

ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN,
UNIT – VIII, BHUBANESWAR – 751 012
*** **

Present : **Shri S. P. Nanda, Chairperson**
 Shri K. C. Badu, Member
 Shri B.K.Misra, Member

CASE NO. 97 OF 2011

Date of Hearing **:** **23.02.2012 (at 3.30 PM)**

Date of Order **:** **23.03.2012**

IN THE MATTER OF **:** An application of the OPTCL for approval of Annual Revenue Requirement and Fees and Charges for State Load Despatch Centre (SLDC) functions for FY 2012-13.

ORDER

PROCEDURAL HISTORY: (Para 1 to 16)

1. The Orissa Power Transmission Corporation Limited, Bhubaneswar (for short OPTCL), a Govt. Company registered on 29th March, 2004 under the Companies Act, 1956 has been carrying on the business of transmission of electricity within the State of Odisha. It has also been notified as the State Transmission Utility (STU) under Section 39 (1) of the Electricity Act, 2003 “hereinafter referred to as “the Act”. GRIDCO which was both the Bulk Supply and Transmission Licensee under the Orissa Electricity Reforms Act, 1995 had ceased to be a Distribution Supply Licensee and has become only a Bulk Supply Trader under the new dispensation created by the Act, the supply business having been vested with 4 Distribution Licensees, viz WESCO, NESCO, SOUTHCO & CESCO (now CESU). As such GRIDCO could no longer carry on both bulk Supply and transmission business by virtue of 1st provision of Section 39 of the said Act. The Transfer Scheme entitled “Orissa Electricity Reforms (Transfer of Transmission and Related Activities) Scheme, 2005” of Govt. of Odisha under Sec.131 (4) of the Act, transferred the erstwhile transmission business along with SLDC functions of GRIDCO with all the assets and liabilities of such business to OPTCL and vested the same with the said STU with effect from 1.4.2005. By virtue of the 2nd Proviso to Sec. 14 of the Act, OPTCL has been a deemed Transmission Licensee under the Act, so far as transmission functions are concerned, OPTCL is now governed by License Conditions set forth in OERC (Conditions of Business) Regulations, 2004, at Appendix 4B issued u/S. 16 of the Act, as modified by the Commission’s Order dated 27th October, 2006. By Clause 10(2) & (3) of the said Orissa Electricity Reforms (Transfer of Transmission and Related Activities) Scheme, 2005, the State Govt. has expressly notified OPTCL, a Govt. Company created for taking over transmission function of GRIDCO, as the State Transmission Utility with effect from 01.04.2005. Moreover, even though by the

said Scheme, vide Clause 10(2), the OPTCL was ‘notified’ as State Transmission Utility; it was also empowered to “discharge” the State Load Dispatch functions till further orders of the State Govt. This provision as regards “discharge of State Load Dispatch functions” in the Transfer Scheme was obviously intended to be an interim, temporary and stop-gap measure pending establishment/Notification of a State Load Dispatch Centre under Sec.31(1) and the substantive part of Sec.31(2) of the Electricity Act, 2003.

2. As in Section 55 of the Electricity (Supply) Act, 1948 (now repealed), Sections 31 & 32 of the Electricity Act, 2003 contemplate SLDC as an independent *apex* body to ensure integrated operation of the power system in the State. SLDC has been empowered by Section 33 of the Electricity Act, 2003 to give such directions and exercise such supervision and control as may be required for ensuring integrated grid operations and for achieving maximum economy and efficiency in the operation of power system in the State. These are all highly responsible, technical, and *non-commercial* statutory functions conceived by the Electricity Act, 2003 and are entrusted to SLDC to be carried out as an independent apex body. Every Licensee including OPTCL and generating companies and generating stations and sub-stations are to comply with such directions vide Sec.33 (2) and Sec.40 (b) of the Act. At present SLDC has not been organizationally separated from OPTCL which is a regulated entity. This anomaly is ought to be removed without any further delay. In this context it is noteworthy that under Sec.31(2) of the Act; a government body is supposed to operate SLDC and directions of the State Govt. to such a body are to be confined within the ambit of Sec.37 of the Act. The State Govt. has been advised accordingly from time to time the latest reminder having been issued vide DO Letter No.DIR(T)-351/08 (Vol.I)/1765 dtd.22.09.2011.
3. The Act has also provided for financial independence of SLDC under sub-section 3 of Section 32 by way of levy and collection of fees and charges from generating companies and the licensees engaged in Intra-State Transmission of electricity, Sub-section 2 under Section 2 of the Electricity (Removal of Difficulty) Sixth Order, 2005 issued by Ministry of Power (MoP) Govt. of India on dated 08.06.2005 provides that the State Load Dispatch Centre may levy and collect such fee and charges from the Licensees using the Intra-State transmission system as may be specified by the State Commission. Apart from the aforesaid statutory provisions, the National Electricity Policy (vide Paras 5.3.3 and 5.3.7), OERC (Terms and Conditions for Intra-State Open Access) Regulations, 2005 (vide Reg.7), Orissa Grid Code Regulation, 2006 (vide Regulations 2.2.1.3, 2.2.2, 2.2.4, 2.2.5 and 2.2.6), OERC (Intra-State ABT) Regulations, 2007(vide Regulations 6 and 10), CERC (Open Access in Intra-State Transmission) Regulations, 2008 (vide Regulation 8) also point to independent functionality of SLDC.
4. The Commission vide letter No.1313 dated 04.08.2007 issued the following Road Map for implementation of levy of annual Fees and Charges for SLDC functions in Odisha in order to separate SLDC Charges from the Transmission Charges of OPTCL with effect from 01.04.2008 to make SLDC self-reliant.

Table – 1

ROAD MAP		
Agency/Unit	Preparedness Required	Time Limit Proposed by OERC
OPTCL	(a) Transfer of all assets belonging to the Unified State Load Despatch Centre at Mancheswar and Sub-Load Despatch Centres at Bhubaneswar, Meramundali, Jayanagar and Budhipadar with the land, buildings, plant and equipments associated or related to the State Load and Sub-Load Despatch Centres to SLDC to function as an independent autonomous entity under OPTCL (in line with Transfer Scheme,2005 of Govt. of Orissa).	31.08.2007
	(b) Creation of one new 'Head of Account' for all the following and related expenses of SLDC w.e.f. 01.04.2007. (i) Employee Cost (ii) Administration and General Expenses (iii) Repairs and Maintenance Expenses (iv) Payment of ULDCS charges to PGCIL, and (v) Any other relevant costs and expenses relating to SLDC mentioned in the Road Map approved by the Commission.	31.08.2007
	(c) Filing of Application for approval of Annual Fee and Operating Charges for SLDC functions of Orissa SLDC for FY 2008-09.	30.11.2007
SLDC	(a) SLDC is to be equipped with state-of-the art communication and data acquisition capability to play the pivotal role of an independent system operator.	31.08.2007
	(b) SLDC should have broadly three wings viz. Grid Operation, Commercial and Telecommunication for satisfactory operation of all SLDC functions assigned as per the Act, Codes and Regulations. SLDC should file the Organizational chart before the Commission for SLDC functions as stipulated above through OPTCL for examination and approval of the Commission.	30.09.2007
	(c) Nodal Agency for the purpose of overall coordination for implementation of Intra-State ABT, Intra-State Open Access and operations there under.	15.08.2007
	(d) Collection of data from the generators and DISCOMs on day-ahead basis, communication with ERLDC for Central Power availability, finalization of day-ahead schedules and intimation to all stakeholders for final implementation. Revision of Schedules during intra-day transaction and intimation of such revised schedules to all stakeholders.	15.08.2007
	(e) Establish Energy Billing Centre (EBC) for preparation of monthly State Energy Accounting, weekly UI and Reactive Energy Accounting (both provisional and final) for billing and payment by stakeholders deploying requisite personnel, software and hardware.	31.08.2007
OERC	(a) Design and issue of appropriate tariff formats to OPTCL for filing for Annual Fee and Operating Charges for SLDC for FY 2008-09.	31.08.2007
	(b) Filing of Application by OPTCL for approval of SLDC charges	30.11.2007

	for FY 2008-09. (c) Scrutiny of Application of OPTCL for SLDC charges and seeking of clarification if any. (d) Public hearing on Application of OPTCL for approval of SLDC charges for FY 2008-09. (e) Approval of State Advisory Committee (SAC) of SLDC charges for FY 2008-09. (f) Issue of Order of Commission approving SLDC charges for FY 2008-09.	31.12.2007 Jan/Feb.2008 Feb/Mar'2008 March,2008
Final Implementation	Final Implementation of SLDC Charges (Annual Fee & Operating Charges) payable by Users.	From 01.04.2008

5. OPTCL by a petition dated 13.03.2008 filed before the Commission submitted that it was not in a position to achieve important milestones laid down in the Road Map issued by the Commission on 04.08.2007 for separation of SLDC charges from existing Transmission Charges of OPTCL and had prayed for deferring for one year on the decision of implementation of levy of Annual fee and operating charges for SLDC of Odisha. The Commission dismissed the Petition vide Tariff Order dated 20.03.2008 in Case No.62/2007 and while approving ARR and Transmission Tariff of OPTCL at Para 239 allowed to include the Charges of SLDC functions in the ARR and Transmission Tariff for FY 2008-09 for OPTCL. The Commission vide Para 357 of the said Order directed that the transmission charges for OPTCL would not include the charges of SLDC w.e.f. 01.04.2009.

6. The Commission perused the Recommendations of Shri Gireesh B. Pradhan Committee of the Ministry of Power (MOP), Govt. of India, submitted to MOP in August, 2008 especially the recommendation for ring-fencing of Load Dispatch Centre to ensure its functional autonomy. The recommendations were as under:

(a) Recommendation 1

The Committee recommends that the LDCs should be ring-fenced suitably to ensure their functional autonomy by taking the following steps:

- (i) The Appropriate Government should take suitable steps to facilitate independent functioning of the Load Despatch Centres in line with the Electricity Act, 2003 and National Electricity Policy. To begin with, the State Governments are urged to create a separate representative board structure for governance of LDCs on the lines of wholly owned subsidiary being created for the independent System Operation of RLDCs and NLDC.***
- (ii) The financial accounts should be separated for all LDCs by 31st March 2009 with the appropriate Electricity Regulatory Commissions (ERC) specifying the fees and charges payable.***
- (iii) Capital Expenditure (CAPEX) plans for modernization of all LDCs during 2009-12 should be submitted and the approval of the respective Electricity Regulatory Commission (ERC) should be obtained by 31st March, 2009. The Central Transmission Utility (CTU) and Regional Load Despatch Centres (RLDCs) should extend the necessary assistance to SLDCs in this area.***
- (iv) In the next stage, rolling 5-year CAPEX plans should be prepared by each LDC and got approved by the respective ERCs to take care of the system expansion,***

associated real-time data requirements as well as technological innovations and obsolescence of control center equipment. ERCs may examine CAPEX proposal considering a shorter life cycle of 7 to 10 years for such equipment.

(b) Recommendation 2:

For making LDCs financially self-reliant, the Electricity Regulatory Commissions (ERCs) should recognize the three distinct revenue streams:

- (i) Fees and charges for system operation*
- (ii) Tariff for decision support system and IT infrastructure (currently only ULDC tariff)*
- (iii) Operating charges for scheduling, metering and settlement for market players.*

All Generating Companies and licensees using the services of the LDCs would make all the above payments. In addition the LDCs could provide value added services (studies, manpower development, reports, access to data archives etc.), on chargeable basis.

7. So far the State Government has not exercised its power under Sec.31 (1) and (2) of the Act to establish a separate and independent entity for operation of SLDC. Hence, by virtue of the 1st Proviso to Sec.31 (2) of the Act, OPTCL as STU has to “operate” the SLDC for the time being. It is noteworthy that OPTCL as STU has not thereby become owner of SLDC. SLDC should function as an independent autonomous entity within the ambit of OPTCL - the STU to discharge its statutory functions / obligations in accordance with the Act, and Regulations of the Commission, such as those relating to Intra-State Open Access Regulation, 2005, Intra-State ABT Regulation, 2007 & Fees & Charges for SLDC Regulation, 2010, as well as provisions under Orissa Grid Code Regulation, 2006. The Ministry of Power, Gol, by Letter dated 04.11.2008 has recommended implementation of Shri Gireesh B.Pradhan Committee on Manpower Certification and Incentives for System Operation and Ring – Fencing Load Dispatch Centers. As such it is fit and proper that SLDC shall collect Annual Fees and Charges for SLDC functions from the various stakeholders as per Sec.32 (3) of the Act and other sources permissible under law from the various stakeholders and hence, the Commission directed OPTCL- the STU to file separate application for ARR and approval of Annual Fees and Charges for SLDC functions for FY 2012-13 is therefore in order to provide the necessary finance for the statutory functions of SLDC under the 1st Proviso to Sec.31(2) of the Act.
8. In exercise of powers conferred under Sec.181 (2)(g) of the Electricity Act,2003 read with Sec.32(3) of the said Act and all other powers enabling it in that behalf, the Commission has framed Odisha Electricity Regulatory Commission (Fees and Charges for SLDC and other related matters) Regulations,2010, which has been published in Odisha Gazette No.1924 dated 18.11.2010 and has come into force with effect from 18th Nov,2010.
 - a. As per Regulation 3 of OERC (Fees and Charges for SLDC & other related matters) Regulations,2010 as well as in conformity with OERC (Conduct of Business) Regulations,2004, the Commission directed OPTCL-the Transmission Licensee to file two separate applications as mentioned below before the Commission by 30.11.2011.
 - b. An application for approval of ARR and determination of Transmission Tariff for Intra-State Transmission Network of OPTCL for FY 2012-13.

c. An application for approval of ARR & Annual Fees and Charges for SLDC functions of Orissa SLDC for FY 2012-13.

9. It is to be noted that OPTCL's application as per Para-8(c) above is not a tariff application under Sec.62 of the Act. OPTCL filed the application before the Commission on 29.11.2011 for approval of Independent ARR & SLDC Fees & Charges for FY 2012-13.

10. The said application dated 29.11.2011 was duly scrutinized and was registered as Case No. 97 of 2011 and was admitted for hearing. Objections were invited after wide publication of the application in English and Oriya daily newspapers and Commission's and OPTCL's website. In response to the aforesaid public notice of the applicant, the Commission received 6 nos.of objections / suggestions from the following persons/ associations/ institutions/organizations:-

(1)Shri Ramesh Ch. Satpathy, Secretary, National Institute of Indian Labour, Plot No.302 (B), Beherasahi, Nayapalli, Bhubaneswar-751012, (2) Sri M.V. Rao, Resident Manager and Power of Attorney holder, M/s Ferro Alloys Corporation Ltd., GD-2/10, Chandrasekharapur, Bhubaneswar-751023, (3) Mr. Bibhu Charan Swain, Senior Consultant, M/s Power Tech Consultants, 1-A, /6, Swati Villa, Surya Vihar, Link Road, Cuttack-753012 (4) Shri M.K.Rajguru, the authorized re[representative of NALCO, At-NALCO Bhawan, P/1, Nayapalli, Bhubaneswar, Dist.-Khurda (5) Shri A K Bohra, Chief Executive Officer (Comm), NESCO,WESCO & SOUTHCO, Regd. Office-Plot No. N-1/22, IRC Village, Nayapalli, Bhubaneswar-15. (6) Shri R.P. Mahapatra, Retd. Chief Engineer & Member (Gen., OSEB, Plot No.775(Pt.), Lane-3, Jayadev Vihar, Bhubaneswar and Shri Sukanta Chandra Mohanty, representative of Dept. of Energy, GoO are present. All the above named Objectors were present during tariff hearing and their written submissions are taken into record for consideration of the Commission.

