

TPNODL

TP NORTHERN ODISHA
DISTRIBUTION LIMITED

(A Joint Venture of Tata Power and Government of Odisha)



Presentation
on


ARR & Tariff Application -FY 2024-25,
Open Access Application -FY 2024-25 &
Truing-up Application -FY 2022-23
(Case No. 122 of 2023, 123 of 2023 & 124 of 2023)

Before Hon'ble
Odisha Electricity Regulatory Commission

2nd Feb, 2024



For You, With You, Always 

ଆପଣଙ୍କ ପାଇଁ, ଆପଣଙ୍କ ସହିତ, ସର୍ବଦା 



- Overview of TPNODL**
- Glimpses of TPNODL Journey**
- Aggregate Revenue Requirement for FY 2024-25**
- Truing-Up for FY 2022-23**
- Tariff Rationalization Measures**
- Application for Determination of Open Access Charges for FY 2024-25**
- Prayer**

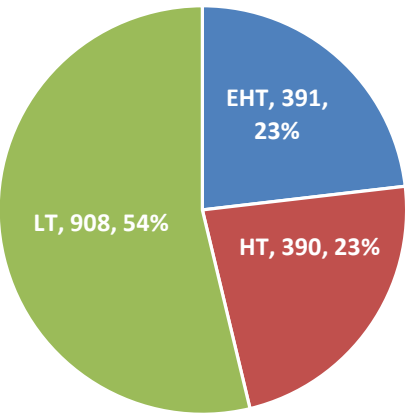


Overview of TPNODL



As on 01.04.21	33/11 kV PSS: 217	STS Capacity 2211 MVA	Distribution Capacity: 2583 MVA	33KV Line: 2868 CKM	11KV Line: 37069 CKM	LT Line: 66300 CKM
As on 30.09.23	33/11 kV PSS: 245	STS Capacity: 2640 MVA	Distribution Capacity: 2862 MVA	33KV Line: 3074 CKM	11KV Line: 40748 CKM	LT Line: 67851 CKM
Growth	28 Nos	429 MVA	279 MVA	206 CKM	3679 CKM	1551 CKM

