Summary of ARR & Tariff Filings

Submitted by

TPCODL, TPWODL, TPSODL and TPNODL Electricity Distribution Companies of Odisha for FY 2023-24

DISCOMsSummaryofAnnualRevenueRequirement(ARR)&RetailSupplyTariff(RST)ProposalSubmittedbyElectricityDistributionCompaniesofOdishafortheFY2023-24

1. EnergySale,Purchaseand Loss

A statement ofEnergyPurchase,SaleandOverall Distribution LossfromFY2019-20to2023-24assubmittedbyDISCOMofOdishanamelyTP Central Odisha Distribution Ltd (TPCODL, erstwhile CESU), TP Western Odisha Distribution Ltd (TPWODL, erstwhile WESCO Utility), TP Southern Odisha Distribution Ltd. (TPSODL, erstwhile SOUTHCO Utility) and TP Northern Odisha Distribution Limited. (TPNODL, erstwhile NESCO Utility)isgivenbelow.

Table1: EnergySale,PurchaseandLoss (Considering railway traction demand)

DISCOMs	Particulars	2019-20 (Actual)	2020-21 (Actual)	2021-22 (Actual)	2022-23 (Rev-Est)	2023-24 (Est)
TPCODL	Energy Sale (MU)	6273.189	6202.32	6728	7787.99	8668.2
	Energy Purchased (MU)	8160.1	8370.43	8817	10112.35	10999
	Overall Distribution Loss %	23.124	25.90	23.69	22.99	21.19
TPNODL	Energy Sale (MU)	4722.18	3921.63	4346.99	5472.47	6246.64
	Energy Purchased (MU)	5439.43	4941.19	5327	6702.35	7458.9
	Overall Distribution Loss %	13.19	20.63	18.40	18.35	16.25
TPWODL	Energy Sale (MU)	6115	5714	7355.8	10071	10482
	Energy Purchased (MU)	7524	7625	9313.2	12300	12800
	Overall Distribution Loss %	18.73	25.07	21.02	18.12	18.11
TPSODL	Energy Sale (MU)	2619.97	2768.94	3021.54	3372.65	3586.54
	Energy Purchased (MU)	3468.62	3599.29	3941.54	4495.36	4781.27
	Overall Distribution Loss %	24.47	23.07	23.34	24.99	24.98

2. AT&CLosses

The SystemLoss,CollectionEfficiencyandtargetfixedbyOERCinreferencetoAT&CLossforthefourDISCOMssinceFY2019-20onwardsaregivenhereunder.

Table2:AT&CLosss

DISCOMs	Particulars	2019-20 (Actual)	2020-21 (Actual)	2021-22 (Actual)	2022-23 (Rev-Est.)	2023-24 (Est)
TPCODL	Dist. Loss (%)	23.124	25.90	23.69	22.99	21.19
	Collection Efficiency (%)	90.51	95.09	97.36	99	99

	AT&C Loss (%)	30.42	29.54	25.70	23.76	21.98
	OERC Approved (AT&C Loss %)	23.77	23.70	23.70	23.70	22.00
TPNODL	Dist. Loss (%)	13.19	20.63	18.40	18.35	16.25
	Collection Efficiency (%)	86.38	94.28	94.20	99.00	99.00
	AT&C Loss (%)	25.01	25.17	23.13	19.17	17.09
	OERC Approved (AT&C Loss %)	19.17	19.17	19.17	19.17	17.09
TPWODL	Dist. Loss (%)	18.73	25.07	21.02	18.12	18.11
	Collection Efficiency (%)	87.91	97.71	92.93	97.2	99
	AT&C Loss (%)	28.56	26.78	26.60	20.41	18.93
	OERC Approved (AT&C Loss %)	20.40	20.40	20.40	20.40	18.90
TPSODL	Dist. Loss (%)	24.47	23.07	23.39	25.00	24.99
	Collection Efficiency (%)	84.34	91	88.06	94	94
	AT&C Loss (%)	36.30	29.99	32.49	29.50	29.49
	OERC Approved (AT&C Loss %)	26.25	26.25	25.75	25.75	25.75

3. DataSources

TPNODL, TPWODL, TPSODL and TPCODL have scrupulously complied with the information requested by the Commission for submitting the ARR and tariff for the year FY 2023-24. TPCODL has submitted it petition for true up for FY 2020-21, FY 2021-22. TPSODL had submitted its petition for trueing up for FY 2020-21, FY 2021-22 and provisional true up for FY 2022-23. TPNODL has submitted its petition for trueing up for the FY 2021-22. TPWODL had submitted its application for truing up for FY 2020-21 (3 months) & FY 2021-22.

4. RevenueRequirementforFY2023-24

SalesForecast

TPCODL had submitted that CAGR is the reasonably common method to project future sales based on the data of past few years. They have provided the table containing the trend of past few years' sales data and due to COVID the sales projections were not consistent. Now after normalization of industrial loads TPCODL is expecting higher sales in HT and EHT category than the normal CAGR. TPCODL had projected the sales based on the previous years' trends and requests in hand for the LT, HT and EHT consumer categories.

TPNODL had relied on the past ten years' data with correction for the data during COVID period while projecting the sales for the year 2023-24. They have also considered the sales for households being electrified, sales to the new and industries reviving the operation after shutdown during COVID period, consumption for the CGP and steel industries.

TPWODL had submitted that post COVID and improvement in billing the LT sales is expected to grow at slightly higher rate. However, due to shifting electricity consumption to CGPs by the steel industries and railways the EHT sales is expected to grow at very low rate.

TPSODL had submitted that their LT sales is expected to grow at lower rate as the load in this segment was increased post COVID. HT and EHT segment load growth is expected close to 6 to 7% on year on year basis.

Table3SalesForecast

Licensee	LTSalesfor2023-24(Est.)		HTSalesfor2023-24(Est.)		EHTSalesfor2023-24(Est.)		TotalSales2023-24(Est.)MU
	(MU)	% Rise over FY22-23	(MU)	% Rise over FY22-23	(MU)	% Rise over FY22-23	
TPCODL	4902	11%	1908	7%	1858	17%	8668
Remarks	Projected the sales based on previous years' trends and requests in hand.		Higher HT sales projections due to normalizing of Industrial Loads post COVID		Higher EHT sales projections due to normalizing of Industrial Loads post COVID.		
TPNODL	2607	11.31%	685	8.33%	2953	18.26%	**6246**
Remarks	Slightly more growth than the 8% normal considered due to various techno-commercial initiatives to increase sales and reduce thefts. Increased sales due to electrification, agro industrial activities is expected to increase LT sales		Increased consumption by steel industries and industries with CGPs will increase consumption by HT Consumers		Considering the increasing fuel costs, increasing open access tariffs, the CGPs and OA consumers are again started availing utilities power added with few new consumers licensee is expecting good growth in EHT sales		
TPWODL	3314	7.42%	2123	4.83%	5045	1.69%	**10482**
Remarks	With improvement in consumer billing and increased sales to LT irrigation consumers the LT sales is expected to grow slightly high		Railways consumers shifted to EHT, significant increase in agriculture and allied agriculture consumption		EHT consumption is mainly by railways, steel industries. Shafting of consumption from utility to CGPs has let to less demand growth by EHT sector		
TPSODL	2553	3.71%	391	6.53%	642	7.04%	**3586**
Remarks	Load was increased post COVID and hence for FY 2023-24 further slight load growth expected		Load was increased in 2022-23 post COVID and hence for FY 2023-24 further slight load growth expected		Increase in captive consumption from CGPs will lead to lower growth in this segment		

5. InputsinRevenueRequirementforFY2023-24

5.1. PowerPurchaseExpenses

TheLicenseeshaveproposedthepowerpurchasecostsbasedontheircurrentBSP,transmissionchargesandSLDCcharges.They have also projected their SMD considering the actual SMD duringFY 2022-23 and additional coming in the FY 2023-24 which is as shown in table given below.