After due notice to the Applicant, Govt.of Odisha and the Objectors and in the consultative process, the Commission heard the applicant, objectors, consumer counsel, representative of the State Government on 23.02.2012 and orders as follows

11. The Commission vide Order dated 20.03.2009 in Case No.65/2008, approved ARR of Rs 9.66 Crore for FY 2009-10 for SLDC and separated the Operating Charges @ Rs 2000/MW/Month from the Transmission Charges of OPTCL w.e.f. 01.04.2009 for collection from four DISCOMs and other LTOA & STOA customers of the State under OERC (Determination of Open Access Charges) Regulations,2006 so as to enable SLDC to function as an independent system operator as recommended by the Gireesh B. Pradhan Committee of the MOP, Govt. of India.

12. The Commission vide Order dated 20.03.2010 in Case No.146 of 2009 had approved ARR of Rs.7.76 crore for FY 2010-11in favour of SLDC to recover through System Operation Charges(SOC) &Market Operation Charges (MOC)from Generators and Sellers, DISCOMs & Buyers and from Intra-state Transmission Licensee OPTCL. This was in line with CERC Notification dated 18.09.2009, i.e. CERC (Fees and Charges of RLDC and Other Related Matters) Regulation, 2009 where it is stipulated to collect the RLDC & NLDC charges from all the users who use the Inter-State Transmission Network as well as avail the services of RLDCs & NLDC.

13. The Commission vide Order dated 18.03.2011 in Case No.150 of 2010 had approved ARR of Rs.8.80 crore for FY 2011-12 in favour of SLDC to recover through System

Operation Charges(SOC) &Market Operation Charges (MOC)from Generators and Sellers, DISCOMs & Buyers and from Intra-state Transmission Licensee OPTCL. This was in line with CERC (Fees and Charges of RLDC and Other Related Matters) Regulation, 2009 and OERC (Fees & Charges for SLDC & other related matters) Regulations, 2010 where it is stipulated to collect the SLDC charges from all the users who use the Intra-State Transmission Network as well as avail the services of SLDC.

14. In exercise of the power u/s. 94(3) of the Electricity Act, 2003 and in order to protect the interest of the consumers, the Commission appointed WISE, Pune as Consumer Counsel for objective analysis of OPTCL's proposal in respect of SLDC's ARR, Annual Fees and Charges for FY 2012-13. The Consumer Counsel submitted its report to the Commission and its Representative put forth its analysis and views on the matter in the presence of all the parties present during the proceeding on 23.02.2012.
15. The date of hearing was fixed and it was duly notified in the leading newspapers mentioning the list of objectors. The Commission conducted a public hearing in its premises and heard the applicant, objectors, consumer counsel and representative of the State Government on 23.02.2012.
16. The Commission convened the State Advisory Committee (SAC) Meeting on 29.02.2012 to discuss about the ARR application and levy of Annual Fee and Charges for SLDC functions for FY 2012-13. Some Members of the SAC pointed out that there is no need for enhancement of Annual Fees & Charges for SLDC functions during FY 2012-13 as SLDC has not so far geared up to play the real challenging role of an Independent System Operator (ISO) for Odisha Power Sector as per the provisions of the Act & National Electricity Policy.

OPTCL'S PROPOSAL FOR ARR & ANNUAL FEES & CHARGES FOR SLDC FUNCTIONS FOR FY 2012-13 (Para 17 to 46)

17. As per direction of the Commission from time to time, separate application for approval of Annual Fees and Charges for SLDC functions is being filed by OPTCL since FY 2009-10 onwards.
18. The application for approval of Annual Revenue Requirement and Fees & Charges for SLDC for FY 2012-13 has been submitted by OPTCL in line with the provision mentioned in the CERC (Fees & Charges of RLDC & other related matters) Regulations, 2009, OERC (Fees & Charges of SLDC & other related matters) Regulations, 2010 and considering the following recommendations of the MOP Committee Report;
 - (a) SLDC is to be equipped suitably to play the pivotal role of an Independent System Operator (ISO).
 - (b) Power system operation is the core activity of LDCs. Efficient load dispatching also requires a deep understanding of Transmission, Generation and Distribution technology. In view of above, the Executives shall be from Electrical Engineering discipline. Efforts need be made to supplement them with interdisciplinary learning and development.
19. National Productivity Council (NPC) has been entrusted for preparation of a report on the manpower restructuring of OPTCL as well as that of SLDC which is in final stage. However, as per the directions of the Commission vide Order dated 20.03.09, the functional Organizational Structure of SLDC has been prepared in line with ERLDC

structure for discharging SLDC functions smoothly as per the provisions of the Act to facilitate to work as an independent system operator in order to ensure an efficient, reliable and secure power system operation and merit order dispatch of electricity pending finalization of NPC structure.

20. The Annual Fees and Charges of SLDC have been computed in line with OERC (Fees & Charges of State Load Despatch Centre and other related matters) Regulations, 2010.
21. As per the Recommendation in the Report of the Task Force Committee on “Capital Expenditure and Issues related to Emoluments for Personnel in Load Despatch Centres”, the assets pertaining to the Control Centre (SLDC) has to be handed over to the State Load Despatch Centres. Provision for recovery of the outstanding amount for investments made by the POWERGRID on ULDC project shall be kept in the ARR of SLDC.
22. As per the Taskforce Report, SLDC is liable to pay the recovery cost of Control Center Equipments only. Since the assets belongs to SLDC are yet to be transferred, the ULDC asset recovery charges are not considered in the ARR. However; the depreciation cost has been considered in anticipation of transfer of assets during the current FY-2012-13.

Proposed Organizational Structure and their Functions

23. The SLDC function shall be headed by a Chief Load Despatcher in the rank of a Director. He shall be assisted by two Sr. Load Despatchers one in the rank of CGM and the other in the rank of SGM. For technical assistance one Executive Assistant in the rank of DGM, AGM & Manager respectively is being attached to the above officers. Besides one no. of Private Secretary shall be attached to each of the above officers. All technical function heads shall be reporting to their respective Sr. Load Dispatchers.

Grid Operation headed by CGM (Grid Operation)

24. The details of manpower and functions under CGM (Grid Operation) are given in the table below.

Table - 2

Work	Function	Manpower
A. Real time operation headed by GM(Elect), Operation:		
Real Time Operation	<p>Generation Despatch</p> <ul style="list-style-type: none"> ▪ Real time generation dispatch as per merit ▪ Scheduling revisions <p>Transmission Despatch</p> <ul style="list-style-type: none"> ▪ Network monitoring and control ▪ Congestion management ▪ Voltage & VAr control 	(5 Nos. of Executives in each group consisting of 1 No. DGM, 1 No. AGM, 1 No. Manager, 1 No. Dy. Manager, 1 No. DM(T) (4 Groups) and 3 No Manager(E) (1 for each SubLDC) Total 23 Nos. Executives
Operational Planning	<ul style="list-style-type: none"> ▪ Operational System Analysis ▪ Shutdown planning ▪ Operational report preparation ▪ Management of data base ▪ Transmission/Generation availability Monitoring ▪ EMS 	1 No AGM, 1 No. Manager and 2 No of Dy. Managers Total-4 nos.

Table - 3

B. Operation Services, MIS & Regulatory Affairs headed by G.M (Elect). (OS, MIS& RA) :		
Work	Function	Manpower
Operation Services Group	<ul style="list-style-type: none"> • Demand forecast- Short term (Day ahead & Month ahead) • Day ahead scheduling of generation and optimization, in coordination with the State generators, ISGS allotment and neighboring utilities such as CGP, DISCOMs, etc. • Scheduling of drawl of DISCOMs • Maintenance of Historical data and database. • Short term transaction (Open Access) coordination with traders • Off-line load flow study for outage planning and real time operation • Network Security and disturbance Analysis • Protection coordination • Implementation plan for intra state ABT 	1 No DGM, 1 No. AGM, 1 No Manager & 2 No Dy. Manager Total- 5 nos.
MIS & RA	<ul style="list-style-type: none"> • Data Archiving & Management report preparation • System Study • Incident Reporting & Disturbance Analysis • Meetings • Technical Library • OERC Reporting • ARR • Regulation and Regulatory matters 	1 No AGM, 1 No Manager & 2 No Dy. Manager Total-4 nos.

Commercial Group headed by Sr. General Manager (Commercial)

25. The details of manpower and functions under Sr. General Manager (Commercial)) are given in the table below.

Table - 4

Work	Function	Manpower
Sr. GENERAL MANAGER (Elect) (Commercial, TS & C & M):		
A. Commercial Group	<ul style="list-style-type: none"> • Reviewing Long term contracts and Short term contracts • Energy meter data collection & compilation • Review of metering arrangement for Short-term contracts. • Development of Billing & Settlement procedures and keeping of accounts of energy transacted. • Preparation of UI bill for intra state utilities in case of implementation of Intra state ABT. • Preparation of State Energy Accounting and Bills for State Distribution Utilities. 	<ul style="list-style-type: none"> • 1 No. GM, 1 No. DGM, 1 No AGM, 2 Nos. Managers & 4 No D.M, Total = 09 nos.

Work	Function	Manpower
B. Technical Services / Contract & Material Management Group	<ul style="list-style-type: none"> • AC/DC auxiliary supply • Diesel generator operation and maintenance • UPS, battery, battery charger maintenance • Safety • Civil works maintenance. • Air conditioning plant maintenance. • Award of contract and contract execution • Material management and maintenance of stores. 	<ul style="list-style-type: none"> • 1 No. AGM, • 2 No. Manager & • 4 No. Dy. Manager Total = 7 nos.
C. SCADA/EMS Group	<ul style="list-style-type: none"> • Monitoring of communication link availability such as Optical Fiber, MW, PLCC etc.(to be maintained by STU) • Monitoring of RTU availability in coordination with STU Telecom Dept. • SCADA System (hardware) maintenance. • To develop suitable MIS for grid monitoring. • Maintaining Historical database. • Interface with ULDC project. • To build up accounting oriented information system. 	<ul style="list-style-type: none"> • 1 No. DGM(T), • 1 No. AGM(T), • 1 No. Manager (T) & • 1 No. Dy. Manager(T) Total = 4 nos.

SUPPORT SERVICES FOR SLDC UNDER DIRECTOR, SLDC

26. The functions directly controlled by Director, SLDC are given in the Table below.

Table - 5

A. HUMAN RESOURCES MANAGEMENT	<ul style="list-style-type: none"> • Manpower planning, Training, Budgeting & placement • Personal services (Leave / Loan / Recoveries etc) • Installation Security and safety • Human resource development • Administration. 	<ul style="list-style-type: none"> • 1 No Manager • 1 No Asst. Manager • 1 No Jr. Manager Total = 3 nos.
B. FINANCE	<ul style="list-style-type: none"> • Drawing and Disbursing functions • Auditing • Reconciliation • Maintenance of asset registers • Budget • Accounts 	<ul style="list-style-type: none"> • 1 No Manager • 2 No Asst Manager • 2 No Junior Manager Total = 5 nos.
C. Legal	<ul style="list-style-type: none"> • filling of affidavit • Hiring of Counsel support • Examine legal aspect of counter replies 	<ul style="list-style-type: none"> • 1 No Manager • 1 No Asst Manager Total = 2 nos.

27. Total Staff Requirement for SLDC:

a. Executive Staff Requirement:

Table - 6

Sl. No.	Category of Posts	Total Nos.
1	Director	01
2.	Sr. Executive Assistant to Director [DGM(E)]	01
GRID OPERATION		
<i>REAL TIME OPERATION</i>		
3	CGM (Elect)	01
4	Executive Assistant to CGM [AGM(E)]	01
5	General Manager (Elect)	01
6	DGM (Elect)	04
7	AGM (Elect)	04
8	Manager (Electrical)	04
9	Deputy Manager (Electrical)	04
10	Deputy Manager (Telecom)	04
	<i>Sub LDC (3 nos)</i>	
11	Manager (Elect)	03
<i>OPERATIONAL PLANNING</i>		
12	AGM (Elect)	01
13	Manager (Electrical)	01
14	Deputy Manager (Electrical)	02
1.2 OS, RA & MIS		
15	General Manager (Elect)	01
<i>OPERATION SERVICES</i>		
16	DGM (Elect)	01
17	AGM (Elect)	01
18	Manager (Electrical)	01
19	Deputy Manager (Electrical)	02
MIS & Regulatory Affairs		
20	AGM (Elect)	01
21	Manager (Electrical)	01
22	Deputy Manager (Electrical)	02
1.3 COMMERCIAL SERVICES		
23	Sr. General Manager (Elect)	01
24	Executive Assistant to SGM [Manager(E)]	01
Commercial, Tech Services, Contract &Material Management		
25	General Manager (Commercial, TS, C&M)	01
COMMERCIAL		
26	DGM(Elect)	01
27	AGM (Elect)	01
28	Manager (Electrical)	02
29	Deputy Manager (Electrical)	04
TECHNICAL SERVICES / CONTRACT & MATERIAL MANAGEMENT		
30	AGM (Elect)	01
31	Manager (Electrical)	02
32	Deputy Manager (Electrical)	04
SCADA		
26	DGM (Telecom)	01

Sl. No.	Category of Posts	Total Nos.
27	AGM (Telecom)	01
28	Manager (Telecom)	01
29	Deputy Manager (Telecom)	01
1.4 HRM		
30	Manager (HR)	01
31	Assistant Manager (HR)	01
32	Junior Manager (HR)	01
1.5 FINANCE		
33	Manager (Finance)	01
34	Assistant Manager (Finance)	02
35	Junior Manager (Finance)	02
1.6 LEGAL		
36	<i>Manager (Legal)</i>	01
37	<i>A.M. (Legal)</i>	01
	<i>TOTAL EXECUTIVES</i>	74

b. Non-Executive Staff Requirement:

Tabl - 7

Sl. No.	Category of Posts	Total Nos.
1	Sr. PS to Director	01
2	PS to CGM (GO)	01
3	PA to Sr. GM (Commercial)	01
4	Steno / Typist/ Comp. Asst.	05
5	Office Assistant	11
6	S Sk Assistant	05
7	Technician Electrical	01
	<i>TOTAL NON-EXECUTIVES</i>	25

Total Staff Requirement proposed for SLDC=A+B =74+25=99 Nos.

Computation of Annual Charges

28. As per the Regulation 10 of OERC (Fees and Charges of State Load Despatch Centre and other related matters) Regulations, 2010; the Annual Charges shall consist of the following components:
- Return on Equity
 - Interest on Loan Capital
 - Depreciation
 - Operation & Maintenance expenses excluding Human Resource expenses
 - Human Resource expenses
 - Interest on working capital

Return on Equity:

29. Since no equity has been provided, there is no Return on Equity.

Interest on Loan Capital:

30. There is no outstanding loan /loan proposed for SLDC expenditure. Hence Interest on Loan Capital has not been considered.

Depreciation:

31. Depreciation for the assets in the Unified Load Despatch Center and Offices in SLDC has been computed as Rs. 35.932 lakh as per CERC Regulation. The major amount of depreciation charges is for recovering the depreciation cost for Video Projection Screen (VPS) amounting Rs. 20.55 lakh. The details of depreciation are indicated in the table below.

Table - 8
Statement of Depreciation for FY 2012-13

Item	Amount in Rs. lakh
Recovery of Capital Cost (Amount to be recovered during the year)	0.000
Depreciation on existing assets	35.932
Cumulative depreciation on capital recovery and existing assets	35.932

Operation and Maintenance Expenses:

32. Operation and Maintenance Expenses excluding Human Resources expenses for FY 2012-13 has been computed as Rs.364.260 lakh considering the R&M expenditure proposed to be incurred for FMS, Website charges, AMC charges for SCADA / EMS equipments, IT equipments and civil work maintenance of office building and colony etc and A&G expenses considering Office expenses, Training and Certification programme of operators and executives, professional charges, communication system, gardening, meeting expenses etc.

