

ODISHA ELECTRICITY REGULATORY COMMISSION
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No.OERC-Eng-58/2000(General)-1682

Dated- 31 .12.2015

To

The Authorised Officer,
SOUTHCO Utility, Courtpeta,
Berhampur.

Sub: **Review of Energy Audit and Revenue Collection of SOUTHCO for the first half of FY 2015-16 held in OERC on 07.12.2015.**

Sir,

In inviting a reference to the subject cited above, I am directed to send herewith the record note on the review of Performance of SOUTHCO for the first half of FY 2015-16 held in OERC on 07.12.2015 for your information and necessary action.

Yours faithfully,

Encl: As above.

SECRETARY

Copy to:

- i) The Principal Secretary, Department of Energy, Govt. of Odisha along with copy of the enclosure for favour of information.
- ii) The CMD, GRIDCO, Janpath, Bhubaneswar along with copy of the enclosure for favour of information.

Sd/-

SECRETARY

**Record Note of Energy Audit and Revenue Performance of SOUTHCO held on
07.12.2015 at 11.00AM in the Conference Hall of the OERC**

Date of Review : 7th December, 2015

Period of Review : April-September, 2015-16

Representatives of SOUTHCO Officials, as per the list enclosed as Annexure-I.

The Energy Audit and Revenue performance of SOUTHCO for the first half of FY 2015-16 was reviewed by the Commission on 7th December, 2015 at 11.00 AM in the presence of senior officials of SOUTHCO, as annexed with this report. A brief minute of this meeting is as given below

The meeting began with the review of revenue performance of SOUTHCO. The increase of revenue & collection by the licensee during the 1st half of the current FY 2015-16 compared to the same period of 2014-15 is just Rs.25.05 cr. This has resulted in an increase of per unit realization of 21.53 paise against the average RST hike of 20 paise across all categories of consumers. The loss reduction, if any, is not visible due to existence of arrears and needs to be more prominent. To this, the Authorized Officer, SOUTHCO submitted that they have taken a lot of measures such as increasing the number of consumers under billing fold, increasing the number of call centers, laying of AB cables, disconnection squads at section level and so on. The 1st half yearly performances of four DISCOM of the state are as given below:

COMPARISON OF 1ST SIX MONTH PERFORMANCE

	AT & C LOSS LT		% Difference	REVENUE Rs Cr		Difference in Rs Cr	Realization Per Input LT in Paise		Difference in Paise
	2014- 15	2015- 16		2014- 15	2015- 16		2014- 15	2015- 16	
CESU	55.11%	52.79%	-2.32%	1335.07	1388.87	53.80	203.21	221.91	18.70
NESCO	56.38%	55.62%	-0.76%	857.77	923.38	65.61	173.99	189.21	15.22
WESCO	72.69%	67.91%	-4.78%	1150.31	1157.96	7.65	113.03	136.83	23.80
SOUTHCO	56.34%	54.39%	-1.95%	376.33	401.38	25.05	171.21	192.74	21.53

Energy Audit

The Authorized Officer SOUTHCO submitted that SOUTHCO is quite late in its initiative for Energy Audit. However it has presently carried energy audit in 75 nos of 11 KV feeders. Remaining 11 KV feeders are to be metered by the end of March 2016.

To carryout energy audit in complete shape in line with the directives of the Commission, Southco has taken one Ramachandrapur 33/11 KV S/s under GNED,Chatrapur. Three nos of 11 KV feeders namely 11KV Mayapatna Feeder, 11 KV Bhikaripalli and 11 KV Chamakhandi Feeder of Ramchandrapur 33/11 KV S/s has been metered as well as 94 nos of DTRs. The energy Audit report has already been submitted with Hon'ble OERC.

The Commission expressed displeasure over lagging energy audit activity undertaken by DISCOMs. OERC has given several directions in past to carry out energy audit in at least one 33 KV feeder starting from the sub-station to the level of consumer and complete mapping. NESCO stated to have completed complete energy audit of one 11 KV feeder i.e , Sahadevkhuntia feeder under Balasore division. WESCO and SOUTHCO identified Cheruapda 33kv Feeder in Sambalpur Electrical Division and Ramachandrapur 33/11 KV S/s under GNED,Chatrapur respectively.

Commission finds it appropriate to attract provision of Section 142 under Electricity Act for failure on the part of DISCOMs to carry out the order of the Commission. The DISCOM have to demonstrate their commitment to conduct energy audit covering not less than then (10) number of feeders in a month so as to complete energy audit in their entire area of operation within a visible time frame.

DIRECTIVES OF THE COMMISSION

1. Commission expressed displeasure over the poor performance of DISCOMs Sales and collection from revenue is far from a sustainable business environment.
2. There appears to be no improvement during the 1st half of the current financial year compared to that of the previous year i.e. 2014-15 so as to make an optimistic assumption.
3. Therefore it is directed that:-
 - (a) The growth in sales on energy and connected revenue must be in upward trend month-wise for each division to achieve the loss reduction target specified by the Commission.

- (b) CEOs and COOs shall monitor the improvement parameters monthly basis and fortnightly for last quarter of the year.
- (c) Officers in charge of divisions and circles shall monitor performance under them weekly preferably on Monday and Tuesday at 10.00AM and prescribe corrective measures to achieve the target along with report to COO.
- (d) There must be visible progress on installation of AMRs for specified CD. Work plan shall be submitted to COO/ CEO. All officers shall endeavor to achieve the target promised.
Consolidated report shall be submitted to Commission monthly.
- (e) Energy Audit targets must be progressive and periodical reports shall be sent to Commission till target achieved.
- (f) Metering installations shall be complete with CT & PT / metering cubicle for Energy Audit. Road map for energy audit shall be furnished by each division to COO. All officers shall ensure adherence to targeted commitments.
- (g) Directions in various ARRAs shall be complied.
- (h) CEO and COO of each DISCOM is directed to prepare plan & PERT chart on sales, revenue and energy audit and submit it to Commission and also direct subordinate for strict implementation.