Table4ProposedSMDandPowerPurchaseCost

DISCOMs	Est.PowerPurchasein(MU)	EstimatedSales(MU)	Distribution Loss(%)	Current BSP (Paise/Unit)	EstimatedPowerPurchaseCost(Rs.inCr.)(IncludingTransmissionandSLDCCharges)	SMDproposedMVA
TPCODL	10999	8668.2	21.19%	300	3574	2192
TPNODL	7458.9	6246.64	16.25%	321	2604	1500
TPWODL	12800	10482	18.11%	360	5100.06	1850

TPSODL	4781.27	3586.54	24.98%	227	1220	800

5.2. EmployeesExpenses

TPCODL, TPNODL, TPWODL and TPSODL have projected the employee expenses for FY 2023-24 and revised estimates for FY 2022-23 based on the six months' actual expenses. The projected employee expenses are based on the projected employee strength and has considered the expenses towards salary for permanent and contractual employees, PF payment, medical and other incentives, terminal benefits, payment of arrears etc. Further, the net employee expenses after capitalization are compared with the current year's projections and summarized in the following table.

Employee Expenses after capitalization	TPCODL	TPNODL	TPWODL	TPSODL
Employee Expenses in 22-23	773.55	429.29	564.71	517.60
Employee Expenses in 23-24	827.23	484.90	614.97	608.90
% Rise YOY	6.94%	12.95%	8.90%	17.64%

5.3. AdministrativeandGeneralExpenses

As per the Tariff Regulations 2022, the five year MYT period starts from FY 2022-23 to FY2027-28. The regulation permits 7% escalation YOY for estimating the A&G expenses for the ensuing year. For estimating the base year's A&G expenses, the licensees have only six months data i.e. for the period from April 22 to Sept 22. Due to implementation of different activities for reduction of AT&C loss and increasing the billing and collection the licensees are incurring higher A&G expenses than that approved by the Commission. Accordingly, the licensees have requested 7% increase over the revised estimates of A&G expenses for FY 2022-23. Further over the normal escalation of 7%, the licensees have projected additional A&G expenses for various activities considered as important and necessary. The approved A&G expenses for FY 2022-23, revised estimates of A&G expenses for 2022-23, A&G expenses proposed for FY 2023-24, and additional A&G etc. are summaries in following table:

A&G expenses	TPCODL	TPNODL	TPWODL	TPSODL
A&G approved by OERC for FY 2022-23	132.72	84.23	110.39	77.25
Revised estimated A&G for FY 2022-23	-	150.84	173.76	-
Estimated Normal A&G for FY 2023-24	142	98.21	185.78	68.04
Additional A&G proposed for FY 2023-24	20	101.01	76.37	69.55
Total A&G proposed in ARR for FY 2023-24	163.51	199.22	262.16	137.59

The licensees have submitted that the higher A&G expenses during the current and ensuing year are on account of meter reading, billing and collection, IT Automation, AMR related expenses, insurance expenses, professional charges, enforcement activities, Customer care, compensation towards electrical accidents etc.

TPCODL, TPNODL, and TPSODL have proposed additional A&G expenses for the undertaking the activates related to metering, billing and Collection. TPWODL has proposed additional A&G expenses towards Energy Audit, special drive for shifting of meter to outside premises, GIS, SCADA, Communication, OT, Data Charges, special drive to improve MBC activity, re-establishment of energy police stations, IT automation, Vigilance and enforcement etc.

Accordingly, TPCODL, TPNODL, TPWODL and TPSODL have estimated the A&G expenses of Rs 162 Cr, Rs 199.22Cr, Rs 262.16Cr and Rs 137.59Cr respectively for FY 2023-24.

5.4. RepairandMaintenance(R&M)expenses

As per the Tariff Regulations 2022, the R&M expenses are permitted at specified rate on the opening GFA owned by the licensee and at 3% for the assets created through consumer contribution and grants. Accordingly, the licensees have projected the R&M expenses as per following for the FY 2023-24.:

Table5R&MCosts(RsinCr)

R&M expenses	TPCODL	TPNODL	TPWODL	TPSODL
Opening GFA of DISCOMS own assets in Rs. Cr as on 1 April 2023	5256.99	2778.83	3009.44	1541
% of GFA on DISCOM's own assets approved towards R&M	4.2%	4.5%	4.5%	5.4%
R&M Expenses for DISCOM's own assets in Rs Cr	220.79	125.05	135.42	83.21
Opening GFA of assets created through grants in Rs. Cr as on 1 April 2023	2350.04	2033.26	3398.17	2406
% of GFA on assets created through grants approved towards R&M	3%	3%	3%	3%
R&M Expenses for assets created through grants in Rs Cr	70.50	60.99	101.95	72.18
Total R&M Expenses for FY 2023-24 as per Regulation 2022	**291.29**	**186.05**	**237.37**	**155.40**

TPCODL and TPSODL have proposed the R&M expenses of Rs 291.29 Cr and Rs 155.40 Cr respectively based on the normative R&M permitted under the Regulations 2022.

TPNODL has estimated the R&M expenses for FY 2023-24 as Rs.257.19 Cr. towards Civil repairs and maintenance, distribution line repairs and maintenance, transformer repairs, Other R&M etc. They have submitted that the regulation permits special R&M for the licensees to undertake critical activities which are not covered under approved capital investment plan. They have mentioned critical need of 11 and 33Kv AMC for improvement in reliability. Accordingly, TPNODL had proposed R&M expenses for FY 2023-24 as Rs 257.19 Cr.

TPWODL has submitted that for the current FY 2022-23, as per the Regulations 2014, 5.4% of opening GFA is permitted towards R&M. The licensee has reported that they have incurred the expenditure of Rs 156.03 Cr towards R&M in first six months and considering balance six months total expenditure towards R&M in FY 2022-23 will be close to Rs. 300 Cr. They have further submitted that FY 2023-24 being the first year of the control period and they have already executed the AMCs for R&M of the distribution lines and to ensure the proper reliability they have requested to permit R&M at 5.4% of GFA which is Rs 346.01 Cr for 2023-24.

5.5. ProvisionforBadandDoubtfulDebts

The Regulations 2022, allows provision towards Bad and Doubtful Debt at 1% of the revenue billed for sale of electricity. This 1% revenue is allowed to pass through the ARR. The provision for the bad and doubtful debts proposed by the licensees is as follows:

Table6ProvisionforBadandDoubtfulDebt

DISCOMs	Total revenue billed for 2023-24 (Rs in Cr)	1% Provision towards Bad and Doubtful Debt (Rs in Cr)	Proposed Bad Debts for 2023-24 (Rs in Cr)
TPCODL	5086.6	50.87	50.87
TPNODL	3503.14	35.03	35.03
TPWODL	6171.82	61.72	61.72
TPSODL	1985.71	19.86	19.86

5.6. Depreciation

As per the OERC tariff regulations 2022, the depreciation on the assets transferred through vesting order is calculated on the per-up valued cost of assets at pre 19992 rate on the assets base approved by the Commission. For the new created assets the depreciation is calculated based on the SML method by all the licensees at the rate defined in the Regulations. Accordingly, the depreciation projected for the ensuing financial year by TPCODL is Rs. 81.38Cr, by TPWODL is Rs. 97.06 Cr, by TPNODL is Rs. 66.88 Cr by TPSODL is Rs 62.09Cr.

5.7. InterestExpenses

TPCODL, TPNODL, TPWODL&TPSODL have submitted the interest expenses and the interest income for the FY 2023-24.