Consumer Profile – H1FY24

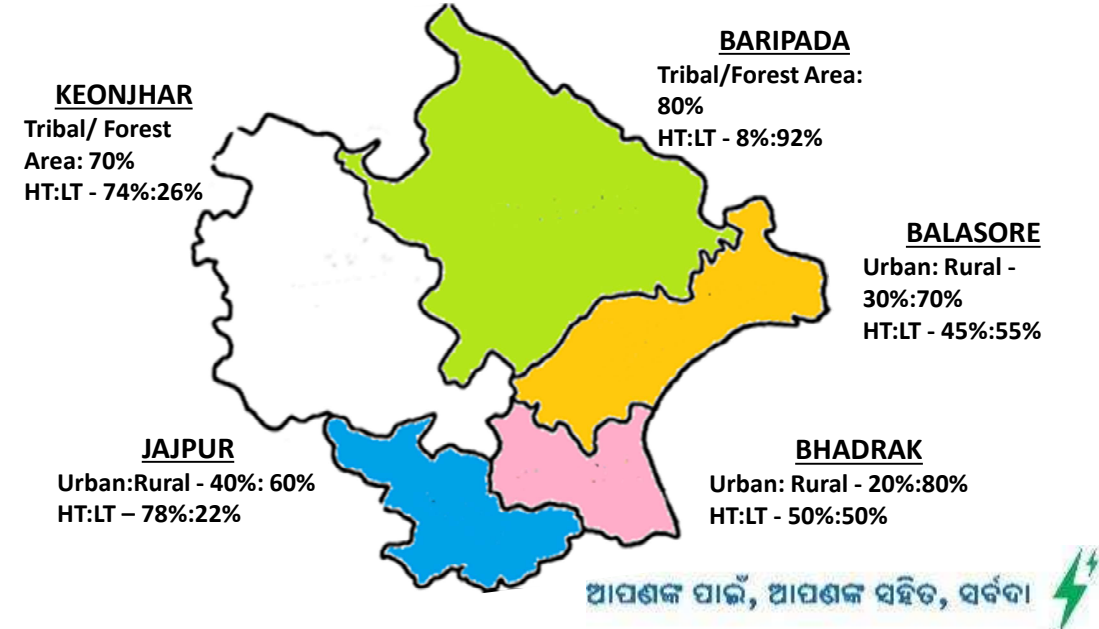


Category	No of consumers
EHT	41
HT	713
LT	1942819
Total	19,43,573

Revenue Share:
EHT/HT – 65% & LT- 35%

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TPNODL distribution area is spread across 27,920 sq.km





Particulars	As on 31.03.2022	As on 31.03.2023	As on 30.09.2023
No. of Power Transformers	524	550	553
No. of Distribution Transformers	72,323	74,726	76,366
No. of 33/11kV Sub-station	236	244	245
33KV Line (CKT Km.)	2,895	3,024	3,074
11KV Line (CKT Km.)	37,591	40,188	40,748
LT Line (CKT Km.)	66,672	67,486	67,851
No. of Consumers :			
EHT	37	41	41
HT	614	659	713
LT	20,88,432	20,40,888	19,42,819
TOTAL	20,89,083	20,41,588	19,43,573
Input (MU)	5327	6473	3,843
Sales (MU)	4347	5410	3,272
Billing Efficiency (%)	81.60%	83.57%	85.15%
Collection Efficiency (%)	94.20%	106.06%	99.03%
AT & C Loss (%)	23.13%	11.36%	15.68%
Number of Employees	2,585	3,025	2,974

*Non-existing consumers as per site verification have been removed from active directory of Billing system leading to decrease in no. of live consumers



Aggregate Revenue Requirement for FY 2024-25



Category	Sales in MU					Increase (%)
	FY 2022-23 (Actual)	FY 2023-24 (Approved)	FY 2023-24 (Apr-Sep'23)	FY 2023-24 (Estimated)	FY 2024-25 (Projection)	
LT	2132.70	2649.11	1333.79	2483.58	2678.78	07.86%
HT	625.42	685.58	333.51	665.57	773.05	16.15%
EHT	2651.93	2953.30	1604.90	3314.57	3555.28	07.26%
Total	5410.05	6287.99	3272.20	6463.71	7007.11	08.41%

Projected Growth in LT:

- 3% growth estimated in domestic category.
- 35% and 19% growth estimated in Allied Agro & Allied Agro Industrial catg. considering prawn cultivation in large scale in coastal areas
- **8% overall LT growth estimated for the ensuing FY**

Projected Growth in HT:

- Revival of Power Intensive Industry, M/s Idcol Ferrochrome which is expected to avail full load of 10700 KVA
- 59 upcoming consumers with 67 MW load are expected in 2024-25.
- **16% growth in HT Category estimated for the ensuing year** (12% growth in HT Large Industries, 280% growth in POI and 18% growth in HT other category)

Projected Growth in EHT:

- Additional 61 MW load (37 MW New and 24 MW enhancement) is expected in 2024-25
- Presuming continuation of special tariff provision and no restriction from GRIDCO, considered impact thereof
- **Estimated 7% growth in the ensuing year**



Particulars	FY 2022-23 Actual	FY 2023-24 Approved (A)	FY 2023-24 Sep' 23 Actual	FY 2023-24 Estimated (B)	Increase/ Decrease (B-A)	Projection FY 2024-25
Sales (MU)						
EHT	2651.93	2953.30	1604.90	3314.57	361.27	3555.28
HT	625.42	685.58	333.51	665.57	-20.01	773.05
LT	2132.70	2649.11	1333.79	2483.58	-165.53	2678.78
Total	5410.05	6287.99	3272.20	6463.71	175.72	7007.11
Sales Mix						
EHT	49.02%	46.97%	49.05%	51.28%	4.31% ↑	50.74%
HT	11.56%	10.90%	10.19%	10.30%	-0.61% ↓	11.03%
LT	39.42%	42.13%	40.76%	38.42%	-3.71% ↓	38.23%
Total	100%	100%	100%	100%	0%	100%
(EHT + HT)	60.58%	57.87%	59.24%	61.58%	3.71% ↑	61.77%

