

**ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAVAN  
UNIT - VIII, BHUBANESWAR - 751 012**

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**No. OERC-Engg-21/2005-(Vol-III)/1224**

**Date : 04.09.2014**

To

The Chairman-Cum-Managing Director,  
OPTCL,  
Janpath, Bhubaneswar.

**Sub: Review of Performance of OPTCL for the period from April, 2013 to March, 2014 held on 11.08.2014.**

Sir,

In inviting a reference to the subject cited above, I am directed to send herewith the record note on review of performance for the period from April, 2013 to March, 2014 held on 11.08.2014 in the conference hall of OERC for your information and necessary action.

Yours faithfully,

Encl: As above.

**Sd/-  
SECRETARY**

**CC:**

The Principal Secretary, Department of Energy, Govt. of Odisha, Bhubaneswar for information.

**SECRETARY**

**Record note of the Review Meeting on Performance of OPTCL for the FY 2013-14**

Date of Review : 11.08.2014 at 3:30 PM  
 Period of Review : April, 2013 to March, 2014  
 Representative of OPTCL Present : As per list enclosed as Annexure-I.

1. The Performance of OPTCL & SLDC for the period from April, 2013 to March, 2014 was reviewed by the Commission on 11.08.2014 in the Conference hall of OERC. During the review the status of ongoing/new projects under implementation, projects completed, and major R&M activities undertaken as well as financial performance of OPTCL were discussed. During the presentation by the licensee, it was observed that 7 nos. of projects had been completed during the FY 2013-14 and some projects had been delayed primarily due to contractual & RoW problems and court cases.
2. The Commission reviewed the performance of OPTCL with reference to execution of various ongoing transmission projects. It was found that around 650 MVA capacity addition through 18 nos. of S/S (13 nos of s/s capacity augmentations and 5 new s/s), one 132 KV line from Paradeep to Jagatsinghpur and one 220 KV line from Mendhasal to Bidanasi has been completed during the period under review. Out of 13 s/s augmented, 6 nos are in CESU, 2 nos. in NESCO, 2 nos. in SOUTHCO and 3 nos. in WESCO area. The performance highlights of OPTCL are given below.

	<b>As on 01.04.2013</b>	<b>Addition during April, 2013 to March,2014</b>	<b>As on 31.03.2014</b>
Transformation Capacity (MVA)	11554	1283	12837
EHT Line ckt. KM	11386.078	318.401	11704.479
Energy handled	<u>OERC approval(MU)</u> 23448	<u>Actual (MU)</u> 22865.32	
Equity Infusion/ Loan receipt	<u>By State Govt.(Cr.)</u> 50	<u>By F.I.(Cr.)</u> REC-56.02 ; PFC- 12.83	
Human Resource Position	<u>Sanctioned Strength</u> 5519	<u>Men in Position</u> 3090	<u>Vacancy</u> 2429

3. OPTCL submitted the status of 54 nos. of ongoing projects including two 400 kV S/S, 10 nos. of 220 kV S/S, 27 nos. of 132 KV S/S and 15 nos. of other projects (mainly transmission lines). Total 28 nos. of 220 kV and 132 kV projects are expected to be completed within the FY 2014-15. The progresses of the projects are delayed due to

ROW, court cases, delay in land acquisition and contractual problems. OPTCL submitted that many long pending disputes have been settled in the meantime and now OPTCL is taking all appropriate steps from the initiation of the project to avoid unnecessary delay. Commission stressed for proper procurement, monitoring and execution mechanism for completion of projects in time. The contractor showing slow/no progress may be off loaded including bar to future engagements. OPTCL should take timely action in this regard to avoid cost and time over-run.