The major components of the interest expenses of these licensees are as follows:

5.7.1. Interest on Capex Loan

TPCODL has estimated the interest on long term debt as 46.61 Cr. Accordingly, TPNODL has estimated the interest on long term debt as 39.44 Cr. TPWODL has estimated the interest on long term debt as 58.32Cr. TPSODL has estimated the interest on long term debt as 28.34 Cr.

5.7.2. Interest on Working Capital

As per the tariff Regulations 2022, the components for interest on Working capital includes O&M for 1 month, Spares 20% of R&M of 1 month, 1month power purchase cost. The licensees have considered the rate of interest for working capital as SBI base rate plus 300 basis points. Accordingly, TPCODL has projected the interest on working capital as Rs. 46.87Cr. For FY 23. TPNODL has projected the interest on working capital as Rs. 35.22 Cr. For FY 23. TPWODL has projected the interest on working capital as Rs. 58.95 Cr. For FY 23. TPSODL has projected the interest on working capital as Rs. 20.27 Cr. For FY 23.

5.7.3. Interest earned on Security deposits

TPCODL has projected the interest on SD as Rs. 65.56 Cr. For FY 23. TPSODL has projected the interest on security deposit Rs. 18.13Cr. For FY 23. TPNODL has projected the interest on SD as Rs. 36.03 Cr. For FY 23. TPWODL has projected the interest on SD as Rs. 46.75Cr. For FY 23.

6. RevenueandTruingupARR

6.1. Non-TariffIncome

TPCODL, TPNODL, TPWODL and TPSODL have proposed non-tariff income for FY 2023-24 to the tune of Rs. 109.56 Cr, Rs 178.45Cr, Rs 289.33 Cr and Rs 55.65Cr respectively from the wheeling business and retail supply business which is mainly through receipts to licensee from meter rent, service connection charges, reconnection charges, ODP, DPS, rebate on power purchase, interest on FD etc.

6.2. ReturnonEquityand Tax on Income

TPCODL has projected the RoE of Rs.98.75 Cr and tax on Income of Rs. 33.21Cr. for FY 23-24.TPWODL has projected the RoE of Rs.109.44 Cr and tax on Income of Rs. 36.81Cr. for FY 23-24.TPNODL has projected the RoE of Rs.79.42Cr and tax on Income of Rs. 26.71Cr. for FY 23-24.TPSODL has projected the RoE of Rs. 54.14Cr for FY 23-24.

6.3. TruingUpforFY2022-23

Based on the actual sales, revenue and expenses for the first half of the current year 2022-23and based on estimates for next half of current year, the uncovered gap for FY 2022-23 for TPCODL is 90.85 Cr as against the approved surplus of Rs. 1.78 Cr. Similarly, TPWODL had submitted the estimated ARR for 2022-23 will be surplus with Rs. 189.02 Cr as against the surplus of Rs. 40.14 Cr approved by Commission. TPSODL has projected revenue gap of Rs. 210.80 Cr for FY 2022-23 as against the Commission's approved surplus of Rs.4.73 Cr.

6.4. RevenueatExistingTariff

The Licensees have estimated the revenue from sale of power by considering the sales projected for FY 2023-24 and by applying various components of existing tariffs. The total revenue based on the existing tariffs applicable for the projected sales is estimated at Rs.5144Cr by TPCODL,Rs.3503.14 Cr by TPNODL, Rs. 6171.82 Cr by TPWODL, Rs. 1985.71 Cr by TPSODL.

7. SummaryofAnnualRevenueRequirementandRevenueGap

TheproposedrevenuerequirementofDISCOMshavebeensummarizedbelow:

Table7
ProposedRevenueRequirementofDISCOMsfortheFY2023-24(RsinCr)

	TPCODL	TPNODL	TPWODL	TPSODL	TotalDISCOMs
Total Power Purchase, Transmission & SLDC	3610.3	2604.23	5100.06	1219.9	12534.49
Total Operation & Maintenance and Other Cost	1574.32	1153.95	1545.95	1071.42	5345.64
Return on Equity	98.75	79.42	109.44	54.14	341.75
Tax on ROE	33.21	26.71	36.81		96.73
Total Distribution Cost (A)	5316.58	3864.31	6792.26	2345.46	18318.61
Total Special Appropriation (B)	0	21.48	(730.99)	0	(709.51)
Total expenditure including special appropriation (A+B)	5316.58	3885.79	6061.27	2345.46	17609.1

Less: Miscellaneous Receipt	109.56	178.44	289.33	55.57	632.9
Total Revenue Requirement	5207.02	3707.34	5771.94	2289.89	16976.19
Expected Revenue(Full year)	5144	3503.14	6171.82	1985.71	16804.67
GAP at existing(+/-)	(63.02)	(204.20)	399.88	(304.18)	(171.52)

8. TariffProposal

TPNODL has submitted the "Green Tariff" approved by Ho. Commission of 50 paisa per unit has no off takers and proposed to reduce the same to 25 paisa. All the licenses have proposed methodology to issue Green tariff certificates to the end users opting for Green Power. Apart from the green tariff revision all the licensees have not proposed any tariff revision apart from the tariff rationalization measures to improve the revenue.

9. Allocation of Wheeling and Retail Supply Cost

The licensees have submitted the allocation of wheeling and retail supply cost of their total ARR based on the Hon. Commissions Regulations on bifurcation of Wheeling and Retail Supply Business.

Table 8
Allocation of Wheeling and Retail Supply Cost
TPCODL
Statement of allocation of Wheeling & Retail Supply Cost (Rs. In Crore)

Sl. No.	Cost/Income Components	ARR for FY 2023-24	Assumption Ratio for consideration of Wheeling Business	Assumption Ratio for consideration of Retail Supply Business	Wheeling Cost for FY 23-24	Retail Supply Cost for FY 23-24
1	**Power Purchase Cost**	3610.3	0%	100%	0	3610.3
2	**O&M Expenses**					
	Employee Cost	827.23	60%	40%	496.34	330.89
	A & G Expenses	163.91	50%	50%	81.75	81.75
	R & M Expenses	291.29	90%	10%	262.17	29.13
	Bad & Doubtful Debt including Rebate	50.87	0%	100%	0	50.87
	Depreciation	81.38	90%	10%	73.24	8.14
3	**Capital Cost**					
	Interest on Working Capital	46.87	10%	90%	4.69	42.18
	Interest on Capital Loan	46.61	90%	10%	41.95	4.66
	Interest on Security Deposit	65.56	0%	100%	0	65.56
	ROE	98.75	90%	10%	88.87	9.87
	Tax on ROE	33.21	90%	10%	29.89	3.32
	Interest on ASL	0	90%	10%	0	0
	ASL repayment	20.45	90%	10%	18.41	2.05

	Non-tariff Income – Wheeling	-74.82	100%	0%	-74.82	0
	Non-tariff Retail Income	-34.74	0%	100%	0	-34.74
	Grant Total	**5226.48**			**1022.49**	**4203.99**

TPNODL
Statement of allocation of Wheeling and Retail Supply Cost. Rs. Crore

Sl. No.	Cost/Income Components	ARR for FY 2023-24	Assumption Ratio for consideration of Wheeling Business	Assumption Ratio for consideration of Retail Supply Business	Wheeling Cost for FY 23-24	Retail Supply Cost for FY 23-24
1	Cost of Power	2394.30	0%	100%	0	2394.30
2	Transmission Charges	208.84	0%	100%	0	208.84
3	SLDC Charges	1.07	0%	100%	0	1.07
	Total power purchase cost *	2604.23			**0**	2604.23
	O&M					
4	Employee Cost	484.89	60%	40%	290.93	193.95
5	Repair & Maintenance Cost	527.19	90%	10%	231.47	25.71
6	Administrative & General Expenses	199.22	40%	60%	79.68	119.53
7	Bad & Doubtful Debt including Rebate	35.03	0%	100%	0	35.03
8	Depreciation	66.88	90%	10%	60.19	6.68
	Interest on Loans					
9	for Capital loan	39.44	90%	10%	35.49	3.94
10	for Working capital	35.22	10%	90%	3.52	31.69
11	Interest on Security Deposits	36.03	0%	100%	0	36.03
12	Return on Equity	79.42	90%	10%	71.48	7.94
13	Tax on ROE	26.71	90%	10%	24.04	2.67
	Special Appropriation					
14	Carrying Cost	21.48	25%	75%	5.37	16.11
15	True Up of Current year GAP 1/3rd	0.00	25%	75%	0.00	0.00
16	Other, if any- Contingency	0.00	25%	75%	0.00	0.00