The O & M Expenses have been projected considering actual expenditure to be incurred during FY 2012-13. The escalated rate of 5.72% of previous year's expenditure as provided in the OERC Regulation has not been adopted in some of the items due to less expenditure incurred during the current financial year. The expenditure could not be made by SLDC due to non-transfer of assets and deployment of required manpower, which are under process.

Administrative & General (A&G) Expenses:

33. A&G Expenses include office expenses, training & certification programme of operators & executives, professional charges, telephone expenses, gardening, meeting expenses etc, which have been computed as Rs.141.56lakh for FY 2012-13, in addition to the general O&M expenditure as indicated above.

Human Resources Expenses:

34. Human Resources Expenses have been computed as Rs.616.433lakh considering the Organisation Structure proposed in line with ERLDC Structure.

Interest on Working Capital:

35. The interest on working capital computed as Rs.30.75lakh as per OERC Regulation, 2010 considering 12% rate of interest. The details are indicated in the table below.

Table - 9

Sl No	Item	Amount (Rs in lakh) Lakh)
1.	O & M Expenses for one month excluding Human Resources Expenses	30.355
2.	Human Resource Expenses for one month	51.369
3.	Receivable (2 months of SOC & MOC)	174.563
4.	Total Working Capital	256.287
5.	Rate of Interest	12%
6.	Interest on Working Capital	30.75

Provision of CAPEX Plan

36. The CAPEX plan of SLDC for the FY 2011-12 has been approved by the Commission vide OERC Order dated 24.10.2011 which is under implementation. The above works / procurement shall be completed within two years. Hence, separate CAPEX plan has not been proposed for the ensuing FY 2012-13.

Certification for LDC personnel

37. The Recommendation No. (4) in Clause 6.4 of Report of the Committee on “Manpower, Certification and Incentives for System Operation and Ring fencing Load Despatch Centres” of MoP, GoI has envisaged that the highly specialized and technical nature of SLDC functions necessitate a suitable compensation structure to attract and retain talent. The Committee recommended the compensation structure, innovative incentive schemes for higher learning and monetary incentives based on their ratings. Seven numbers of SLDC Executives have completed the Certification Training and successfully qualified. Hence, the expenditure for Training & Certification of LDC personnel has been projected as Rs 20 lakh for FY 2012-13.

SLDC Assets

38. Most of the assets of SLDCs along with sub-SLDC have been identified as per the direction of the Commission. A Meeting had been convened on 22.03.2011 by the Committee for Transfer of Assets. Land officer of OPTCL has been entrusted to identify the land & building to be handed over to SLDC.

Table - 10**Summary of Annual Revenue Requirement of SLDC for recovery through Annual Fees and Charges for FY 2012-13**

Sl. No	Item Proposed Expenses	Amount (Rs. lakh)
1.	Employee Cost including Certification of SLDC personnel	616.433
2.	Repair & Maintenance Cost	222.7
3.	Administrative & General Expenses	141.56
4.	Interest on Loan Capital	0.000
5.	Interest on Working Capital	30.75
6.	Depreciation (Including Capital Recovery Cost)	35.932
7.	Contingency Reserve	0.000
8.	Bad & Doubtful Debt	0.000
9.	Reasonable Return	0.000
	Total	1047.375

Determination of Annual Charges for SLDC

39. The Annual Charges for SLDC have been computed as per provisions in Regulation 17, 18, 19, 20, 21 & 22 of OERC Regulations, 2010 as detailed below:

The Annual charges shall comprise of

- A) System Operation Charges (SOC) i.e. 80% of Annual Charge**
- B) Market Operation Charges (MOC) i.e. 20% of Annual Charge**

System Operation Charges (SOC) is proposed to be collected from the users in the following ratio

- Intra State Transmission Licensee-10% in the basis of Ckt-Kms
- Generating Company & Seller - 45% in the basis of Installed capacity
- Distribution Licensee & buyers - 45% in the basis of allocation

Market Operation Charges (MOC) is proposed to be collected equally from the DISCOMs and Generating Companies apportioning to the entitlement and installed Capacity.

For the purpose of determination of the above charges for CGPs, the maximum MW scheduled during April to October 2011 has been considered.

40. OPTCL has proposed for recovery of Annual Fixed Cost (AFC) of Rs.1047.375lakh through SOC & MOC as per OERC Regulation, 2010.
- a. System Operation Charges (SOC) (80% of AFC) – Rs.837.9 lakh
 - b. Market Operation Charges (MOC)(20% of AFC) – Rs.209.475 lakh

System Operation Charges

System Operation Charges (SOC) of Rs.837.9 lakh shall be collected from the following stakeholders as under:

- a. Intra –State Transmission Licensee @ 10% of SOC- **Rs.83.79 lakh**
- b. Generating Stations & Sellers @ 45% of SOC. **Rs.377.055 lakh**
- c. DISCOMs & Buyers @ 45% of SOC. **Rs.377.055 lakh**

Recovery of System Operation Charges

41. The recovery of SOC of Rs 837.90 lakh & Rs. 69.825 lakh shall be as per OERC Regulations, 2010 as under :-
- (a) OPTCL as Intra-State Transmission Licensee has to bear 10% of SOC of **Rs.83.79lakh/annum and Rs.6.9825lakh/month.**
 - (b) **Generating Stations & Sellers are to bear Rs.377.055 lakh /Annum and Rs.31.421/ Month.** The installed capacity of all generators and CGPs has been assessed as 4549.875 MW. SOC of Rs.377.055lakh /annum and Rs.31.421lakh/month have been apportioned to each generator/CGP in proportion to its installed capacity as shown in table below

Table – 11
Apportionment of Annual & Monthly SOC Charges amongst Generating Stations & Sellers
(Rs lakh)

Sl. No	Generating Company / Sellers	Installed Capacity	Total amount (Rs. lakh) (Annual)	Total amount (Rs. lakh) (Monthly)
A	State Generating Station			
1	OHPC	2084.875	172.777	14.398
2	OPGC	420	34.806	2.901
3	TTPS	460	38.121	3.177
B	Small Hydro			
4	OPCL (Small Hydro)	20	1.657	0.138
5	Meenakshi (Small Hydro)	37	3.066	0.256
C	IPP			
6	Arati Steels (IPP)	50	4.144	0.345
7	Sterlite (IPP)	600	49.723	4.144
D	CGPs	Maxm Scheduled (MW) (up to end of Oct'2011)		
8	Aarti Steel Limited (CGP)	35	2.901	0.242
9	Aryan Ispat & Power Pvt. Ltd.	10	0.829	0.069
10	Bhusan Power & Steel Ltd. (JSG)	60	4.972	0.414
11	Bhusan Steel Limited (MM)	40	3.315	0.276
12	Dinabandhu Steel & Power Ltd.	6	0.497	0.041
13	HINDALCO	12	0.994	0.083
14	IFFCO	25	2.072	0.173
15	IMFA	29	2.403	0.200
16	Jindal Stainless Limited, Duburi	102	8.453	0.704
17	Jindal Steel & Power Ltd., Angul	120	9.945	0.829
18	Maheswary Ispat Ltd	5	0.414	0.035
19	Maithan Ispat Limited	6	0.497	0.041
20	MSP Metallicks Limited	10	0.829	0.069
21	NALCO, Angul	85	7.044	0.587
22	Nava Bharat Ventures Limited	80	6.630	0.552
23	Narbheram Power & Steel (P) Ltd	8	0.663	0.055
24	Nilachal Ispat Nigam Limited	25	2.072	0.173
25	Orissa Sponge Iron Limited	6	0.497	0.041
26	Pattaniak Steel & Alloys Limited	7	0.580	0.048
27	Rathi Steel & Power Limited	6	0.497	0.041
28	RSP	14	1.160	0.097
29	Shree Ganesh Metallicks Limited	11	0.912	0.076
30	Shyam Metallicks & Energy Limited	12	0.994	0.083
31	Tata Sponge Iron Limited	19	1.575	0.131
32	Vedanta Aluminium Limited (Jharsuguda)	100	8.287	0.691
33	Vedanta Aluminium Limited (Lanjigarh)	5	0.414	0.035
35	VISA Steel Limited	40	0.921	0.077
	Total	4549.875	377.055	31.421

(c) The percentage of share and recovery of SOC from DISCOMs are as under:

Table - 12

Apportionment of Annual & Monthly SOC Charges amongst Distribution Companies

Name of Discoms	% Share	Annual Charge (Rs.lakh)	Monthly Charge (Rs. lakh)
CESU	33.91	127.856	10.655
NESCO	23.19	87.442	7.287
SOUTHCO	11.84	44.651	3.721
WESCO	31.06	117.106	9.759
TOTAL	100	377.055	31.421

Recovery of Market Operation Charges

42. The recovery of Market Operation Charges (MOC) of Rs.209.475lakh/annum & Rs.17.456 lakh/ Month shall be as per OERC Regulation, 2010 as under.

a. Generating Stations & Sellers @ 50% of MOC are to pay Rs.104.738lakh/annum to SLDC & Rs.8.728 lakh /Month.

Individual generator & CGP are to pay MOC in proportion to its. assessed installed capacity of 4549.875 MW as shown in the following Table:

Table - 13

Apportionment of Annual & Monthly MOC Charges amongst Generating Stations & Sellers Generating Company/Sellers

Sl. No.	Generating Company / Sellers	Installed Capacity (MW)	Total amount (Rs. lakh) (Annual)	Total amount (Rs. lakh) (Monthly)
A	State Generating Station			
1	OHPC	2084.875	47.994	3.999
2	OPGC	420	9.668	0.806
3	TTPS	460	10.589	0.882
5	Meenakshi	37	0.852	0.071
B	Small Hydro			
4	OPCL (Small Hydro)	20	1.657	0.138
5	Meenakshi (Small Hydro)	37	3.066	0.256
C	IPP			
6	Aarti Steels Limited	50	1.151	0.096
7	Sterlite Energy Limited	600	13.812	1.151
D	CGPs	Maximum Scheduled (MW) (up to end of October-2011)		
8	Aarti Steel Limited (CGP)	35	0.806	0.067
9	Aryan Ispat & Power Pvt. Ltd.	10	0.230	0.019
10	Bhusan Power & Steel Ltd. (JSG)	60	1.381	0.115
11	Bhusan Steel Limited (MM)	40	0.921	0.077
12	Dinabandhu Steel & Power Ltd.	6	0.138	0.012

Sl. No.	Generating Company / Sellers	Installed Capacity (MW)	Total amount (Rs. lakh) (Annual)	Total amount (Rs. lakh) (Monthly)
13	HINDALCO	12	0.276	0.023
14	IFFCO	25	0.575	0.048
15	IMFA	29	0.668	0.056
16	Jindal Stainless Limited, Duburi	102	2.348	0.196
17	Jindal Steel & Power Ltd., Angul	120	2.762	0.230
18	Maheswary Ispat Ltd	5	0.115	0.010
19	Maithan Ispat Limited	6	0.138	0.012
20	MSP Metallicks Limited	10	0.230	0.019
21	NALCO, Angul	85	1.957	0.163
22	Nava Bharat Ventures Limited	80	1.842	0.153
23	Narbheram Power & Steel (P) Ltd	8	0.184	0.015
24	Nilachal Ispat Nigam Limited	25	0.575	0.048
25	Orissa Sponge Iron Limited	6	0.138	0.012
26	Pattaniak Steel & Alloys Limited	7	0.161	0.013
27	Rathi Steel & Power Limited	6	0.138	0.012
28	RSP	14	0.322	0.027
29	Shree Ganesh Metallicks Limited	11	0.253	0.021
30	Shyam Metallicks & Energy Limited	12	0.276	0.023
31	Tata Sponge Iron Limited	19	0.437	0.036
32	Vedanta Aluminium Limited (Jharsuguda)	100	2.302	0.192
33	Vedanta Aluminium Limited (Lanjigarh)	5	0.115	0.010
34	VISA Steel Limited	40	0.921	0.077
	Total	4549.875	104.738	8.728

- b. DISCOMs & Buyers @ 50% of MOC are to pay **Rs.104.738lakh/annum & Rs. 8.728 lakh/ Month** as shown in Table below:

Table - 14

Apportionment of Annual & Monthly MOC Charges amongst Distribution Companies & Buyers

(b) Distribution Licensees & Buyers		104.738		
Sl.		% share	Annual Charge (Rs. lakh)	Monthly Charge (Rs. lakh)
35	CESU	33.91	35.515	2.960
36	NESCO	23.19	24.289	2.024
37	SOUTHCO	11.84	12.403	1.034
38	WESCO	31.06	32.529	2.711
	Total	100	104.738	8.728

Registration Fee

43. Besides the above charges, provision for collection of Registration Fee@ Rs1.00 lakh from all users has been made as per OERC Regulation, 2010.

Application Fee and Scheduling Charges

44. Application Fee and Scheduling Charges of Rs 5000/- per application and Rs.2000/- per day or part thereof respectively shall be paid by the Short Term Open Access (STOA) Customers as per CERC Regulation, 2009.
45. The details of ARR and proposed levy of SLDC Annual Fee and Charges for FY 2012-13 are summarized in the following table:

Table - 15

Sl. No.	Particulars	Unit	Proposal for 2012-13
1.	Annual Revenue Requirement	Rs. lakh	1047.375
2.	System Operation Charges (SOC)	Rs. lakh	837.9
3.	Market Operation Charges (MOC)	Rs. lakh	209.475
4.	Total Generation Capacity assessed	MW	4549.875

Summary of Annual Revenue Requirement and Fees & Charges for SLDC functions proposed by OPTCL

46. OPTCL has proposed before the Commission to approve the Annual Revenue Requirement of Rs.1047.375lakh for FY 2012-13 towards State Load Dispatch Centre (SLDC) functions separately and to approve to recover through:
- (a) System Operation Charges (SOC) (80% of AFC) – Rs.837.9lakh/annum or Rs.69.825lakh/month.
 - (b) Market Operation Charges (MOC) (20% of AFC) - Rs.209.475 lakh/annum or Rs.17.45625 lakh/ month.

VIEWS OF OBJECTORS AND CONSUMER COUNSEL ON OPTCL PROPOSAL FOR ARR AND ANNUAL FEES AND CHARGES FOR SLDC FUNCTIONS FOR FY 2012-13(Para 47 to 105)

Analysis of the proposal by Consumer Counsel (Para 47 to 58)

47. World Institute for Sustainable Energy (WISE), Pune- the Consumer Counsel has analyzed the application of the Licensee and some of their important observations are as under:-

Annual Revenue Requirement

48. SLDC has given the proposal for revenue requirement of Rs.1047.375 lakhs for FY 2012-13 which is about 19% rise over Rs.880.31 lakhs approved by the Commission for FY 2010-11. This would be recovered through Annual Fees and Charges. The Revenue Requirement includes Employee Cost of Rs.616.433 lakhs which is provisional. National Productivity Council (NPC) has already submitted a Report on the manpower requirement of OPTCL & SLDC which is said to be under active consideration of OPTCL. The Report is yet to be finalized and implemented. However, in the absence of any approved Organizational Structure for SLDC, the proposed Employee Cost seems to at a higher side as the Commission has earlier

approved a working strength of 81 nos. at par with ERLDC vide Para 182 of its Order dated 20.3.2010 and only 46 nos. of Employees are in place in SLDC during FY 2012-13.

