

Wanting Information in OPTCL's ARR Filing for FY 2010-11

TECHNICAL:

1. There is mismatch between the Ckt. Km. of EHT lines and No. of S/Ss submitted in the ARR with those submitted in the annual statement of system performance for the FY 2007-08 and as per the draft vision 2025 document of OPTCL. This needs to be reconciled. The following Table clarifies the quantum of mismatch in the OPTCL's various filings.

Lines & S/S as on 01.04.09 in Ckt. Km. & No.	As submitted in ARR filing	As submitted in the annual statement of system performance for 2008-09
400 kV line (Ckt. Km.)	446.103	442.7
132 kV line (Ckt. Km.)	5007.915	4890.3
220/132/33 kV S/S (No.)	20	19
132/33/11 kV S/S (No.)	57	56
132 kV Switching Stations	13	11

2. The CERC Tariff Regulation-28 stipulates target Normative Annual Transmission System Availability factor (NATAF) at 98% for AC system for recovery of full transmission charges. OPTCL, therefore, should compute system availability for its own transmission network for FY 2008-09 & FY 2009-10 (April to November, 2009) and submit it to the Commission. The transmission availability may be computed following the procedure for calculation of transmission system availability as laid down in Appendix -IV of the aforesaid CERC Regulation.
3. OPTCL has proposed 4.3% transmission loss for FY 2010-11 as against 4% transmission loss approved by the Commission for FY 2000-10 and OPTCL stated that it could not compute the actual transmission loss during the first six months i.e. April to September, 2009 due to some inconsistencies observed in the power flow data for the intra-state lines. Kanungo Committee in 2001 had recommended for a stepwise reduction of at least 0.3% per annum in transmission loss so that the transmission loss is brought to a level at par with POWER GRID – the CTU by 2005-06. OPTCL has not furnished TRT-8 Format on calculation of transmission loss. OPTCL should submit the computation of Transmission Loss in TRT-8 format with full justification of the proposal for 4.3% Transmission loss for FY 2010-11.
4. OPTCL submitted Master Maintenance Plan (MMP) for 2009-10 for Rs.92.85 crore and the Commission had approved Rs.47 crore for R&M expenditure during FY 2009-10. The status of expenditure against Master Maintenance Plan (MMP) for 2009-10 as on 30.11.2009 may please be furnished.
5. OPTCL at Page 36 of its ARR application for FY 2010-11 specified that the revenue receipt from STOA charges for FY 2010-11 is to be considered as zero. OPTCL may clarify and furnish the actual volume of energy handled and receipt of STOA charges from STOA customers during FY 2008-09 and FY 2009-10 (April to November, 2009) for the information of the Commission.

6. The Commission in its order dtd.20.03.2009 while passing order on ARR & Transmission Tariff for FY 2009-10 approved wheeling to industries from CGP of 300 MU and sale to CGPs by GRIDCO of 10 MU. OPTCL may furnish the actual quantum of inter & intra-state wheeling and sale to CGPs during FY 2008-09 and 2009-10 (from April to November, 2009). OPTCL may also indicate the receipt towards supervision charges during FY 2009-10 (from April to November, 2009) and the projected receipt of such charges upto March 2010.
7. OPTCL submitted at page 46 of its ARR application for FY 2010-11 that the Reactive Energy Charges shall be separately determined by the Commission as per Regulation 4 (5) of OERC (Determination of Open Access Charges) Regulations, 2006. The Commission has been insisting on OPTCL – the licensee to file the proposal of Reactive Energy Charges and vide Lr. No. 2689 dtd. 16.12.2008 directed OPTCL to file the determination of Reactive Energy Charges for FY 2009-10 by 31.12.2008.
 - 7.1 OPTCL vide affidavit dtd. 12.02.2009 filed the application for approval of Reactive Energy Charges @ 4 or 5 paise/KVArh or as decided by the Commission. During hearing on 21.03.2009, OPTCL submitted before the Commission that the requisite software for calculation of Reactive Energy charge is being developed in-house which would be ready for installation and commercial operation by end June, 2009. The Commission vide Order dtd. 06.04.2009 directed OPTCL to install 150 MVAR compensation in 10 nos. of grid substations viz **Bolangir, Patnagarh, Sonapur, Kendrapara, Patamundai, Rairangpur, Jajpur Town, Kesinga, Khariar and Sainitala in FY 2009-10** and balance 125 MVAR in 13 nos. of Grid substation viz **Sambalpur, Dhenkanal, Puri, Ransinghpur, Bidanasi, Chandikhol, Choudwar, Cuttack, Nuapatna, Paradeep, Bhadrak, Jaleswar and Sunabeda during 2010-11** subject to system study report after installation of 1st phase 150 MVAR compensation.
 - 7.2 The Commission vide order dated 20.03.2009 had already approved ARR and levy of Operating Charges for FY 2009-10 for SLDC separating SLDC Charges from Transmission Charges of OPTCL with effect from 01.04.2009 and suitably ring-fencing SLDC to function as an Independent System Operator. Hence, the Commission directed that SLDC should prepare and bill weekly Reactive Energy Charges (both provisional and final) @ 5.75 paise / KVArh as per Clause 1.7 of OGC during the interim period till the Commission finally approves an appropriate Reactive Energy Charges.
 - 7.3 The Commission vide para 23.2 and 23.3 of the Order dtd. 06.04.2009 observed as under:

