited by C & AG of India

Annexure-6

11. Energy Police Stations

The Govt. of Orissa vide its Home Dept. Notification dated. 09.10.2003 has established 5 Special Police Stations (Energy) as follows:

Sl. No.	Name of the Special Police Station	Head Quarters of the Special Police Station	Territorial Jurisdiction
1	Special Police Station(Energy) Khurda	Khurda.	Revenue District, Khurda
2	Special Police Station(Energy) Cuttack	Cuttack City	Revenue District, Cuttack
3	Special Police Station(Energy) Sambalpur	Sambalpur City	Revenue District, Sambalpur
4	Special Police Station(Energy) Balasore	Balasore City	Revenue District, Balasore
5	Special Police Station(Energy) Berhampur	Berhampur City	Police District, Berhampur.

The Home Dept., Govt. of Orissa notification No. 47514 dtd. 23.10.2008 has declared the following 29 places to have special police stations for purpose of registration, investigation, charge sheeting etc. of the offences punishable under the Electricity Act, 2003 and other laws.

Sl No.	Name of the Special Police Station	Headquarters of the Special Police Station	Territorial Jurisdiction
1	Special Police Station (Energy)	Puri	Revenue District, Puri
2	Special Police Station (Energy)	Nayagarh	Revenue District, Nayagarh
3	Special Police Station (Energy)	Panikoilli	Revenue District, Jajpur
4	Special Police Station (Energy)	Jagatsinghpur	Revenue District, Jagatsinghpur
5	Special Police Station (Energy)	Kendrapara	Revenue District, Kendrapara
6	Special Police Station (Energy)	Baragarh	Revenue District, Bararh
7	Special Police Station (Energy)	Jharsuguda	Revenue District, Jharsuguda
8	Special Police Station (Energy)	Bolangir	Revenue District, Bolangir
9	Special Police Station (Energy)	Sonepur	Revenue District, Sonepur
10	Special Police Station (Energy)	Deogarh	Revenue District, Deogarh
11	Special Police Station (Energy)	Angul	Revenue District, Angul

12	Special Police Station (Energy)	Dhenkanal	Revenue District, Dhenkanal
13	Special Police Station (Energy)	Bhadrak	Revenue District, Bhadrak
14	Special Police Station (Energy)	Baripada	Revenue District, Mayurbhanja, except Raingapur and Karanjia Revenue Sub-Dvn.
15	Special Police Station (Energy)	Rairangpur	Revenue Sub-Dvn. of Raingapur and Karanjia
16	Special Police Station (Energy)	Chhatrapur	Police District, Ganjam except Bhanjhanagar Revenue Sub-Dvn.
17	Special Police Station (Energy)	Bhanjanagar	Revenue Sub-Dvn., Bhanjanagar
18	Special Police Station (Energy)	Gajapati	Revenue District, Gajapati
19	Special Police Station (Energy)	Boudh	Revenue District, Boudh
20	Special Police Station (Energy)	Kandhamal	Revenue District, Kandamal
21	Special Police Station (Energy)	Koraput	Revenue District, Koraput
22	Special Police Station (Energy)	Rayagada	Revenue District, Rayagada
23	Special Police Station (Energy)	Malkanagiri	Revenue District, Malanagiri
24	Special Police Station (Energy)	Nabarangapur	Revenue District, Nabarangapur
25	Special Police Station (Energy)	Kalahandi	Revenue District, Kalahandi
26	Special Police Station (Energy)	Nuapada	Revenue District, Nuapada.
27	Special Police Station (Energy)	Sundargarh	Revenue District, Sundargarh (except Rourkela Sub. Dvn.)
28	Special Police Station (Energy)	Rourkela	Revenue Sub-Dvn, Rourkela.
29	Special Police Station (Energy)	Keonjhar	Revenue District, Keonjhar

The Govt. of Odisha, Dept. of Energy, vide its Notification dated. 11.02.2005 has authorized all Police Officers not below the rank of Sub-Inspector of Police in all the Police Stations of the State [other than the Special Police Stations (Energy)] to file complaint in the Special Court for the purpose of cognizance of an offence punishable under the Electricity Act, 2003.

12. **Special Courts**

Under section 153 of the Electricity Act, 2003 Govt. of Orissa vide its Home Department Notification dated.01.09.2006, has established 5 Special Courts for trial of offences committed u/Ss. 135 to 140&150 of the said Act as below:

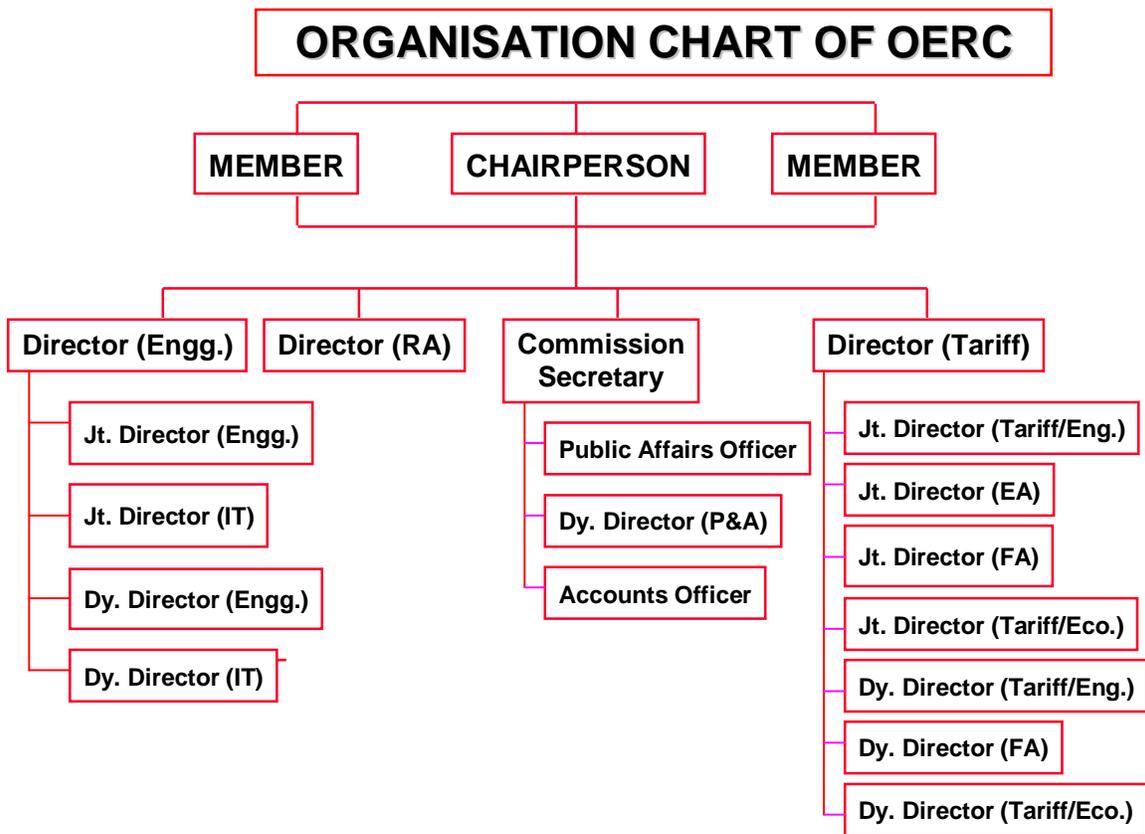
Sl. No	Name of the Court	Area of Jurisdiction (Revenue District)
1	Additional District and Sessions Judge, Balasore	Balasore
2	First Additional District and Sessions Judge, Berhampur, Ganjam	Ganjam
3	Additional District Judge-Cum-Additional Special Judge(Vigilance),Bhubaneswar	Khurda
4	First Additional District and Sessions Judge, Cuttack.	Cuttack
5	Additional District and Sessions Judge, Sambalpur	Sambalpur

OFFICERS AND STAFF OF THE COMMISSION

The Commission being the oldest in the country has a committed strength of officers and staff of mixed category i.e. Permanent, Deputation and Contractual Staff. The persons in position as on 31.03.2013 are detailed in the table below:-

Sl No.	Designation	Persons in position
1	Commission Secretary	Sri B.K. Sahoo I/c (01.04.12 – 19.01.13) Sri K.L. Panda I/c (20.01.13 – 31.03.13)
2	Director (Engg.)	Sri B.K. Sahoo
3	Director (Tariff)	Sri P. Pattnaik I/c
4	Director (Regulatory Affairs)	Sri P. Pattnaik
5	Jt. Director (Engg.)	Sri K.L. Panda
6	Officer on Special Duty	Dr. M.S. Panigrahi
7	Jt. Director (Financial Analyst)	Sri S.M. Pattnaik
8	Jt. Director (IT)	Shri J.C. Mohanty
9	Jt. Director (T/Econ)	Dr. (Mrs.) A. Das
10	Joint Director (Tariff-Engg)	Sri A.K. Panda
11	Public Affairs Officer	Ms. Purabi Das
12	Dy. Director (Financial Analyst)	Sri Ajoy Sahu
13	Dy. Director (IT)	Sri S.C. Biswal
14	Dy. Director (Engg)	Sri S.P. Mishra
15	Dy. Director (P&A)	Sri S.C. Biswal I/c Sri Sanjay Das I/c Sri Ajoy Sahu I/c Ms. Alka Khemka
16	Dy. Director (T/Engg)	Sri A.K. Jagadev
17	Dy. Director (T/Econ)	Sri A.K. Samantara
18	Accounts Officer	Sri Sanjay Das Sri Ajoy Sahu I/c Sri P.K. Tripathy
19	Steno-cum-Computer Asst.	Sri M. Moharana
20	Steno-cum-Computer Asst.	Sri L.N. Padhi
21	Steno-cum-Computer Asst.	Sri S.K. Sahoo
22	Steno-cum-Computer Asst.	Sri P.K. Sahoo
23	Steno-cum-Computer Asst.	Sri K.C. Tudu
24	Steno-cum-Computer Asst.	Sri S.K. Das
25	Steno-cum-Computer Asst.	Smt. L.B. Pattnaik
26	Steno-cum-Computer Asst.	Smt. S. Mishra
27	Jr. Caretaker-cum-Receptionist	Smt. Mamatarani Nanda
28	Accountant cum Cashier	Sri Jaypal Das
29	Driver	Sri R.C. Majhi
30	Driver	Sri Jalandhar Khuntia
31	Driver	Sri Jadunath Barik
32	Driver	Sri Ashok Ku. Digol