49. SLDC has projected Administrative and General (A&G) expenditure at Rs.141.560 lakhs for FY 2012-13 which is about 88% rise over Rs.75 lakhs approved by the Commission to be spent during FY 2011-12 Against the approval of Rs.75 lakhs for FY 2011-12 SLDC has made an expenditure of Rs.37.53 lakhs during FY 2011-12 (from April, 11 to Sept.11). & if prorated for full year, it may be of the order of Rs. 75.31 lakhs for FY 2011-12. A & G Expenditure is to be based on certain principles like escalation of 5.2% over the previous year expenses i.e. on the estimated expenditure of Rs.75 lakhs. Accordingly, the Commission may approve A & G Expenses for FY 2012-13.
50. Repair and Maintenance (R&M) expenses of Rs.222.700 lakhs has been projected for FY 2012-13, SLDC has spent only an amount of Rs.87.07 lakhs during FY 2011-12 (April, 11 to Sept, 11),. and if prorated for full year, it may be of the order of Rs 174.14 lakhs for FY 2011-12. Hence the R&M Expenses proposed by SLDC for FY 2012-13 may be approved by the Commission considering 5.72% escalation over the prorated amount of Rs.174.14 lakhs as per OERC SLDC Regulation, 2010.
51. SLDC has computed depreciation of Rs 35.932 lakhs for Control Center assets as per OERC SLDC Regulation, 2010, out of which Rs 20.55lakhs have been claimed on account of VPS. An amount of Rs.17.53 lakhs towards depreciation of assets under ULDC & offices of SLDC was considered in ARR for FY 2011-12 under depreciation. It is not clear whether VPS has been purchased by SLDC or owned by ULDC. The Commission may verify this before approving the depreciation.
52. SLDC has calculated Interest on Working Capital as Rs.30.75 lakhs by considering an interest rate of 12%. The proposed Working Capital may be reduced based on the approved O & M and HR Expenses.

Non-Compliance of directions of the Commission-Main Issues

53. On transfer of assets of Sub-SLDCs at Bhubaneswar, Meramundali, Jayanagar & Budhipadar to SLDC, no definite time frame has been suggested by OPTCL as against the time line proposed by OERC in the approved Road Map as 31.08.2009.
54. On functioning of EASSC of SLDC, the Commission has earlier directed to establish the EASSC and to commence its operations w.e.f. 01.04.2010 and also has approved fund for EASSC since 2008-09. However, EASSC is not operational till date.
55. SLDC is to be headed by a Chief Load Despatcher in the rank of Director with requisite supporting Executives and Staff (81 nos). The HR information pertaining to 2011-12 reveal that the present strength of SLDC is at 46 nos. without a Chief Load Despatcher. OERC earlier directed OPTCL to send requisition to State Government to post a Director in SLDC by 28.02.2011 and that has not been complied with.
56. The Commission has approved a CAPEX of Rs 699.54 lakhs to be spent in FY 2010-11 & FY 2011-12. It is understood that the expenditure on this account till Sept, 2011 is only Rs. 195.38 lakhs. OPTCL may furnish the details of the works undertaken and the Road Map drawn for such expenses under CAPEX, to the Commission in every quarter for appraisal.

57. The Commission has approved to operate “SLDC Development Fund” under SLDC. SLDC may furnish the receipt and expenditure from “SLDC Development Fund” as on 31st December,2011

Summing Up

58. The Consumer Counsel WISE presented before the Commission the following concluding remarks during hearing on 23.02.2012 on application of OPTCL for approval of ARR & annual Fees & Charges of SLDC for FY 2012-13 :-.
- The SLDC is considered as ‘Brain’ of Power System Operation.
 - SLDC is responsible for optimum scheduling and dispatch of electricity, carrying out real time operations for grid control and dispatch of electricity in cost effective manner.
 - Non functioning of SLDC at the full strength will adversely affect the Power System Operations and indirectly increase the cost of electricity to be served.
 - The SLDC has been committing delay in implementing the various orders of Commission.
 - The Commission may consider all the above facts before approving the ARR for FY 2012-13.

Views of Objectors (Para 59 to 105)

59. The Commission has considered all the views of various Objectors on the proposal of OPTCL on ARR and Annual Fees and Charges for SLDC functions for FY 2012-13. Some of the views were found to be of general nature whereas others were specific to the proposed ARR filing for FY 2012-13. Based on their nature and points-at-issue, these views have been classified issue-wise and discussed below.

Functioning of SLDC & Establishment of a Separate Corporation for SLDC

60. Some Objectors submitted during hearing that SLDC should be ring-fenced suitably to ensure functional autonomy.
61. Some objectors pointed out that the Girish B. Pradhan Committee of MOP recommended in August, 2008 that the State Government should take suitable steps to facilitate independent functioning of SLDC in line with Electricity Act, 2003 as well as National Electricity Policy. To begin with, a separate representative Board Structure may be constituted for better governance of SLDC in line with wholly owned subsidiary Power System Corporation of India (POSOCO) already created since March, 2009 under POWERGRID for the independent system operation of RLDCs & NLDC.
62. Some objectors submitted during the hearing that the Commission vide Para 210 of the Order dated 18.03.2011 directed the State Govt. as well as OPTCL to take appropriate action for establishment of Odisha Power System Corporation Ltd. (OPSCCL) as a subsidiary Company under OPTCL but no action has been taken either by Government or by OPTCL so far.
63. One objector submitted that the state Govt. should notify a Transfer Scheme separating SLDC functions from OPTCL and establish the proposed OPSCCL as an independent Corporation directly under DoE, Govt. of Odisha for SLDC to function as an ISO as required under the Act.

Organizational Structure and Staffing of SLDC

64. Some Objectors pointed out that the National Productivity Council (NPC) has submitted the Man Power restructuring for SLDC long back which is still pending with OPTCL for approval and that clearly shows the lack of commitment of OPTCL to allow SLDC to function effectively as an ISO.
65. One Objector submitted that the Commission in its Order dated 20.03.2009 had directed OPTCL that SLDC should have 3 distinct wings for Grid Operation, Commercial Accounting and Settlement and Telecommunications with other support services in the pattern of Executives and Staff deployed in ERLDC. The Commission in the said Order had directed OPTCL that 81 nos. of Executives and Staff at par with ERLDC should be in place in SLDC by end of July, 2009. The Commission vide Order dated 20.03.2010 and again vide Order dated 18.03.2011 directed OPTCL to at least Post 81 nos, under SLDC by July, 2010,2011. OPTCL is ignoring the orders of the Commission on the plea of NPC Report. One objector wanted to know whether NPC stands at a higher plane than the Commission & the Transmission Licensee should clearly specify the same.
66. One Objector has submitted that NPC has given an assignment of restructuring of manpower in OPTCL as well as of SLDC. The date of issuance of work order and date of scheduled completion of the assignment by NPC should be made known to the Commission. OPTCL/ SLDC should identify the delays in finalization of the report by NPC and make a detailed statement before the Commission, on the issues that when the report will be finalized and implemented, so that SLDC will function as an independent authority.
67. The same objector pointed out during the hearing that the Commission while approving ARR for FY 2009-10 & FY 2010-11 again reviewed the staff strength of SLDC and found it was below 50 nos. for which the Commission vide Order dated 18.03.2011 directed CMD, OPTCL to post 81 nos. of Executives and staff by July, 2011 under SLDC at par with ERLDC to function as an Independent System Operator. It is now revealed by OPTCL during the hearing that the present strength of SLDC is only 46 nos. This continual reduction of staff strength at SLDC shows the very attitude of OPTCL not to allow SLDC to function as an ISO.
68. The objector further submitted during hearing that after 2 years of Commission's Order, OPTCL in its affidavit dated 05.01.2011 submitted before the Commission that the recruitment process of Executives by OPTCL is about to complete. OPTCL again after one year vide affidavit dated 04.02.2012 had submitted before the Commission that the required staff will be deployed during FY2012-13.

Appointment of Chief Load Despatcher

69. One Objector submitted that SLDC being a High-Tech Entity should reduce number of Clerical Staff and Class Four employees like other High-Tech Corporate Sector. The supporting staff should be as minimum as possible.
70. Some objectors submitted during the hearing that the Commission while approving ARR of SLDC for FY 2009-10 vide Order dated 20.03.2009 directed OPTCL to ensure that SLDC should be headed by a Chief Load Despatcher in the rank of a Director.
71. Some objectors submitted during the hearing that the Commission while approving ARR of SLDC for FY 2010-11 vide Order dated 20.03.2010 again directed CMD,

OPTCL to post the existing Director (Technical) as Director SLDC by 31st May 2010 as OPTCL failed to comply to the Commission's earlier Order dated 20.03.2009.

72. Some objectors tried to submitted during the hearing that after 2 years of Commission's Orders, OPTCL in its affidavit dated 05.01.2011 before the Commission informed that the matter of assigning the charge of Director, SLDC to Director (Engineering) OPTCL is under active consideration.
73. These objectors draw the attention of the Commission to Para 211 of the Order dated 18.03.2011 where OPTCL has been categorically directed to send the requisition for posting of a Director in SLDC to the State Govt. by 28.02.2011, OPTCL vide affidavit dated 04.02.2012 submitted before the Commission in reply to the objector's query said that the requisition to the Government for creating a Post of Director to head SLDC is under active consideration of OPTCL management.
74. Those objectors submitted during the hearing that as on date the one post of Chief Load Despatcher & 2 posts of Sr. Load Despatcher of SLDC is lying vacant since last 3 and half years in spite of the specific direction of the Commission to appoint to such post of SLDC, which amounts to blatant disregard of the transmission licensee of the Orders of this Commission in this matter.

Establishment of Energy Accounting & Settlement System Centre (EASSC) in SLDC

75. Some objectors submitted during the hearing that as per the Road Map of the Commission issued vide Letter No. 1313 dated 04.08.2007, EASSC of SLDC was to function by 31.08.2007 to prepare and issue of Monthly State Energy Account, weekly UI and Reactive Energy Account for billing and payment to all the stake holders deploying requisite personnel, software & hardware.
76. The same objectors submitted during the hearing that the Commission while approving ARR and Transmission Charges of OPTCL for FY 2008-09 vide Order dated 20.03.2008 approved Rs 688 lakhs for SLDC separately towards R & M expenses and development of EASSC but OPTCL could spend only Rs. 2.90 lakhs during FY 2008-09.
77. Those objectors submitted during the hearing that the Commission while approving a separate ARR for SLDC for FY 2009-10 had approved Rs. 2 crore for infrastructure development of EASSC during FY 2009-10.
78. They submitted during the hearing that OPTCL through an affidavit dated 11.01.2010 submitted before the Commission on functioning of EASSC as under:-
“All the infrastructures including civil works for establishment of EASSC at SLDC have been completed. Tender for procurement of the required hardware and software has been finalized and is expected to be commissioned during this Financial Year 2009-10.”
79. They also submitted before the Commission that OPTCL through an affidavit dated 05.01.2011 submitted before the Commission on functioning of EASSC as under:-
“All the infrastructures including civil works for establishment of EASSC at SLDC have been completed. Most of the hardware has been received. The EASSC is likely to be operational by the end of FY 2010-11.”
80. They submitted that OPTCL vide affidavit dated 04.02.2012 mentioned on the status of establishment of EASSC under SLDC as under:

“The data centre for Energy Accounting and Settlement Service Centre (EASSC) since been made operational by OPTCL which is presently operated and maintained on 24 x 7 basis by M/s WIPRO, the Facility Management Service (FMS) Contractor. The Meter Data Management (MDM) & billing software which has been developed by M/s INFOSYS is under User’s Acceptance Test (UAT). The EASSC shall be made operational soon after completion of the test. The delay for completion of EASSC is due to delay in receipt of hardware from the firm & customization of the software.”

81. In view of the above, the objectors pointed out before the Commissions that submissions of OPTCL under Oath through affidavit on 11.01.2010, on 05.01.2011 & again on 04.02.2012 clearly show that OPTCL is in the habit of submitting false statements before the Commission on the issue relating to establishment and Commercial Operation of EASSC. They further submitted that OPTCL should be directed by the Commission to install, trial run & commercial operation of EASSC by 31st March, 2012 positively failing which action against persons responsible for delay in Commercial Operation of EASSC should be taken up by OPTCL under intimation to the Commission

Transfer of Sub-LDCs to the Control of SLDC

82. Some objectors submitted during the hearing that the Commission directed OPTCL vide Order dated 20.03.2009 to transfer the assets of SLDC and Sub-LDCs at Bhubaneswar, Meramundali, Jayanagar & Budhipadar to the control of SLDC immediately i.e. by April, 2009.
83. The same objectors submitted during the hearing that OPTCL in its affidavit dated 05.01.2011 submitted before the Commission on transfer of assets by STU to SLDC that OPTCL had engaged one Chartered Accountant Firm for physical verification and valuation of fixed assets of SLDC Bhubaneswar. The said Firm had submitted its Report to OPTCL on 09.08.2010 and no action has been taken there after by OPTCL on the Report.
84. Some of the objectors pointed out that OPTCL vide affidavit dated 04.01.2012 submitted as under on transfer of assets from OPTCL to SLDC.

Regarding transfer of assets belonging to SLDC & sub-LDCs, it is to submit that as per the report received from the Chartered Accountants Firm, engaged for separation of assets & liabilities of SLDC, action have been initiated as per their suggestions. As a first step in this regard, the land and building being presently used by SLDC for carrying on its functions are being identified. Evaluation of the cost of the building is also under progress. The transfer of ownership of the assets to SLDC from OPTCL would take place through a transfer scheme to be notified by the Govt. of Odisha. However for the present the assets which are under exclusive use by SLDC, are being accounted for the purpose of maintaining separate accounts pending creation of a separate Government Company/ Authority/ Corporation to carry on the SLDC business.

85. They further submitted during the hearing that OPTCL even after expiry of 3 years of the direction of the Commission vide Order dated 20.03.2009 has not initiated any tangible action on valuation and transfer of Sub-LDCs at Bhubaneswar, Meramundali, Jayanagar & Budhipadar which are part and parcel of SLDC assets as per Govt. of Odisha “Transfer Scheme” Notification dated 09.06.2005.

Financial Performance of SLDC in present form under OPTCL

86. One objector submitted before the Commission during the hearing that the financial performance of SLDC for the last four financial years are extremely poor which can be seen from the data tabulated as under:

Table - 16

Financial Performance of SLDC

Financial Year	Amount approved by the Commission (In Cr.)	Amount spent by SLDC in Cr.	Percentage of expenses to the amount approved (%)
2008-09	6.88	0.029	0.42
2009-10	9.66	3.80	39.33
2010-11	13.62	7.68	56.38
2010-11 (April to Nov, 11)	8.80	3.58	40.68

NB: If the Expenses of Rs. 3.58 Cr. is prorated for FY 2011-12, the expenditure for FY 2011-12 will be about Rs.5.40 Cr. and 60% of the approved amount.

87. He submitted that the Commission has approved an additional amount of Rs. 6.995 crore towards capital expenditure during FY 2010-11 under SLDC but the cumulative expenditure under this head till September, 2011 is only Rs. 1.954 Cr. which is about 28% of the approved CAPEX.
88. He therefore submitted that due to such poor financial performance of SLDC, the Commission should not approve more than the ARR of Rs.8.80 Cr. for FY 2012-13.

Annual Revenue Requirement

89. Some of the Objectors pointed out that SLDC have submitted a high ARR of Rs.1047.375 lakhs for FY 2012-13 before the Commission which is about 19% more than that of Rs. 880.31 lakhs approved for FY 2011-12.

