

**ARR & FEES AND CHARGES APPLICATION FOR THE FY 2024-25
ALONG WITH TRUING UP FOR FY 2021-22 & FY 2022-23
OF
ODISHA POWER TRANSMISSION CORPORATION LIMITED
FOR
STATE LOAD DESPATCH CENTER, ODISHA
(CASE NO. 114 / 2023 & 133/2023)**



OERC PUBLIC HEARING ON DATE - 01.02.2024 AT 03:00 P.M.

PROFILE OF SLDC



State Load Dispatch Center (SLDC) is

- The Power System Operator for the State.
- Financially separated since 01.04.2009.
- Filing a separate ARR for its function since FY 2009-10.
- Maintaining separate books of accounts and meeting its expenses out of the revenue generated.

Manpower Strength:

- Sanctioned Strength -- 63
 - Total no. of existing Employees
 - Technical Executives -- 42
 - Non-Technical Executives -- 3
 - Non-Executives -- 5
- 50
- Supporting staff (office attendant & data entry operator on contractual basis) -- 13

PERFORMANCE OF SLDC



- SLDC efficiently manages the State's requirement maintaining the merit order by optimum scheduling and vigilant monitoring of grid condition.
- Successfully optimized the State's share of energy drawl from Machhakund Power Station by continuous monitoring at SLDC and Jayanagar Substation through RVDU.
- Accorded consent / disposed 9139 nos. of Inter / Intra State Open Access applications during FY 2022-23 and 6420 applications (up to December' 23) in the current Financial Year.

PERFORMANCE OF SLDC Contd...



- Conducting mock black start exercises successfully for State Hydro stations with formation of islands.
- Successfully monitored the drawl schedule of the Distribution Companies of the State to minimize the deviation from ISGS schedule.
- Processing of meter data of all interface energy meters and prepares State Energy Accounting for Distribution Licensees and IPPs.
- Successfully carried out reactive power management to reduce penalty arising through reactive energy billing.

PERFORMANCE OF SLDC Contd...



- Processed 3955 Nos. outage planning requests of Generators, Intra & Inter State transmission elements during FY 2023-24 (up to December 23).
- Processed 39 Nos. First Time Charging requests of Transmission elements during FY 2023-24 (up to December 23).
- Preparation of injection / withdrawal data at all nodes up to 132 kV corresponding to the all India peak block on monthly basis using the PSSE software for PoC Charge Determination.
- Computation of monthly ATC/TTC for the State Transmission System.

Implemented and ongoing projects of SLDC



- Implemented Automatic Demand Management Scheme (ADMS) at 88 nos. of OPTCL grid substations covering 271 nos. of 33kV feeders for demand response in the State with PSDF grant assistance for maintaining Grid Stability. Date of operationalization 19th July 2022.
- Tendering for implementation of SAMAST (Scheduling, Accounting, Metering and Settlement of Transactions in Electricity) as per the recommendations of Forum of Regulators (FOR) in all the activities of SLDC through integrated Software Modules with PSDF grant assistance is in progress.

Implemented and ongoing projects of SLDC

- Implementation of Wide Area Measurement System for granular visibility and monitoring of the Odisha Power System - PSDF grant is awaited.
- Load forecasting application is being developed by IIT, Jabalpur for better grid discipline and planning of ISGS requisition based on merit order.
- Construction work of new SLDC building(G + 5) is under progress and scheduled to be completed by end of this financial year

Achievements of SLDC during FY 2022-23

- SLDC, Odisha has been adjudged as the Best SLDC in the country by the Forum of Load Despatchers (FOLD) and Ranked First under Medium Size Category for LDC Excellence Award.



- Independent Power Producers Association of India (IPPAI) have felicitated SLDC, Odisha with IPPAI Power Award -2022 for best State Load Despatch Center in the country.



Achievements of SLDC during FY 2023-24

- Platinum winner of the prestigious India Smart Grid Forum (ISGF) Innovation awards-2023 under the category “Smart Technology-Electricity Transmission” for the project “Automatic Demand Management Scheme (ADMS) in Odisha Power System”.
- Best SLDC (Runner Up) by IPPAI for Year-2023 at 23rd Regulator and Policy Makers Retreat held at Belgaum, Karnataka on 8th April 2023.



Achievements of SLDC during FY 2023-24

- Gold winner of "Brands of Odisha. Pride of India, Sambad Corporate Excellence Awards" 2024.
- Best SLDC (Runners Up) award by IPPAI for Year-2024 at Belgaum, Karnataka.