33	Peon	Sri Pitamber Behera
34	Peon	Sri Umesh Ch. Rout
35	Peon	Sri Sudarsan Behera
36	Peon	Sri P.K. Behera
37	Peon	Sri Bijoy Ku. Majhi
38	Peon	Sri R.C. Sahoo
39	Peon	Sri Abhimanyu Jena
40	Peon	Sri S.K. Mohapatra
41	Peon	Sri Rabindra Ku. Mekup
42	Peon	Sri Pradip Ku. Pradhan



Annexure-8**Seminars/Workshops/Training Programmes attended by
Commissioners/Officers/Officials during the FY 2012-13**

Sl. No.	Name and Designation	Particulars of Programme	Duration	Venue	Programme Conducted/ Sponsored by
1	Shri S. P. Nanda, Chairperson	Interactive Conference on Challenges	05.06.2012	New Delhi	ATE
2	Shri K.L. Panda, Jt.Dir (Engg)	Small Hydropower Development	18 th to 22 nd June, 12	Uttarakhand	IIT, Roorkee
3	Shri A.K. Panda, Jt. Director (T-Engg)	Renewable Energy Technology Specially Solar	18 th to 21 st July, 12	-do-	-do-
4	Shri B.K. Misra, Member	13 th Annual Regulators & Policymakers Retreat	23 rd to 26 th Aug. 12	Goa	IPPA
5	Shri A.K. Jagadev, Dy. Dir (T-Engg)	Power Markets	17 th to 18 th Oct. 12	Bhubaneswar	PXIL
6	Shri J.C. Mohanty, Jt. Director (IT)	Smart Grid Pilot Projects "Policy & Regulation".	16.11.2012	-do-	ISGF
7	Shri B.K. Misra, Member	Power Distribution in India	21 st to 22 nd Nov. 12	New Delhi	Power Line
8	Shri B.K. Misra, Member	National Conference Power – Fuel Security & Viable Distribution	05.12.12	-do-	Assocham
9	Shri S.P. Nanda, Chairperson		11 th & 12 Dec, 12	New Delhi	Planning Commission
10	Shri B.K. Misra, Member	7 th International Exhibition and Conference on Power Sector	16 th to 18 th Jan. 13	-do-	FICCI
11	Shri K.L. Panda, Jt.Dir (Engg)	Strategic Financial Management for Power Utilities	21 st to 24 th Jan. 13	Hyderabad	REC
12	Shri K.L. Panda, Jt.Dir (Engg)	4 th Annual Conference on Smart Grids in India-Upcoming Projects: Issues and Opportunities	27 th & 28 th Feb. 13	New Delhi	Power Line
13	Shri J.C. Mohanty, Jt. Director (IT)	Emerging Technologies in Electrical Power Engineering	1 st to 3 rd Feb. 13	BBSR	NWET
14	Shri B.K. Misra, Member	Supply of Coal to Power Stations	16 th Feb, 13	Kolkata	ERPC

APPENDICE

**MINUTES OF THE 8TH MEETING OF
THE STATE ADVISORY COMMITTEE OF OERC HELD ON 20.06.2012**

PRESENT:

1. Shri Satya Prakash Nanda, Chairperson OERC – {In the Chair}
2. Shri Bijoy Kumar Misra, Member, OERC
3. Shri Sivapada Swain, Member, OERC
4. Shri S. Pradhan, Jt. Secretary, Deptt. of Energy, Govt. of Odisha, Bhubaneswar
5. Shri Bimal Dash, Representative of Confederation of Citizen Association, L-3/119, Acharya Vihar, Bhubaneswar
6. Shri Gobardhan Pujari, Representative of Sundargarh Dist. Employers Association, AL-1, Basanti Nagar, Rourkela-12
7. Ch. Krushna Ku. Mishra, President, Orissa Electrical Consumers' association, Sibasakti Medicine Complex, B.K. Road, Cuttack - 753001
8. Shri G.N. Agrawal, General Secretary, Sambalpur District Consumers Federation, Balaji Mandir Bhawan, Po-Khetrarajpur, Sambalpur – 768003
9. Shri Prabhakar Dora, Consumer Activist, 3rd Lane, Vidya Nagar (Co-Operative Colony), PO/Dist-Rayagada-765001
10. Shri Rama Chandra Mohapatra, President, Kalahandi Citizen Forum, C/o- Atma Vikas Kendra, Bhawani Shankar Temple Road, Bhawanipatna – 766 001
11. Smt. Abanti Behera, W/o Randhir Jena, At-Kakat, PO-Kendrapara, Dist-Kendrapara
12. Smt. Minati Behera, W/o Sudarsan Behera, At-Nayachouk, PO-Madhupatna, Cuttack-10
13. Shri M.V. Rao, Representative of CII, Eastern Region, 8, Forest Park, Bhubaneswar – 751 009
14. Shri S.C. Mohanty, General Secretary, Nikhila Orissa Bidyut Sramik Mahasangha, Diha Sahi, Shankarpur, Cuttack-12
15. Er. B.K. Mohapatra, Industrialist, Rajabagicha, Cuttack-9
16. Prof. Gyana Chandra Kar, Former Professor & Head, Dept. of Economics, Utkal University, Sidheswar Sahi, Cuttack – 753008
17. Prof. Ashok Kumar Tripathy, Head, Deptt. of Electrical Engineering, Silicon Institute of Technology, Silicon Hills, Patia, Bhubaneswar-24
18. CMD, GRIDCO/OPTCL
19. MD, OHPC
20. Chairman, CESU
21. MD, NESCO
22. MD, WESCO
23. MD, SOUTHCO
24. CEO, NESCO, WESCO & SOUTHCO, CSO Office

OERC SECRETARIAT:

1. Shri K. L. Panda, Secretary I/c
2. Shri J.C. Mohanty, PAO I/c

TIME : 11:00 AM
DATE : 20th June, 2012
VENUE : CONFERENCE HALL, OERC

INTRODUCTORY

1. The 8th meeting of SAC began with the welcome address by Shri K.L. Panda, the Secretary I/c, OERC. He welcomed the members of SAC and others present in the Conference Room of OERC.
2. Shri S. P. Nanda, the Chairperson, OERC introduced Shri Sivapada Swain, Member, OERC to the august body and welcomed him to his first meeting of SAC. He invited comments/suggestions from the SAC members if any on the "Action Taken Report (ATR)" of the last meeting of SAC. There were no comments from any SAC members on ATR. He, then appraised the members the status of scheme on "Introduction of Smart Grid solutions in DISCOMs of Odisha deploying the BOOT Model" and hoped the issues in operationalisation of this model would be fixed in one month from now.
3. Shri B. K. Misra, Member, OERC in his address stressed on energy conservation. He remarked that energy saved is energy gained. He observed that apart from reduction of AT&C loss are of the major objectives of the proposed 'BOOT' model is energy conservation. While referring to some of the concern raised by SAC Members in their written suggestion on the proposed Scheme, he reiterated the views of the Chairperson that these issues would be suitably addressed. On the arrear collection under the OTS scheme, he felt that the DISCOMs need to be more proactive. Moreover, he cautioned that the OTS scheme has to be a time-bound programme, not an on-going continuous process.
4. Shri S. Swain hoped that the deliberations in this meeting would be fruitful and he solicited views and advice from the SAC members.
5. In his presentation related to "Introduction of Smart Grid solutions in DISCOMs of Odisha deploying the Boot Model", Shri B.C. Jena, Chairman, CESU highlighted the plan of CESU, developments made by it so far and the ensuing activities on this front along with the timelines.

A. Background

Shri Jena cited the following as major reasons of high AT&C loss in CESU.

- 86% Consumers are billed based on meter reading
- Defective Meter cases are 2,04, 431 out of total 14,91,538 consumers
- Suppressed Meter Reading cases are on rising trend. About 70% of non-BPL consumers reported to have monthly consumption less than 100 units inferring to a large scale under reporting of energy consumption.

He also told that the following steps have been taken in CESU for reducing AT&C

Loss:

- To bring accountability, Junior Managers are declared as Feeder Managers & Linemen are declared as DT Managers
- Verification of high value customers are conducted regularly in different places
- 327 nos. of Revenue Based Franchisees were engaged covering 5,35,210 consumers, which includes 310 women SHGs covering 1,93,477 consumers
- Check Meters are installed in high value consumers' premises of Bhubaneswar, Cuttack & Puri
- Regularization Drives are conducted through various 'Consumer Melas'

Still, the overall AT&C loss is 40%. But in Model Section of Balikuda, the AT&C Loss has reduced by 33% (From 65% to 32%) within a period of 1 Year.