Annual Charges

90. One Objector submitted that even though Electricity Act, 2003 and National Electricity Policy provided for establishment of State-of-the-Art SLDC to function as an Independent System Operator, the same is still operated under OPTCL-the State Transmission Utility (STU). Therefore, he submitted before the Commission that there is no justification for any charges for SLDC like System Operation Charges & Market Operation Charges separately to be added to the BSP of GRIDCO since Transmission Tariff and Transmission Loss are being accounted for in ARR of OPTCL.
91. Some Objectors submitted that the Annual Charges approved by the commission for FY 2011-12 may continue in FY 2012-13 also as SLDC is not able to spend the approved outlay for FY 2009-10, FY 2010-11 & FY 2011-12.
92. One Objector submitted that 45% of SOC & 50% MOC should be apportioned among Distribution licensees and buyers on the basis of demand allocation. NALCO and ICCL should be included as buyers in the State. NALCO and ICCL should also pay their share as % of (45% of soc and 50% of MOC) based on yearly allocation of power to them.

93. Another Objector submitted that SOC & MOC charges have been proposed by SLDC to be collected from Generators & the Sellers on the basis of their entitlement & Installed capacity. For the Captive Generating Plants, the maximum MW scheduled during April to October 2011 has been considered by SLDC in their ARR proposal. The Objector submitted that SLDC may be advised to consider on some average either on monthly or yearly average injection basis for SOC & MOC so that more accuracy can be attained.

Depreciation

94. Some Objectors submitted that proposed depreciation of Rs. 35.932 lakhs is not justified as per OERC Regulation, 2010 as assets have not been transferred to SLDC & EASSC has not yet commenced its commercial operation. They submitted that SLDC has only purchased a Video Projection System (VPS) for Rs. 1.37 Cr. on which SLDC can claim depreciation & depreciation amount of Rs.20.55 lakh on VPS may be allowed in ARR for FY 2012-13.

Repair & Maintenance (R&M Expenses)

95. Some Objectors pointed out that the proposed R&M expenses for Rs.222.70 lakh is at higher side considering SLDC expenses during FY 2010-11 of about Rs.188 lakh & that during FY 2011-12 for the period from April, 11 to September, 11 of Rs. 87.07 lakh. They submitted that the Commission may approve R&M Expenses for FY 2012-13 considering 5.72% escalation over the actual/ prorated expenses for FY 2011-12 which may be about Rs 201.00 lakhs for FY 2012-13.
96. Another Objector submitted that as SLDC assets have not yet been transferred to SLDC by OPTCL Civil Works (R&M) for residential building & Electrical maintenance of Rs 14 lakhs proposed in ARR for FY 2012-13 may not be allowed.
97. Some Objectors submitted that R&M expenses for FY 2012-13 may be approved for Rs.1.75 Cr. on a pragmatic basis.

Employee Cost

98. Some Objectors proposed that the Employee Cost may be allowed to the extent of expected expenditure to be made during FY 2011-12 as staff strength of SLDC has been reduced in FY 2009-10, FY 2010-11 & FY 2011-12.
99. One Objector proposed that HR expenses for FY 2012-13 may be approved considering escalation @ 5.72% on the actual/ prorated expenses for FY 2011-12 which may be of the order of Rs 380 lakh.

Interest on Working Capital

100. Some Objectors submitted that since SLDC has not availed any loan from Banks/ Financial Institutions towards Working Capital requirement, interest payment on Working Capital does not arise.
101. One Objector submitted that since SLDC charge is being connected as First charge over Transmission charge of OPTCL every month, there is no need of working capital requirement and hence interest on working capital proposed for Rs. 30.75 lakhs should not be approved in ARR of SLDC for FY 2012-13.

Administration & General (A&G) Expenses

102. Some Objectors submitted that since A&G Expenses during 1st six months of FY 2011-12 were only Rs.37.53 lakhs, the A&G Expenses for Rs.75 lakhs only may be allowed in ARR of SLDC for FY 2012-13.
103. One Objector has suggested that A&G Expenses for FY 2012-13 may be approved considering 5.2% escalation over the approved amount of Rs.75 lakhs for FY 2011-12.

SLDC Development Fund

104. One Objector suggested that SLDC should inform all the stake holders regarding the creation of “SLDC Development Fund” as per OERC Regulation, 2010 and the amount available under the fund may be intimated to the Commission and to all the stake holders on 1st of April of each financial year.

Punishment for non-compliance of directions of OERC

105. One objector submitted before the Commission that as OPTCL being a licensee has been dishonoring the directions of the Commission year after year relating to revamping of SLDC, OPTCL is liable for penal action /punishment under Section 142 of Electricity Act, 2003 by way of penalty of Rs. 1 Lakh and in case of continuing failure there after the additional penalty of Rs. 6000/ day may be levied during which the failure of compliance of the Commission’s Order continues, which in this case may be considered w.e.f. 1st April, 2011.

OPTCL’s response to queries raised by the Commission Staff (Para 106 to 126)

106. The Commission on scrutiny of the ARR and Annual Fee & Charges for SLDC for FY 2012-13 had sought clarifications and additional information vide OERC letter no 97/2011/2935 Dated 21.12.2011 by raising certain queries. OPTCL submitted the following clarification and additional information in the paragraphs mentioned here under for information of the Commission.

Query on “Status of Mile-Stones mentioned in Road Map of OERC”

107. OERC issued a Road Map for implementation of levy of Annual Fees and Charges for SLDC functions vide letter No. 1313 dated 04.08.2007 and the important milestones and the time-line fixed by OERC are mentioned as under:
 - (a) Transfer of all assets belonging to the Unified State Load Despatch Centre at Mancheswar and Sub-Load Despatch Centres at Bhubaneswar, Meramundali, Jayanagar and Budhipadar with the land, buildings, plant and equipments associated or related to the State Load and Sub-Load Despatch Centres to SLDC to function as an independent autonomous entity under OPTCL (in line with Transfer Scheme of 2005 of GOO).....31.8.2007.
 - (b) Establish Energy Billing Centre (EBC)/ Energy Accounting Settlement System Centre(EASSC) for preparation of monthly State Energy Accounting, weekly UI and Reactive Energy Accounting (both provisional and final) for billing and payment by stakeholders deploying requisite personnel, software and hardware31.8.2007.
 - (c) Transfer of all Records / PPAs to SLDC relating to payment of ULDC charges to PGCIL31.3.2008.

- (d) SLDC is to act as Nodal Agency for the purpose of overall coordination of implementation of Intra-State ABT, Intra-State Open Access and Operations there under.....15.08.2007.

OPTCL was directed to furnish the up-to-date status on the milestones mentioned above for the perusal of the Commission.

108. **In response to the query above, OPTCL replied as under :**

- a. OPTCL has engaged one Chartered Accountant Firm for physical verification and valuation of Fixed Assets of SLDC at Mancheswar, Bhubaneswar. Actions have been initiated as per their suggestions. As a first step in this regard, the land and building being presently used by SLDC for carrying on its functions are being identified. Evaluation of the cost of the building is also under progress. The transfer of ownership of the assets to SLDC from OPTCL would take place through a Transfer Scheme to be notified by the Govt. of Odisha. However, for the present, the assets which are under exclusive use by SLDC, are being accounted for the purpose of managing separate accounts pending creation of a separate Government Company/ Authority/ Corporation to carry on the SLDC business..
- b. The Data Centre for Energy Accounting and Settlement Service Centre (EASSC) has since been made operational by OPTCL which is presently operated and maintained on 24 x 7 basis by M/s WIPRO-the Facility Management Service (FMS) Contractor. The Meter Data Management (MDM) & billing software which has been developed by M/s INFOSYS is under User's Acceptance Test (UAT). The EASSC shall be made operational soon after completion of the test.
- c. As per the Recommendation in the Report of the Task Force Committee on "Capital Expenditure and issues related to Emoluments for personnel in LDCs", the assets pertaining to Control Centre (SLDC) have to be handed over to SLDC. Provision for recovery of the outstanding amount for investment made by POWERGRID on ULDC Project shall have to be kept in ARR of SLDC. Since, the SLDC assets are yet to be transferred; ULDC asset recovery charges have not been considered in ARR of SLDC for FY 2012-13
- d. As directed by OERC, SLDC is discharging its responsibility as a Nodal Agency for overall coordination for implementation of Intra-State ABT, Intra-State Open Access and operations there under. The "Mock Exercise" Intra-state ABT considering the GRIDCO & DISCOMs has been implemented since 20th July, 2009. The weekly UI charges payable/ receivable by DISCOMs are being computed by SLDC for invoicing from the monthly energy meter data.

Query on "Transfer of Sub-LDCs to the control of SLDC"

109. As per Para 151 of the Commission's Order dtd. 20.03.2010 & Para 138 of Order dated 18.03.2011; OPTCL was directed to submit definite timeframe for transfer of the Sub-LDCs at Bhubaneswar, Meramundali, Jayanagar and Budhipadar to SLDC.
110. In reply to the Commission's query above, OPTCL replied that all the assets belonging to SLDC have been identified. All the assets are likely to be transferred to SLDC during FY 2012-13.

Query on “Establishment of EASSC under SLDC”

111. The Commission in Para 213 of the Order dated 18.03.2011 directed that EASSC of SLDC should function from 01.04.2011 without fail and EASSC should prepare & issue monthly State Energy Account (SEA), weekly UI Account & weekly Reactive Energy Account to all the stake holders. OPTCL is directed to file the date for commercial operation of EASSC of SLDC and should furnish the reasons and persons responsible for such abnormal delay over 4 years for establishment of EASSC.
112. In response to the query above, OPTCL replied that The Data Centre for Energy Accounting and Settlement Service Centre(EASSC) has since been made operational by OPTCL which is presently operated and maintained on 24 x 7 basis by M/s WIPRO, the Facility Management Service (FMS) Contractor. The Meter Data Management (MDM) & billing software which has been developed by M/s INFOSYS is under User’s Acceptance Test (UAT). The EASSC shall be made operational soon after completion of the test. The delay for completion of EASSC is due to delay in receipt of hardwares from the Firm and customization of the software.

Query on “Establishment of Odisha Power System Corporation Ltd for SLDC”

113. The Commission vide Para 210 of Order dated 18.03.2011 directed that as SLDC has failed to act as an ISO even after 2 years of its ring-fencing. The Commission is of the view that the State Govt. and OPTCL should take immediate steps for creation of a wholly owned subsidiary Odisha Power System Corporation Limited (OPSCL) under OPTCL in line with POSOCO created under PGCIL since March 2009. OPTCL is directed to send the action taken on the matter along with the copies of Resolutions of Board of Directors, OPTCL to Govt. of Odisha, Dept. of Energy for creation of OPSCL under OPTCL for effective functioning of SLDC as an ISO.
114. In reply to above OPTCL submitted that establishment of Odisha Power System Corporation Limited (OPSCL) a wholly owned subsidiary under OPTCL would be possible and purposeful only after segregation of assets and liabilities of SLDC, full-fledged reinforcement of SLDC with requisite human resource and infrastructure which are presently under various stages of implementation by OPTCL as explained in the foregoing paragraphs. Pending formation of OPSCL, SLDC may continue to function in the current mode within the ambit of OPTCL without compromising its financial and operational autonomy.

Query on “Establishment of SLDC Development Fund”

115. The Commission vide Para 230 of the Order dtd.20.03.2010 directed that a separate fund styled as “SLDC Development Fund” under a separate Head of Account under SLDC should be established with effect from 01.04.2010 with a corpus of unspent amount as on 31.03.2010 of SLDC to start with. OPTCL is directed to furnish the following as regard to “SLDC Development Fund”
- a. Initial corpus available as on 01.04.2010.
 - b. Amount deposited during FY 2010-11.
 - c. Amount deposited during FY 2011-12 (from April-November, 2011) under this head with details thereof.
 - d. The details of amount spent out of this fund during FY 2010-11 & FY 2011-12 (from April-Nov, 2011).
116. In reply to the Commission’s query above, OPTCL furnished that the details of “SLDC Development Fund” are as follows:

- a. Opening Balance as on 01.04.2010 - Rs.535.92 lakh
- b. Amount deposited during FY 2010-11 - Rs.214.99 lakh
- c. Amount deposited during FY 2011-12 - **Rs.233.12 lakh**
(From April-November, 2011)
-
- Total Amount available - **Rs.1034.03 lakh**
- d. Capital Expenditure made during Financial Year:
- (i) 2010-11 - Rs.193.12 lakhs
- (ii) 2011-12 - Rs.7.94 lakh
(Upto Nov-2011)
- Closing Balance as on 30.11.2011 **Rs. 832.97 lakh**
- e. Amount deposited during FY 2011-12 (from April-November, 2011) under this head with details thereof:
- (i) Application Fees - Rs.3.45 lakh
- (ii) Scheduling charges - Rs.15.06 lakh
- (iii) Registration Fees - Rs. 3.00 lakh
- (iv) Unspent amount deposited - Rs.211.61 lakh

Query on “Expenses of SLDC during FY 2011-12 (From April to November, 2011)”

117. In the ARR for FY 2011-12, the Commission had approved an amount of Rs 8.80 Cr. towards SOC & MOC of SLDC, OPTCL may furnish the item-wise actual expenditure viz. Employee cost, additional Compensation, R&M, A&G, depreciation etc. incurred from April to November 2011 during FY 2011-12.
118. In reply to the above; OPTCL submitted that the item wise actual expenditure for FY 2011-12 (upto November 2011) is tabled as under:

Table - 17

Sl No.	Item	Expenditure in ` lakhs
1.	Employee Cost	172.57
2.	Additional compensation	-
3.	R & M	121.15
4.	A & G	52.90
5.	Reasonable Return	-
6.	Depreciation	11.69
7.	Interest on Loan	-
	TOTAL	538.31

Query on “Collection of Application Fee & Scheduling Charges from STOA customers”

119. It is observed from the application filed by OPTCL on 29.11.2011 before the Commission that OPTCL has proposed at Page 7 Para 5 to collect Application Fee of Rs.5000/- per application and Scheduling Charges of Rs.2000/- per day or part thereof from STOA customers. OPTCL is directed to furnish the receipt of such Application

Fee and Scheduling Charges from STOA customers for FY 2008-09, FY 2009-10, FY 2010-11 and for FY 2011-12 (from April – November, 2011) for the perusal of the Commission.

120. In reply to the Commission’s query above, OPTCL replied that the amount received for application fee and scheduling charges from STOA customers for the period from 01.04.2008 to 30.11.2011 is as tabled below.

Table - 18

Sl. No.	Details of charges	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12 (up to 11/2011)
1.	Application fee charge	13.43 lakhs	14.95 lakhs	6.3 lakhs	3.45 lakhs
2.	Scheduling Charges		31.81 lakhs	22.17 lakhs	15.06 lakhs
3.	Total	13.43 lakhs	46.76 lakhs	28.47 lakhs	18.51 lakhs

Query on “Collection of one time Registration Fee from Users”

121. OPTCL in its ARR Application for FY 2012-13 at Page 7 Para 5 has mentioned for collection of Rs.1.00 lakh from all users towards Registration Fee. OPTCL is directed to furnish the details of collection towards Registration Fee from the users during FY2009-10, FY 2010-11 & FY 2011-12 (from April-November 2011) for the perusal of the Commission.
122. In reply to the Commission’s query above, OPTCL replied that the amount received towards one-time Registration Fee from the Users as under:

Table - 19

Sl. No.	Financial Year	Amount in `
1.	2009-10	Nil
2.	2010-11	35,00,000
3.	2011-12 (upto Nov. -11)	3,00,000

Query on “Appointment of Director as Chief Load Despatcher and other Executives in SLDC”

123. As per Para 215 of the Commission’s Order dtd. 18.03.2011, CMD OPTCL is to ensure that SLDC should be headed by a Chief Load Dispatcher in the rank of Director and should have Executives and Staff of 81 nos. during FY 2011-12 at par with ERLDC to man all SLDC Operation having 3 distinct wings of Grid Operation Commercial and Telecommunication. OPTCL is directed to file the status of posting of a Director, availability of Staff / Executives as on 30.11.2011 and the reason of non-compliance of Commission’s specific direction in this regard.
124. In reply to the Commission’s query above, OPTCL replied that the Executives recruited by OPTCL are undergoing rotational training at various field locations. After the training, the required number of Executives will be deployed at SLDC. SLDC is now functioning autonomously under the direct administrative control of the Chairman-cum-Managing Director, OPTCL the designated State Transmission Utility

(STU). Requisition to the Government for creating post of a Director to head the SLDC is under active consideration of the OPTCL management.