PROJECTED REVENUE REQUIREMENT



The revenue requirement is projected under the following heads as per the provisions under OERC (Fees & Charges of SLDC & other related matters) Regulations 2010.

1. Return on equity
2. Interest on loan capital
3. Depreciation
4. O&M expenses excluding HR expenses
5. Human Resource expenses
6. Interest on working capital

DEPRECIATION



Depreciation for the assets in the Unified Load Despatch Centre and offices in SLDC has been computed as **Rs. 120.011 lacs** as per CERC Regulation.

Major contribution of depreciation charges are towards

- Computers & peripherals for SLDC Data Centre - Rs. 38.719 lacs
- Video Projection System - Rs. 24.979 lacs
- Computers & peripherals for SLDC Control room and office - Rs. 5.520 lacs
- RVDU at Jayanagar S/s - Rs. 2.293 lacs
- Firewall - Rs. 2.115 lacs
- Electrical installations - Rs. 1.143 lacs

OPERATION & MAINTENANCE EXPENSES



Operation and Maintenance expenses comprising of R&M and A&G expenses (As per provision in CERC and OERC Regulations) have been proposed as **Rs 250.412 lacs.**

REPAIR & MAINTENANCE EXPENSES



- R&M expenses of **Rs 87.141 lacs** has been proposed. The major items are:

	Rs in Lacs
Electrical maintenance of Office Building, Colony quarters including Street light.	11.948
Civil works repair and maintenance including residential buildings of SLDC colony	5.500
MPLS connectivity for ADMS signal communication with 16 nos. of substations.	8.900
AMC for FMS	7.536
AMC of Computers & Peripherals and Software	40.011
AMC for Website services	2.534
AMC for FAX , Photo copier, Air Conditioners, DG set etc,	4.288
Leased Internet connectivity and internet bandwidth charges for WAN	5.223

A&G EXPENSES



- Administrative and General Expenses of **Rs 163.271** lacs has been proposed. The major items are:

Rs. in lacs

Certification and training of operational staff as per the recommendation of MoP Committee Report	12.052
Traveling allowances of SLDC personnel	17.898
Telephone and postal charges	1.031
Payment of Electricity charges	47.386
Watch & ward	34.831
Legal expenses, advertisement & stationary printing	4.675
Office Up-keeping, meetings & gardening	10.308
Vehicle hire charges	27.375

SLDC Development Fund



The available balance in SLDC Development Fund as on 30.11.2023 is Rs. 8526.014 lacs approximately. The following expenditure is proposed to be incurred from SLDC Development Fund.

Sl. No.	Description of item/work	Estimated amount (Rs. in Lakhs)
1	Construction of new SLDC Building	3435.16
2	Implementation of SAMAST	2266.00
3	Implementation of load forecasting	61.36
TOTAL		5762.52

CERTIFICATION FOR LDC PERSONNEL



The committee set up by the Govt. of India under the Chairmanship of Shri. G.B. Pradhan, recommended setting up of a system of certification of System Operators by an independent Central body. The National Power Training Institute has been entrusted with the responsibility of conducting the certification exams. The combined committee for training and certification under the Chairmanship of Shri S. M. Dhiman, suggested three levels of certification viz. 'BASIC LEVEL', 'SPECIALIST LEVEL' and 'MANAGEMENT LEVEL'. The certification authority i.e. National Power Training Institute is conducting the online examination for BASIC & SPECIALIST levels of certification on periodic basis for certification of personnel working in Load Despatch Centres in India.

For imparting training to the executives, the expenditure for Training & Certification of LDC personnel has been projected as ₹12.052 lacs for FY 2024-25.

HUMAN RESOURCE EXPENSES



The Human Resource expenses has been estimated based on the salaries disbursed to the existing staff up to November'23 which has been apportioned for the FY 2024-25 amounting Rs. **1064.447** lacs.

INTEREST ON WORKING CAPITAL

The interest on working capital is computed as Rs. **41.622** lacs as per OERC Regulation considering 11.7% rate of interest (SBI base rate) plus 300 basis points.

[Towards compensation of loss in interest for the amount utilized to meet the expenses for the month of April & May which could have been deposited in SLDC Development fund.]