Even in two Model DTRs, the distribution loss has reduced to as low as 15.84% & 13.19% within a span of 1 Year (i.e. from 74.5% to 15.84% in Tentulinali DTR and 44% to 13.19% in Sampur DTR).

B. CESU'S Plan on Franchisee Operations under BOOT Model

- Out of 20 electrical divisions of CESU, 5-Urban Divisions of Bhubaneswar & Cuttack will be directly managed by CESU with a consumer base of 3 lakh.
- Remaining 15-divisions will be managed by Franchisees using the principles of Smart Grid Solutions for Energy Efficiency & Energy Management (SGS-EMEE) under BOOT (Built-Own-Operate-Transfer) Model
- EHT Customers will be serviced directly by CESU

C. Broad Scope of Work by the Franchisee under BOOT Model

- To achieve AT&C Loss level in the project area to about 15% with 100% metering of consumers, distribution transformers, 11 kV feeders at the shortest possible of time within the specified timeframe;
- To achieve the per unit collection in the project area more than equal to BST (as determined from time to time by OERC) from 25th month onwards from the date of operation;
- To improve quality service and enhance customer satisfaction with provision of customer call centres, mobile fuse call and maintenance centres, as required;
- To take care of all last mile infrastructure requirements from distribution transformers (DTR) onwards up-to consumer premises and include DTR Meters, Consumer Meters, AMR, AB Cables, Automation, as well as Technology induction;
- To carry out DTR neutral grounding, phase balancing, consumer indexing and pole indexing, etc;
- To carry out operation, maintenance, safety and security of the distribution assets from secondary side of the Distribution Transformer onwards;
- To supply and install consumer energy meters having facilities of remote reconnection/disconnection, enhance/reduce the load and the remote meter reading along with other standard metering features;
- To carry out the operation of meter reading, billing including bill delivery & collection from all the consumers and all such data regarding billing, collection and other related works should be provided to CESU on regular basis in agreed electronic format;
- To establish easy payment option facilities for the consumers to pay their Electricity Bill to CESU, the individual door-to-door cash collection to be avoided as far as practicable wherever door-to-door cash collection is required, the amount so collected would be promptly deposited in CESU's account, and
- To carry out monthly energy auditing on distribution transformer wise and 11 kV feeder-wise.

D. Terms and Conditions for the Franchisee under BOOT Model

- i) Key Terms & Conditions:
 - Franchisee shall have to reduce Aggregate Technical & Commercial loss (AT&C Loss) to 15% in a span of 36 to 60 months by improving billing & collection efficiency.
 - The agreement is for a period of five years.
- ii) Investment by
 - The Franchisee will make Capital Investment and consumer metering on the following Areas:

- Automatic Meter Reading System of DTRs with Distribution Box & MCCB
- Setting Up Smart Metering Arrangement
 - AMR up to 10 KW during 1st & 2nd Year
 - AMR up to 5 KW (3-phase) during 3rd Year
 - Install smart meters which can connect/ disconnect, regulate load remotely, and facilitate meter reading along with other standard meter features
- In case of BPL consumers getting power supply from DTRs in RGGVY areas will be metered with Smart Technology
- Procurement of single phase, 3-Phase whole current, LTCT & HTTV meters & Metering Units
- Procurement & Use of AB Cable in theft prone areas (at least 20% of existing LT Line)
- iii) Operational Expenses (OPEX):
 - Franchisee will make Operational Expenses in the following Areas:
 - Operations & Maintenance of LT Lines from Secondary side of DTRs to premises of Customers
 - Construction of LT lines against deposit works / Remunerative Scheme conforming regulations of OERC
 - Restoration of 11 kV/33 kV line, though not in the scope of Franchisee, can be taken up by franchisee with the consent of CESU on cost reimbursement basis.
 - Meter Reading, billing & Collection activities
- iv) Remuneration Structure of Franchisees
 - The additional revenue generated over base line from this project will be shared between project developer & CESU in the following ratios:
 - During 1st Year : 60:40
 - During remaining 4 years : 50:50
 - The additional revenue is the DIFFERENCE between new RPU (Realization Per Unit) during period of franchisee operations and base line RPU fixed on data pertaining to FY 2011-12 MULTIPLIED with input units for the month.
 - Whenever there will be change in RST during the contract period, the baseline figure will be revised accordingly.
 - Monthly meter rent collected from customers where franchisee has installed its own meter, will be paid to the franchisee.
 - Franchisee will get its weekly payment in 7-days' interval based on proceeding month's remuneration, subject to reconciliation at the end of the month.
- v) Progress So far
 - M/s Crisil Risk & Infrastructure Solutions (CRIS) is engaged as Transaction Advisor for this operations.
 - Letter of Intent (LOI) has been issued to M/s Enzen to work as Franchisee on the principles of SGS-EMEE under BOOT Model in three divisions under Dhenkanal Circle, viz, Dhenkanl, Angul & Chainpal, covering 2.41 lakh consumers.
 - The details of agreement is being finalized.

- A Sub-Committee of Board Members is constituted to finalize the agreement document to be entered with M/s Enzen as well as other franchisees and to authenticate the baseline parameters.
- The agreement copy will be placed in forthcoming Board Meeting for its approval.
- The Expression of Interest (EOI) was released in various newspapers for remaining 12-divisions, covering 9.49 lakh consumers.
- The project will take off in these divisions by Oct'2012.
- 8-bidders have submitted their expression of interest (EOI) documents to CESU for 12-Divisions. They are :
 - M/s Shyam Indus Power Solutions Pvt Ltd, New Delhi
 - M/s Matrix Energy (P) Ltd, Bangalore
 - M/s JnJ Powercom Systems Limited, Hyderabad
 - M/s Feedback Infra, Hyderabad
 - M/s Ashoka-Akanksha Consortium, Nashik
 - M/s Nilachala Power Network (P) Ltd, Bhubaneswar
 - M/s Enzen Global Solutions (P) Ltd, Bangalore
 - M/s Sachinandan Consulting (P) Ltd, Bhubaneswar

Agenda No. 2 (ii)

6. Prof. G.C. Kar raised the question - "Where is the consumer in this arrangement between the project developer and the DISCOM for introduction of Smart Grid solutions in Odisha DISCOMs?" To this, the Chairperson, OERC informed that the consumer is the substratum. The purpose of the whole arrangement is for better quality of service to consumer. Prof. Kar proposed that a Monitoring Committee may be constituted to oversee the agreement between the project developer and the DISCOM and its implementation. This way the interest of the consumers can be safeguarded. Chairperson and Member Shri Swain, while supporting the proposal, added that the SAC members would be included in that Committee.
7. Shri B. K. Mohapatra enquired whether the consumer needs to bear the cost of new smart meters put up by the project developer in place of existing working meters. Member Shri Misra informed that as per CEA and OERC Regulations, the existing mechanical meters are required to be replaced with the 'State of the Art' static metering, the meter rent shall be borne by the consumer. Shri Mohapatra lauded the innovative and pioneering model embarked upon by the Commission and wished its success. However, he cautioned that the project developers should be very consumer-friendly in the areas they are taking up as they would be providing services to consumers beyond transformer level till the consumer premises. For that they should improve their services, keep enough spares in the stores for prompt service. While clarifying on the issue of who will provide material and spares, the Chairperson told that the project developer will provide materials and spares except transformers. Member Misra told that discussion on the monitoring committee will be taken up in the next SAC meeting.
8. The President of Orissa Electrical Consumers' Association raised the question – how the franchise / project development for the Dhenkanal division was awarded to M/s Enzen Global without any bidding process? Replying to this, Shri B.C. Jena, Chairman, CESU told that the potential project developers were invited and allowed to present their credentials and experiences in this respect before the Commission at the conference room of OERC. On that basis a few project developers were short-listed and were advised by the Commission to further discuss and work out a plan with the DISCOMs to take forward the franchise / project development in a circle / division. A conscious decision was taken