Favourable consumer mix due to:

- LT consumption reduction due to enhanced enforcement activities and sanitization of LT billing
- Revival of 125MW EHT load
- Expected additional 61 MW EHT Load and additional 67MW HT load in the ensuing FY



Particulars	OERC Approved for FY 2022-23	FY 2022-23 (Actual)	OERC Approved for FY 2023-24	FY 2023-24_H1 (Actual)	FY 2023-24_Total (Estimated)	FY 2024-25 (Projection)
Input (MU)	6020.00	6473.32	7508.00	3842.82	7717.86	8161.09
Sales (MU)						
EHT	1680	2651.93	2953.30	1604.90	3314.57	3555.28
HT	500	625.42	685.58	333.51	665.57	773.05
LT	2735.3	2132.70	2649.11	1333.79	2483.58	2678.78
Total	4915.3	5410.05	6287.99	3272.20	6463.71	7007.11
T&D Loss (%)	18.35%	16.43%	16.25%	14.85%	16.25%	14.14%
Collection Efficiency(%)	99%	106.06%	99%	99.03%	99%	99%
AT & C Loss (%)	19.17%	11.36%	17.09%	15.68%	17.09%	15.00%

TPNODL has projected AT&C loss as stipulated by Hon'ble Commission for Tariff determination in Vesting Order



Sl. No.	Particulars	Unit	Rate	April to Sept 2023	Estimation for FY 2023-24	Projection for FY 2024-25
1	Power Purchase	MU		3842.82	7717.86	8161.08
2	BSP	Rs./kwh	3.35	1287.35	2585.48	2733.96
3	Transmission Charges	Rs./kwh	0.24	92.23	185.23	195.87
4	SLDC Charges	Rs. Crs /annum	1.16	1.16	1.16	1.16
5	Total Power Purchase Cost	Rs. Crs		1380.74	2771.87	2930.99

Power Purchase cost has been projected considering the approved BST , Transmission and SLDC charges for FY 23-24



In Rs. Crs

Particulars	FY 23-24 Approved	FY 23-24 upto Sep'23 Actual	FY 23-24 Estimated	FY 24-25 Projection
Existing Employees (Erstwhile Utility)	417.14	136.58	345.97	368.94
New Recruitments	53.09	52.66	98.26	117.81
Outsource	59.14	29.44	58.89	62.96
TOTAL	529.37	218.69	503.12	549.71
Less: Capitalisation	16.58	3.08	14.78	16.99
Net Total	512.79	215.61	488.35	532.72

Terminal Benefits

Particulars	2023-24	2024-25
Provident Fund	14.87	16.56
Pension	125.95	132.55
Gratuity	8.39	8.78
Rehabilitation	0.79	0.79
Leave Salary	13.63	15.75
Total	163.63	174.44

Particulars	FY 22	FY23	FY24 upto November
No. of Employees at the end of FY/the Period	2576	2961	2998
Total no. of Consumers at the end of the period (including PDC)	2265422	2345833	2421411
Employee/'000 Consumers (Total)	1.14	1.26	1.24

- The recruitment has been kept within the stipulated benchmark of 1.4 employee/'000 consumers
- Employee cost optimized by inducting mostly trainees
Percentage of trainees recruited in FY 22 – 31% & FY 23 – 73%



