

Wanting Information in SOUTHCO's ARR Filing, 2010-11

Technical

1. In T-1 format, although nos. of GP >110 KVA (HT) consumers has increased from 28 to 31, the estimated consumption has shown to be decreased in FY 2010-11 in comparison to FY 2008-09. SOUTHCO may furnish the reasons for the same.
2. SOUTHCO may furnish reasons for low consumption in large industry (HT) in 2010-11 in spite of increase in CD.
3. SOUTHCO may explain the circumstances for discontinuance of special tariff in HT during FY 2010-11.
4. Reasons for assumption of 20 units per month in case of Kutir Jyoti consumption instead of 30 units per month in T-2 format may be furnished by SOUTHCO.
5. Reasons for high un-metered supply in rural areas in T-2 format and both rural and urban areas in T-3 format may be furnished.
6. In T-3 format when revenue billed per unit for GP < 100 KW is 391.01 p/u the revenue realization is 279.02 p/u for April, 2009 to September, 2009. Reasons for the same may be explained.
7. SOUTHCO should submit complete T-7 and T-8 format in both hard and soft form replacing consumption ratio with load factor. This is essential for our tariff calculation.
8. SOUTHCO should submit expected consumption HT and EHT consumer wise in OERC format.
9. SOUTHCO may furnish month-wise power purchase (MU) and SMD (MVA) upto December, 2009 for the current financial year.
10. The list of existing allied agro-industrial consumers / allied agricultural consumers may be submitted.
11. The list of Industrial consumers who availed 20% off-peak MD benefit and also resorted to overdrawal during peak hours may be submitted. The revenue lost on this account may also be furnished.
12. SOUTHCO has not provided documentary evidence in support of distribution loss for FY 2008-09 and for April to September 2009. The same may be furnished.
13. Statement of meter rent receipts for all categories of consumers voltage-wise at EHT / HT / LT three phase and LT single phase for FY 2008-09 and upto September, 2009 of the current year may be furnished.

14. Sub Section in clause (d) under Section 39 (second proviso) and Sub Section (2) under Section 42 (third proviso) stipulate that Open Access surcharge and cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission. In this regard SOUTHCO may include in its proposal manner of phasing of the cross-subsidy.

Finance

15. The presentation of Balance Sheet as on 31.03.2009 shown in Form F-37 is in variation with the Balance Sheet shown in audited accounts for FY 2008-09. To cite an example, current liabilities and provisions shown in F-37 is Rs.640.13 crore as against Rs.769.20 crore shown in Audited accounts.
16. The audited accounts of the licensee for the FY 2008-09 have not been prepared in line with the Accounting Policies circulated to licensees vide Lr. No. 26/98/838(5) dtd. 05.05.1999. The Accounts should be prepared in the format prescribed by OERC. Accounts in any other format shall not be accepted. Therefore, the accounts for FY 2008-09 may be prepared in line with OERC prescribed formats and resubmitted.
17. The Audited Balance Sheets for the years 2007-08 and 2008-09 filed with the Commission reflect different figures in respect of some items as on 31.03.2008. The discrepancies are indicated in the table below:

(Rs. in Crore)		
	As per Audited Accounts Position as on 31.03.2008 (2008-09)	As per Audited Accounts Position as on 31.03.2008 (2007-08)
(a) Capital Works in progress	60.48	73.64
(b) Inventory	14.53	1.36
(c) Reserve and Surplus	150.53	53.30
(c) Current liability	405.18	343.63

18. In format F-2, the scheme-wise capital expenditures projected by SOUTHCO for the FY 2009-10 and 2010-11 are in variation with figures as per Business Plan submitted to Commission.

Capital Expenditure (Rs. in Crore)		
Year	As filed in ARR	As per Business Plan
2009-10	20.94	671.93
2010-11	213.38	216.27
Total	242.32	888.20

The reasons for such variations may be explained.

19. In format F-7 & F-9 i.e. calculation of cost of power at different voltage ends, the licensee has assumed loss of 20% and 18% in HT system for 2009-10 and 2010-11

respectively. The basis for such assumption vis-à-vis all India scenario may be submitted, as the loss appears to be very much on higher side.

20. In form F-17, the licensee has not segregated the collection of revenue into (i) against current dues and (ii) Against arrear up to previous year. The same may be furnished.
21. Employee Cost: SOUTHCO has proposed an amount of Rs.202.53 crore towards employee cost for the year 2010-11 in Form F-21 which includes an amount of Rs.68.32 towards arrear 6th Pay and Wage Board. After going through the proposal at page 44, it is found that the arrear of Rs.68.32 crore as stated above pertains to a period of 3 years (2008-09, 2009-10 and 2010-11). It is not understood why the licensee has again shown an amount of Rs.43.35 crore towards arrear 6th Pay and Wage revision during 2008-09 alone, as observed in Form F-21. SOUTHCO may clarify, the arrear 6th pay for different years including that for 2010-11.
22. A&G Expenses: Under this head, SOUTHCO has made a forecast of Rs.34.70 crore during 2010-11 as against Rs.14.79 crore approved by the Commission for FY 2009-10. While projecting Rs.34.70 crore towards A&G, SOUTHCO has not quantified the benefits to be accorded in terms of improvement in billing, collection, saving in energy due to reduction in theft etc. More-over, SOUTHCO is required to furnish item-wise actual expenditure incurred up to November, 2009 for the financial year 2009-10.
23. R&M Expenses: SOUTHCO may indicate the actual expenditure towards R&M upto November, 2009 for the financial year 2009-10 and the escrow relaxed by GRIDCO during that period.
24. Cash Flow: Month-wise cash flow considering revenue items only may be submitted for FY 2008-09 and FY 2009-10 (Actuals upto November, 2009).
25. Miscellaneous Income: SOUTHCO has projected Rs.9.45 crore and Rs.9.76 crore towards miscellaneous income for the FY 2009-10 and 2010-11 in AF-13, whereas the miscellaneous income based as audited account for 2008-09 is of the order of Rs.14.04 crore. SOUTHCO has, therefore, to file details of miscellaneous income viz meter rent, DPS, Over Drawal Penalty etc. as per actuals upto November, 2009 for the current financial year 2009-10.
26. The licensee is required to file the Fixed Asset Register upto 31.03.2009.