- that the eligible interested party may be offered one Circle as per the minimum criteria fixed by the Commission and the rest of the Division/Circle be posed for bidding process. M/s. Enzen has volunteered to take up Dhenkanal Circle. The President of Orissa Electrical Consumers' Association advocated for issuing Power Bond in order to raise capital for the cash-strapped DISCOMs. He also suggested that a lesser tariff may be set by the Commission for the consumers who shall pay their yearly bill amount in advance. Such arrangement would help the cash flow of DISCOMs. In order to measure the success of "Introduction of Smart Grid solutions in DISCOMs of Odisha deploying the Boot Model", social auditing may be conducted in the implementation area, he added.
9. Shri S. C. Mohanty expressed concerned that the implementation of the new 'Boot Model' is like changing doctors to treat the patient without diagnosing the real problem. He was apprehensive about the success of the new approach as privatization has not yielded the desired result. He remarked that the Boot Model has not been tried anywhere in the country and questioned, why is it being tried in Odisha? He further added that ultimately consumers are going to suffer for the inefficiency of company and its officers. Reacting to which Member Misra and Member Swain told that if something has failed in the past does not mean that a new approach will also fail. Member swain also remarked that the Commission can function within the scope of its mandate. According to him, Govt. did privatize the distribution utilities and the Commission cannot rollback at this stage. Mrs. Abanti Behera opined that the august body has not assembled to discuss whether privatization was right or wrong; rather it should deliberate on how the rules and regulations will be implemented properly and the system and processes will be improved for the betterment of the power sector of Odisha. Chairperson asserted that the Commission would see to it that its orders are implemented in letter and spirit.
 10. Shri Bimal Das of Confederation of Citizen Association told that making application for new connection is a very cumbersome process. He pleaded that the application for new electricity user needs to be simplified.
 11. Mr. M.V. Rao of CII told that the distribution companies were supposed to invest in the state but they never did that. As such, there is an apprehension whether the project developer will invest or not? He enquired whether there is a body to verify that and take action against the project developer in case of lapse on its part. In replying to this, Chairperson, OERC told the project developer would not get any return if they failed to invest. Moreover, all these would be laid out in details in the contract document signed between the project developer and the DISCOM. He asked Shri B.C. Jena, Chairman, CESU to share with the SAC members the contract document with M/s Enzen, once it is finalized. He thanked the SAC members for their unstinted support for the new "BOOT Model". Shri Nanda also hinted at formation of the Monitoring Committee for overseeing the implementation of the new "Boot Model" after the contract document is signed between CESU and M/s. Enzen. He made an inspirational speech regarding the success of Odisha Power Sector Reform and how it has contributed a hugely to the state exchequer and urged the members to come forward and make Odisha the best in the field in India.
 12. Shri S. C. Mohanty enquired whether Capex given by Govt. of Odisha (GoO) would be utilized under the "BOOT Model" or not. Shri B.C. Jena, Chairman, CESU replied that Capex given by GoO would not be used under the "BOOT Model" normally.
 13. Prof. A. K. Tripathy, in his address, told that CESU need to facilitate more for M/s Enzen to work better. It is important to provide quality power with proper voltage at the 11 KV level. He expressed apprehension that the project developer may work in less efficient and less investment mode and continue like that for years jeopardizing the whole purpose of the "BOOT Model". To this, the Chairperson, OERC replied that the contract between the project developer and the DISCOMs would address this issue and would not allow such

- complacency. Shri Tripathy also suggested inclusion of SAIFI, SAIDI, CAIFI and Consumer Satisfaction Index in addition to AT&C loss as the parameters for evaluating the performance of the project developer. "The strength of the Model is its simplicity. Let us not compromise with that with more Inspector Raj." – remarked Shri Nanda, Chairperson, OERC. He expressed confidence that the Model will be made extremely transparent with the support of the SAC members.
14. Shri P.K. Dora questioned – "Will the problem with the privatization not repeat in the case of BOOT Model?". To another query by Shri Dora whether it is more advisable to give one division to M/s Enzen instead of three divisions as proposed by CESU under this Model, the Chairperson told categorically that time was running out and they could not wait till the experimentation in one division is over.
 15. Shri G.N. Agarwal cited a case in Sambalpur town where 100-odd halogen bulbs were used in a function without taking any permission from the DISCOM resulting in burning of XLPE cable. The Chairperson, OERC, while dissuading the SAC members from discussing individual incidents, asked Shri Reddy, MD, WESCO to look into the matter raised by Shri Agarwal and inform Shri Agarwal about the same. The Chairperson also asked Shri Reddy to provide Shri Agarwal details of the cases booked under Section 126/ 135 cited in WESCO's website about 2000 plus cases.
 16. Regarding the status of implementation of "Boot Model" in the Reliance-managed DISCOMs (i.e. NESCO, SOUTHCO and WESCO), Shri Vora, told, while three parties have submitted bids for Rourkela circle, only one party has bid for Jharsuguda circle of WESCO. In NESCO, he added, negotiations are going on with M/s Nexttech Solutions for taking up Balasore circle on revenue-sharing basis. Shri Rane, MD, NESCO further elaborated on this point. While answering a query by some members why more loss-prone areas were not chosen under "Boot Model" by the Reliance-managed DISCOMs, Shri Reddy, MD, WESCO opined that both quantum of consumption and higher loss level have been given due importance in choosing the aforesaid circles.
- Agenda No. 2 (iii) & (iv)**
17. As regards to implementation of OTS scheme in CESU, Shri B.K. Mohapatra complained that a consumer who seeks revision of bill is not allowed to avail the benefits under the OTS scheme. Such practice is highly discriminatory in cases of consumers whose bills have been exorbitantly high due to erroneous billing by the DISCOM. From his on-site experience in the Grahak Mela at Cuttack, he found more than 500 bills of domestic consumers for a division where the arrear outstanding in each bill is above Rs.1 lac. Shri G. Pujari told that OTS scheme should be understood in proper perspective. This scheme has been floated only because there are arrears outstanding which has not been realized for years due to the negligence of the DISCOMs. Shri Pujari further told that in the ARR the Commission allows some percentage of sales revenue towards provision for bad debts. The OTS amount should be very near to provision for bad and doubtful debts allowed by the Commission. He also stated that person holding only correct bills are entitled to get benefit. Hence, OTS scheme is not a dispute-resolution mechanism. Shri G.C. Kar added that bills served by the DISCOM are assumed to be fair and true, which is not correct. Shri Pujari further told that the mindset of the officers of DISCOM needs to be changed so that they have a consumer angle while revising the bills. They should realize that in the long run this mindset will also serve the interest of the company.
 18. The Chairperson, OERC explained that a consumer can either avail the benefit under OTS Scheme or can opt for revision of bill under the existing prescribed normal procedure, but certainly not take the course of the double benefit that first revise the bill downward through consumer handling process and then avail OTS benefit.

19. Shri Swain, Member, while supporting the view expressed by Shri B.K. Mohapatra, suggested that a Suo Motu exercise needs to be taken up by the DISCOMs for all domestic consumers having arrear outstanding more than Rs.1 lac. Member Shri Misra went a step ahead and emphasized that the cut-off amount for such study may be fixed at Rs.50,000/- instead of Rs.1 lac. Member Swain opined that all the SEs of DISCOMs should find out the list of consumers having more than Rs.50,000/- as on 31.03.2012. They will take up the cases Suo Motu with the consumer and settle the outstanding within next three months. The unresolved cases should be referred to the concerned GRFs for appropriate redressal with a copy to the Commission. Concerned GRFs should resolve those cases following the regulations / statutes scrupulously.
20. Shri G.C. Kar suggested that the arrear outstanding in the books of accounts of DISCOMs as receivable, it should be removed to give a realistic picture. However, Chairperson felt that removal of such arrear is cumbersome as it involves tedious processes of writing off of Debtors from Books of Accounts. He also remarked that arrear has accrued as the DISCOMs have failed to collect and tinkering with that will not yield any result.
21. Shri R.C. Mohapatra brought to the notice of the august gathering the ineffective functioning of the Bill Dispute Committees in WESCO area. Shri Dora told that a complainant in the NESCO, SOUTHCO and WESCO area doesn't receive any reply from the concerned authorities of the DISCOM. Mr. Mohapatra reminded the Commission that it has a role to play in revitalizing the Bill Dispute Committees. He urged the Commission to ask the aforesaid three DISCOMs to furnish periodic report on how many bill disputes have been resolved by them through the Bill Dispute Committees.
22. While sharing the concerns of the SAC members that the consumers are not fully aware about the OTS scheme, the Chairperson told that a consumer campaign on the OTS scheme would be publicized in the newspaper for 3 continuous days by the Commission. He also reiterated that consumers are in general rule abiding and compliant. Mrs. Minati Behera urged that the Grahak Mela (OTS scheme) should be held in Dhenkanal and consumers with arrears less than Rs.1 lac should be included in the same.

Suggestions and Action Points

Basing on the detailed deliberation the following important suggestions and action points have emerged:-

23. Monitoring Committee will be constituted to oversee the implementation of the new "BOOT Model". SAC Members will be included in the Committee. As suggested by the Chairperson, OERC, the Committee will be formed after the contract between CESU and M/s Enzen on the project development in three divisions under the aegis of the Boot Model is finalized. The interest of the consumers can be safeguarded by strict monitoring.
24. The Chairperson, OERC mentioned that data would play a significant role in the envisaged "BOOT Model". He also argued for a third party, "Transaction Advisor", validating the data such that no disputes would arise in future regarding the baseline as well as data at specified timelines. In this context, he was disappointed to note that three DISCOMs under Reliance Infra management were yet to appoint any Transaction Advisor. In his concluding remarks he told, that the three companies under Reliance Infra i.e. NESCO, WESCO and SOUTHCO need to be more proactive and take measures to improve their performance and especially, participation under the BOOT Model."
25. All the SEs of DISCOMs should find out the list of domestic/commercial consumers having arrear more than Rs.50,000/- as on 31.03.2012. They will take up cases Suo Motu and settle the outstanding within next three months. The unresolved cases should be referred to the concerned GRFs for appropriate redressal with a copy to the Commission. Concerned GRFs should resolve those cases following the regulations / statutes scrupulously.

26. The Grahak Mela (OTS scheme) with involvement of SAC members should be extended to other areas and consumers with arrears less than Rs.1 lac should also be included in the same.
27. A consumer campaign on the OTS scheme would be publicized in Odia and English newspapers for 3 continuous days by the Commission
The meeting ended with thanks-giving to SAC Members by Member Misra and invitation to the members for joining the lunch by the Chairperson, OERC.