4. As submitted, OPTCL has planned augmentation of existing s/s during the FY 2014-15 to meet the demand growth and contingency conditions. During the FY 2014-15, OPTCL has planned around 985 MVA transformation capacity additions (198 MVA in CESU, 280 MVA in NESCO, 52 MVA in SOUTHCO and 455 MVA in WESCO) with an investment of Rs.76.43 Cr. Further, OPTCL is also having the proposal to keep spare transformer bank to meet the emergency.
5. While replying the queries of the Commission as regards to system constraints, OPTCL submitted that HTLS line has been planned for 132 KV BBSR-Chandaka Ckt-I(5.5 KM), BBSR-Chandaka Ckt-II (5.88 KM), Chandaka-Ransinghpur (24.25 KM), ICCL-Choudwar (2.85 KM), Joda-Barbil (12 KM) and Mendhasal –Khurda (18 KM) lines to avoid ROW and increase power transfer capability in addition to other system improvement schemes. Additionally, OPTCL is also planning for conversion of 132 KV Jajpur Road-Anandpur (30 K.M.), New Bolangir – Patnagarh (40.2 KM), New Bolangir-Sonepur (53.85 KM) and Akhusingh-Paralakhemundi (76.9 KM) from single line circuit to double circuit with an investment of Rs.21.54 Cr.
6. As regards to O&M activity, OPTCL said that many overloaded grid S/Ss has been upgraded during the period under review. Specifically, augmentation of 13 nos. of grid S/s (6 in CESU, 2 in NESCO, 2 in SOUTHCO, 3 in WESCO) has already been completed with an investment of Rs.25.13 Cr with 533 MVA capacity additions. Upgradation of another 26 nos. of grid S/s has been programmed by OPTCL to be executed during 2014-15 with an investment of Rs.76.43 Cr. with 985 MVA capacity addition.
7. In addition to the above, OPTCL has commissioned 33 KV Capacitor Banks with aggregate capacity of 205 MVAR at 13 nos of s/s (Bhubaneswar, Khurda, Ransinghpur, Nimapara, Puri, Balasore, Bhadrak, Polasponga, Berhampur, Kesinga, Khariar, Sambalpur and Bargarh) and balance 70 MVAR capacitor bank will be installed in 7 nos. of s/s in FY 2014-15.
8. As a part of R&M activity, in addition to other works, OPTCL has replaced/repaired 1 no of 400 KV breaker, 32 nos. of 220 kV breakers, 90 nos. 132 kV breakers, 122 nos.

33 kV breakers in place of old/ defective circuit breakers and replaced 7 nos of 400 KV, 17 nos 220 kV, 28 nos. 132 kV and 80 nos. 33 kV CTs with new ones. OPTCL has replaced 2 nos of 400 KV, 11 nos of 220 KV, 24 nos of 132 KV and 72 nos of 33 KV lightning arrestors and installed 94 nos of numerical relays in place of electro-mechanical relays. In order to have a better reliable and efficient transmission system, OPTCL is planning to renovate the old grid s/s and EHT lines by replacing old/ worn-out hardware fittings/insulators including strengthening of tower footings.

9. As regards to status of unified load dispatch and communication project, OPTCL have already integrated 58 nos of RTU's with OPTCL system. The balance locations i.e. 132 Barjamunda is coming under Indian Railway and M/s.NALCO has proposed to integrate its own SCADA system with OPTCL. Long term AMC for the total package has been awarded to M/s.Areva. Integration of another 30 nos. of grid S/S under ULDC expansion scheme with an estimated cost of Rs.36 Crore is under progress and expected to be completed by September, 2014.
10. Director (HR) submitted that OPTCL is having a robust recruitment plan commensurate with its requirement. OPTCL has implemented the revised organization restructuring and manpower assessment with effect from 01.01.2014. Further, the tripartite settlement on wage revision with effect from 01.04.2010 was signed on 10.12.2013 after the approval of the Govt. There is comparative decrease in ministerial staff due to the IT intervention. Training whether in-house or by outside agencies is a regular feature in OPTCL for knowledge updation.
11. While discussing about the progress of individual projects, the Commission expressed its serious concern about the inordinate delay of execution of projects namely Nuapara, Dabugaon, Padmapur and Boudh for which OPTCL has signed agreement with PGCIL on 19.12.08. The Commission directed CMD, OPTCL to look personally into the matter as the quality of power supply in those areas is far below the desired level, primarily because of deficiency in OPTCL transmission system. CMD, OPTCL submitted that due to increase of work load another zonal office headed by one office at the level of Sr.G.M. has been created for better monitoring /execution of on-going projects.
12. SLDC has made a separate presentation on its activities and performances for the period from April, 2013 to March, 2014. SLDC stated that SLDC Development Fund has already been created and amount available as on end of March, 2014 is Rs.1837.81 lakhs. EASSC is functioning at SLDC for State Energy accounting and UI Charge/Deviation Charge billing on receipt of energy meter data from field. Schedule based energy accounting and unscheduled interchange charges billing are being prepared by SLDC w.e.f. 01.04.2012. Further, SLDC stated that during the period of