Sl. No.	Cost/Income Components	ARR for FY 2023-24	Assumption Ratio for consideration of Wheeling Business	Assumption Ratio for consideration of Retail Supply Business	Wheeling Cost for FY 23-24	Retail Supply Cost for FY 23-24
	Reserve					
	Grand Total	**3885.79**			**927.65**	**2958.13**
	Miscellaneous Receipt					
17	Non-Tariff Income – Wheeling					
18	Non-Tariff Income - Retail Business					
9	**Total Misc. Receipts**	**178.44**	**10%**	**90%**	**17.84**	**160.60**
20	**Total Revenue Requirement**	**3707.34**			**909.80**	**2797.53**
*** Allocation of power purchase cost towards wheeling has been made considering 8 % loss on input after effecting EHT Sales**						

TPWODL
Statement of allocation of Wheeling and Retail Supply Cost. Rs. Crore

Sl. No.	Cost/Income Components	ARR for FY 2023-24	Assumption Ratio for consideration of Wheeling Business	Assumption Ratio for consideration of Retail Supply Business	Wheeling Cost for FY 23-24	Retail Supply Cost for FY 23-24
1	Cost of Power	4740.00	0%	100%	223.34	4516.65
2	Transmission Charges	358.40	0%	100%	17.37	341.02
3	SLDC Charges	1.66	0%	100%	1.66	0.00
	Total power purchase cost *	**5100.06**			**242.38**	**4857.68**
	O&M					
4	Employee Cost	614.97	60%	40%	368.98	245.98
5	Repair & Maintenance Cost	346.01	90%	10%	311.40	34.60
6	Administrative & General Expenses	262.15	40%	60%	104.86	157.29
7	Bad & Doubtful Debt including Rebate	61.71	0%	100%	0.00	61.71
8	Depreciation	97.06	90%	10%	87.35	9.70
	Interest on Loans					

9	For Term Loan CAPEX	58.32	90%	10%	52.49	5.83
10	for Working capital	58.95	10%	90%	5.89	53.05
11	Interest on Security Deposits	46.75	0%	100%	0.00	46.75
12	Return on Equity	109.44	90%	10%	98.49	10.94
13	Tax on ROE	36.81	90%	10%	33.13	3.68
14	Carrying cost on Regulatory Assets/Liabilitie s	-16.44	90%	90%	-14.80	-1.64
	Special Appropriation					
15	Amortization of Regulator Assets	0.00	25%	75%	0.00	0.00
16	True Up of Current year	-714.55	25%	75%	-178.63	-535.91
17	Other, if any- Contingency Reserve	0.00	90%	10%	0.00	0.00
	Grand Total	**6061.27**			**1111.57**	**4949.70**
	Miscellaneous Receipt					
18	Non-Tariff Income - Wheeling		as per actual assumption	as per actual assumption		
19	Non-Tariff Income - Retail Business	289.33	as per actual assumption	as per actual assumption		

***Allocation of power purchase cost towards wheeling has been made considering 8 % loss on input after effecting EHT Sales**

TPSODL

Statement of allocation of Wheeling & Retail Supply Cost (Rs. In Crore)

Sl. No.	Cost/Income Components	ARR for FY 2023-24	Assumption Ratio for consideration of Wheeling Business	Assumption Ratio for consideration of Retail Supply Business	Wheeling Cost for FY 23-24	Retail Supply Cost for FY 23-24
	Power Purchase Cost					
1	Total Power Purchase cost	**1219.9**	0%	100%	**0**	**1219.9**
	O&M Expenses					
2	Employee Cost	608.90	60%	40%	365.34	243.56
3	A & G Expenses	137.59	40%	60%	55.04	82.56
4	R & M Expenses	155.40	90%	10%	139.86	15.54
5	Bad & Doubtful Debt including Rebate	19.86	0%	100%	0	19.86

6	Depreciation	62.09	90%	10%	55.88	82.56
	Capital Cost					
7	Interest on Working Capital	20.27	10%	90%	2.07	18.25
8	Interest on Capital Loan	28.34	90%	10%	25.51	2.83
9	Interest on Security Deposit	18.13	0%	100%	0	18.13
10	ROE	54.14	90%	10%	48.72	5.41
	Special Appropriation					
11	Amortization of Regulator Assets	0	25%	75%	0	0
12	True Up of Current year GAP 1/3rd	0.00	25%	75%	0	0
13	Contingency Reserve	0.00	90%	10%	0	0
	Grant Total	**2234.24**			**688.96**	**1545.28**
14	Miscellaneous Receipt					
15	Non-Tariff Wheeling Income	-11.07			-11.07	
16	Non-Tariff Retail Income	-44.58				-44.58
	Total	**2289.89**			**700.03**	**1589.86**

***Allocation of power purchase cost towards wheeling has been made considering 8 % loss on input after effecting EHT Sales**

10. Tariff Proposals and Rationalization Measures:

a. <u>Proposal by TPCODL</u>

TPCODL proposed following tariff design and rationalization measures:

- **Levy of Cyclone Resilient Network Cess:** Odisha is extremely vulnerable to cyclones with increasing frequency of occurrences. To restore the system after cyclone, the state government and central government do extend support to the licensees based on the impact of cyclone. However, the Licensee is of the view to maintain some inventory in order to timely restore the system and accordingly the petition was also submitted. Further licensee has proposed to levy a Cess of 2 paisa per unit to all consumers except BPL category to support the DISCOMs to build inventory so that mitigation / emergency restoration activities can be taken up to tackle such events.
- **Amendment to the ToD tariff:**The licensees has observed that there are two peaks in summer and winter at different time during the day and they have submitted the 15 minutes demand profile. At present the ToD tariff discount of Rs 0.20 per units is offered for the time slot between 10 pm to 6 am to three phase consumers. In view of changing demand licensee has proposed to change the off-peak period as 1.00 to 6.00 hrs and 16.30 to 18.00 hrs during summer months. Similarly, they proposed the off-peak period of 00 hrs to 5.00 hrs for winter months for the purpose of extending discounted tariff.
- **Revision of meter rent for Smart Meter Connections:**at present Rs. 60 per month and Rs. 150 per month of meter rent for single and three phase smart energy meters is in force. CEA and MOP directed to implement smart meters completely by 2025. Considering the present cost

of Rs. 5200/- for single phase smart meter it is not possible to recover the meter cost at present meter rent. Accordingly, the licensee proposed to revise the meter rent to Rs. 80 per month to be recovered from 90 months. Licensee has also requested to specify pre-paid smart meters for all the new connections having consumption above 100 units per month.