**MINUTES OF THE 9TH MEETING OF
THE STATE ADVISORY COMMITTEE OF OERC HELD ON 25.09.2012**

PRESENT:

1. Shri Satya Prakash Nanda, Chairperson OERC – {In the Chair}
2. Shri Bijoy Kumar Misra, Member, OERC
3. Shri Sivapada Swain, Member, OERC
4. Shri Pradip Jena, Commissioner-cum- Secretary, Deptt. of Energy, Govt. of Odisha, Bhubaneswar
5. Shri Bimal Dash, Representative of Confederation of Citizen Association, L-3/119, Acharya Vihar, Bhubaneswar
6. Shri Gobardhan Pujari, Representative of Sundargarh Dist. Employers Association, AL-1, Basanti Nagar, Rourkela-12
7. Ch. Krushna Ku. Mishra, President, Orissa Electrical Consumers' association, Sibasakti Medicine Complex, B.K. Road, Cuttack – 753001
8. Shri G.N. Agrawal, General Secretary, Sambalpur District Consumers Federation, Balaji Mandir Bhawan, Po-Khetrarajpur, Sambalpur – 768003
9. Shri Prabhakar Dora, Consumer Activist, 3rd Lane, Vidya Nagar (Co-Operative Colony), PO/Dist-Rayagada-765001
10. Shri M.V. Rao, Representative of CII, Eastern Region, 8, Forest Park, Bhubaneswar – 751 009
11. Shri B. K. Panda, Principal Scientific Officer & Head, MNRE.
12. Smt. Abanti Behera, W/o Randhir Jena, At-Kakat, PO-Kendrapara, Dist-Kendrapara
13. Smt. Minati Behera, W/o Sudarsan Behera, At-Nayachouk, PO-Madhupatna, Cuttack-10
14. Shri D. K. Panda, Ex-MP, 3R-156, Road-2, Bhubaneswar.
15. Shri Sanjeev Das, UCCI
16. Er. B.K. Mohapatra, Industrialist, Rajabagicha, Cuttack-9

17. Prof. Gyana Chandra Kar, Former Professor & Head, Dept. of Economics, Utkal University, Sidheswar Sahi, Cuttack – 753008
18. Shri A. K. Tripathy Head, Dept. of Electrical Engineering, Silicon Institute, Bhubaneswar.
19. CMD, GRIDCO/OPTCL
20. MD, OHPC
21. Chairman & CEO, CESU
22. MD, NESCO
23. MD, WESCO
24. MD, SOUTHCO
25. CEO, NESCO, WESCO & SOUTHCO, CSO Office

OERC SECRETARIAT:

1. Shri K. L. Panda, Secretary I/c
 2. Mrs Purabi Das, PAO
- TIME : 30:30 PM**
DATE : 25th Sept, 2012
VENUE : CONFERENCE HALL, OERC

INTRODUCTORY

28. The 9th meeting of SAC began with the welcome address by Shri K.L. Panda, the Secretary I/c, OERC. He welcomed the members of SAC and others present in the Conference Room of OERC.
29. Initiating the discussion, Shri S. P. Nanda, Chairperson, OERC mentioned that the Commission was very keen for AT&C loss reduction in the Distribution sector at the earliest. He added that the general consumer is law abiding and they should not be invariably blamed for huge loss. The consumer is king and consumer satisfaction should be the prime requirement. He informed that Commission has taken innovative steps for introduction of Franchise in BOOT model on incremental revenue sharing basis. He invited suggestions from SAC members to make the Scheme successful as well as sought their active support for random check and monitoring of Standards of Performance.

 He then introduced the agenda items namely,
 - (I) Action Taken Report (ATR) of 8th SAC Meeting dtd. 20.06.2012.
 - (II) Implementation of Phase-I of CAPEX programme vis-à-vis timeline prescribed and interaction/suggestion of SAC members.
 - (III) Status of the Pilot Projects adopted by the Monitoring Committee on Improvement of Quality of power supply and Standard of Performance.
30. Sri B. K. Mohapatra, SAC Member, Cuttack said that the ATR should show specific achievement against targets and not vague answers. For example arrear collection above Rs.50,000/- and Rs.1 lac should be specified. Similarly, the CAPEX Programme is a self defeating process as it is surrounded with too many inspections, he felt. It should be expedited as the programme is already delayed and will lapse by 31st March, 2014, he added.

31. Sri S. Nayak, CEO, CESU presented the highlights of CESU's CAPEX programme. He said that the total estimate value for Ph-I is Rs.406.49 crore. Key material to be procured centrally are mainly Transformers, Conductors, Circuit Breakers of total value of Rs.189.12 crore. Materials worth Rs. 38.95 crore were already delivered and purchase order for Rs.82.165 crore was in process. He said that the work order has been issued for 8 turn key packages and retendering was being done in 13 packages remaining in Ph-I. He said that tenders had already been floated for 21 packages in 3 stages by the end of Dec, 2011. He said that the evaluation of techno-commercial part of the CAPEX programme would end by Oct, 2012. In reply to a query, he answered that the turn key contracts were basically work contracts with the responsibility of supply of balance materials for the work, other than the key equipment procured centrally by purchase contracts. Turnkey contractors are responsible for full erection and commissioning of the work package.
32. Sri Gobardhan Pujari, Rourkela wanted feedback from DISCOMs on the difficulty they have faced in implementation of CAPEX.
33. Sri M.V. Rao, CII, wished to know how much weightage has been given to local industries in implementing the CAPEX work. Sri S.P. Nanda, Chairperson said that the process of implementation of CAPEX was through competitive bidding and local industries were required to compete as per the rules. Sri S. Nayak said that only local entrepreneurs have been involved in the CAPEX turn key packages. The CAPEX programme is so designed that basically local entrepreneurs could be involved in turnkey packages and major equipment can be procured centrally All India Tender basis to avail quality materials and competitive price.
34. Sri Pradip Jena, Commissioner-cum-Secy, Dept. of Energy said that the objective of the CAPEX programme was to strengthen the system and it is not mandatory for local industries to have a stake in it.
35. Sri A.K. Tripathy said that manufacturers with good track record should be given repeat orders.
36. Sri B. K. Mohapatra wished to know what was the priority of purchases. He said that the materials which would improve service such as transformers, conductors, and AB cable should be given priority in purchase. Sri S. Nayak responded by saying that priority had been given to those items which are absolutely necessary.
37. Sri P. K. Dora, SAC Member, Rayagada said that loss reduction was the main aim after investment in CAPEX. He wanted to know what would be quantum of loss reduction and who would take up the work. In reply to the question Sri B. C. Jena, Chairman, CESU said that the target loss reduction @ 3% per year for four years i.e. minimum of 12% AT&C loss was expected from CAPEX.
38. Ch. K. K. Misra OEC, Cuttack wished to know if the loss reduction from CAPEX would have any reflection in tariff. He called for social audit and said that detailed CAPEX programme should be uploaded on the website of the DISCOMs/ Dept. of Energy so that there is transparency. He wanted to know if assets of DISCOMs were being handed over to private companies in BOOT model. Sri B. C. Jena said that there was no such conflict of interest in the BOOT model, as the assets were held by DISCOMs only.
39. The Chairperson said that breakup of the basic packages under CAPEX could be given in the website. He directed that sign-boards with details may be placed in the project site for general information of local consumers. He asked DISCOMs to inform the SAC about the status of counterpart funding and purchase order.
40. Sri G. N. Agrawalla, SAC Member, Sambalpur said that the work on CAPEX programme had been delayed by ifs and buts and should be addressed before it is too late.
41. Sri B. K. Mohapatra added that if proper monitoring pattern is followed, goals of CAPEX can be achieved.

42. Sri D. K. Panda, Ex-MP, Bhubaneswar lamented that CAPEX target have not been achieved and wanted to know what steps were being taken to overcome such difficulties. He said that admission of non-achievement is not enough. He wanted to know why core order for only Rs.300 crore out of Rs. 900 crore had been placed. He also added that mere purchase of materials is not enough. Those must be utilized for effective results. He asked SAC members to be analytical and to relate the report submitted by the DISCOMs with the objective of the last SAC. He pointed out that pilot project had been introduced in only 12 out of 12000 S/s and wanted to know how much time it would take to cover the rest. As a result of non-implementation of targets grant is being converted to loan due to under achievement and this becomes additional loss, he regretted.
43. Sri A. K. Vora, CEO, NESCO, WESCO & SOUTHCO said that the aim of CAPEX was to reduce loss and improve quality of supply. He informed that Rs.2400 crore is the total projected cost for the 4 DISCOMs under CAPEX out of which Rs.1200 crore would be provided by the Govt. as soft loan and remaining R.1200 crore were to be provided by DISCOMs by counter part funding. He said that the counter part funding of Rs.98.74 crore arranged by REL managed DISCOMs from IDBI Bank had expired as on March'12 since CAPEX works could not be executed in time. He added that Rs.41 crore is available under CAPEX for the year.
44. Sri Pradip Jena explained that in the first 3 years Rs.900 crore was provided as Govt. funding. This should have been supported by counterpart funding, if goals under CAPEX were to be achieved by the DISCOMs. CESU has met its targets but REL managed DISCOMs have failed to do so. In place of Rs.122 crore of required counterpart funding, only Rs.41 crore has been mobilized by the three DISCOMs.
45. Sri G. N. Agrawalla asked what steps has the Govt. taken for this lapse and how are the DISCOMs being penalized. Sri Pradip Jena replied Rs.1250 crore was available under the 13th Finance Commission in the form of grant in four equal installments. This may not be extended beyond the scheduled period. In the first year there was no counter part funding required as Rs.300 crore was available. Next year some counter part funding was organized and now it has slowed down. Sri Vora informed that the REL organized Rs.98 crore but because the CAPEX could not kick off it lapsed. He added that REL is trying to organize additional funds.
46. Sri Gobardhan Pujari remarked that REL seems to be stuck on organizing funds and the issue should be addressed on a priority basis. He wished to know how counter part funding was organized in the first year. Sri Vora replied that the REL DISCOMs repaying capacity was better earlier and had been squeezed now. Sri G. C Kar said that this was the inefficiency of REL. Sri P. K. Dora said that since the Govt. is giving the money it should execute the CAPEX instead of giving it to the DISCOMs. Sri Pradip Jena said that the package was on fifty-fifty basis.
47. The Chairperson said that had the DISCOMs been capable to raise the fund on their own, the CAPEX would not have been needed and the State exchequer would have been spared of Rs. 1200 crore. He termed the Odisha reform a success as the system was operating and total deregulation was in place with 'NIL' Financial burden on the State exchequer till the introduction of CAPEX programme. He pointed out that when ever funds are brought in for system upgradation, it would be reflected in tariff. Nowhere is pure grant available, he explained, adding that loss reduction would make up for any likely percentage increase in tariff due to interest burden on the CAPEX funding.
48. Sri Vora informed that Rs.30 crore worth materials was received, Rs.436 crore tendered and work order placed for Rs.106 crore. Rs.13 crore of this amount was for turn key project and remaining for materials purchase.