“23.2 We are extremely unhappy and note with serious concern the tendency of OPTCL to defer the implementation of Reactive Energy charges to FY 2010-11. As the State is suffering from low voltage and there is wide spread discontentment amongst the consumers of the State due to such low voltage, we direct OPTCL and SLDC to finalise, install and put into Commercial Operation the required hardware and software for calculation of Reactive Energy Charges by SLDC by 15th June, 2009.”

23.3 We further direct SLDC to file its status of preparation of Reactive Energy Charges before us by 15th June, 2009 duly serving a copy to all the Respondents who participated during hearing on 21.03.2009.”

7.4 It is observed that neither OPTCL nor SLDC has filed any application in the Commission complying to the aforesaid directions of the Commission. The status of in-house development of software for calculation of Reactive Energy Charges supposed to have been completed by end June 2009, has also not been filed before the Commission. OPTCL is, therefore, directed to file the proposal of determination of Reactive Energy Pricing for FY 2010-11 by 10th January, 2010 positively along with specific reasons for non-compliance of the directions of the Commission mentioned in the order dtd. 06.04.2009 in Case No. 22/2009. Specifically, the action taken by OPTCL on installation of capacitor banks may please be submitted.

8. OPTCL has proposed at Page 47 of its ARR application for FY 2010-11 penal charges @ 25% of Transmission Charges and Meter Rent @ Rs.2000 per Month. OPTCL may substantiate these with supporting documents and reason for such claim and also mentioned from whom the same will be recovered.

9. Information required under the following formats have not been furnished or partly furnished.

a)	<u>TRL No.</u>	<u>Name of TRL</u>	<u>Remarks</u>
	TRL – 1	Information required for Transmission Tariff	not filled up
	TRL – 3	Abstract of Grid sub-station	not filled up
	TRL – 8	Abstract of Transmission lines	partly filled up
	TRL – 9	Abstract of Transmission lines and grid Sub-stations.	not filled up
b)	<u>TRP No.</u>	<u>Name of TRP</u>	<u>Remarks</u>
	TRP – 2	Electrical Accidents	not filled up
	TRP – 4	Frequency Excursion	not filled up
	TRP – 5	Failure of Transformer (Nos)	Partly filled up
	TRP – 7	Interruption	Partly filled up
c)	<u>TRT No.</u>	<u>Name of TRT</u>	<u>Remarks</u>
	TRT – 6	Input to Orissa grid	not filled up.
	TRT – 7	Output of EHT Grid sub-stations Excluding auto transformer	not filled up
	TRT – 8	Calculation of Transmission Loss of EHT system	not furnished.
d)	Details of Transmission Projects during 2007-08,2008-09 & 2009-10 as per OERC Letter Dt.10.11.2009 at Annexure-A		Partly filled up
	Further, OPTCL is directed to furnish the upto date progress achieved in respect of all the Transmission projects and individual cost of the project out of the Package cost.		