review, SLDC has allowed 683 nos. of Short Term Open access (STOA) application out of 761 nos. of allocation received and 78 nos of application were rejected. The total energy handled during the year comes to 24239 MU for 45 total numbers of entities. Average monthly schedule prepared comes to 125 Nos.

13. OPTCL has submitted that, it has handled 22865.32 MU including 468.64 MU wheeling/sale by GRIDCO to NALCO & IMFA. The details of the energy handled the billed amount and the payment received by OPTCL and also revenue approved by OERC vis-à-vis actual for the period FY 2013-14 are presented in Table below.

**Revenue Approved vis-à-vis Provisional Status for FY 2013-14**

Statement Showing Revenue Approved by OERC for FY 2013-14 Vis-à-vis Actual (Provisional)							
(April '13 to Mar-14 '13)							
Sl. No	Particulars	Tariff Approval for year 2013-14		Provisional for the period		Variance for the period	
				April '13 To Mar '14		April '13 To Mar '14	
		MU	Rs.Cr.	MU	Rs.Cr.	MU	Rs.Cr.
1	2	3	4	5	6	7=3-5	8=4-6
<b>Revenue from Operations</b>							
1	<b>Transmission Charges</b>						
	WESCO	6,655	166.38	6,487.05	162.18	167.95	4.20
	NESCO	5,269	131.73	5,044.97	126.12	224.03	5.60
	SOUTHCO	3,187	79.68	2,886.57	72.16	300.43	7.51
	<b>Sub Total</b>	<b>15,111.00</b>	<b>377.78</b>	<b>14,418.59</b>	<b>360.46</b>	<b>692.41</b>	<b>17.31</b>
	CESU	7,937	198.43	7,970.41	199.26	(33.41)	(0.84)
	<b>Total Distcos</b>	<b>23,048.00</b>	<b>576.20</b>	<b>22,389.01</b>	<b>559.73</b>	<b>658.99</b>	<b>16.47</b>
2	Wheeling to NALCO & IMFA	300	7.50	468.64	11.72	(168.64)	(4.22)
3	Sale to CPP by GRIDCO	100	2.50	7.67	0.19	92.33	2.31
4	<b>Grand Total (1+2+3)</b>	<b>23,448.00</b>	<b>586.20</b>	<b>22,865.32</b>	<b>571.63</b>	<b>582.68</b>	<b>14.57</b>

14. OPTCL reported cash inflow of Rs.900.75 crore and a cash outflow of Rs.859.56 crore during the FY 2013-14. The above includes capital receipts as well as cash outflow towards capital works. Breakup of the above amount is given below:-

<u>Revenue receipt</u>	<u>Capital receipt</u>	<u>Total receipt</u>
Rs.605.65 Cr.	Rs.295.10 Cr.	Rs.900.75 Cr.
<u>Revenue expenditure</u>	<u>capital expenditure</u>	<u>Total expenditure</u>
Rs.540.64 Cr.	Rs.318.92 Cr.	Rs.859.56 Cr.