- **Full recovery of meter rent:** In order to ensure replacement of existing meters by prepaid smart energy meters, the licensee has requested Hon. Commission to permit recovery of full cost.
- **Provision regarding Industries owning Generation Station and CPP availing Emergency Supply only:** In the CGP and CPPs consume power for short period with very high demand leading to increase in SMD of the licensees. In order to avoid such situations, the licensee has proposed to restrict the drawl at 10% LF or 100% of the highest capacity generation unit. In case due to such drawls if SMD is breached due to overdrawal, then penalty on excess demand of 10% of the highest generation unit shall be charges to the consumer at the same rate applicable for the HT and EHT consumers.
- **Proposal for considering Contract Demand in case of conversion of connection from Emergency Supply into two-part tariff after continuous violation for 3 months:** In case of conversion from Emergency Supply to two part tariff in the event of continuous violation for 3 months, the licensee proposed to levy Contract demand at 10% of the highest generation units capacity or as per 80% CD or MD whichever is higher and restricting the consumption of electricity upto 10% of highest generation capacity.
- **LT tariff for Consumers with CD<=70kVA:** The licensee has submitted that the consumers, who would have been normally supplied on LT (i.e. upto 70 kVA), are supplied in HT due to non-availability of as LT supply and they are billed at HT tariffs. In such cases, the transformer loss in passed on to LT consumers due to HT metering and this leads to grievances. Therefore, TPCODL proposes that all consumer with CD<=70 kVA, shall be billed on LT tariff irrespective of supply voltage and category.
- **Overdrawal penalty & Demand Charge for all consumers with CD>=110 kVA:** Licensee proposed to levy overdrawal penalty and the demand charge shall be levied on the 80% of CD or MD whichever is higher to HT and LT consumers with CD>=110 kVA.
- **Need for Separate tariff Category for HT Public lighting:** Public lighting tariff category is available only for LT supply. However, some of the connections are provided supply through HT and Licensee has proposed to have separate HT Public Lighting supply category for such consumers.
- **Revision of Reconnection Charges with penalty clause:** Licensee submitted that the reconnection charges are constant for quite long time and they feel requirement of upward revision considering the rising costs. further, licensee has proposed double reconnection charges for consumers having repeated reconnections to avoid such reconnections. Present and proposed charges are as follows:
-

	Prior to 1st April 2012	Continuing since 1st April 2012	Proposed Reconnection charges
LT Single Phase Domestic Consumer	Rs.75/-	Rs.150/-	Rs.300/-
LT Single Phase other consumer	Rs 200/-	Rs.400/-	Rs 800/-
LT 3 Phase consumers	Rs.300/-	Rs.600/-	Rs.1200/-
All HT & EHT consumers	Rs.1500/-	Rs.3000/-	Rs.6000/-

- **Creation of Energy Police Station:** In past during 2008, the State Government had taken anti-theft initiatives and created 29 no of Energy Police Stations across all the DSICOMs. Effectiveness of EPS in the past was not encouraging at that point of time due to no of factors. Loss Reduction being one of the key objectives, Licensee proposed to setup at least 5 EPS, one in each circle. With the change in management and control of the DISCOMs, re-establishment of Energy Police Stations will definitely have a positive impact in enforcing discipline and accelerating Loss Reduction. Accordingly, if approved, licensee requested for additional A&G for EPS.
- **Billing of Public Lighting:** Earlier for many reasons the public lighting connections were not metred. Licensee proposed to consider 11 hours of supply through the year for calculation of average use of electricity for billing purpose. They proposed mandatory installation of energy meters for new public lighting connections.

b. <u>Proposal by TPNODL</u>

TPNODL proposed the tariff rationalization measures as per the following proposals:

- **Demand Charges to HT medium category consumers:**The HT medium category consumers are now availing supply at demand charges of Rs 150 per kVA as against the GP and SPP category are paying Rs 250 per kVA as demand charges. The gap between Demand charges, consumers under HT medium category just below 110kVA are always trying to avail demandbenefit even though their actual connected load is more than 110kVA and above. To curb such type of disparity in demand charges the licensee proposed to be revised to Rs 250 per kVA for HT medium category consumers.
- **MMFC for LT Category Consumer:**Presently LT category of consumers except Large, PWWS>110kVA & Specified Public Purposes>110kVA and above are paying Monthly minimum fixed charges on the basis of their connected load. MMFC for all the LT category of consumers is proposed to be rationalized with single rate for 1st kW or part thereof as well as additional kW or part thereof. At present, a Small industry with 10 kW load is paying Rs.80 for 1st kW and for balance 9kW is paying @ Rs. 35 per kW (Rs.35X9 kW=Rs.315). So the demand charges paid are Rs.395/- instead of Rs.800/- (i.e. Rs.80 X 10kW), similarly in case of LT medium industry it is Rs.100/- for 1stkW or part thereof and for additional kW it is only Rs.80/- per kW. The minimum load for LT medium category is >= 22 kVA. Licensee proposed to levy the MMFC for all the LT category of consumers with single rate for 1st kW or part thereof as well as additional kW or part thereof.
- **Increase in rebate from 3% to 4% for LT Domestic, LT GP single phase & Single phase irrigation consumers:** Hon'ble Commission had extended additional rebate of 3% towards digital payment for LT single phase Domestic & GP category of consumers since FY 2022-23. This is yielding very good results and the cost of collection is decreasing significantly. Hence, licensee proposed further increased of the digital rebate from 3% to 4% which would further motivate digital payment and will help to do away with the culture of door to door collection.
- **Incremental digital rebate to rural consumers:** The introduction of multiple initiatives of digital collection like My Tata Power App, Airtel Payment Bank tie-up, Spice Money tie up, tie up with SBI, BBPS & other UPI facilities, there has been a significant boost in rural digital payments. Hence, Licensee proposed to extend additional 2% rebate for rural LT domestic consumers also for digital payment.

- **Considering Actual average LF for the category during assessment of unauthorized drawal:** The assessment of unauthorized consumption shall be done as per the assessment formula given below:
  Units assessed = LxHxF
  Where L=Connected load found in the consumer premises during the course of inspection in kW: H=No. of hours of the period of assessment
  F=Load factor as has been prescribed for collection of SD in Regulation 52.

  The load factor prescribed by the OERC for various categories is found to be very less which does not reflect the actual probable usage of the various equipment which results in negative assessment thereby not providing the penal environment to discourage unauthorized drawls. Hence, requested to allow considering load factor for assessment as average actual load factor for Domestic category or may consider approving 20%LF for domestic, 25% for commercial and industrial and 50% for continuous process industries over a 24 hour period.
- **Levy of CSS on RE power**: Hon'ble Commission had introduced levy of CSS on RE power for the FY 22-23. Accordingly, the consumers availing renewable power through open access shall have to pay the transmission charge, wheeling charge and cross subsidy surcharge as applicable to consumers availing conventional power. This CSS amount collected by licensee has helped the licensee to accede the BST increase and ultimately aided towards non increase in RST. Hence, the licensee requested for continuation of levy of CSS and wheeling charges on RE power for FY 2023-24.
- **Continuity of Special tariff for Existing industries having CGP if assured 80% LF of existing CD:**A special mechanism for sale of surplus power of GRIDCO through tripartite agreement was approved by Hon'ble Commission as per para 370 of BST order FY 2022-23 & clause (viii) Annexure-B of RST order. However, in absence of firm power GRIDCO and DISCOMs filed a separate petition (case no 25 of 2022) for approval of price till firm power is available with GRIDCO. Hon'ble Commission vide order dt.18th May 22 has approved a special price of Rs.4.75 per kVAh. GRIDCO has to billed @ Rs.4.26 per kwh for the power consumed beyond 80% of CD, OPTCL is entitled for 28 paise as transmission charges. Balance amount is DISCOM share. The intention of such scheme was to sale the surplus power of the state to the industries inside the state. As a result, industries can get cheaper/competitive power and may opt to close their CGP or may avoid open access power. The license proposed to continue the scheme in the ensuing year also with bucket filling method. In addition, they proposed that an industry availing this benefit shall not be permitted to avail benefit of another scheme.
- **Special tariff for existing industries who have no CGP for drawl of additional power beyond CD of 10 MVA:** After announcement of above scheme few of the other industries those who have no CGP has started approaching similar type of scheme for them so that they can utilize their existing installed capacity in full, beyond CD or may add capacity in the existing premises beyond CD if permitted. In line with special tariff for industry having CGP, a special tariff for non CGP industries connected in 33 kV level or above is proposed by licensee
- **Special tariff for Industries for temporary business requirement:** The temporary supply is permitted to meet temporary needs on special occasions for a period not exceeding six months at 10% higher energy charges. Under TPNODL area there are around 21 industries having their own CGP. Some of them have single unit of generation and some are having multiple units with different capacity. To maintain the generating unit's annual maintenance and some of the other industries are in need of power intermittently to meet seasonal requirements. For such temporary outages of their CGP and short-term business need they do approach DISCOM for

supply of power for couple of months. In view of the above TPNODL proposed temporary additional load beyond CD for short period of maximum 3 months and proposed the industry has to bear 10% higher charges on both normal Demand and energy component. Such additional consumption will contribute towards revenue enhancement and will definitely help to protect risk of tariff enhancement.

