

Query on the ARR Filing by SOUTHCO Utility for FY 2018-19

TECHNICAL

1. In T 1 format slab wise No of Consumers for domestic and general purpose consumer for all three years to be submitted.
2. In T 9 format consumption figure of industries during previous year i.e. 2016-17 to be submitted.
3. The reasons for less realization per unit from HT category of consumer projected for FY 2017-18 than that of 2016-17 to please be explained.
4. In view of the lower EHT sales projected by all DISCOMs the following format to be filled up and submitted to the Commission on account of open access.

Sl. No.	Name of the Industry	Contract Demand	Total Consumption in during FY 2016-17 (Grid + Open Access)	Open Access availing or likely to avail during FY 2017-18		Open Access likely to avail during FY 2018-19	
				KVA	MU	KVA	MU
		KVA	MU	KVA	MU	KVA	MU

5. The status of clearance by OPTCL on the issues like connectivity of the consumers mentioned in format T-9 to be submitted.
6. Revenue Collected from HT and EHT Consumers towards Reliability Surcharge for FY 2015-16, 2016-17 and 2017-18 up to Nov 2017 should be submitted.
7. Revenue Collected from HT and EHT Consumers towards TOD benefit for FY 2015-16, 2016-17 and 2017-18 up to Nov 2017 should be submitted.

FINANCE

8. Note on Employees Cost;
 - a) The details of component wise actual expenses on Employees cost including Pay, GP, Arrear salary, HR, pension, gratuity, leave and transfer to provident and other funds on monthly for the current year upto the month of November, 2017 to be furnished. Similarly the cash outflow with regards to terminal liabilities item wise for the current year upto the month of November, 2017 to be furnished
 - b) SOUTHCO has shown recruitment of 4 non executives during the current year FY 2017-18. The details of such recruitment along with justification, necessity and Board approval shall be furnished. Similar details of proposed recruitment of 20 Non Executives during 2018-19 to also be furnished.

- c) SOUTHCO has projected Rs.37.51 cr. as Additional A&G Expenses. The Commission approves Additional A&G for specific purpose such as customer care, AT&C loss reduction activities including Energy Audit, Automation/IT expenses, Inspection fee and compensation for electrical accidents. Therefore, special A & G projections in other heads to be justified especially special police stations, vigilance and anti theft activities. The justification of projected additional A & G expenses of Rs. 37.51 cr to be submitted comparing to the benefits likely to get by incurring such expenditure. The benefits (item wise) to be quantified.
- d) A & G expenses details including energy audit and metering schemes to be furnished.
9. An amount of Rs.125.46 crore has been projected towards R & M expenses. Month-wise expenses towards R & M for the current year up to November, 2017 shall be furnished along with the details of action taken. It is seen that this projection of Rs.125.46 crore includes additional repair and maintenance of Rs.65.92 crore towards maintenance of RGGVY and BGJY assets. Further, it is mentioned in Form F-19 that there is no RGGVY and BGJY assets in the list of fixed assets. It is therefore be clarified if RGGVY and BGJY assets have been handed over to the licensees by Govt. of Odisha and which have to be taken in the assets register.
10. The amount of capital expenditure and addition to the fixed asset during FY 2017-18 amounts to Rs.517.07 crore and Rs.528.73 crore respectively (F-2). Scheme wise details are given as under:-

Proposed Capital exp. And addition of Fixed Assets FY 2017-18	SOUTHCO	
	Capital Exp.	Addition
Land Building Furniture and Fixtures & others	2.66	2.66
RE/LI/MNP		1.87
PMU		7.72
APDRP		0.55
RAPDRP (A)		
RAPDRP (B)		
S.I. Scheme		
Deposit work & Others	15.40	9.24
RGGVY		
DDUGJY		
NH	1.90	1.19
Biju Gram Jyoti		
Biju Sahar BY		
DESI (GoO)		

RLTAP	9.65	4.83
Capex	55.82	120.80
IPDS	20.00	10.00
ODSSP	369.52	221.71
SCHOOL/ANGANWADI		
Cyclone Restoration		
Elephant corridor	0.69	0.35
Other works	41.43	147.81
Total	517.07	528.73

SOUTHCO is required to furnish the actual expenditure as on date (till end of November 2017 in respect of Capital Expenditure and addition to Gross Fixed Asset during the FY 2017-18.

11. The consumer security deposit as on 31.3.2017 (Ref: Balance Sheet at Form F-21) is shown at Rs.188.78 Cr. The physical form of investment of such deposit since 1999-00 (year wise) in different financial instrument to be furnished.
12. An amount of Rs.53.62 crore has been shown for the ensuing year 2018-19 under contractual and spot billing and customer care, outsource obligation (F-12). Details of such calculation indicating the number of such employees, compensation per employee etc. along with actual expenses month-wise for the current till Nov, 2017 to be furnished. A short note on their responsibilities and effectiveness to be furnished.
13. The availability of fund in Employees Trust Fund as on 31.3.2017 and its pattern of investment to be submitted. Further, the actual month wise cash outflow towards terminal liability during FY 2016-17 and 2017-18 (actual upto November 2017) to be furnished.
14. Month wise cash flow considering the revenue items only for FY 2016-17 and 2017-18 (actual upto November 2017) to be submitted.
15. Details of investment made out of the available funds towards security deposit, pension trust and gratuity trust as on 31.3.2017 and upto November, 2017.
16. Specific computerization year wise programme with regard to billing, collection, and consumer interface shall be given.
17. What are the ongoing training programmes of the employees at all level in order to enhance their skills to tackle billing, collection and technical difficulties on the ground?
18. Steps taken so far conducting audit of receivable by the licensee to be furnished.
19. Employee engaged in franchisee operated divisions to be furnished along with a note on their roles and responsibilities.

20. The performance of franchisee operated divisions including expenses, revenue realized, MU handled for last two years to be furnished. A note on performance and constraints of franchisee operation for each division to be furnished.
21. As per OERC Tariff Regulation, 2014, the licensees are required to submit the segregated audited accounts for FY 2014-15 and Wheeling and Retail business.
22. In the recent past years many system strengthening programmes have been undertaken under various schemes of the state and central government. The assets are also being added through capital contribution from the consumers and loan. The Fixed Asset Register therefore contains necessary details required to compute depreciation. The commission in the past has also emphasized on the submission of the Fixed Asset Register. The up-to-date Fixed Asset Register to be furnished.
23. The reconciliation statement with GRIDCO regarding past receivable / payable to be submitted.
