

**ODISHA ELECTRICITY REGULATORY COMMISSION
PLOT NO. 4, CHUNOKOLI, SAILASHREE VIHAR
BHUBANESWAR - 751 021**

**No.DIR (T)-369/09/13/941
Dated- 09.07.2018**

To

The Authorised Officer ,
SOUTHCO Utility, At/P.O. Courtpeta,
Berhampur, Dist. Ganjam.

Sub: Review of Performance of SOUTHCO Utility.

Sir,

In inviting a reference to the subject cited above, I am directed to send herewith the aforesaid report for your information and necessary action.

Yours faithfully,

Encl: As above.

Sd/-
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/OPTCL, Janpath, Bhubaneswar along with copy of the enclosure for favour of information.

Encl: As above.

Sd/-
SECRETARY

Record Note of Annual Performance Review of SOUTHCO Utility held on 26.05.2018 at 11.00AM in the Training Hall of the OERC in the presence of the Commission

Date of Review : 26th May, 2018
Period of Review : April 2017-March2018
Representatives of SOUTHCO Utility : list enclosed as Annexure-I.

The performance of SOUTHCO Utility for April 2017 – March 2018 of FY 2017-18 was reviewed by the Commission on 26th May, 2018 at 11.00 AM in the presence of senior officials of SOUTHCO Utility. The Commission reviewed the billing and collection position of the SOUTHCO Utility for the period from April 2017 to March 2018.

The details of performance of SOUTHCO Utility as indicated in their presentation with regard to the key performance indicators are as follows:-

| <u>ANNUAL PERFORMANCE OF SOUTHCO</u> | | | | |
|---|-----------------|-----------------|-----------------|----------------------------------|
| BULK SUPPLY | 2015-16 | 2016-17 | 2017-18 | OERC Approval for 2017-18 |
| AVG. DEMAND (MVA) | 556.18 | 570.00 | 588.00 | 590.00 |
| Energy input (MU) | 3282.78 | 3267.00 | 3468.00 | 3520.00 |
| BST & Tr.Charge bill (Cr.) | 739.18 | 726.00 | 777.00 | 770.88 |
| SALE TO CONSUMERS (MU) | | | | |
| EHT | 349.49 | 335.84 | 399.00 | 323.06 |
| HT | 174.73 | 174.70 | 209.00 | 235.14 |
| LT | 1553.64 | 1630.60 | 1726.00 | 2064.20 |
| TOTAL | 2,077.87 | 2,141.14 | 2,334.00 | 2,622.40 |
| BILLING EFFECIENCY (%) | | | | |
| HT | 92.0% | 92.0% | 92.0% | 92.0% |
| LT | 61.6% | 64.7% | 66.0% | 76.3% |
| HT & LT | 58.9% | 61.6% | 63.0% | 71.9% |
| OVERALL | 63.3% | 65.5% | 67.3% | 74.5% |
| COLLECTION EFFICIENCY (%) | | | | |
| EHT | 101% | 104% | 100% | 99% |
| HT | 94% | 90% | 98% | 99% |
| LT | 84% | 80% | 87% | 99% |
| HT & LT | 85% | 82% | 89% | 99% |
| OVERALL | 88.60% | 86.10% | 91.42% | 99.00% |
| AT & C LOSS (%) | | | | |
| LT | 48.46% | 48.26% | 42.34% | 24.48% |
| HT & LT | 49.76% | 49.79% | 43.88% | 28.80% |
| OVERALL AT & C Loss | 43.92% | 43.57% | 38.48% | 26.25% |
| | | | | |

Commission's Observations:

The Commission compared the figures relating to business operation of SOUTHCO Utility for April - March of FY 2016-17 to that of FY 2017-18. The key observations are as follows:-

1. The total number of consumers rose to 16.655 lakh as on 31.03.2018 by addition of 0.946 lakh consumer after 01.04.2017.
2. Out of 1662014 nos. of meter at SOUTHCO Utility, 1352933 nos. are working. There are 309081 nos. of consumer either with defective meter or without any meter.
3. EHT sales have increased from 336 MU in 2016-17 to 399 MU in 2017-18 indicating a rise of 63 MU, whereas HT sales has increased by 34 MU from 175 MU to 209 MU during the same period. On the other hand LT sales have also gone up by about 193 MU from 2141 MU to 2334 MU during the same period FY 2017-18.
4. LT billing efficiency has increased from 65% during FY 2016-17 to 66% during the same period for FY 2017-18 and overall billing efficiency has also increased from 66% in 2016-17 to 67% in 2017-18.
5. The overall collection efficiency has increased from 90% in 2016-17 to 91% in same period FY 2017-18. There is 1% increase in LT collection efficiency from 86% in FY 2016-17 to 87% during same period FY 2017-18.
6. The overall distribution loss decreased from 34% in FY 2016-17 to 33% in FY 2017-18.
7. The overall AT & C loss has decreased from 41% in FY 2016-17 to 38% in FY 2017-18.
8. On Energy Audit, SOUTHCO Utility submitted that 74 nos. out of 88 nos. of 33 kV feeders are metered and 23 Nos. have been audited. Out of 624 nos of 11 kV feeders, 238 nos. are metered and 186 nos. are audited. Out of 44191 nos. of DTRs only 23 nos. are metered.
9. Ten lakhs new meters are required out of which 3 lakhs no-meters and 7 lakhs BPL meters to be replaced. A.O., SOUTHCO stated that by August, 2018, 1st phase 1.5 lakhs meters will be procured and it will take six months to replace.
10. SOUTHCO Utility planning for RCS system like NESCO and by end of June, 2018 it will implement the same.

Directives of the Commission:

1. Commission asked A.O., SOUTHCO to review Division-wise billing and collection system and improve the billing and collection system by end of June, 2018.
2. By March, 2019 all 33 KV metering should be completed.
3. Commission asked to focus on Aska, Bhanjanagar & Jeypore on reducing AT&C loss.
4. A practice norm need to be adopted for ESCROW relaxation to facilitate minimum O & M activities required to maintain the network & systems in operational condition. GRIDCO may be consulted in the matter.
5. Commission expressed displeasure over high loss in Hinjilicut and Purustomapur division and directed to step up vigilance activity.
6. Commission directed SOUTHCO Utility to collect Government arrear and take up the matter with Finance department.

Annexure-1

Representative of SOUTHCO

1. Sri R. R. Panda, A.O., SOUTHCO
2. Sri P. Arun Kumar, COO
3. Sri P.K. Choudhury, G.M.
4. Sri B. N. Mallick, G.M.(F)
5. Sri J. C. Panda, Sr.G.M.
6. Sri S.S. Padhy,G. M.
7. Sri B.B. Nayak, Manager(Comm.)
8. Sri L. D. Upadhyaya, AGM(Comm.)