

**Minutes of Performance of Review of CESU
from April. 08 to Sept. 08 held in OERC on 21.11.2008.**

Date of Review : 21.11.2008 at 11 A.M

Period of Review : April 2008 to Sept.2008

Persons present on behalf of CESU:

1. Mr. S. Dasgupta, CEO, CESU
2. Mr. K.V. Durgaprasad, CCO, CESU
3. Mr. R. N. Mohanty, COO, CESU

The Commission took a review of performance of CESU on 21.11.2008. The CEO of CESU made a power point presentation before the Commission about key performance indicators and other issues during the said period.

Commission's observations on licensee's performance

Key performance indicators

Description	April. 07 - Sept. 07	April. 08- Sept.08	Actual for FY.2007-08	OERC Target for FY-08-09
Input(MU)	2592.41	2828.16	5203.61	5300
EHT Sales	339.08	432.94	763.29	886.81
HT Sales	347.34	363.63	691.3	723.69
LT Sales	843.96	919.88	1589.05	2136.35
Total Sales(MU)	1530.38	1718.28	3043.64	3746.84
Sales (Rs.Crore)/Bills raised	458.08	521.85	916.38	1095.05
Collection (Rs.Crore)	422.92	467.11	846.66	1040.30
Collection efficiency(%)		89.7	92.39	95
LT collection efficiency(%)	84	78	88	95
Overall Distribution loss(%)	41.0	39.24	41.5	29.3
LT Distribution loss(%)	51.1	50.0	53.2	36
AT&C loss(%) overall	46.7	45.52	45.96	32.84
AT & C Loss(%) in LT	58.9	61.0	58.6	39.17

1. The Commission observed that during the review period there is 28% increase in EHT sale over the corresponding period of last year. The Commission wanted to know the names of EHT consumers, who came up within the review period. The CCO, CESU brought to the notice of the Commission that due to transformer failure in OPTCL system there was load restriction in Dhenkanal Circle.
2. The Commission further observed that in spite of rise in EHT/HT sale and low growth in LT sales, CESU's distribution loss has not responded favorably. The Commission noticed that there has been reduction in LT collection efficiency

- from 84% to 78% during April-Sept. 2008. The Commission emphasized the need for disconnection of power supply to the defaulting consumers, be it Govt. or Private.
3. Officers of the Commission presented their findings of an investigation on status of spot billing in the areas in and around Bhubaneswar. The Commission's attention was drawn to the fact that there has been lack of coordination between the spot billing outsourcing agency 'N.SOFT' and the field staff of CESU. The Commission directed that the CCO, CESU and all the S.Es. should sit together and sort-out this problem immediately.
 4. The Commission wanted to know why collection has been poor even from the billed consumers. S.E., Cuttack submitted that their collection had deteriorated because of flood/rain and diversion of collection staff to maintenance work during natural calamity.
 5. The Commission wanted to know the status of collection from Urban Local Bodies (ULBs). The CCO of CESU submitted that in spite of budgetary provision for Electricity dues the ULBs were diverting the same money for electrical hard wares and not paying full energy charges. The Commission directed that CESU should coordinate with Urban Development Dept. to earmark money specifically for electricity dues. Keeping in view the difficulties in collection of power bill from Urban Local Bodies, Commission directed that they should be provided with pre-paid meter.
 6. The CCO, CESU drew the attention of the Commission about the activities of MRT squad of CESU. He pointed out that the checking of installations in Hotels of Puri had been completed by MRT squad. CEO, CESU said that MRT squads were checking 10 to 12 consumer installations per day. The Commission stressed on the need for fixing target for MRT squads.
 7. The Commission observed that redressal of consumer grievance through call centre was very time consuming because of lean staff position. The Commission wanted to know the status of consumer complaints forwarded by OERC. The Executive Engineer, BCDD-I submitted that steps were being taken to resolve the consumer complaints. The Commission directed CESU to submit full fledged report on the grievance petition.
 8. The Commission noted the delay in regulatory compliance by CESU. The main reason behind this delay is lack of adequate number of staff in regulatory unit of CESU. The Commission directed that a full fledged regulatory affairs unit should

be established in CESU along the line of OPTCL by relocating the staff and functions.

The Commission desired that the System Improvement Review would be done separately in a future date.

- 9.** In summing up, the Commission desired that the personal responsibility and accountability should be fixed at each level starting from CEO to Lineman for improvement in collection, timely maintenance and to meet the grievances of the consumers. One of the major parameters for judging the performance in billing & collection efficiency should be the LT category. CESU should focus on LT consumers.