- **Special tariff for drawl of RE power with premium rate**: Hon'ble Commission had launched premium rate for RE power. Even though provision for CGP industries was created fulfillment of 100% of its requirement from renewable sources is the hurdle. 1st of all DISCOM power is costlier than their own generation in addition to levy of premium rate of another 50 paise on it. Further, certification by DISCOM is another concern. GRIDCO is the obligated entity on behalf of DISCOM for fulfillment RE requirement, unless GRIDCO passes on/allocates to DISCOM, it is not possible for DISCOM to provide required certificate. The licensee has proposed the allocation of RE power across DISCOMs at GRIDCO level. If Hon'ble Commission permits allocation of RE availability to all the licensees then DISCOM can provide certificate to the consumer willing to pay premium tariff for "Green Energy" without recurring consent/approval from GRIDCO Therefore, if RE power can be assigned (through certification) for industries opting to draw with premium special rate then it will be a win-win situation for the industries as well as for other stake holders. The premium price shall be added to the bill. The industry has to opt in advance for booking of quantum. TPNODL proposes a premium charge of 25 paise per unit over and above normal charges.
- **Revision of Meter Rent if not permitted under CAPEX:** Licensee proposed to revise meter rent as per following along with change in recovery period from 60 to 90 months. Licensee further proposed the entire new connection as well as replacement of defective meter to be permitted through Smart Meters only.

Sr.No.	Monthly recovery of meter cost	Existing	Proposed
1	Single Phase AMR/AMI Compliant Smart meter	60	80

- **Billing with Defective Meter**: As per OERC Distribution (Conditions of Supply) Code, Regulations 2019, the licensee is permitted to raise provisional bill for maximum upto three months and during this time the defective meter has to be replaced with new meter. Thereafter, the provisional bill so raised shall be revised considering actual meter reading for consecutive six billing cycle. With this mechanism the licensee is facing the following difficulties:

a) Consumers are not paying current bill even after replacement of defective meter unless the bill is revised. The licensee is helpless, as they have to wait for six consecutive billing cycles for the bill to correct and are not able to release bills.
b) In many cases consumers are desiring to revise the bill considering past actual consumption in corresponding period, however this is not permitted in Regulation.
c) Some are insisting for bill revision considering actual metering after one month's consumption.
d) Most of the consumers are trying to control the consumption and tempted to use through other means with an intention to reduce the billing even though they have actually used during meter defective period.
Licensee has requested Hon. Commission to consider past assessment based on the first full month's consumption after the replacement of the meter and issue the practice direction in the RST order FY 23-24. The consumption of subsequent months till 6th month can be used correction/ adjustments to the assessment amount which was initially done based on first full

month's consumption. The differential amount can be billed to the consumer at the end of 6 month's post meter replacement.

- **Revision of Reconnection Charges with penalty clause:** Licensee submitted that the reconnection charges for different consumers are constant for long time and hence proposed upward revision as follows:

	Prior to 1st April 2012	Continuing since 1st April 2012	Proposed Reconnection charges
LT Single Phase Domestic Consumer	Rs.75/-	Rs.150/-	Rs.300/-
LT Single Phase other consumer	Rs 200/-	Rs.400/-	Rs 800/-
LT 3 Phase consumers	Rs.300/-	Rs.600/-	Rs.1200/-
All HT & EHT consumers	Rs.1500/-	Rs.3000/-	Rs.6000/-

- **Creation of disaster resilient Corpus Fund**:Licensee proposed to charge Rs. 2 per month per consumer to create a corpus fund for meeting the immediate system restoration works post cyclones.

c. <u>Proposal by TPWODL</u>

TPWODL proposed the tariff rationalization measures as per the following proposals:

- **Increase of digital rebate to 4% for LT Domestic, LT GP single phase & Single-phase irrigation consumers:** Digital payment rebate was increased from 2% to 3% in the past RST order for LT single phase Domestic & GP category of consumers. Considering good response from consumers the licensee proposed to increase the same to 4% and be made applicable to LT single phase Domestic (including Kutirjyoti), single-phase GP category of consumers and LT single phase irrigation consumers. The rebate offered towards digital rebate may kindly be factored/pass through in the ARR of the DISCOM
- **Discount to Domestic Rural Consumers:** Rural LT domestic consumers were offered discount @ 5 paise per unit in addition to existing prompt payment rebate who draw their power through correct meter and pay the bill in time. Licensee requested to increase such rebate and proposed to offer @10 paisa per unit for the next year.
- **Pay Digitally and get six-month electricity bill absolutely free.:** to promote more digitalization, the licensee is proposing a new mechanism which not only helps in improving digital collection but will insure the consumer with risk of any mishap. For this purpose, no such separate premium is leviable to consumer nor the license shall incur any cost for insurance premium. The proposed scheme is as follows:
    - All the single-phase Domestic including Kutirjyoti, 1phase GP & 1phase Irrigation and Agriculture category of consumers are eligible under this scheme.
    - The consumer has to pay its monthly energy bill digitally /online mode regularly during the financial year.
    - Existing consumers those who are paying digitally/online mode are also eligible under this insurance scheme.
    - During the financial year, in case of death of the consumer due to any reason then last six months electricity bill as paid shall be refunded to the family members in whose name the electrical connection is transferred. The amount of refund shall be credited to the consumer account in whose name it is transferred.

- The family member of the deceased consumer in whose name the electrical connection was continuing has to produce the death certificate along with application for name change/transfer of connection.
- The beneficiary in whose name the connection would be transferred needs to undertake payment of monthly electricity bills in future digitally/online mode only.

- **Levy of CSS on RE power:** Upon Levy of CSS and wheeling charges the licensee has collected Rs. 82.54 Cr till Sep-22 from different RE OA users. The amount collected has helped the DISCOM to accede the BST increase and ultimately aided towards non increase in RST. Therefore, the licensee submits before Hon'ble Commission for continuation of levy of CSS and wheeling charges on RE power for FY 23-24.
- **Inter DISCOM Feed extension to Railway:** benefit of feed extension is being allowed if the recorded MD on one traction Substation exceeds due to its feed extension over another traction sub-station of same DISCOM area. However, when feed of one TSS of a DISCOM is extended over another TSS of other DISCOM then the benefit is not given. The Railway's connection is at 132 kV level and above which is under OPTCL jurisdiction. MD exceeds due to fault on OPTCL network. Licensee submitted to provide necessary guidelines in this regard to extend such facility to Indian Railway who is a prime customer of all the DISCOMs.