In Rs. Crs

Particulars	FY 2023-24 (Approved)	FY 2023-24 Sep'23 (Actual)	FY 2023-24 (Estimated)	FY 2024-25 (Normative with 2 nd Shift)	FY 2024-25 (Projection)	Increase/ Decrease(%)
Civil repairs & maintenance	214.34	0.22	0.42	305.45	0.53	5.2
Distribution line repairs & maintenance (Consumables)		12.75	24.4		30.5	
Transformer maintenance		34.34	65.73		82.17	
Distribution line repairs & maintenance (AMC)		87.03	166.57		208.24	
TOTAL	214.34	134.34	257.11	305.45	321.45	5.2

Sl. No.	Gross fixed assets(GFA) for FY 2024-25	In Rs. Crs.
DISCOM'S ACCOUNT		
1	DISCOM's Gross fixed assets(GFA) as on 01.04.2024	3595.02
	Rate of R & M on GFA	4.20%
	R&M on GFA	150.99
2	Govt. (Funded/Grant) Assets as on 01.04.2024	648.22
	Rate of R & M on Govt. (Funded/Grant) Assets	3.00%
	R&M on Govt. funded Assets	19.45
GOVT. (OPTCL) ACCOUNT		
3	Govt. (Funded/Grant) Assets as on 01.04.2024	3051.85
	Rate of R & M on Govt. (Funded/Grant) Assets	3.00%
	R&M on Govt. funded Assets	91.56
Total R & M		261.99

Justification for Higher R&M Projection		
Reasons	Justification	Impact
<ol style="list-style-type: none"> Same actual expenditure incurred in maintaining DISCOM and Govt. assets R&M Additional transformer maintenance cost due to no. of old age and damaged transformers Cost for facilitating two shift operation in Rural areas, as advised by Hon'ble Commission which comes to Rs.43.46Crs. 	<ol style="list-style-type: none"> Attending to all operation complaints within PA timelines both in rural as well as urban areas Preventive & Condition Based Maintenance to improve performance of Network Assets Similar infrastructure, manpower, material used for maintaining Govt. as well as DISCOM assets 	<ol style="list-style-type: none"> Reduction in 33KV Tripping by 28% Increase in daily avg. power supply hrs in TPNODL area by 0.51% (Urban: 1.16%, Rural: 1.03%) As compared to H1 FY23, Improvement in SAIDI and SAIFI by 11.1% and 0.28% respectively Better reliability and service PA



(In Rs. Crs.)

Sl. No.	Particulars	FY 2023-24 (Approved)	FY 2023-24 Sept-23 (Actual)	FY 2023-24 (Estimated)	FY 2024-25 (Normative)	FY 2024-25 (Projected)	Increase/ Decrease(%)
1	Rent, Rates, Insurances	120.13	4.29	9.07	128.53	11.02	4.5
2	Communication		0.73	3.28		3.35	
3	Professional Charges		4.7	10.69		11.6	
4	Conveyance & Travelling		4.41	15		16.08	
5	Training		0.29	0.83		1	
7	Others		54.89	84.26		91.35	
8	Total		120.13	69.32		123.13	