49. Sri D. K. Panda wished to know whether it was possible to terminate the contract of REL DISCOMs and operate the 3 companies like CESU. He said that the REL companies were always failing and giving some plea. This should not be tolerated. People will take them to task and the committee has a role to play in the matter.
50. Sri G.N. Agrawalla observed that REL DISCOMs were controlled by a section of officers who have vested interest. He added that no progress has been made on the Sadguru incident and no report has been submitted so far. He demanded stern action against the DISCOMs for such event. Sri P.K. Dora added that people of Odisha had lost confidence in the REL managed companies. The Chairperson observed that OERC was a creature of law and though it is aware of the SAC's concerns, terminating RELs contract requires proper legal procedure.
51. Sri B. K. Panda, PSO & head, Eastern Region, Ministry of New & Renewable Energy (MNRE) wanted to know what was the loss prior to the CAPEX and what is it now. Sri Pradip Jena replied that the present AT&C loss in Odisha Power System is about 41%; with the expected loss reduction of 12%, the extra revenue accrued could be about Rs.960 crore @ Rs.80 crores per each percentage of loss reduction. This extra revenue of Rs.960 crore/year would be more than sufficient to take care of present loss level of Rs.500 – 600 crore/year in the system.
52. Sri Gobardhan Pujari raised the issue of indiscriminate power cuts in WESCO area. M.D. WESCO replied that out of billing of Rs.50 crore is the LT only, Rs.35 crore is being collected. So WESCO is unable to pay BSP. The WESCO officers are not responding to targets. Their salary has been withheld but there is no cooperation yet. Regarding power cut he said that no such unscheduled cut is being done in WESCO area. Sri S. P. Swain, Member said that WESCO is the private management and they should hire and fire according to performance. The Chairperson said that electricity is no one's patrimony and WESCO will be in darkness unless all those who are accountable do their work properly. He said no one had clean hands and employees are obstructing payment. Sri Pradip Jena said he had meeting with the officers who are irresponsible and indisciplined. Employees and management together operate the system. How can they say that they are responsible for supply and not revenue collection. The Chairperson concluded that REL DISCOMs are not making investments in time.
53. As per the recommendation in final report of Monitoring Committee constituted for 'Improvement of Quality of Power Supply and Standards of Performance' circulated during March, 2012, the licensees were directed to furnish the bi-annual status report of the periodic progress including CAPEX investments in the four model sections to the SAC Members. As the first bi-annual period is to be completed by September, 2012, all the licensees were requested to furnish the said report on or before 31st October, 2012 with a copy to the Commission.
54. Regarding the Pilot project at Balikuda CEO, CESU said that during the period Sept. 2011, July, 2012, distribution loss reduction was 20% and AT&C loss reduction 33% and collection has increased by 48%. Regarding DTs in Tentulinali and Sampu he said that loss has been reduced by 61.15% and 3.99% respectively. Regarding monitoring of the BOOT Model he said that agreement with M/s Enzen has been signed on 23.07.2012. The franchise operation will start from 1.10.12 in three Divisions under Dhenkanal Circle. Targets has been given to all Divisions and SEs asked to resolve all bill disputes over Rs. 50,000 by Nov, 2012. Arrear recovery involving SAC members has been started in CDD-I and CDD-II areas.
55. The Chairperson pointed that BST is not being paid and O&M not done regularly by DISCOMs. If minimum standards of performance are to be maintained, hard decisions will have to be taken. Appointing Franchises through BOOT Model is an attempt to reclaim

- loss in some way, most of it, being in case is due to power theft. It is no secret that some vested interests are critical of the model. If we wish for results, we have to take some bold steps. He added that role of SAC members for proper implementation of 'BOOT' model is very important.
56. Sri G. N. Agrawalla said people will pay if proper bills are given. The Chairperson commented that consumers are being harassed not necessarily by the management but by some errant officers of the DISCOM.
 57. Sri B. K. Panda, Eastern Region, Ministry of New & Renewable Energy (MNRE) said that wonderful results had been shown in Balikuda section, why not replicate it in other sections of the DISCOMs. The Chairperson remarked that generally in India we excel in pilot projects, but fail in replicating in larger base.
 58. Sri Gobardhan Pujari said that WESCO was facing a managerial crisis. Sri Agarwalla advised WESCO management to conduct surprise checks and instill fear among the employees.
 59. The Chairperson concluded the meeting by thanking all SAC members for their support and feedback.

**MINUTES OF THE 10TH MEETING OF
THE STATE ADVISORY COMMITTEE OF OERC HELD ON 28.02.2013**

PRESENT:

26. Shri Satya Prakash Nanda, Chairperson OERC – {In the Chair}
27. Shri Bijoy Kumar Misra, Member, OERC
28. Shri Sivapada Swain, Member, OERC
29. Shri Pradip Jena, Commissioner-cum- Secretary, Deptt. of Energy, Govt. of Odisha, Bhubaneswar
30. Shri Bimal Dash, Representative of Confederation of Citizen Association, L-3/119, Acharya Vihar, Bhubaneswar
31. Shri Gobardhan Pujari, Representative of Sundargarh Dist. Employers Association, AL-1, Basanti Nagar, Rourkela-12
32. Ch. Krushna Ku. Mishra, President, Orissa Electrical Consumers' association, Sibasaki Medicine Complex, B.K. Road, Cuttack – 753001
33. Shri G.N. Agrawal, General Secretary, Sambalpur District Consumers Federation, Balaji Mandir Bhawan, Po-Khetrarajpur, Sambalpur – 768003
34. Shri Prabhakar Dora, Consumer Activist, 3rd Lane, Vidya Nagar (Co-Operative Colony), PO/Dist-Rayagada-765001
35. Shri M.V. Rao, Representative of CII, Eastern Region, 8, Forest Park, Bhubaneswar – 751 009
36. Shri B. K. Panda, Principal Scientific Officer & Head, MNRE.

37. Smt. Abanti Behera, W/o Randhir Jena, At-Kakat, PO-Kendrapara, Dist-Kendrapara
38. Smt. Minati Behera, W/o Sudarsan Behera, At-Nayachouk, PO-Madhupatna, Cuttack-10
39. Shri D. K. Panda, Ex-MP, 3R-156, Road-2, Bhubaneswar.
40. Shri Sanjeev Das, UCCI
41. Er. B.K. Mohapatra, Industrialist, Rajabagicha, Cuttack-9
42. Prof. Gyana Chandra Kar, Former Professor & Head, Dept. of Economics, Utkal University, Sidheswar Sahi, Cuttack – 753008
43. Shri A. K. Tripathy Head, Dept. of Electrical Engineering, Silicon Institute, Bhubaneswar.
44. CMD, GRIDCO/OPTCL
45. MD, OHPC
46. Chairman & CEO, CESU
47. MD, NESCO
48. MD, WESCO
49. MD, SOUTHCO
50. CEO, NESCO, WESCO & SOUTHCO, CSO Office

OERC SECRETARIAT:

1. Shri K. L. Panda, Secretary I/c
2. Mrs Purabi Das, PAO

TIME : 30:30 PM

DATE : 28th Sept, 2013

VENUE : CONFERENCE HALL, OERC

INTRODUCTORY

60. The 10th meeting of 3rd SAC on Summary of ARR and Tariff Proposal for FY 2013-14 were held in the Conference Hall of the OERC at 3:30PM on 28.02.2013. Shri S. P. Nanda Chairperson, OERC & Chairman of the Committee presided over the meeting and Members Shri B. K. Misra and S.P. Swain, Shri P. K. Jena, Commissioner-cum-Secretary, DoE, GoO are present.
61. Shri K.L. Panda, the Secretary I/c, OERC and Director (Engg) of the Commission introduce the agenda items namely:
 1. Discussion by SAC Members on agenda items -
 - (i) Action taken report on the 9th SAC meeting dtd.25.09.2012.
 - (ii) Discussion on ARR & Tariff Proposals for FY 2013-14 consequent to the hearing made by the Commission.
 - (iii) Discussion on DESI Programme
 - (iv) Any other item with permission of the Chair.