15. OPTCL reported that an amount of Rs.95.05 crore had been spent in the financial year, 2013-14 on account of R&M as against OERC approval of Rs.60.0 crore for FY 2013-14. OPTCL stated that it has spent more amount than approved by the Commission in the ARR of OPTCL towards R&M during the period under review. The Commission desired that repair and maintenance should be given priority and money allowed should be fully and effectively utilized and so also the project construction activities should be regularly monitored for their timely completion.
16. Regarding the status of accounts, OPTCL stated that the annual accounts for the year 2012-13 had been submitted. Further for the year 2013-14 statutory audit, supplementary audit and adoption of accounts in AGM shall be over by 30.09.2014, 31.12.2014 and 31.01.2015 respectively.
17. **Directions of the Commission:**
- (i) OPTCL should have a proper procurement, monitoring and execution mechanism in place to and regularly monitor the progress of all its on-going projects to avoid in-ordinate delay. Projects should be completed within the time schedule to avoid cost and time over-run. The equity infusion is required to be balanced and the assets so created should be utilized in a productive manner.
  - (ii) OPTCL should take steps for annual audit of the store materials. Ideally there should be zero inventory barring materials required to attend emergency breakdowns.
  - (iii) OPTCL should take the required steps urgently particularly for completion of the important projects like 400 KV Ib-Meramundali and Meramundali-Duburi lines. Further, including others, OPTCL should take immediate appropriate steps for early completion of Nuapara, Dabugaon, Padmapur at Boduh s/s. It is reiterated that preventive maintenance of the transmission system should be a routine feature and is required to be monitored by the zonal heads in each quarter.
  - (iv) OERC should be intimated about the commissioning of each project. CMD, OPTCL is requested to intimate the same over telephone to the Chairperson, OERC.
  - (v) OPTCL should submit detailed report on increase in power transfer capability of the 132 kV lines after the proposed up-rating of 132 KV lines from ACSR conductor to HTLS conductor.
  - (vi) Necessity of the projects and its feasibility (both technical & financial) of the investments expected to be executed through Joint Venture by OPTCL and PPP should be scrutinized in a prudent manner. OPTCL may explore the possibility of availing funds from REC, PFC and other financial institutions

for execution of projects instead of accepting the terms and conditions as dictated by PGCIL.

- (vii) OPTCL should design some of its training modules to suit the requirement of DISCOM employees so that the resources of OPTCL can be best utilised for the benefit of power sector of the state.
- (viii) The Commission directs SLDC to submit the actual expenditure incurred by SLDC under different heads vis-à-vis the ARR approved for the year 2013-14. Further, SLDC should submit a compliance report on the direction given in the Commission's order dt.22.03.2014 vide Case No.82/2013 while approving the ARR of SLDC for FY 2014-15.

**PERFORMANCE REVIEW - OPTCL**  
**ATTENDANCE SHEET**  
**11-08-2014 at 03.30 PM**

Organisation	Name & Designation	Signature
OPTCL.	H. Sharma, CMD, OPTCL	
-do-	B.P. Mahapatra, D(PE)	
-do-	S.K. RATH, Director HR	
Gridco	P.K. Pradhan, Director Comm	PR
OPTCL	P. C. Tripathy, CGM (OSM)	
OPTCL	R.R. Panda, CGM (Comm)	 11/08/2014
OPTCL	M. ANANTARAO, CGM (IT)	
SLN OPTCL	M. R. Mohapatra, Jr GM (OS)	
-do-	P. K. Das, D-G.M (OS)	
SLDC	P. K. Mishra, G.M (SI), SLDC	
OPTCL	R. C. Mishra, CGM (Finance)	
OPTCL	N. R. Pradhan, GM (Comm)	
OPTCL	H. K. Samudra, GM (TC)	
OPTCL	B. C. Satter, Manager (PE)	
SLDC.	Zamara, Sahas, GM (GO)	
EPTCL	S. K. Parui, (GM RTD)	
SLDC-OPTCL	Santosh Kumar, DM	
OPTCL	S. S. Nee, SECC	
OPTCL	S. Krishnam, DM of Com (OSM)	
ODTEE	M. R. Das, Manager (IT)	
JPTCL	B. P. Mishra, CGM (RTQC)	