Query on “Expenses towards Employee Cost by SLDC during FY 2011-12 (April to Nov. 2011)”

125. The Commission directed OPTCL to furnish the actual Pay, GP, DA, ADA, HRA, etc. paid by SLDC to Employees during FY 2011-12 (April 2011 to November 2011).
126. In reply to the Commission’s query above; OPTCL furnished the details of Employee Cost during FY 2011-12 (April 2011 to November 2011) as under:

Table - 20

Sl. No	Description	Amount in Lakhs
1.	Pay +GP+DP+Special Pay	91.28
2	DA	51.56
3	Other Allowance	4.77
4	Medicine Allowance	5.21
5	HRA	12.75
6	Other Staff Cost (Green Card, Conveyance reimbursement)	1.46
7	Total	167.03

OPTCL’s RESPONSE TO THE OBJECTORS (Para 127 to 140)

127. In response to the views of the Objectors on the ARR and Annual Fees and Charges for SLDC functions for FY 2012-13, OPTCL/SLDC had filed rejoinders in respect of each issue as under

Functioning of SLDC

128. As per the provision U/s 31 (2) of the Electricity act, 2003 *“The State Load Dispatch Centre shall be operated by a Government Company or any authority or Corporation established or constituted by or under any State act, as may be notified State Government. Provided that until a Government Company or any authority or corporation is notified by the State Government, the STU shall operate the SLDC.”* Accordingly SLDC is at present operated by OPTCL the STU. SLDC is operating the State Grid most efficiently to maintain the Electrical Parameters within the statutory limit.

Organizational Structure and Employee Strength

129. As per the direction of the Commission at Para 215 of its Order dated 18.03.2011 passed in Case No 150/2010 for approval of ARR and SLDC Charges for FY 2011-12, provision of manpower as per ERLDC structure has been made in the ARR application for FY 2012-13.
130. National Productivity Council (NPC) Report is in final stage & is likely to be implemented in FY 2012-13. The required number of staff shall be deployed at SLDC during the FY 2012-13. The man power structure proposed by NPC is higher than the present proposal which is not considered in the ARR.

Establishment of Energy Accounting & Settlement System Centre (EASSC).

131. The Data Centre for Energy Accounting and Settlement Service Centre(EASSC) since been made operational by OPTCL which is presently operated and maintained on 24 x 7 basis by M/s WIPRO the Facility Management Service (FMS)Contractor. The Meter Data Management (MDM) & billing software which has been developed by M/s INFOSYS is under User's Acceptance Test (UAT). The EASSC shall be made operational soon after completion of the test. The delay for completion of EASSC is due to delay in receipt of hardwares from the Farm and customization of the software.

Posting of Chief Load Dispatcher at SLDC.

132. SLDC is now functioning autonomously under the direct administrative control of the Chairman-cum-Managing Director, OPTCL the designated State Transmission Utility (STU). Requisition to the Government for creating post of a Director to head the SLDC is under active consideration of the OPTCL management.

Employee Cost

133. OPTCL in its ARR for FY 2012-13, has proposed Rs.616.43 lakhs towards human resources expenses considering all the posts as proposed to be filled up during FY 2012-13.Hence the expenditure proposed as above is justified.

Interest on Working capital

134. OPTCL in its ARR for FY 2012-13 has proposed Rs. 30.75 lakhs towards interest on working capital. OPTCL denies to the contention of some of the Objectors that Working Capital is not at all required for SLDC and as SLDC has not yet taken any loan from Banks./Financial Institutions, Interest on Working Capital is not payable. In this connection OPTCL submitted that the due date for monthly SLDC charges is one month from the bill date. Most of the Users are not making payment within the due date. Arrangement of Working Capital from the "SLDC Development Fund" results in losing interest. To compensate the same; provision of interest on Working Capital has been kept in the ARR.

Recovery of SLDC Expenses through System Operation Charges (SOC) & Market Operation Charges (MOC) based on Demand Allocation.

135. As per provision under Regulation 18, 19 & 20 of OERC (Fees & Charges of SLDC and other related matters) Regulations, 2010, the SOC and MOC have been computed considering the allocation of energy (MU) drawals by the Distribution Licensees as energy drawal is more realistic approach than the demand allocation.

SLDC Development Fund

136. "SLDC Development Fund" has already been created under Head of Account 57.10 and the unspent amount of each financial year is being deposited in the said fund.

Short-Term Open Accesses (STOA) transactions

137. A monthly report on STOA transaction indicating number of application received, quantum & period of STOA transactions, no of applications permitted/ denied with reasons is being submitted to OERC.

SCADA connectivity of OPTCL Grid substations

138. OPTCL has taken necessary steps to cover all the grid sub-stations under SCADA.

Review of Performance of SLDC

139. OPTCL submitted that the performance of SLDC is being presented in the Review Meeting of OERC.

Apportionment of Installed Capacity considering average surplus injection of CGPs.

140. The installed capacity for the state owned generating stations and IPPs dedicated for the State are considered for computing SOC & MOC. For the CGPs injecting surplus power, their maximum scheduled power during FY 2011-12 (upto November- 2011) has been considered in the ARR for FY 2012-13 as per the prevailing practice.

VIEWS OF GOVT. OF ODISHA

141. Govt. of Odisha Department of Energy vide letter No. 2261 dtd. 19.03.2012 has furnished the views of the State Government on constitution of separate Company for SLDC as under:

As the State Govt. have not yet constituted/ established a body like Company/ Authority/ Corporation under the Electricity Act, 2003 till today the transmission utility is operating the SLDC. However sufficient reinforcing has been made to ensure functional autonomy to SLDC.

OBSERVATION OF THE STATE ADVISORY COMMITTEE (SAC) (Para 142 to 145)

142. The State Advisory Committee (SAC) constituted under Section 87 of Electricity Act, 2003 met on 29th Feb, 2012 to deliberate on the Annual Revenue Requirement and Tariff Applications for the FY 2012-13 of utilities, namely OHPC, OPTCL, GRIDCO, SLDC, CESU, NESCO, SOUTHCO and WESCO.
143. WISE-the Consumer Counsel made a Power Point presentation on various aspects and tariff proposals of OHPC, GRIDCO, OPTCL, SLDC & four Distribution Companies & the suggestions made during course of tariff hearings held from 21.02.2012 to 28.02.2012. The broad breakup of the tariff proposal presented by WISE is indicated in Table below:

Table - 21

Name of the Licensee/Generator	OHPC *	GRIDCO**	OPTCL	SLDC	DISCOMS****
Approved ARR for FY 11-12 (Rs. Cr)	382.18 (387.97)	5952.92	572.50	8.8031	7056.53
Proposed ARR for FY 12-13 (Rs. Cr)	404.22 (412.23)	9835.54	1330.46	10.474	9775.25
% Rise Proposed	5.77 (6.25)	65.22	132.39	18.98	38.53
Approved Tariff (P/U) for FY 11-12	68.01 (65.96)	231.65	25.00	0.39	404.31
Proposed Tariff for FY 12-13 (P/U)	71.93 (70.09)	410.98	54.68	0.43	619.96
% Rise Proposed	5.76 (6.26)	77.41	118.72	10.26	53.45

Note: * Figurtes in the bracket are including the Odisha share of expenses of Machhkund H.E.Project (Joint project of AP & Odisha)

** The proposed ARR of GRIDCO for FY 2012-13 is based on existing tariff of OHPC for FY 2011-12.

*** The proposed ARR of DISCOMs is based on existing BSP of 231.15 P/U, for FY 2011-12 Tr. Tariff of 25 P/U & SLDC Charges of 0.18 P/U.

144. Some members of SAC pointed out that there is no need for enhancement of Annual Fees & Charges for SLDC during FY 2012-13 as SLDC has not yet geared up to play the effective role of an Independent System Operator (ISO) in Odisha Power Sector.
145. Some members of SAC suggested that the proposed Odisha Power Systems Corporations Ltd. (OPSCCL) should not be a wholly owned subsidiary of OPTCL as proposed by the Commission rather it should be a full fledged Company/ Corporation of the State Govt. as per Sec. 31(2) of the Act.

COMMISSION’S OBSERVATIONS (Para 146 to 210)

146. The Commission, for approval of ARR for SLDC functions and determination of Annual Fees and Charges for FY 2012-13 followed the same principle as laid down in the Electricity Act, 2003, CERC (Fees and Charges of RLDC and Other Related Matters) Regulation, 2009 and OERC (Fees and Charges of SLDC and other Related matters) Regulations, 2010.
147. These principles forming the basis of this ARR determination exercise are dealt in greater details in the main text of this order under the relevant components of the ARR.

Return on Equity (RoE)

148. At present all assets relating to SLDC & the Sub-LDCs at Bhubaneswar, Meramundali, Jayanagar and Budhipadar are booked under OPTCL for which the Commission approves Transmission Tariff separately. As the equity component for SLDC is ‘Zero’, hence ‘Nil’ RoE is considered for SLDC under Annual Charges.

Interest on Loan Capital

149. In the same analogy as above the Commission is not inclined to approve any interest on loan capital as there is no outstanding loan /loan proposed for SLDC expenditure for FY 2012-13.

Depreciation

150. OPTCL has proposed Depreciation of existing assets of Rs 35.932 lakhs for FY 2012-13 towards depreciation of assets of SLDC and the details are shown in Table-below :

Table – 22

Calculation of Depreciation cost

(Rs. Lakh)

Sl. No.	Name of the Assets	Gross Block as on 31.03.2012	Depreciation Rates as per CERC's Depreciation Rate Schedule	Depreciation Amount for the year 2012-13
	1	2	3	4=Col.2 X Col.3
1.	Land	00.00	0.00%	0.000
2.	Office Building	00.00	1.63%	0.000
3.	Residential Building	00.00	1.63%	0.000
4.	Roads	00.00	100.00%	0.000

Sl. No.	Name of the Assets	Gross Block as on 31.03.2012	Depreciation Rates as per CERC's Depreciation Rate Schedule	Depreciation Amount for the year 2012-13
5.	Battery	08.84	5.28%	0.467
6.	Isolation transformer & ACDB for UPS	11.66	5.28%	0.616
7.	Underground Cables	00.90	5.28%	0.047
8.	Over Head LT lines	00.00	5.28%	0.000
9.	AC Plant	00.18	5.28%	0.009
10.	Split type Air Conditioner	05.20	5.28%	0.275
11.	DG Set	05.48	5.28%	0.289
12.	Office Furnitures	00.88	6.33%	0.056
13.	Office equipment	00.09	6.33%	0.006
14.	Internal Wiring	00.09	6.33%	0.006
15.	Street Light	10.77	5.28%	0.568
16.	Communication Equipment (intercom system)	00.00	6.33%	0.000
17.	IT equipment such as computers, printers including equipments at EASS centre	74.03	15.00%	11.105
18.	Software for EASS	03.92	30.00%	1.176
19.	Video Projection System (VPS)	137.00	15.00%	20.550
20.	End User's equipments such as router etc. to receive the metering data	04.77	15.00%	0.715
21.	Vehicle	00.90	5.28%	0.047
	TOTAL	264.70		35.932
	Weighted Average Rate of Depreciation (%)	13.57		
*Assets of ULDC projects except battery, UPS & DG Set have not been considered for computation of depreciation cost as they are owned by PGCIL.				
* Assets such as Land & Building, Road have not been handed over to SLDC and hence not been considered for calc				

151. The Commission has observed that assets pertaining to SLDC and Sub-LDCs have not yet been transferred to SLDC. The EASSC is not yet ready & its date of Commercial Operation depends upon the satisfactory performance of User's Acceptance Test (UAT) being developed by INFOSYS. The Commission has further noticed that only Video Projection System (VPS) has been purchased from SLDC account, on which SLDC can claim depreciation.

152. The Commission therefore approves only Rs.20.550 lakh proposed by OPTCL on account of VPS under Depreciation for FY 2012-13.

Operation and Maintenance (O&M) Expenses:

153. The O&M expenses for SLDC for FY 2012-13 are considered under the following heads:

- a. Employee Cost (Human Resource Expenses) including Certification of SLDC personnel.
- b. Repair & Maintenance (R&M) Cost
- c. Administration & General (A&G) Cost
- d. Less Capitalized

Employee Cost (Human Resource Expenses):

154. OPTCL has projected the Employee Cost including Certification of SLDC personnel at Rs.616.433 lakh. The details of Employee Cost including Certification of SLDC personnel are shown in Table below :

Table - 23

Employee Cost including Compensation proposed for SLDC for FY 2012-13

(Rs. lakh)

Sl.No.	Account Code	Executive		Non-Executive		Total
		Technical	Non-Tech.	Technical	Non-Tech.	
1.	Salaries	190.000	22.000	31.900	36.267	280.167
2.	Over-time					
3.	Dearness Allowance	133.000	15.400	22.330	25.387	196.117
4.	Other Allowance such as shift, convenience, ABT, green card washing, type etc	18.000	1.680	2.376	2.176	24.232
5.	Bonus					
6.	Compensation for LDC Personnel					12.000
7.	Sub Total (1 to 6)	341.000	39.080	56.606	63.829	512.515
	OTHER STAFF COST					
8.	Reimbursement of Medical Expenses	13.500	3.120	3.806	4.080	24.506
9.	Leave Travel Concession	2.000	0.500	1.000	1.500	5.000
10.	Reimbursement of House Rent	33.600	2.880	3.432	3.400	43.312
11.	Interim Relief to Staff					0.000
12.	Encashment of Earned Leave					0.000
13.	Honorarium					0.000
14.	Payment under Workmen compensation Act					0.000
15.	Ex-gratia					0.000
16.	Expenditure on VRS					0.000
17.	Sub Total (8 to 16)	49.100	6.500	8.238	8.980	72.818
18.	Staff Welfare Expenses	0.300	0.100	0.100	0.500	1.000
19.	Terminal Benefits	0.000	0.000	0.000	0.000	0.000
20.	Provisions - Arrear Salary RPP for 20 executives	30.000				30.000
21.	Others (Specify) (Uniform & Liveries))			0.050	0.050	0.100
22.	Total (7+17+18+19+20+21)	420.400	45.680	64.994	73.359	616.433
23.	Revenue recovered, if any					0.000
24.	Net Total (22-23)	420.400	45.680	64.994	73.359	616.433
	ADDITIONAL INFORMATION					

Sl.No.	Account Code	Executive		Non-Executive		Total
		Technical	Non-Tech.	Technical	Non-Tech.	
1.	No. of Employees as on :					
	i) Executives	50	8			58
	ii) Non-Executives			11	17	28
	iii) Skilled					
	iv) Non-Skilled					
	Total					86
2.	No. of Employees per					
	i) MW handled					
	ii) MKwh handled					

155. The Employee Cost has been determined based on actual expenditure incurred by SLDC during FY 2011-12 (April, 2011 to November, 2011) and prorated expenses for SLDC for FY 2012-13 based on actual expenses for the period from April, 2011 to November, 2011 & the annual increment of 3% over the prorated expenses of SLDC for 2011-12. OPTCL has assured the Commission during hearing to fill up all the post at par with ERLDC during FY 2012-13. The Commission has further observed that Intra-State ABT (Phase-I) will be under commercial operation from 01.04.2012 and Intra-State ABT (Phase-II) will be under “MOCK Exercise” from that date. Hence, additional expenses for implementation of Intra-State ABT during FY 2012-13 of Rs. 85 lakhs have also been approved under the Employee Cost for FY 2012-13. The Employee Cost approved by the Commission for FY 2012-13 is given in the Table below:

Table – 24

Employee Cost proposed and approved for SLDC for FY 2012-13

(Rs. lakh)

Particulars	FY 2011-12 (Prorated)	Proposed by OPTCL for SLDC & Sub-LDCs for FY 2012-13	Approved by the Commission for FY 2012-13
Actual working strength	46 Nos.	99 Nos.	At par with ERLDC (81 Nos.)
Employee Expenses	250.54	616.43	495.68
Additional Expenses for implementation of Intra- State ABT during FY 2012- 13	-	-	85.00
Less Expenses Capitalized	0.00	0.00	0.00
Net Employee Expenses	250.54	616.43	580.68

Administration & General (A&G) Expenses

156. The A&G expenses comprise of several heads such as insurance, conveyance expenses, telephone expenses, vehicle hiring charges, rents, stationery expenses, electricity charges, entertainment expenses, legal expenses, audit fees, technical and professional fees, taxes, stamp charges, conveyance, security and service charges, other miscellaneous charges etc.