62. The Chairperson welcomed the SAC members and expressed his best wishes for Sri Sarat Mohanty, Senior SAC member who was under treatment for cancer at AIIMS, New Delhi. He intimated that the ARR application of FY 2013-14 have been received from the Utilities and thereafter hearings held in the territorial jurisdiction of the four Discoms in Odisha for the first time. He added that this practice has been adopted in many states and the Supreme Court had directed for such hearings on the basis of a PIL. He said that input had been received from all stake holders and is being examined by the Commission and assured that concerns of all stake holders would be considered before tariff was finalized. He requested SAC members not to take serious out of the alarmist reports appearing in the media regarding unusual rising tariff. The Chairperson clarified that tariff would be the end product of a number of concerns for example hike in generator price over which the Commission has no control. However, he informed that since last year the OERC and State had taken a lead in imposing some control in the fuel cost particularly rise of imported coal by CPSUs. The Central Govt. was trying to impose a cross subsidy by domestic coal of imported coal which would impact the consumer in the form of higher generation cost. Once again OERC had taken lead opposing the same as it was against provision of the Act. The Chairperson directed Sri K. L. Panda to present a summary of ARR & Tariff filings. Sri Panda presented the same.
63. Sri B. K. Mohapatra, Industrialist, Cuttack observed that from the inception of the reform the SAC has been giving valuable suggestions for effective reform. But so far, all efforts have been fruitless as the Discoms have not improved their performance and are encouraging dishonest consumers at the expense of honest innocent consumers. He added that the Discoms were only partially implementing the regulations which are beneficial to them without implementing the consumers their rights. He urged for adoption of the new technological model of operation prescribed by OERC to reduce manual intervention and manipulation. He pointed out that there is no attempt on the part of the Commission to compensate the consumer in case of failure of the licensee to supply quality and services prescribed. In the last 10 year there has been an average rise 9% in tariff, he added. If the Commission would approve the licensee's submission in its ARR application then increase would likely to be more than 30%. He gave the underlying suggestions for tariff rationalisation in the FY 2013-14:
- a) The tariff must be now linked to the prescribed quality and services of supply of power. In an area where there is sub-standard power supply the bill should be as per the old tariff. The Commission should not penalize consumers to pay more without commensurate quality.
 - b) Minimum fixed charges should be as per meter reading prescribed in all past orders of the Commission. No scope should be given to licensee for an easy billing and fixed revenue. This will only harass the consumer by determining higher contract demand with their own method, not acceptable to consumers. This is an attempt to avail a fixed income in lieu of minimum charges of Odisha State Electricity Board, which is totally done away by this Commission in their very early orders. Introduction of the same again in another form is not justified and it will be going back from the accepted principal of reform.
 - c) The licensees are making an effort to confuse the Commission. No delayed payment surcharge should be considered, as the licensee is not giving rebate on arrear bills. This will give a scope to the licensee to allow the consumer to have power supply without collection of the arrear by charging D.P.S. only. The present norms prescribe by OERC offers no scope for arrear more than two months if the bill is collected regularly and action is taken for non-payment in time. In addition to this, the security deposit also covers the arrear amount of two months. The minimum fixed charges

should be abolished and the amount should include in the tariff on the basis of the revenue earned in the past on this account.

- d) It is not duty or job of power generator, power purchaser, distributor and the consumers to compensate the subsidy given to a particular category of the consumers by Govt. The government alternatively can levy electricity duty to meet such expenditure and take responsibility to the extent of hike in the cost for this purpose so that the Commission is not blamed fully for the entire increase. Before reform the Govt. was also compensating such losses in their budget to subsidize some category of consumers as per the policy.
- e) The present slab of 50 units may be increased to 100 units, from 100 units to 250 units and from 250 to 350 units, which will satisfy majority of consumers by giving a reasonable rate of tariff.
- f) Arrear collection and the previous bad debt should be audited properly. The exhibition of exorbitant arrear in the accounts of the licensees should be corrected by a committee to account the same under proper heading and adjustment.
- g) Due considerations may be given to the apprehension of consumers for the manipulation of the account by the licensees for their irresponsible submission of account and data not prepared by prescribed method or audit as expressed before the Commission by the consumer during public hearing.
- h) The consumers must not be penalized any more for inefficiency and failure of the licensee to bill all consumers and losses in distribution beyond prescribed limit. The losses should be brought down further by OERC particularly when it is seen by monitoring committee of OERC that the loss can be reduced upto 16% with a very meager investment compared to return.
- i) Flat rate tariff for lift irrigation as suggested may be allowed provided the licensees do not claim any losses and account for the new method of determining the tariff.
- j) Power factor penalty should remain unchanged till the licensee achieves quality voltage and frequencies for supply of power.

He concluded by same that the commission should not consider it a duty to increase every year but rather as it enable Discoms to maintain their inefficiency comfortable but should be tough and link rate to quality.

64. Smt. Abanti Behera, Kendrapara pointed out that arrear collection and bill is being done in a very haphazard manner. Complaint regarding huge arrear come to the GRF where there are revised. Such confusing bills should be avoided. Perhaps dishonest consumers in connivance with the staff of the licensees are sometimes revising high arrear electricity bills to a small amount. Field officer of the Discoms are not receiving communication from there corporate office, OERC etc file processing is very unsystematic. As such genuine consumers who can not come to the GRF are sufferers. The Chairperson intervened to say that such arrears are due to human factor and can be done away with by introduction of smart meters.
65. Sri M. V. Rao, CII, Bhubaneswar said that the average BST last year 301.5 p/u which is the cost of supply. The EHT tariff of Rs.5.65 paise which mean cross subsidy of Rs.2.59 p/u was being paid HT & EHT units. He added the cross subsidy was not being reduced at the rate $\pm 20\%$ as per provision of the Act. He added that the Commission was allowing power purchase to the Discoms over above their requirement. For instance last year while 22388 MU had been asked for, the Commission had allowed 23085 MU. This was in spite of facts the Discoms calculated their power requirement on the basis of 32% loss while the Commission is calculating the same on the basis of normative loss. Member Sri B. K. Misra clarified that the Commission is granting power requirement as per the analysis of actual figure of GRIDCO's purchase after deducting 3.8% transmission loss. Sri Rao also

- raised the issue higher transmission loss 3.8% by GRIDCO. The Energy Secretary countered that Odisha's transmission loss is no more than the national average while Chairperson said that no other State has achieved the bench mark of cost of supply plus minus 20% cross subsidy.
66. Smt. Manorama Mahapatra, thanked the Commission for giving the public scope to express the views through the SAC. She felt that the Discoms have failed to fulfill the conditions of service as a result of which bonafied consumers were suffering. She called upon intellectuals in the SAC to decide how to break the vicious circle of dishonesty and asked the Chairperson to take the lead.
67. Sri D.K. Panda, BBSR called for energy audit of the Discoms. He pointed that there was no energy audit in feeders though the Commission has passed orders regarding the same in 2004. He said that the dismal performance of the Discoms has invited criticism from all sections of the people. He said that Discoms are not changing in spite of all the attempts by OERC, and SAC and Govt. Therefore privatization had proved to be futile and should be rolled back.
68. Sri N.K. Mishra, President, Odisha Small Scale Industries, Cuttack pointed out that the principle and rules of tariff are not being applied properly by the Discoms. Tariff is going up every year and there is no commensurate improvement of service. The decisions of the SAC are being ignored by the Discoms though SAC is accountable to the public. He urged the Commission to direct the Discoms to furnish audited reports upto the FY 2010-11.
69. Smt. Minati Behera expressed regrets that no camp court had been held in Erasama inspite of her repeated request in earlier SAC meetings. She objected the practice 50% arrear collection before grant of reconnection is always difficult for small consumers. She requested that domestic tariff should not be hiked. In reply to it the Chairperson said that GRIDCO's financial health must be protected in deciding tariff. If the GRIDCO defaults the Generators then the whole State will be without power he added. Regarding arrear collection he said that Discoms can grant installment facility with down payment of 30%.
70. Sri Sanjeev Das, UCCI said that the Commission should take into consideration forthcoming IPPs such as JSTPL, Monnet, Kaniha and Derang by Feb, 2014 before fixing tariff. He added that the amount of power coming into the system from such units should be synchronized. Sri S.P. Swain, Member said that the above targets are ambitious. Mr. Das also pointed out that the power exchange rate has been low GRIDCO's should have taken advantage to the same. Mr. Das objected to the levy of addition demand charge on CGPs. He also felt the imposition of MMFC would this incentive wise Discoms and harms interest of domestic and industrial consumer. He also objected strongly to system loading charges on consumers which is considered unfair. He said that there should be concessional tariff for the seasonal industries.
71. Sri R. N. Das, Confederation of Citizens' Association, Bhubaneswar raised the following points:-
- 1) CESU in its submission of the annual revenue requirement and retail tariff application for the year 2013-14 has assumed power purchase of 8210.47MU from GRIDCO at a rate of Rs.2.92 per kwh which is same as the rate for the FY 2012-13. It will incur an expenditure of Rs.2398.28 Crs on this account.
 - 2) Out of 2810.47MU purchased it will sale 5583.12MU. The projected T&D loss will be brought down to 32% in FY 2013-14 against a loss level of 37.5% in FY 2012-13. It has projected total cost of Rs.3132.58 crs, the net revenue proposed to be realized from sale of power at the existing tariff rate is Rs.2785.98 crs leaving a gap of 346.60 crs. CESU has suggested an overall tariff rise of around 15% on the existing tariff to make up the shortfall.