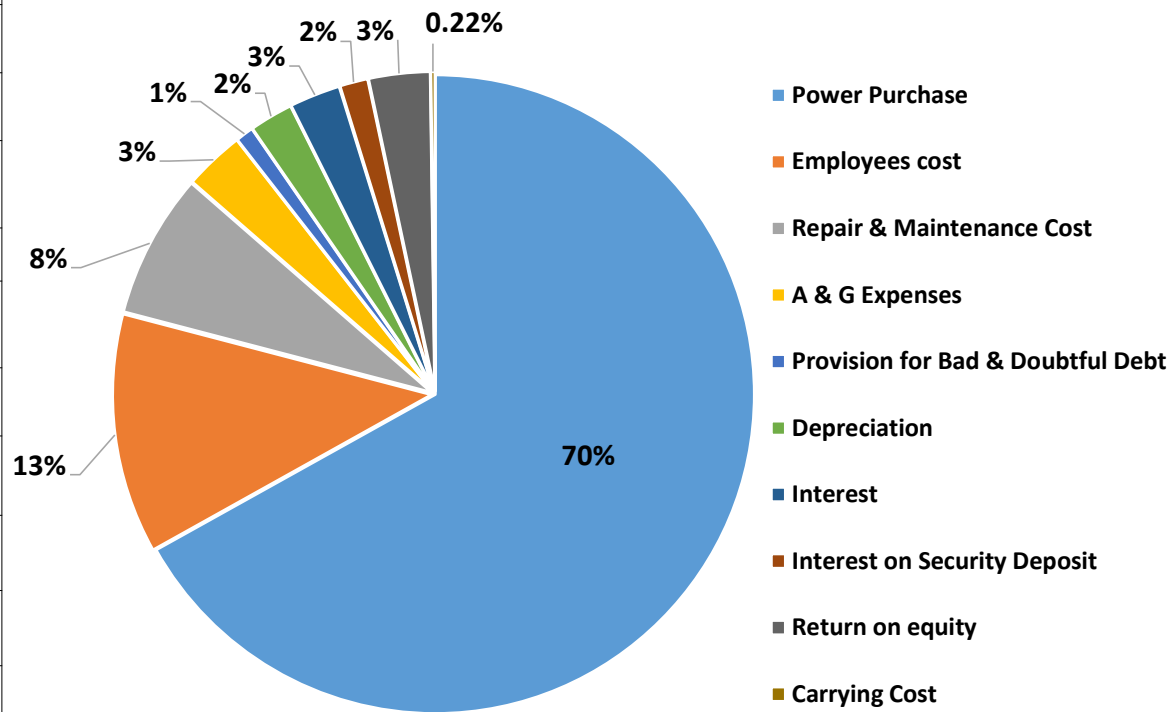
Justification for Higher A&G

Reasons	Justification	Impact/Achievement
Separate billing and collection contracts	To enhance billing and collection coverage, Reduction in AT&C losses.	<ol style="list-style-type: none"> Achievement in billing coverage: 97.27% till H1 FY24 Achievement in Collection Efficiency: 99.03% till H1 FY24 Reduced AT&C Loss to 15.68% till H1 FY24 Reduced Provisional Billing to 2.92 % till H1 FY24
Strengthening of Enforcement squads	Arresting pilferage of energy, Reduction in AT&C losses,	<ol style="list-style-type: none"> 244.63MW unauthorised load booked Rs.67Crs theft assessment recovered till H1
Customer Care Centers / Anubhav Kendras	Increasing Consumer Convenience, One Stop Solution, Additional Avenues for Payment	<ol style="list-style-type: none"> Reduction in Consumer Grievance Redressal Time Resolution of Number of Billing & Meter Related Complaints. Increased Digital Coverage
IT/Automation	AMC of FG Software & SAP, Online Payment Avenues	<ol style="list-style-type: none"> 94% OCR based billing Automated Customer Lifecycle Management Centralised Financial Governance

TPNODL Aggregated Revenue Requirement for FY 2024-25



Particulars	Amount (In Rs. Crs.)
Power Purchase	2930.99
Employees cost	532.72
Repair & Maintenance Cost	321.45
A & G Expenses	134.40
Provision for Bad & Doubtful Debt	40.49
Depreciation	97.29
Interest	113.81
Interest on Security Deposit	63.17
Return on equity	137.03
Carrying Cost	9.24
Less: Miscellaneous Receipt	(207.34)
Total Revenue Requirement	4173.25





(In Rs. Cr.)

