

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

**No.DIR (T)-370/09/13
Dated- .06.2017**

To

The Authorised Officer,
WESCO Utility, At/P.O. Burla,
Dist. Sambalpur.

Sub: Review of Performance of WESCO 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.

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.

Secretary

Record Note of Performance Review of WESCO Utility held on 27.05.2017 at 10.30AM in the Hearing Hall of the OERC in the presence of the Commission

Date of Review : 27th May, 2017
Period of Review : April 2016-March 2017
Representatives of WESCO Utility: list enclosed as Annexure-I.

The performance of WESCO Utility for the FY 2016-17 was reviewed by the Commission on 27th May, 2017 at 10.30 AM in the presence of senior officials of WESCO Utility.

The Commission reviewed the billing and collection position of the WESCO Utility for the period from April 2016 to March, 2017.

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

Table-1

REVENUE PERFORMANCE OF WESCO Utility			
	Actual for FY 15-16	Actual for FY 16-17 (April- March)	Approval for 2016-17
Energy input (MU)	6937.03	6781.02	7050.00
SALE TO CONSUMERS (MU)			
EHT	1362.66	1071.71	1300.00
HT	1254.14	1443.51	1200.00
LT	1981.16	2121.08	3168.20
TOTAL	4597.95	4636.30	5668.20
DISTRIBUTION LOSS (%)			
LT	48.86%	44.31%	22.54%
OVERALL	41.96%	37.57%	24.03%
BILLING EFFICIENCY (%)			
LT	51.14%	55.69%	77.46%
OVERALL	66.28%	68.37%	80.40%
COLLECTION EFFICIENCY			
LT	71.81%	75.21%	99.00%
OVERALL	93.71%	93.24%	99.00%
AT & C LOSS (%)			
LT	63.28%	58.12%	23.31%
OVERALL	37.89%	36.25%	20.40%

Commission's Observations:

The Commission compared the figures relating to business operation of WESCO Utility of FY 2016-17 with that of FY 2015-16. The key observations are as follows:-

1. The total number of consumers rose to 13.33 lakh as on 31.03.2017 with 0.76 lakh growth from 31st March, 2016.
2. Out of 13,01,864 nos. of meters at WESCO Utility, 9,17,889 nos. are working. Metering must improve.

3. EHT sales have reduced from 1362.657 MU in 2015-16 to 1071.708 MU in FY 2016-17 indicating a fall of 21.35%, whereas HT sales has increased by 15.1% from 1254.136 MU to 1443.508 MU during the same period. On the other hand LT sales has gone up significantly by about 140 MU from 1981.156 MU to 2121.082 MU during the same period FY 2016-17 indicating a rise of 11.37%.
4. There is no significant improvement in overall and LT billing efficiency. However, LT billing efficiency has increased from 51.14% during FY 2015-16 to 55.69% in FY 2016-17. The billing efficiency is less than 50% in certain divisions such as Bargarh (W), Bolangir, and Nuapada. The Commission directed WESCO Utility to take immediate action on improving the LT billing efficiency in these divisions where billing efficiency is less than 50%.
5. The overall collection efficiency has decreased from 93.71% in FY 2015-16 to 93.24% in FY 2016-17. There was increase in LT collection efficiency from 71.81% in FY 2015-16 to 75.21% in FY 2016-17.
6. The overall distribution loss is stated to have decreased from 41.96% in FY 2015-16 to 37.57% in FY 2016-17.
7. The overall AT & C loss decreased from 37.89% in FY 2015-16 to 36.25% in FY 2016-17
8. On Energy Audit, WESCO Utility submitted that out of 108 nos. of 33 KV feeders 106 nos. are metered and only 65 nos. have been audited. Out of 608 nos. of 11 KV feeders 600 nos. are metered and 458 nos. of feeders have been audited. Out of 41,437 DTRs 1905 Nos. are metered and 178 nos. have been covered under audit.
9. WESCO Utility has got 2000 DTRs under different programmes but they are unable to install the same since they do not have money to purchase the accessories. A case may be made out for seeking support from the State Government for this purpose.
10. Four months BST bill of WESCO Utility is pending for payment. The position is worst among the four DISCOMs.
11. Steps may be taken to correct the cases of defective AMRs.
12. Only 2054 Kms of LT line have AB cable in WESCO Utility which is the lowest among all the DISCOMs.
13. It was pointed out that collection from private lift irrigation points was not satisfactory. Since lift irrigation in this area is used for paddy cultivation of electricity dues could be linked to paddy procurement. Energy Department may be requested to take it up with FS & CW Department.
14. Dictation of theft cases and collection there from appear satisfactory.
15. The Commission opined that the incentive scheme may be revisited. Billing and collection targets may be fixed and incentives be linked to target. There may be a base amount for a

pre-determined level and incremental incentive may be provided for achievement above that.

Directives of the Commission:

1. The Commission expressed its displeasure over high AT& C loss of Sambalpur division which is an urban division and asked WESCO Utility to have a well planned approach in controlling AT & C loss in this Division. It must contain Revenue improvement plan for the Division.
2. A case may be made out for seeking funds for strengthening of 33 KV and 11 KV circuits required for the new ODSSP sub-stations from the Government.
3. Active Women Self Help Groups may be engaged in the MBC activity.
4. Consumer indexing based on supply feeder may help in energy audit and accountability.
5. The Commission directed WESCO Utility to review the arrears of GP (LT) category higher than 10 KW at first and then lower the limit gradually to cover all the arrears.
6. The Commission directed that the DISCOM should estimate the meter requirement and availability of meters from different schemes. In case of deficit WESCO Utility may seek support from the Government, if their own funding are not adequate.
7. The DISCOM should take up matter of arrear collection from Government offices with Energy Department who in turn can take it up with Finance Department and the concerned Departments.
8. The Commission also directed that all effort be made to reduce losses in Bagarh Division.
9. The Commission directed that a circular should be issued to hold the officers responsible for high losses. Specific targets may be given for loss reduction and responsibility be fixed in case of failure to reduce the loss.