157. Administration and General (A&G) Expenses have been projected by OPTCL for SLDC at Rs.141.56 lakh for FY 2012-13. The component-wise details of Administrative and General Expenses projected for FY 2012-13 are furnished in Table below:

Table - 25
Details of Administrative & General (A&G) Expenses

(Rs. lakh)

Sl. No.	Description	Actuals for previous Financial Year 2010-11 in Rs.	Current Financial Year			Estimates for ensuing year 2012-13
			Actual For First Six Months (up to Sept, 2011)	Projection For Balance Six Months	Total	
	PROPERTY RELATED EXPENSES					
1	Licence Fees	0.00	0.00	0.00	0.00	0.00
2	Rent	0.00	0.00	0.00	0.00	0.00
3	Rates & Taxes	0.00	0.00	0.00	0.00	0.00
4	Insurance	7215.00	5980.00	0.00	5980.00	6000.00
5	Contribution to accident reserve fund					
6	Sub total :	7215.00	5980.00	0.00	5980.00	6000.00
	COMMUNICATION					
7	Telephone & Trunk Call	618603.00	203570.00	400000.00	603570.00	700000.00
8	Postage & Telegram, Telex, Teleprinter Charges, Telefax	24868.00	11928.00	30000.00	41928.00	100000.00
9	Courier Charges	0.00	0.00	5000.00	5000.00	10000.00
10	Other	0.00	0.00	0.00	0.00	0.00
11	Sub total :	643471.00	215498.00	435000.00	650498.00	810000.00
	PROFESSIONAL CHARGES					
12	Legal expenses	109975.00	0.00	400000.00	400000.00	500000.00
13	Consultancy charges + FMS Charges	1346394.00	631355.00	870000.00	1501355.00	2000000.00
14	Technical fees	0.00	0.00	0.00	0.00	0.00
15	Audit fees	0.00	0.00	0.00	0.00	0.00
16	Other charges	0.00	0.00	0.00	0.00	0.00
17	Sub total :	1456369.00	631355.00	1270000.00	1901355.00	2500000.00
	CONVEYANCE & TRAVELLING					
18	Conveyance expenses (Fuel)	184709.00	124639.00	170000.00	294639.00	300000.00
19	Travelling expenses	529966.00	115529.00	500000.00	615529.00	700000.00
20	Hire charges of vehicle	259587.00	169264.00	200000.00	369264.00	400000.00
21	Others	0.00	0.00	0.00	0.00	0.00
22	Sub total :	974262.00	409432.00	870000.00	1279432.00	1400000.00
	OTHER EXPENSES					
23	Electricity charges	1170550.00	1639024.00	2000000.00	3639024.00	4000000.00
24	Fees & Subscription	0.00	0.00	0.00	0.00	0.00
25	Books & Periodicals	2322.00	4660.00	10000.00	14660.00	20000.00
26	Printing & Stationery	105908.00	61828.00	85000.00	146828.00	150000.00
27	Advertisement	265882.00	78917.00	300000.00	378917.00	400000.00
28	Entertainment	5474.00	4471.00	10000.00	14471.00	20000.00
29	Watch & Ward	434777.00	226982.00	400000.00	626982.00	700000.00
30	Miscellaneous	72230.00	23866.00	126134.00	150000.00	200000.00

Sl. No.	Description	Actuals for previous Financial Year 2010-11 in Rs.	Current Financial Year			Estimates for ensuing year 2012-13
			Actual For First Six Months (up to Sept, 2011)	Projection For Balance Six Months	Total	
31	Organisational Development Expenses Cultural, Sports etc	0.00	0.00	0.00	0.00	0.00
32	Outsourcing of collection of Metering data from regional interconnection points	1106940.00	85190.00	1115000.00	1200190.00	1500000.00
33	Training (including certification of operators)+ERP Training, Data entry & data integration	236679.00	310736.00	800000.00	1110736.00	2000000.00
34	Sub total :	3400762.00	2435674.00	4846134.00	7281808.00	8990000.00
	MATERIAL RELATED EXPENSES					
35	Demurrage and Wharfage on materials	0.00	0.00	0.00	0.00	0.00
36	Clearing & forwarding charges	0.00	0.00	0.00	0.00	0.00
37	Transit insurance	0.00	0.00	0.00	0.00	0.00
38	Sub total :	0.00	0.00	0.00	0.00	0.00
39	Others (Specify)					
40(a)	Gardening	3000.00	2000.00	10000.00	12000.00	20000.00
40(b)	Meetings	20907.00	16231.00	40000.00	56231.00	100000.00
40(c)	Office up-keeping	66000.00	37500.00	60000.00	97500.00	150000.00
41	Sub total :	89907.00	55731.00	110000.00	165731.00	450000.00
42	Total (6+11+17+22+34+38+41)	6571986.00	3753670.00	7531134.00	11284804.00	14156000.00
43	Revenue recoveries, if any	0.00	0.00	0.00	0.00	0.00
44	Net Total (42-43)	6571986.00	3753670.00	7531134.00	11284804.00	14156000.00

158. Considering the views of all stakeholders and that of the SLDC, the following quantum of A&G expenses is approved by the Commission for FY 2012-13.

Table - 26

A&G expenses proposed for SLDC and approved by OERC

(Rs. lakh)

Particulars	FY 2011-12 (Prorated figure)	Proposed for SLDC for FY 2012-13	Approved by OERC for FY 2012-13
Gross A&G expenses	75.06	121.56	55.00
Certification of SLDC personnel	-	20.00	20.00
(less)Expenses capitalized	0.00	0.00	0.00
Net A&G expenses	75.06	141.56	75.00

Repair & Maintenance (R&M) Expenses

159. OPTCL has proposed Repair & Maintenance (R&M) Cost for FY 2012-13 as Rs.222.70 lakh. The details of R&M expenses proposed in the ARR are shown in Table below:

Table – 27
R&M Expenses proposed for SLDC for FY 2012-13

(Rs. lakh)

Sl. No	Description	Actuals for previous Financial Year 2010-11 in Rs	Current Financial Year			Estimates for ensuing year 2012-13
			Actual For First Six Months Up to Sept' 11	Projection For Balance Six Months of current year	Total during the current year	
1	Consumption of stores and spares	0	0	0	0	0
2	Loss of stores and spares	0	0	0	0	0
3	Plant & Machinery repairs and maintenance (R/M of 2 nos light vehicle)	51803	15681	134000	149681	150000
4	Civil works repairs and maintenance (Leak proof treatment to roofs & maintenance of residential buildings)	0	0	0	0	1000000
5	AMC charges for:-					
5a	Website service charges	18681066	132410	150000	282410	400000
5b	Band width charges for WAN		0	0	0	0
5c	SCADA / EMS equipment		8312909	11000000	19312909	20000000
5d	APS equipment		0	0	0	0
5e	Computers and peripharals, Software		76393	100000	176393	200000
5f	FAX , Photo copier , Air Conditioners etc		12824	100000	112824	100000
6a	Electrical maintenance of Office Building, Colony quarters including Street light.	82459	157751	240000	397751	400000
6b	Repair of furnitures & fixures			10000	10000	20000
7	Total (1 to 6)	18815328	8707968	11734000	20441968	22270000
8	Revenue recoveries, if any				0	
9	Net Total (7-8)	18815328	8707968	11734000	20441968	22270000

160. The Commission has observed that even though the assets of SLDC & Sub-LDCs are yet to be transferred under the control of SLDC, OPTCL has proposed R&M expenses of Rs.10 lakh for civil repair works and Rs.4 lakh for Electrical repair works under SLDC for FY 2012-13 which are not admissible. The Commission finds that actual R&M expenses incurred during FY 2010-11 was Rs.188 lakhs and considering 5.72% escalation in FY 2011-12 & in FY 2012-13 R&M expenses of SLDC will be about Rs.201 lakhs for FY 2012-13.
161. The Commission, therefore, approves an amount of Rs.200 lakh for R&M expenses relating to SLDC and Sub-LDCs at Bhubaneswar, Meramunduli, Jayanagar and Budhipadar during FY 2012-13. This should be spent with due planning so that these Load Despatch and Sub-Load Despatch Centres bear a new look in FY 2012-13.

Interest on Working Capital

162. OPTCL has projected the interest on working capital at Rs.30.75 lakh considering 12% rate of interest. The details are shown in Table below:

Table - 28

Calculation of Interest on Working Capital Proposed for SLDC for FY 2012-13

Sl. No.	Particulars	Amount (Rs. lakh)
1	O & M Expenses excluding Human Resource Expenses for one month	30.355
2	Human Resource Expenses for one month	51.369
3	Receivables (2 months of SOC & MOC)	174.563
4	Total Working Capital	256.287
5	Rate of Interest	12%
6	Interest on Working capital	30.75

163. The Commission, approves an amount of Rs.26.08 lakh towards the Interest on Working Capital for FY 2012-13, the details of which are given in the Table below:

Table - 29

Approved Interest on Working Capital for FY 2012-13

Particulars	Amount (Rs. lakh)
Employee Cost for one month	48.39
R & M expenses for one month	22.92
Receivables (2 months of SOC & MOC)	150.38
Total Working Capital	221.69
Rate of Interest	11.75%
Interest on Working Capital	26.05

Contingency Reserve

164. The Commission is of the opinion that as SLDC charges are First Charge on Escrow A/c of DISCOMs, and Generators are supposed to pay SLDC Charges in time (may be in advance). SLDC may not be required to make any short -term loan to meet its Working Capital. Whatever normative interest on Working Capital has been allowed by the Commission above shall work as cushion for any contingency expenditure for SLDC. Hence, the Commission does not approve any amount under this head.

Summary of ARR for FY 2012-13

165. Against Rs.880.31 lakh approved for FY 2011-12 and Rs.1047.375 lakh proposed by SLDC for FY 2012-13, the Commission hereby approves Rs.902.310 lakh for FY 2012-13. . The details of Expenses proposed by OPTCL in the ARR of SLDC and approved by the Commission for FY 2012-13 are depicted in the Table below:

Table - 30

Summary of ARR of SLDC for FY 2012-13

(Rs. lakh)

Sl. No.	Item	Approved for FY 2011-12	Proposed for SLDC for FY 2012-13	Approved by OERC for FY 2012-13
1	Employee Cost including compensation	445.63	616.433	495.680
2	Additional Compensation for implementation of Intra-State ABT during FY 2012-13	85.00	-----	85.00
3	R&M Expenses	231.70	222.700	200.00
4	A&G Expenses (Including Certification of SLDC personnel)	75.00	141.56	75.00
5	Depreciation	17.54	35.932	20.550
7	Interest on loan	0.00	0.00	0.00
8	Interest on Working Capital	25.44	30.750	26.05
9	Return on Equity	0.00	0.00	0.00
10	Contingency Reserve	0.00	0.00	0.00
	TOTAL	880.31	1047.375	902.278

Determination of Annual Charges of SLDC

166. The Annual Charges for SLDC have been proposed by OPTCL as per provisions in Regulation 20, 21, 22 & 23 of CERC (Fees & Charges of RLDC & other related matters) Regulations, 2009 as well as per the provisions in Regulation 18,19,20 & 21 of OERC (Fees and Charges of SLDC and other related matters) Regulation, 2010. The Annual Charges for SLDC Operations during FY 2012-13 have been approved by the Commission at Rs.902.31 lakh/ annum and Rs.75.19 lakh/ month which are to be recovered from the users who use the Intra-State Transmission Network or the associated facilities and services of SLDC during the ensuing year.
167. OERC Regulations, 2010 define the System Operation Function & Market Operation Function of SLDC as under:
- **System Operation Function** includes monitoring of grid operations, supervision and control over the Intra-State Transmission System, real-time operations for grid control & dispatch, system restoration following grid disturbances, compiling and furnishing data pertaining to system operation, congestion management & black start coordination etc.
 - **Market Operation Function** includes functions of scheduling, dispatch, metering, data collection, energy accounting and settlement, transmission loss calculation and apportionment, operation of pool account and congestion charge account, administrating ancillary services & information dissemination etc.
168. OERC Regulations, 2010 specify that the Annual Charges should comprise of
- A) **System Operation Charges (SOC) i.e. 80% of Annual charge**
 - B) **Market Operation Charges (MOC) i.e. 20% of Annual charge**

169. **As per OERC Regulations, 2010, System Operation Charges (SOC)** shall be collected from the users in the following ratio
- Intra-State Transmission Licensee-10% of the SOC on the basis of Ckt-KMs
 - Generating Companies & Sellers - 45% of the SOC on the basis of Installed Capacity or Contracted Capacity
 - Distribution Licensees & Buyers- 45% of the SOC in proportion to the sum of their allocation & Contracted Capacities
170. **As per OERC Regulations, 2010, Market Operation Charges (MOC)** shall be collected equally from the DISCOMs and Generating Companies apportioning to their entitlement and installed Capacity/ Contracted Capacity.
171. The Commission has, therefore, considered Annual Charges (AC) of SLDC Operations for FY 2012-13 at Rs.902.28 lakh/ annum i.e. Rs.75.19 lakh/month to be recovered through SOC & MOC as under:
- System Operation Charges (SOC) (80% of AC) – Rs.721.85 lakh/annum or
Rs.60.15 lakh/month.
 - Market Operation Charges (MOC)(20% of AC) – Rs.180.46 lakh/annum or
Rs.15.04 lakh/month

System Operation Charges (SOC)

172. The System Operation Charges (SOC) of Rs.721.82 lakh/ annum or Rs.60.15 lakh/month shall be apportioned for collection from the following stakeholders as under:
- Intra –State Transmission Licensee @ 10% of SOC- Rs.72.18 lakh/ annum or
Rs.6.02 lakh/ month.
 - Generating Stations & Sellers @ 45% of SOC..... Rs.324.82 lakh/ annum or
Rs.27.07 lakh month.
 - DISCOMs & Buyers @ 45% of SOC..... Rs.324.82 lakh/ annum or
Rs.27.07 lakh/ month.
173. **Recovery of System Operation Charges (SOC)**
- The recovery of SOC from OPTCL as Intra-State Transmission Licensees shall be 10% of SOC of Rs.72.18 lakh/ annum and Rs.6.02 lakh/ month.
 - The recovery of SOC from the Generating Stations & Sellers based on installed capacity of all generators and CGPs as assessed by OPTCL at 4549.875 MW shall be @ Rs.7139.10 / MW/ annum or @ Rs.594.93 / MW / month.
 - The recovery of SOC from the Distribution Licensees & Buyers shall be based on the percentage of Energy Consumption for FY 2012-13 & shall be as shown in Table below:

Table - 31**Apportionment of Annual & Monthly SOC Charges amongst Distribution Companies for FY 2012-13**

Name of DISCOMs	Energy Consumption approved by OERC for FY 2012-13 (In MU)	% Share of Energy Consumption	Annual Charge (Rs. lakh)	Monthly Charge (Rs. lakh)
CESU	8236	35.68	115.89	9.66
NESCO	5306	22.98	74.66	6.22
WESCO	6496	28.14	91.40	7.62
SOUTHCO	3047	13.20	42.87	3.57
Total	23,085	100.00	324.82	27.07

Market Operation Charges (MOC)

174. The Market Operation Charges (MOC) of Rs.180.46 lakh/annum or Rs.15.04 lakh shall be apportioned for collection from the following stakeholders as under:

- Generating Stations & Sellers @ 50% of MOC..... Rs.90.23 lakh / annum or
Rs.7.52 lakh / month
- DISCOMs & Buyers @ 50% of MOC..... Rs.90.23 lakh / annum or
Rs.7.52 lakh / month

175. Recovery of Market Operation Charges (MOC)

- The recovery of MOC from the Generating Stations & Sellers based on installed capacity of all generators and CGPs as assessed by OPTCL at 4549.875 MW shall be @ Rs.1983.08/MW/annum or @ Rs.165.26/MW/month.
- The recovery of MOC from the Distribution Licensees is based on the percentage of Energy Consumption for FY 2012-13 as shown in Table below:

Table – 32**Apportionment of Annual & Monthly MOC Charge amongst Distribution Companies for FY 2012-13****(Rs. lakh)**

Name of DISCOMs	Energy Consumption approved by OERC for FY 2012-13 (In MU)	% Share of Energy Consumption	Annual MOC Charge (Rs. lakh)	Monthly MOC Charge (Rs. lakh)
CESU	8236	35.68	32.19	2.68
NESCO	5306	22.98	20.74	1.73
WESCO	6496	28.14	25.39	2.12
SOUTHCO	3047	13.20	11.91	0.99
Total	23,085	100.00	90.23	7.52

Registration Fee

176. OPTCL has proposed for collection of one time Registration Fee of Rs1.00 lakh as per Regulation 22 of OERC Regulation, 2010 from all users whose Scheduling, Metering & Energy Accounting are coordinated by SLDC. The Commission hereby approves the proposal of OPTCL for collection of one time Registration Fee of Rs1.00 lakh by SLDC from all users which may be deposited in SLDC Development Fund as per Regulation 8 of OERC Regulations, 2010.

Application Fee and Scheduling Charges:-

177. OPTCL in its ARR application for SLDC has proposed that the Application Fee and Scheduling Charges of Rs.5000/- per application and Rs.2000/- per day or part thereof shall be paid by the Short Term Open Access (STOA) Customers. The Commission hereby approves the aforesaid Application Fee and Scheduling Charges for STOA customers payable to SLDC during FY 2012-13.

ARR and Annual & Monthly Charges for FY 2012-13

178. The details of ARR & Annual and Monthly Charges for FY 2012-13 for SLDC for collection from different stakeholders approved by the Commission are summarized in Table below:

Table - 33

Sl. No.	Particulars	Unit	Approved for 2012-13	
			Per annum	Per month
1	ARR of SLDC	Rs. lakh	902.28	75.19
2	Intra-State transmission licensee to pay SOC to SLDC	Rs.lakh	72.18	6.02
3	Generating Stations & Sellers to pay SOC & MOC to SLDC (Rs. per MW calculated considering generation capacity of 4549.875 MW)	Rs. lakh	415.05 (Rs.9122.18 per MW)	34.59 (Rs.760.18 per MW)
4	Distribution Licensees & Buyers to pay SOC & MOC to SLDC	Rs. lakh	415.05	34.59
	(i) CESU	Rs. lakh	148.08	12.34
	(ii) NESCO		95.40	7.95
	(iii) WESCO		116.79	9.73
	(iv) SOUTHCO		54.78	4.57

Payment Mechanism of Annual Charges to SLDC

179. As per clause 11 of the Odisha Electricity Reforms (Transfer of Transmission and Related Activities) Scheme, 2005, the transmission charge of OPTCL is duly secured by a first charge over the receivables of GRIDCO from DISCOMs and other Open Access Customers in favour of OPTCL. Receivables of DISCOMs are escrowed in favour of GRIDCO. As on today there is no escrow arrangement between DISCOMs and OPTCL. DISCOMs are users of Intra-State Transmission network of OPTCL. OPTCL used to bill the Distribution Companies for the use of transmission services on the basis of meter reading at the delivery point to DISCOMs with a copy to GRIDCO. This bill is being paid by GRIDCO to OPTCL from the receivables of DISCOMs escrowed with them.

180. On the basis of the aforesaid principle mentioned above, the monthly SOC & MOC Charges for SLDC shall also be duly secured by a First Charge over the receivables of GRIDCO in favour of SLDC from the escrowed amount of DISCOMs based on the bills served by SLDC to DISCOMs with copy to GRIDCO for use of Intra-State transmission system as well as the services of SLDC. The above principle followed for Financial Year, 2010-11 & 2011-12 for payment of monthly SLDC charges to SLDC Transmission charges of OPTCL as FIRST CHARGES shall also be allowed for FY 2012-13.
181. The Customers other than DISCOMs shall pay the Monthly Charges to SLDC directly based on the bills served upon them from time to time by SLDC. The Customers other than DISCOMs shall pay an amount equivalent to two months monthly SOC & MOC Charges as the case may be in advance as security against default in payment of SOC & MOC Charges of SLDC.
182. As per the approval by the Commission in Table....., SLDC should bill both MOC & SOC per MW/month in terms of total contracted capacity of 4549.875 MW for FY 2012-13 to Generating Stations & Sellers. Similarly, SLDC shall bill to OPTCL & Distribution Licensees every month at the rates approved by the Commission for FY 2012-13.
183. If the SOC & MOC Charges as the case may be, are not paid by the due date(s) by the Customers other than DISCOMs, surcharge at the rate of 1.25 percent per month shall be levied on the unpaid amount.
184. The SOC & MOC Charges of SLDC shall be paid monthly by the Customers based on the monthly bills served upon them by SLDC following the principle of payment mechanism mentioned above.

SLDC Development Fund

185. Based on the provision in Regulations of CERC Regulation, 2009 & Regulation-8 of OERC Regulation, 2010, the Commission vide Para-213 of the Order dated 20.03.2010 has already approved to create a separate fund called "SLDC Development Fund" under a separate head of account under SLDC. SLDC Development Fund has already been established under SLDC with effect from 01.04.2010.
186. The balance amount approved in SLDC ARR for FY 2011-12 and remained unspent as on 31.03.2012 shall be transferred and deposited in the aforesaid "SLDC Development Fund".
187. The miscellaneous income of SLDC such as Registration Fee, Application Fee, Short-term Open accesses Charges etc. during FY 2012-13 shall be deposited in the SLDC Development Fund as per Regulation 8 of OERC (Fees & Charges of SLDC and other related matters) Regulation, 2010.
188. The SLDC shall be entitled to utilize the money from SLDC Development Fund in assets creation and margin money for raising loan from FIs for assets creation & funding of R & D Projects, if any relating to Odisha Power System with the necessary approval of the Commission.
189. Any assets created by SLDC out of money available in SLDC Development Fund shall not be considered for computation of Return on Equity & Interest on Loan.

190. The Commission will review the SLDC Development Fund twice in each Financial year.

Implementation of Intra-State ABT (Phase-I):

191. OERC (Intra-State ABT) Regulation, 2007 was published in Odisha Gazette on 14.02.2008. As per Regulation 1 (III), OERC (intra-State ABT) Regulation, 2007 is in force from 14.02.2008 i.e. the date of publication in the Official Gazette.
192. The Commission has fixed the date of implementation of Intra-State ABT (Phase-I) in real time mode with commercial implication in the State of Odisha w.e.f. 01.04.2012 vide Case No 2/2012. The Commission reiterates its direction that any lapses in implementation of Intra-State ABT (Phase-I) with commercial implication beyond 01.04.2012 will not be entertained & action under Section 142 will be initiated against the Licensee, SLDC & the Officers responsible for derailing such implementation beyond 01.04.2012.

Functioning of SLDC

193. As per the Commission's Order dt.20.3.2009, SLDC is ring-fenced to function as an Independent System Operator (ISO). But the Commission has noted with anguish and dismay the way the SLDC has been functioning during last 3 years FY 2009-10, FY 2010-11 & FY 2011-12. It is found that not a single directive out of seven directives mentioned at Para-201 to 207 of the Commission's Order dated 20.3.2009 five directives mentioned in Para-229 to 233 of the Order dated 20.03.2010 as well as in Para 210 to 216 of the order dated 18.03.2011 has been complied by OPTCL. Neither a Director has been posted as Chief Load Despatcher nor any Executive and Staff have been added to SLDC during FY 2009-10, FY 2010-11 & FY 2011-12 against the approval of 81 nos. by the Commission. During the public hearing on 23.02.2012, to the queries of the Commission, OPTCL submitted that OPTCL has not yet sent the requisition for the post of Director to Govt. of Odisha and the SLDC staff strength has been reduced from previous 53 nos. during FY 2008-09 to 46 nos. during FY 2011-12. The post of Chief Load Despatcher of SLDC is lying vacant since last 3 years.
194. The Commission has observed that out of Rs. 9.66 Cr. approved in ARR for SLDC for FY 2009-10, SLDC could spend only Rs. 3.80 Cr. during FY 2009-10 which has about 39.33% of the amount approved by the Commission. The Commission during FY 2010-11 has approved Rs. 7.76 Cr. in ARR and Rs. 6.99 Cr. for CAPEX totaling to Rs.14.75 Cr. to be spent by SLDC during FY 2010-11. Against the above, only Rs. 7.68 Cr. could be spent during FY 2010-11 which is about 56.38% of the amount approved. OPTCL submitted during hearing that SLDC has spent about Rs. 3.58Cr.from April to Nov, 2011 out of Rs. 8.80 Cr. approved for FY 2011-12 which is about 40.68%. This speaks itself the poor financial performance of SLDC after 3 years of ring fencing w.e.f April 1, 2009.
195. As per the Road Map issued by the Commission vide Lr. No. 1313 dated 04.08.2007, ESSAC of SLDC was to function by 31.08.2007 to prepare and issue Monthly State Energy Account (SEA), weekly UI & Reactive Energy Account for billing and payment to / by all stake holders deploying requisite personnel, hardware & software. The Commission allowed Rs 6.88 Cr. during FY 2008-09, Rs 2 Cr. during FY 2009-10 for the purpose. After lapse of about 4 ½ years, OPTCL vide affidavit dated 04.02.2012 submitted before the Commission that although EASSC has been made operational, the Meter Date Management & Billing Software developed by INFOSYS is under User's Acceptance Test (UAT). EASSC will be made operation soon after

compilation of test. The delay for completion of EASSC is due to delay in receipt of hardware from the firm and atomization of the software.

196. The Commission has therefore observed that, SLDC has completely failed in all fronts to discharge its statutory function as an independent System Operator during the period from FY 2009-10 to FY 2011-12, the Commission desires that the SLDC should be completely revamped during FY 2012-13.

Establishment of Wholly owned subsidiary Odisha Power System Corporation Limited (OPSCI) under OPTCL

197. Girish B Pradhan Committee of MoP vide Recommendation-1(i) suggested that the State Govt. should take suitable step to facilitate independent functioning of the State Load Despatch Centre (SLDC) in line with Electricity Act, 2003 and National Electricity Policy. The Committee further recommended that to begin with, the State Govt.s are urged to create a separate representative board structure for governance of SLDC on the lines of wholly owned subsidiary being created for the independent system operation of RLDCs and NLDC.
198. Based on the above recommendation, a wholly owned subsidiary Power System Corporation of India (POSOCO) has been already created under POWERGRID for the Independent System Operation of 5 nos. RLDCs & NLDC. POSOCO has been functioning since March, 2009 headed by a CEO.
199. During the hearing on 11.02.2011. some objectors submitted before the Commission to advise the State Govt. to immediately create a similar wholly owned subsidiary Odisha Power System Corporation limited (OPSCL) under OPTCL as SLDC has failed to operate as an ISO even after its ring-fencing w.e.f 1st April, 2009.
200. The Commission vide Para 210 of Order dated 18.03.2011 directed OPTCL and the State Government for immediate creation of a wholly owned subsidiary Odisha Power System Corporation Ltd. (OPSCL) under OPTCL in line with POSOCO.
201. The Chairperson of the Commission vide D.O.Letter No. 1765 dated 22.09.2011 requested the Chief Secretary of Govt. of Odisha for establishment of OPSCL as a wholly owned subsidiary under OPTCL by 31.12.2011 to allow Odisha SLDC to function as an ISO in Post Intra-State ABT region in the State.
202. The Commission has observed that neither OPTCL nor the Govt. of Odisha, Department of Energy has initiated any action in this matter.

Commission's Directives

203. As SLDC has failed to act as an Independent System Operator even after 3 years of its ring-fencing, the Commission is of the view that the State Govt. & OPTCL should take immediate steps for creation of a wholly owned subsidiary Odisha Power System Corporation Ltd. (OPSCL) under OPTCL in line of POSOCO created under POWERGRID functioning since March, 2009. OPTCL is directed to send its Board Resolution to this effect to Department of Energy by 30th June, 2012 & the State Govt. should communicate its formal approval by 30th September, 2012.
204. As the post of Chief Load Despatcher of SLDC is lying vacant since last 3 years paralyzing SLDC to function as an ISO, OPTCL is directed to assign the present Director (Engg.) as Chief Load Despatcher for the time being and the Board's Resolution to post a Director to function as Chief Load Despatcher of SLDC should

be sent to the Department of Energy by 30th June, 2012 positively. The State Govt. is advised to post the Director for SLDC latest by 30th September, 2012.

205. The Commission directs OPTCL that the assets & liabilities relating to SLDC should be transferred under SLDC by 30th June, 2012 pending notification of the state Govt. under Section-31 (2) of the Electricity Act, 2003.
206. The Commission directs that Energy Accounting & Settlement System Centre (EASSC) of SLDC should function from 01.04.2012 without fail and should prepare & issue the monthly Energy Account, weekly UI Account & weekly Reactive Energy Account to all the stakeholders from April 2012 onwards.
207. The Commission further directs OPTCL that the exact number of Technical and Support Executives required at par with ERLDC (81 nos.) as approved by the Commission in their order dtd.20.03.2009 while approving ARR for 2009-10 should be in place within four months of this order enabling the SLDC to function as an Independent System Operator as recommended by the Girish B. Pradhan Committee of the MoP pending finalization of NPC Report.
208. The Commission directs Chief Load Despatcher, SLDC to submit quarterly performance of SLDC by end of each Quarter for Performance Review of SLDC at the Commission at the end of each Quarter during FY 2012-13.
209. The Chief Load Despatcher, SLDC shall comply with the provisions of SLDC (Fees & Charges & other related matters) Regulations, 2010 and the provisions of Electricity Act, 2003 and other Regulations.
210. The System Operation & Market Operation Charges approved in respect of SLDC will become effective from 1st April, 2012 and shall continue until further orders.

The application of OPTCL in Case No.97 of 2011 is disposed of accordingly.

Sd/-
(B.K.Misra)
Member

Sd/-
(K.C.Badu)
Member

Sd/-
(S.P.Nanda)
Chairperson