Sl. No.	Particulars	Approved for FY 2023-24	Estimated for FY 2023-24	Projection for FY 2024-25
1	Power Purchase Cost (A)			
2	Cost of Power	2515.18	2585.48	2733.96
3	Transmission Charges	180.19	185.23	195.87
4	SLDC Charges	1.16	1.16	1.16
5	Total Power Purchase Cost	2696.53	2771.88	2930.99
6	Distribution Cost (B)			
7	Employees cost	512.79	488.35	532.72
8	Repair & Maintenance Cost	214.34	257.11	321.45
9	Administrative & General Expenses	120.13	123.13	134.40
10	Bad & Doubtful Debt including rebate	35.59	37.14	40.49
11	Depreciation	49.83	69.08	97.29
12	Interest on loans	100.46	89.02	113.81
13	Interest on Security Deposits		57.77	63.17
14	Return on Equity	47.19	81.09	102.54
15	Tax on Return on Equity	-	27.28	34.49
16	Total Distribution Cost	1080.32	1229.97	1440.34
17	Special Appropriation (C)	(65.59)		
18	Carrying Cost @ 7.45%		1.86	9.24
19	Total Special Appropriation		1.86	9.24
20	Total cost (A+B+C)	3711.26	4003.70	4380.57
21	Less: Miscellaneous Receipt	154.99	208.16	207.34
22	Total Revenue Requirement	3556.27	3795.55	4173.23
23	Revenue from Tariffs (at Existing Rate)	3559.02	3714.45	4048.92
24	(Deficit)/ Surplus at Existing Rate	2.75	-81.09	-124.32



Capital Expenditure as per Vesting Order (Cr)

FY 22	FY 23	FY 24	FY 25	FY 26	Total
246	376	259	247	141	1270

Sr. No	OERC Approved Category	CAPEX approved up to FY24 (A)	Capitalization Till FY23 (B)	YTD FY 24 till Dec-23		Capitalisation achieved till Dec-23 (E) = B+D	Capitalisation Plan	Total Capitalization target till FY24 (G) = B+D+F
				Capex (C)	Capitalisation (D)		Q4 FY24 (F)	
				1	Statutory & Safety	95.00	34.91	20.95
2	Loss Reduction	85.20	20.20	38.33	23.71	43.91	30.45	74.36
3	Reliability	265.80	90.07	44.44	39.89	129.96	102.79	232.75
4	Load Growth	230.50	84.88	69.62	46.31	131.19	65.60	196.79
5	Technology and Civil Infrastructure	321.00	152.70	47.71	34.86	187.55	102.06	289.61
6	Disaster + Solar	20.90	6.72	3.71	5.83	12.54	5.44	17.98
Total		1018.40	389.47	224.76	169.00	558.48	334.40	892.88

CAPEX ALREADY APPROVED			VESTING ORDER COMMITMENT	AMOUNT CAPITALISED in Rs Cr.	AMOUNT WHERE WORK IN PROGRESS/ PLANNED in Cr.	Capitalisation w.r.t. Approval (%)	WIP w.r.t Approval (%)
FY	Rs in Cr.	Date of Approval	(Rs Crs)				
FY 21-22	258.78	18.09.2021	246	222.49	36.29	86%	14%
FY 22-23	326.54	14.07.2022	376	232.03	94.51	71%	29%
FY 23-24	433.1	19.06.2023	259	103.95	203.62	24%	47%



Tariff Rationalization Measures



Meter Cost to be Recovered in CAPEX Instead of through Meter Rent

- Cost of meters are recovered through the meter rents approved by the Hon'ble Commission.
- Meter rents are to be recovered for a period of 5 years (8 years in case of Single Phase Smart Meters).
- Meter Rents are different for various kind of meter installed.
- The Supply Code also permits recovery of rent even after a period of 5 years after the meter is changed due to technological upgradation such as Smart Meters.
- Such conditions in the Supply Code as well as the availability of various types of meters leads to difference in interpretation of various clauses of Tariff Order and also the Supply Code and leads to consumer disputes .
- In view of the above, we request the Hon'ble Commission to allow cost of meter as a part of capex plan and to waive meter rent.