- 3) We understand that CESU has already franchisees in its area of operation under BOOT model to take up meter reading, billing and collection work, besides other activities as per the terms of the contract. The loss reduction by these franchisees is expected to be around 15% to 17% in the first year of their operation. In CESU area 1% loss reduction is projected to generate around Rs.30 crs annually. The extra generation of revenue due to loss reduction activities by the franchisees be quite substantial which will offset the revenue gap projected by CESU.
- 4) While going through the details of distribution cost projected by CESU, it is found that in the salary head an expenditure of around Rs.30 crs has been shown. It is necessary to review the manpower of CESU in light of deployment of franchisees in the entire CESU area. The establishment cost needs to be pruned to a reasonable level.
- 5) The outstanding arrears against consumers is stated to be around Rs.1200 crs out of which around Rs.300 crs is collectable arrears. Sincere and all out efforts should be made to collect these arrears in a time bound manner so that CESU will be able to meet its other financial commitments.
- 6) He brought to the notice of the Commission that the water in all the reservoirs are quite comfortable which means that hydro generation in full quality from OHPC will be available. This is around 6500MU with a comparatively low cost. Therefore, rise of bulk supply price proposed by GRIDCO is not justified. The BSP should be kept at the same level as it is for the FY 2012-13. Rise in BSP will have a rising impact on the retail tariff applicable to the consumers.
- 7) In view of the facts stated above, we feel that there is no reason for CESU to ask for a hike in tariff over the existing retail tariff.
- 8) System improvement works need to be taken up by CESU on a war footing basis to ensure ready power supply to the consumers. High voltage distribution system (HVDS) should be adopted along with replacement of LT overhead bare conductor line by Aerial Bunched Conductor (ABC) to better voltage and less interruption free supply to the consumers. Besides this a number of 33/11 kv substations is required to be constructed in CESU area to manage the load growth in different areas.
- 9) It is proposed that high rise apartments, housing colonies etc should be supplied power with one point supply in HT to avoid loss in long L.T. lines and also the difficulty in meter reading and billing.
- 10) Several distribution substations are without fencing and without proper control on the low voltage side, as a result number of accidents are occurring. This can be reduced by providing fencing around substations with proper control on either side of transformer.
- 11) It is observed many times that street lights are burning during day time. It is because of manual operation of street lights by persons of the utility. It is proposed that solar photo voltaic switches which do not cost much should be utilized for automatic operation of the street lights as is being done in other metropolitan cities like Delhi, Mumbai, Bangalore etc.
- 12) Further to this, he brought to the notice of the Commission that the enclosed learned opinion of Hon'ble High Court of Odisha during disposal of writ petition WP(C) NO. 8409/2011 at para-24 and decide accordingly not to revise the electrical tariff further without complying the action suggested.

72. Sri Prabhakar Dora, Rayagada raised the following points:-

- 1) Consumers are supposed to pay the estimated consumption charges applying for temporary service connections. Hence it is proposed to use prepaid meters for temp service connections.
 - 2) The HT consumers who are metered at LT are to pay transformer losses @1% of the transformer these losses are calculated at 100% loading on the capacity of transformer for 24 hours for arriving 1% loss on energy. It is adopted from the norms fixed by erstwhile OSEB. Whereas neither the actual loading of consumers plant will be 100% nor the load factor can be 100%. The licensee is stand to gain by LT metering as the probable computed losses are unrealistic and getting benefit by his own follies.
 - 3) Whereas industries such as rice mills, oil mills, cotton ginning mills, ice factories, salt factories are paying charges for the entire year for the demand required for few months. Secondly, in case the meter becomes defective during any period, the average consumption for six months shall be arrived basing on subsequent three months consumption. This condition of regulation is affecting the principle of natural justice as consumers are at the mercy of licensee as it can decide when to replace a defective meter.
 - 4) There is discrimination in the tariff of HT industrial consumers and LT industrial consumers as the rate for demand charges is Rs.250/- per KVA and for the later it is Rs.50/-. Ht consumer who has invested money for making his infrastructure is compelled to pay at five times that rate of LT category though the load is same and purpose is same. This anomaly is disincentivising the HT category and is against the object of OERC as the rate difference in energy charges is minimal and load factor of industries is less than 20% on average.
 - 5) HT GP consumers having loads less than 70KVA are billed at LT category rate on the basis of regulation. Similarly all LT category consumers more 70KVA are to be billed at HT tariff rate for keeping balance and equity.
 - 6) Delegation of duties are absent in Discoms. It is required to fix accountability
 - 7) Provisions in tariff which are difficult to implement are to be removed. ToD tariff, concession for solar heaters etc.
 - 8) Commission is required to make necessary procedures for assessment u/s 126 & 135 at par with other States. This is required to bring uniformity and transparency and protect the rights of consumers in the official business. In the absence of any guide lines assessing officers are likely to interpret the action in their own way.
73. Sri Maheswar Baug, consumer activist, Balasore said that the condition of power supply is precarious and is going to worsen further in future years. Profit maximisation is the main motive of private companies. Consumers expectation are not fulfilled even after 13 years of privatisation. Irrespective of tariff rise every year there is no improvement in quality of supply. Tariff for industries may be raised instead of domestic consumers, whose consumptions are very less.
74. Sri R. C. Mohapatra, consumer activist, Rayagada observed that there should be a mechanism to record interruption and its duration. A better standard should be in place. Delayed submission of bills are to be avoided. Tariff can only be enhanced if quality of power supply improves.
75. Sri Govind Agarwalla, consumer activist, Burla felt that no steps in real term have ever been taken by DISCOMs to mitigate the problems of power supply although several directions from OERC/Govt. etc. were given in the past in this regard. The directions are limited to the proceedings made in each meeting only. As Govt. is getting the electricity duty and water cess, sincere steps should have been taken by the Govt. in order to have a

- stable supply system with low cost power. Govt. is required to take necessary steps to boost of hydel generation in state for availability of cheap power in the state. As Govt. is the part owner of the supply system, adequate investments may be made for infrastructure strengthening. As far as power cut is concerned, DISCOMs should follow the OERC order on protocol on Power Regulation instead of arbitrary power cuts. Further, the licensees, WESCO is raising defective bills of exorbitant high amounts may be due to erratic behaviour of meters or for some ulterior motive.
76. Sri K. K. Mishra, while extending his thanks to OHPC for its application to lower the ARR of 2013-14, requested the Commission to conduct a third party audit of the Standards of Performance (S.O.P.) reports submitted by the DISCOMs through affidavit. He further submitted that the affidavits submitted by DISCOMs in their ARR application may be audited by Accountant General. Neither the Energy Police Stations are functioning in right manner nor the DISCOMs are taking suitable technical actions such as energy audit, proper metering etc. to increase the realisation per unit of energy.
77. The Chairperson asked CEOs of DISCOMs to reply to the points raised by the SAC members. Sri B. C. Jena, Chairman, CESU said that CESU is taking steps for provision of smart meters. CESU has requested for loss surcharge as per Hon'ble Shunglu Committee recommendations. There may be a single tariff for domestic consumers like West Bengal taking power supply through prepaid meters. Shri Rane, M.D., NESCO, said that gradually, the performance of DISCOMs are increasing day by day and their official/staff are trying in a sincere manner to extend quality power to their people. M.D., WESCO, Shri Reddy felt that Govt. support is required for installation of AMR's in all feeders. At present, AMR's are available in all EHT HT feeder and in WESCO office. The SOUTHCO M.D., Sri Choudhary agreed to the concerned expressed by the SAC members and said that appropriate actions are being taken to reduce power interruption and improve billing and collection.
78. The Chairperson invited Sri P. K. Jena, Secretary, DoE to make his submission. Shri Jena agreed that the performance of the DISCOMs is not up to the mark. The distribution supply situation is gradually worsening and AT & C loss is increasing. Reacting to the views of some members about Government's role, he clarified that Govt. may not have given direct subsidy to the DISCOMs, but due to Govt. support through GRIDCO & OHPC, people of the state are getting power supply even during any difficult times, by purchasing costly power from outside. He also said that with the support and timely intervention by the Hon'ble Commission, injection of power to Southern region is possible now. He totally disagreed to the views of SAC members as regards to cross subsidization of RGGVY and BGJY consumers by other consumers. He expressed its dissatisfaction as DISCOMs are not bringing any capital to their business Govt. is now infusing capital through CAPEX for infrastructure strengthening. Govt. is now planning to construct 500 nos. of SCADA enabled unmanned 33/11 KV s/s with an investment of 650 Cr. And separate agriculture feeder apart from normal feeders with an investment of 150 Cr. Further, govt. is planning to invest 21 Cr. for construction of elephant corridor and 15 Cr. For shifting existing s/s from school and Anganbadi campuses to outside. DISCOMs should instill discipline among its officials/staffs and initiate appropriate measures to change the attitude of their staff's towards the consumers. He also proposed that the tariff may be linked to the performance of DISCOMs. Govt. has recently taken a decision to install pre-paid meters in its offices to reduce human interface.
79. Chairperson, OERC concluded by saying that technological intervention to reduce human interference is required for proper metering and billing Standard of Performance should always go with standard of obligation. The Commission will appoint Compliance Auditors to verify the Standard of Performance and other data/information submitted by DISCOMs through affidavit. Basis of appointment of meter readers should be relooked and put a

- system of cross-checking so that complaints as regards to erratic billing can be avoided. As far as strengthening of infrastructure of electrical system is concerned, the Commission and GoO has attracted PGCIL for investment in the backbone system of distribution. He requested Member, Sheri B K Mishra to propose the vote of thanks.
80. Sri Mishra, extended his vote of thanks to all the SAC members, OPTCL, OHPC, GRIDCO, DISCOMs and GoO for their valuable suggestions/opinions. In the matter of DESI (Development Programe for Energy System Improvement), the Commission stressed for load verification before up-gradation/replacement of burnt transformers provided under RGGVY schemes. All the consumers should be provided with working meters and should come into billing fold before such replacement. The licensee should ensure balanced downstream drawl from such replaced transformers with proper phase balancing/earthing etc. in order to reduce transformer failure rate.