- **Creation of Category for Mega lift points under EHT:** The licensee is having a consumer under mega lift with CD of 13500 kVA and availing power supply with 132kV level. As there is no such tariff category under EHT for such supply, TPWODL is billing them with HT irrigation category where demand charges & energy charges are very nominal. Licensee requested for separate category under EHT with demand charges of Rs.250 per kVA and energy charges under graded slab method.

- **Special tariff to steel industry:** HT industrial consumers (Steel Plant) having Contract Demand (CD) of 1 MVA and above were offered a rebate on energy charge on achieving the load factor through RST order for FY 2022-23. The benefit was specifically for industries who are not having their own CGP. The intention of not extending this benefit to CGP industries is due to availability of own generation where they prefer to keep lower CD with the DISCOMs and achieve required LF to avail this benefit. Separate benefit to industries with CGP was extended wherein industry can draw up to double their CD with flat tariff of @ 4.30 per unit for additional drawal up to CD of 20 MW without levy of any overdrawal penalty. If both the incentivize tariff i.e. Steel industry as well as CGP would be permitted then the industries power purchase cost would be less than the BST of the DISCOM (Additional power @ Rs.4.30 per unit minus steel industry discount 20% on entire power which comes more than 1 Rupee i.e. Less than Rs.3.30 per unit). In view of the above, licensee requested for more clarity.

- **Special tariff for industries those who have closed their units if reopen/starts:** There are number of industries who have closed their units since long which is wasting the resources and also not providing employment. Support to such closed industries will generate employment and benefits to state. Hence, licensee proposed following support to closed industries to restart their operation by extending 20% incentive on entire consumption for LF above 60%. Proposed incentive will be over and above all other existing incentives in the tariff.

- **Continuity of Special tariff for Existing industries having CGP if assured 80% LF of existing CD:** In FY 22-23, industry having CGP with CD up to 20MW willing to avail power from DISCOMs upto double the CD were allowed to draw power without payment of overdrawal penalty provided they need to maintain more than 80% LF. Seeing good response, licensee proposed to continue this benefit for FY 23-24. Industries availing this benefit shall not be permitted to avail benefit under other scheme.

- **Continuity of Special tariff for Existing industries having CGP with CD >20 MWwith minimum offtake 80% of existing CD:** For FY 22-23, industry having CGP willing to avail power from DISCOMs and operating at load factor more than 80% were allowed to draw power at the rate not less than Rs.4.30/kVAh for all incremental energy drawal above 80% load factor without any overdrawl penalty. Licensee requested to continue this scheme for the ensuing year with bucket filling method. In addition to this an industry availing this benefit shall not be permitted to avail benefit of another scheme.

- **Special tariff for existing industries who have no CGP for drawl of additional power beyond CD of 10 MVA:** Licensee proposedSpecial tariff for non CGP industries connected in 33 kV level or above with following scheme:
    a) The agreement shall be between the industry &concerned DISCOM.
    b) Under 33 KV level the permissible limit of drawl is 15000 KVA, but licensee has the discretion to allow beyond the limit of 15 MVA on special ground considering the adequacy of system availability. If system does not permit then the opting industry has to augment the system of supply to higher level to avail this benefit.
    c) Industry interested for this scheme has to ensure minimum offtake of 85% L.F. of existing CD
    d) Load reduction shall not be allowed during the financial year or those who have reduced their load has to restore before availing the scheme.
    e) The power so consumed under this agreement may be treated as surplus power of GRIDCO and this quantum shall be over and above the approved quantum in ARR including SMD.
    f) Interested industry has to pay a flat rate for the additional energy so consumed beyond 85% of CD.
    g) Consumption upto 85% LF shall be billed as per existing RST
    h) No demand charges for the additional quantum beyond existing CD.
    i) Open access shall not be permitted during this special arrangement.
    j) As this is a special agreement adequate Payment security mechanism shall be in place before power transaction as well as there will not be any rebate on additional power. However, DPS shall be applicable if payment is not made within due date.
    k) Industry availing this benefit shall not be permitted to avail benefit of another scheme.

- **Special tariff for Industries for temporary business requirement:** As per existing regulation temporary supply is permitted to meet temporary needs for a period not exceeding six months. For this supply the applicable energy charges are 10% higher as compared to the regular connection. Under TPWODL area there are around 24 industries having their own CGP. Some of them has single unit of generation and some are having multiple units with different capacity. Licensee proposed to permit such temporary additional load beyond CD for short period of maximum 3 months. In that event the industry has to bear 10% higher charges on both normal Demand and energy component. Such additional consumption will contribute towards revenue enhancement and will definitely help to protect risk of tariff enhancement. The above temporary arrangement shall be accommodated by the licensee well within its approved/permitted SMD, without additional burden to GRIDCO. In Odisha, there are 74 nos of CGPs (excluding NALCO and IMFA) and their installed capacity is (5808 MW+2609 MW+166.38 MW+934.5 MW) 9517.88 MW. Therefore, requirement of power during annual maintenance of their units may be needed from DISCOM. If some type of arrangement in tariff is created it will be a win-win situation for all the stake holders

- **Special tariff for drawl of RE power with premium rate:**If RE power can be assigned (through certification) for industries opting to draw with premium special rate then it will be a win-win situation for the industries as well as for other stake holders. The industry has to opt in advance for booking of quantum. TPWODL submitted that consumers are not willing to pay 50 paise per unit and proposed a revised premium charge of 25 paise per unit over and above normal charges for opting green power.

- **Summation metering at OPTCL end & replacement of NON-DLMS meters:** TPWODL is sourcing it's entire power from GRIDCO through OPTCL network assets at 132 kV level & above. Presently there are 182 interconnection points located across the licensee area, where OPTCL is having metering unit & on the basis of same both OPTCL & GRIDCO are raising their monthly bill. Licensee observed that in most of the locations the available meters are Apex 100 with non DLMS and some are Apex 100 type with DLMS specifications. Further, addition to that in some of the locations EHT consumers like Rourkela Steel Plant (RSP) is connected with multiple feeders where in one feeder is with non-DLMS meter and in other one it is DLMS type, so in every month for energy accounting DISCOM is facing difficulty in integrating all the required parameters for billing purposes. Therefore, licensee requested Hon Commission to direct OPTCL to replace the non-DLMS meters with DLMS type and fixing of summation meters where energy accounting measured through multiple meters.

- **Demand charges to HT Medium category of consumers:** HT medium category of consumers are a separate category of consumers who have CD<110 KVA whose demand charges are lower than that of large industry. Similarly placed General purpose category with load of >70 kVA &<110 kVA and Specified Public Purpose category are paying demand charges @ Rs.250 per kVA p.m. whereas this is a discrimination among consumers availing power supply under HT category and also providing scope to become Medium industry to avail such benefit. With such wide GAP between Demand charges, consumers under HT medium category just below 110kVA are always trying to avail demand benefit even though their actual connected load is more than 110kVA and above. To curb such type of disparity in demand charges the licensee has requested to fix demand charges for HT Medium category of consumers @ Rs.250 per kVA p.m. Previously Hon'ble Commission has also fixed demand charges @ Rs.250 per kVA p.m. for HT category of consumers equivalent with large industry during FY 2012-13. In addition to above, to avail HT supply with connected load or contract demand <110 kVA, licensee proposed to install transformer capacity up to 100kVA only. Consumers, having transformer of more than 100kVA and billed under <110kVA are proposed to be brought into large category of consumers.