10. OPTCL at Table-16 has proposed to spend an amount of Rs.258.94 crores on Transmission related infrastructure during FY 2010-11 in order to increase the overall system capacity and strengthen the Transmission Network in the state. On scrutiny, it is observed that there is mismatch in the expenditure proposed in ARR filing for FY 2010-11 vis-à-vis the phasing of expenditure as submitted in the Business Plan and in the Investment Proposal. OPTCL is directed to clarify the mismatch.
11. A table and a pie-chart indicating the duration and nature of interruption of transmission system of OPTCL during 2008-09 may be furnished. Further, OPTCL is required to explain the reason and action taken to avoid such type of interruptions in future.
12. OPTCL at Page-49 of its ARR Application for FY 2010-11 has proposed Transmission charges @ Rs.300399.53/MW/Month or @ 68.72 P/Kwh for transmission of power at 220/132 KV only over OPTCL's EHT transmission system. During performance review in the Commission on Dt.15.12.2009, OPTCL informed that 400 KV line from Meramundali to Mendhasal & 400/220/132 KV S/s at Mendhasal will be commissioned during January, 2010. Hence the Transmission charges proposed for FY 2010-11 for transmission of power should be at 400/220/132 KV over OPTCL's EHT Transmission network for 2010-11 which should be corrected accordingly and submitted before the Commission.

FINANCE:

13. The basis of calculation of transmission tariff in terms of Rs./MW/Month taking the MW arrived from the maximum demand of DISCOMs may be explained. OPTCL may point out under which Regulation they have calculated transmission tariff in this manner.
14. Audited Accounts for the financial year 2008-09 is not available. The same may be submitted.
15. In format TRF-2 OPTCL estimates fixed Assets addition of Rs.553.68 crore during 2009-10, which appear to be in higher side, in comparison to actual asset addition for last 3 years. The actual asset addition of last 3 years vis-à-vis figures approved by the Commission are indicated below:

(Rs. in Cr.)

Year	Approved by the Commission based on the filing by licensee	Actual as per Audited data/filing
2006-07	176.04	144.23
2007-08	505.09	206.10
2008-09	460.30	130.50

Therefore, actual asset addition upto November 2009 for the FY 2009-10 may be submitted.

16. The electronic copy of calculation of interest in Format TRF-3 incorporates entered figures only. The working sheet showing calculation of interest source-wise may be submitted.
17. **Employees cost:** The following information relating to number of employees may be submitted.
- (i)
 - (a) No. of employees (As on 01.04.2009)
 - (b) Retired as on 01.04.2009
 - (c) Induction of new employees during 2008-09
 - (d) Retired during 2008-09.
 - (e) No. of employees existing as on 01.04.2009.
 - (f) Induction during 2009-10 (Actual upto November'09)
 - (g) Retired during 2009-10 (Actual upto November'09)
 - (h) No. of employees existing as on 01.04.2010
 - (ii) OPTCL is required to submit the summary of salary statement for last 3 months (September to November 2009) indicating basic pay in revised scale, Grade Pay, DA, other allowances such as medical conveyance, HRA and other terminal parts of total salary for scrutiny at our end.
18. OPTCL is required to submit audited actual expenditure on repair and maintenance for the FY 2008-09 and actual for FY 2009-10 (Upto November 2009).
19. In TRF-3, the loans to be availed for new projects is projected as under:

(Rs. in Cr.)

	2009-10	2010-11	Total
Loan from PFC/REC	164.37	503.26	667.63
Short-Term Loan for new projects	18.26	55.92	74.18
Total	182.63	559.18	741.81

Project-wise details, justifying the quantum of loan projected in TRF-3 as mentioned in table above, may be furnished, along with the original date of commencement and scheduled date of completion etc. OPTCL may also clarify whether the new projects proposed has been sent to Commission for approval or approval has already been taken.

20. Utilization of contingency reserves as approved by the Commission in previous years may be submitted.
21. Month-wise cash flow statement considering revenue items only for the FY 2008-09 and 2009-10 (Actual upto November 2009) may be submitted.