Prayer: Hon'ble Commission is requested to consider the submission made by the licensee



Consideration of Smart Meter cost under Capex instead of Meter Rent

1 Ph Meter →

Sl.No.	Particulars	Quantity planned FY25	Unit Rate (including tax)	Capex Required
1	All Govt connection	3000	Supply: 4248 Services: 413	110.6
	All Urban Area New Connection	25000		
	All Rural Area New connections with 3kW & above	12100		
	Existing connections with meter ageing > 5 years & consumption greater > 200 units	82100		
	All Faulty Meters & Enforcement Cases	115000		
	Total Quantity	237200		

3 Ph Meter →

Sl.No.	Particulars	Quantity planned FY25	Unit Rate (including tax)	Capex Required
2	3 Phase consumer W/C Smart Meter with Box	10000	Supply: 6372 Service: 885	11.1
	LTCT Smart Meter	2000		
	HTTV Smart Meter (Both 11 KV & 33 KV)	2200	Supply: 9440 Services: 1298	
	Total Quantity	14200		

Seal & Accessories →

Sl.No.	Particulars	Quantity planned FY25	Unit Rate (including tax)	Capex Required
3	Total Seals & other Accessories	1423200	5.57	0.79

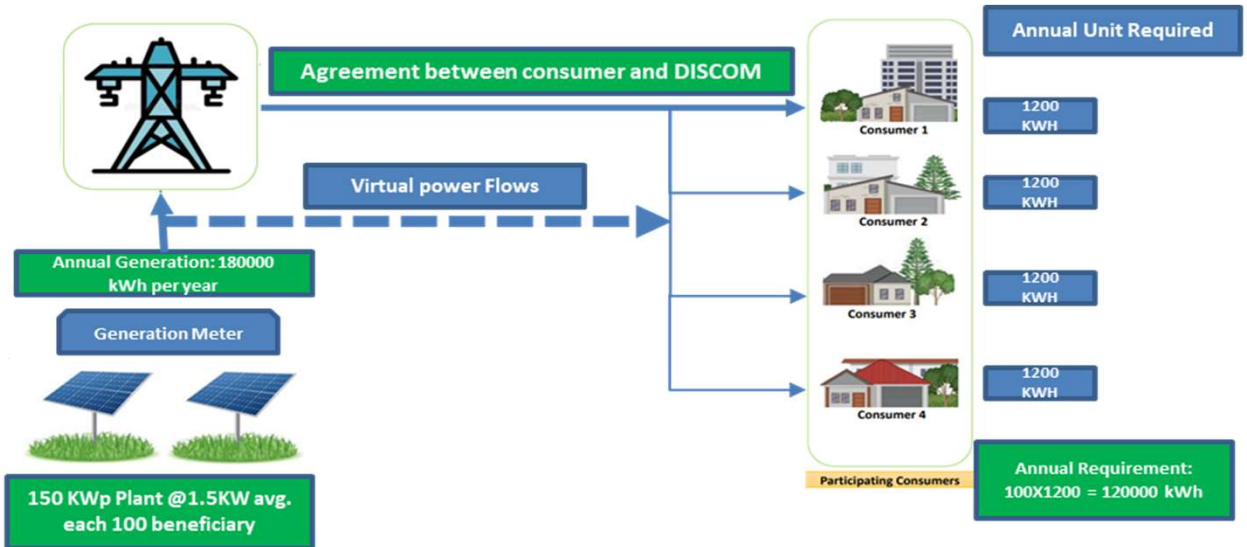
Total Capex Required (1+2+3)= ₹ 122.4 Cr.

Effect on ARR	₹ crore
Meter Capex Cost	122.4
Equity	36.72
Return on Equity (%)	16%
RoE (₹ crore) - Average	2.94
Debt	85.68
Interest rate (%)	9%
Interest cost (₹ crore) - Average	3.86
Depreciation	
Rate (%)	4.67%
Depreciation (₹ crore)	2.57
Total cost per year	9.37
Units (Mus) in FY25	7007
Impact on Tariff (Rs./Unit)	0.01

Prayer: Hon'ble Commission is requested to approve additional capex of ₹122.4 Cr.