- **Charges for line extension to LT single phase connection up to 5 kW:** The LT extension charges were increased from Rs.5000 to Rs.8000 per span in the RST order dt.24.03.2022. The licensee has submitted that the cost estimates for 1 phase LT extension be permitted as Rs.9300 per span and Rs.12500 per span for 3 phase as the actual cost is much higher in many cases. Even if for single pole or two poles cases the transportation, loading & unloading, erection cost is much higher. The licensee has also made a separate request to allow enhancement of LT extension cost beyond Rs.8000 per span. However, Hon'ble Commission had allowed the excess cost over permitted amount to be booked under load growth keeping overall CAPEX approval intact for FY 21-22 & FY 22-23. Licensee submitted to extend this for FY 23-24. Licensee further proposed the maximum span limit of 6 i.e. 180 meters, and for LT extension is beyond 180 meters, the licensee proposed the beneficiary to opt deposit work mechanism.

- **Revision of Meter Rent if not permitted under CAPEX**: Licensee requested Hon'ble Commission for suitable revision of meter rent for FY 23-24 for LT Single Phase AMR/AMI Compliant Smart meter from Rs 60 to Rs 80 per month. Further recovery period is proposed to be increased from 60 months to 90 months. Licensee also submitted that, the entire new connection as well as replacement of defective meter may be permitted through Smart Meters only.

- **Billing with Defective Meter:** As per existing regulation licensee is permitted to raise provisional bill for max up to three months and during that time the defective meter has to be replaced. Further as per OERC Distribution (Conditions of Supply) Code 2019, the billing is to be done on the basis of average meter reading of past three billing cycles immediately preceding the meter being found / reported defective. The provisional bill is required to be revised as per the average of six consecutive billing after the new meter is installed. Licensees faces issues that the consumers are not paying even the actual bill after replacement of defective meters unless the bill is revised. Further the consumers are also controlling the consumptions after the installation of new meter. To improve the collection efficiency licensee also cannot wait for six months. Licensee requested for the practice direction for the same in the RST order.

- **Revision of Reconnection Charges with penalty clause:** Licensee submitted that the reconnection charges for different consumers are constant for long time and hence proposed upward revision as follows:

	Prior to 1st April 2012	Continuing since 1st April 2012	Proposed Reconnection charges
LT Single Phase Domestic Consumer	Rs.75/-	Rs.150/-	Rs.300/-
LT Single Phase other consumer	Rs 200/-	Rs.400/-	Rs 800/-
LT 3 Phase consumers	Rs.300/-	Rs.600/-	Rs.1200/-

All HT & EHT consumers	Rs.1500/-	Rs.3000/-	Rs.6000/-

Licensee further proposed that in case the consumer found reconnected without paying formal reconnection charges shall be imposed with 10 times of the reconnection charges apart form other action as per law.

- **Creation of Energy Police Station:** Creation of Energy Police station: Licensee submitted that in past State Govt. had taken anti-theft initiatives and also created no of energy police station across all the DSICOMs. There were 10 no of EPS created under TPWODL earlier. The effectiveness of EPS in the past was not encouraging at that point of time due to number of factors. However, with present management and changed scenario the outcome would be definitely positive, if the same is permitted to re-establish. Therefore, the licensee requested Hon'ble Commission to accord approval of necessary additional A&G cost and may direct Govt. of Odisha for creation of EPS across all the DISCOMs. TPWODL has plan to set up at least 5 EPS, one in each circles with around 124 staffs.

- **Assessment in case of Theft of energy:** Even though separate guideline for assessment of unauthorized use are provided in the regulation, however as per field condition applicability of the provision while doing the assessment it is not possible to adhere. So, to lucidity the process licensee submitted that in case of consumer found using electricity unauthorizedly then in such case the assessment has to be made with LDF basis. In case of Domestic LF of 30%, for GP may be kept as 60% and in case of continuous process industries, assessment may done with 100% LF.

- **Creation of disaster resilient Corpus Fund:** Licensee proposed to charge Rs. 2 per month per consumer to create a corpus fund for meeting the immediate system restoration works post cyclones.
- **Special Scheme for Alumina Melting Unit:** One of the industry namely M/S Romco Aluminates Pvt. Ltd has filed a petition before Hon'ble Commission to extend load factor benefit to such industries as like of Steel Industries, which is yet to be registered. It is the contention of the industry they do have electric arc furnace and using electricity for manufacturing white fused alumina. Hon'ble Commission has approved the load factor benefit to steel industries connected at 33kV level having with load more than 1 MVA, who are using induction furnace and having no CGP. As the scheme is purely for steel industries, the licensee is not extending this scheme to ferro alloy industries using arc furnace. So, licensee requested Hon'ble Commission for necessary directions.

d. <u>Proposal by TPSODL</u>

TPSODL submitted the meter rent proposal for Smart Meters as per following:

The Govt. of India has mandated replacement of existing meters with smart meters with pre-payment facility in a phased manner to be replaced by March 2025TPSODL has proposed to replace 3 lakh meters in next three years and has placed the order for about 80,000 meters for immediate implementation. As per present regulation the cost of meter is permitted through meter rent. The cost of single and three phase meter discovered through competitive bidding is of Rs 5197/- and RS 8564/- In order to recover this, cost the licensee has proposed the revised meter rent of Rs 84/- and Rs139/- for single and three phase smart meters to be recovered 7 years. Or alternatively Rs. 111/- per month to be recovered over the period of 5 years.

11. Prayer

a. TPCODL has following prayers to the Commission:

1. Approve the Aggregate Revenue Requirement (ARR) for Retail business and Wheeling business of the Utility for the Financial Year 2023-24 as proposed by TPCODL.
2. Bridge the Revenue Gap through as the Hon'ble Commission may deem appropriate.
3. May kindly allow carrying cost till recovery of the cumulative Revenue Gap.
4. It is prayed that the recovery of the liabilities falling under the category of Additional Serviceable Liability (ASL) settled during the FY 2022-23 and FY 2023-24, as explained in para 4.11 of this petition be allowed in the ARR. The interest cost of carrying these payouts may be allowed till the recovery of the ASL payout is allowed in ARR.
5. Consider the Tariff Design and Rationalization proposal submitted in the section: Chapter 5 - Tariff Design & Rationalization Proposal.
6. Permit making additional submission required in this matter.
7. Condone any delay in submission. 8. Grant any other relief as deemed fit & proper in the facts and circumstances of the case.

b. TPSODL has following prayers to the Commission:

1. Approve the
a) Truing up of FY 2020-21 (3 Months)
b) Truing up of FY 2021-22
c) Provisional Truing up of FY 2022-23 and
d) Aggregate Revenue Requirement (ARR) Aggregate Revenue Requirement (ARR) for Wheeling business and Retail business of the Utility for the Financial Year 2023-24 as proposed by the TPSODL.
2. Approve the proposal for revised Meter Rent for Smart Meters for Single Phase as worked out in **Chapter 5 Meter Rent Proposal for Smart Meters** of this petition
3. Permit making additional submission required in this matter
4. Grant any other relief as deemed fit & proper in the facts and circumstances of the case.

c. TPNODL, has following prayers to the Commission:

1. Take the revised ARR application and Tariff Petition for the FY 2023-24 on record.
2. Approve the Aggregate Revenue Requirement for FY 2023-24.
3. Bridge the Revenue Gap for the FY 2023-24 through increase in Retail Supply Tariff or reduction in Bulk Supply Tariff (BST) wherever possible
4. Allow the Tariff rationalisation measures as proposed
5. Any other relief, order or direction which the Hon'ble Commission deems fit

d. TPWODL has following prayers to the Commission:

1. Take the revised ARR application and Tariff Petition on record.
2. Approve the revised Aggregate Revenue Requirement for FY 2023-24.
3. Allow additional R&M and additional A&G cost for special drive for the ensuing year FY 2023-24 out of surplus revenue generated / to be generated from current year along with efficiency gain and additional sale though proposed tariff rationalisation measures without burdening the consumer of the state assuming without increase in BST & Transmission charges.
4. Allow the following Tariff rationalisation measures as proposed
5. Any other relief, order or direction which the Hon'ble Commission deems fit

*****