PROPOSED ARR FOR FY 2024-25

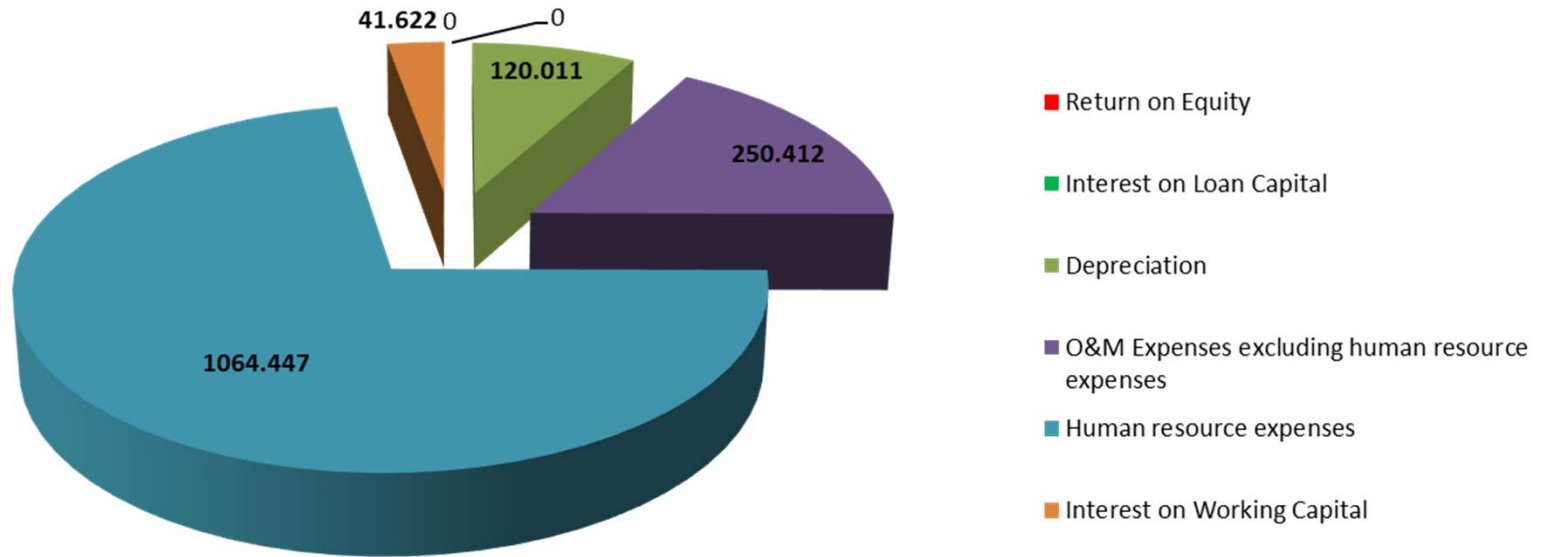


Sl. No	Item	Amount (Rs. in Lacs.)
1	Return on Equity	0.000
2	Interest on Loan Capital	0.000
3	Depreciation	120.011
4	O&M expenses excluding HR expenses	250.412
5	Human Resource Expenses	1064.447
6	Interest on Working Capital	41.622
TOTAL		1476.492

ABSTRACT OF PROPOSED ARR FOR FY 2024-25



Rs. in Lacs



SLDC CHARGES

- **Annual Charges**

- The Annual Charges for SLDC has been computed as per provision in Regulation 17, 18, 19, 20, 21 & 22 of OERC Regulations, 2010 and shall comprise of

- A. System Operation Charges (SOC) i.e. 80% of Annual Charges

- B. Market Operation Charges (MOC) i.e. 20% of Annual Charges

- **System Operation Charges (SOC)**

shall be collected from the users in the following ratio

- Intra State Transmission Licensee

10% on the basis of Ckt-Kms

- Generating Company & Seller

45% on the basis of Installed capacity

- Distribution Licensee & buyers

45% on the basis of allocation

- **Market Operation Charges (MOC)**

- **Generating Company & Seller**

50% on the basis of Installed capacity

- **Distribution Licensee & buyers**

50% on the basis of allocation

SHARING OF CHARGES



- ❑ Total installed capacity of State Generating Stations, IPPs & maximum injection schedule of CGPs has been computed as **6330.01 MW**.
- ❑ The total installed capacity for computation of SOC and MOC has been enumerated considering installed capacity of State Generating Stations & IPPs and maximum injection scheduled by CGPs during the FY 2023-24 up to October - 2023.

SHARING OF CHARGES, contd..

For the purpose of determination of SOC & MOC charges for CGPs, the maximum MW scheduled during April to October 2023 has been considered. In absence of approved injection schedule for some of the CGPs during the FY 2023-24 (up to October'23), the approved schedule quantum for previous year has been considered for purpose of levying SLDC charges.

OTHER CHARGES



- **Registration Fee**

Besides the above charges, provision for collection of one time registration fee@ ₹1.00 lac from all users has been made as per CERC / OERC Regulations.

- **Application Fee and Scheduling Charges for OA**

Application fee and Scheduling charges shall be paid by the open access customers as per the OERC (Terms and Conditions of Intra-State Open Access) Regulations, 2020.

ABSTRACT OF APPROVED / ACTUAL EXPENSES



₹ in lacs

YEAR----->	2021-22		2022-23	
	Approved	Actual	Approved	Actual
R & M expenses	56.996	69.035	89.311	49.42
A & G expenses	124.24	117.694	104.637	141.682
Human resources expenses	793.63	986.743	874.473	947.553
Depreciation	71.298	81.957	81.183	110.561
Finance Cost	0	9.358	0	10.447
Interest on working capital	0	0	0	0
TOTAL	1046.164	1264.787	1149.604	1259.663

SUMMARY OF ARR & OPERATING CHARGES



1	Total Revenue Requirement	₹ Lac	1476.492
A	System Operation Charges (SOC) @ 80% of the Annual Charge	₹ Lac	1181.194
B	Market Operation Charges (MOC) @ 20% of the Annual Charge	₹ Lac	295.298

SUMMARY OF ARR & OPERATING CHARGES



Sl No.	Particulars	Unit	Proposal for 2024-25
A System Operation Charges (SOC) of ₹1181.194 Lacs Payable by:			
(i)	Intra State Transmission Licensee @10% of SOC	₹ Lac	118.119
(ii)	Generating Station & Sellers @45% of SOC	₹ Lac	531.537
(iii)	Distribution Licensees & Buyers@45% of SOC	₹ Lac	531.537

SUMMARY OF ARR & OPERATING CHARGES



Sl No.	Particulars	Unit	Proposal for 2024-25
B	Market Operation Charges (MOC) of ₹295.298 Lacs Payable by:		
(i)	Generating Company @50% of MOC	₹ Lac	147.649
(ii)	Distribution Licensees & Buyers @50% of MOC	₹ Lac	147.649

Truing up for FY 2021-22

Particulars / Year	(Rs. lakhs.)			
	OERC Approval	Actual as per Audited Accounts	Truing up	Surplus/ (Deficit)
Expenditure				
A. Employee Cost (Net)	793.630	986.743	986.743	(193.113)
B. R & M Cost	56.996	72.918	72.918	(15.922)
C. A & G Cost (Including SLDC and GCC)	124.240	113.811	113.811	10.429
D. Finance Cost	0.000	9.359	9.359	(9.359)
Sub-Total (A+B+C)	974.866	1182.831	1182.831	-207.965
E. Depreciation	71.298	81.957	81.957	(10.659)
Net Fees and Charges Cost	1046.164	1264.788	1264.788	-218.624
Revenue from operation including Misc. Income	1046.164	1059.182	1059.182	13.018
Difference to be allowed in truing up (FY 2021-22)		-205.606		-205.606

Note : -

The major deficit is due to employee cost(7th pay arrear including HRA and Medical)

Truing up for FY 2022-23

Particulars / Year	(Rs. lakhs.)			
	OERC Approval	Actual as per Audited Accounts	Truing up	Surplus/ (Deficit)
Expenditure				
A. Employee Cost (Net)	874.473	947.553	947.553	(73.080)
B. R & M Cost	89.311	49.420	49.420	39.891
C. A & G Cost	104.637	141.682	141.682	(37.045)
D. Finance Cost	0.00	0.021	0.021	(0.021)
Sub-Total (A+B+C)	1068.421	1138.676	1138.676	(70.255)
E. Depreciation	81.183	110.561	110.561	(29.378)
Net Fees and Charges Cost	1149.604	1249.237	1249.237	(99.633)
Revenue from operation including Misc. Income	1149.604	1168.982		19.378
Difference to be allowed in truing up (FY 2022-23)		(80.255)		(80.255)

Note : -

The major deficit is due to employee cost(due to implementation of 7th pay scale for HRA and MA, NPS employer contribution 14%, depreciation of ADMS project)

SUMMARY OF ARR & TRUING UP

1	Revenue Requirement ARR for FY 2024-25	₹ Lac	1476.492
2	Truing up for 2021-22	₹ Lac	205.606
3	Truing up for 2022-23	₹ Lac	80.255

PRAYER

- Based on the facts and submissions made above, SLDC humbly prays before Hon'ble commission with an earnest request for kindly making suitable provisions in the approved ARR order/issue suitable directives based on which SLDC can be able to meet the actual excess expenditure(revenue and minor capex) beyond the approved amount from the SLDC Development.



THANK YOU