Rooftop Solar thru VNM Model as per MNRE Guidelines



Participating Rural HH	100Nos
Avg. Load per HH	1.5 KW
Proposed Plant Capacity	150 KW
Cost per kWp	Rs. 55,000
CFA	Rs. 18,000
SFA (Proposed)	Rs. 20,000
DISCOM towards PC	Rs. 17,000
Addl. Cost for OPEX (Lum sum) *	

- Opex Consist of:**
1. Interest on W.C.
 2. Lease Rent
 3. Watch & Ward (till 5th Year)
 4. AMC 6th Year onwards incl. W&W

Project Capacity	kW	150
Total Annual Generation	Unit	180000
Estimated Project Cost	Rs.	₹ 82,50,000.00
MNRE Subsidy	Rs.	₹ 27,00,000.00
Proposed State Subsidy	Rs.	₹ 30,00,000.00
Proposed DISCOM Share: 1- towards Project Cost	Rs.	₹ 25,50,000.00
* DISCOM Share: 2 - towards OPEX (AMC, RENT, W&W & interest)	TPWODL	₹ 12,00,000.00
	TPCODL	₹ 13,42,000.00
	TPNODL	₹ 13,42,000.00
	TPSODL	₹ 14,82,000.00

Sharing of Generated Units Based on Proportionate Cost Cons Share=CFA+SFA, DISCOM Share=Bal. Proj. Cost +Opex				
DISCOM	TPWODL	TPCODL	TPNODL	TPSODL
Consumer Share (%)	60.32%	59.42%	59.42%	58.57%
DISCOM Share (%)	39.68%	40.58%	40.58%	41.43%
DISCOM Share (kWh)	71429	73036	73036	74575



Rooftop Solar thru VNM Model - DISCOM's Saving in Power Purchase & Payback Calculation

DISCOM	UoM	TPNODL
Total Annual Generation from Proposed SPV Plant 150kWp	unit	180000
Annual Energy Share of DISCOM (residual energy)	unit	73036
Saving in Power Purchase Cost from residual energy (A)	₹ Lakhs	2.62
Revenue due to sale of residual energy @ Rs. 3/unit (B)	₹ Lakhs	2.19
Avoidable Energy Purchase (Present consumer share of Power purchase) (unit)	Unit	135078
Saving due to avoidable Energy purchase (C)	₹ Lakhs	4.85
Total Annual Savings (A+B+C)	₹ Lakhs	9.67
Share of DISCOM's Investment	₹ Lakhs	₹ 25.50
Payback period without considering Opex	Years	2.64
Opex Cost to be considered in Payback Calculation		
Interest Accrued up to repayment @11% on reducing balance	₹ Lakhs	₹ 8.42
Cost of Lease Rent & watch & ward up to 5th Year @1Lakh/Year after 5th year will be covered through AMC	₹ Lakhs	₹ 5.00
Total Cost incurred in 5 Years	₹ Lakhs	₹ 38.92
Cost Recovery period	Years	4.03
After repayment of Principal Watch & Ward, Lease Rent & AMC shall be taken care out of Annual Saving as indicated as Annual impact		

Challenges

Mitigation plan

- | | |
|---|--|
| <ul style="list-style-type: none"> a) Availability of Land/roof top b) Selection of beneficiary c) Protection of solar plant | <ul style="list-style-type: none"> a) Option of Govt land shall be exercise first. In absence of same govt land, private/beneficiary/beneficiaries land on lease rent basis. b) Beneficiary selection will be with approval of District administration c) Cost of R&M including watch & ward to be met by reducing beneficiary share of power. d) Night Surveillance with CCTV integration with DISCOM Call Center |
|---|--|



Incentive Towards E-bill Option

- As per Supply code, monthly energy bills need to be served to the consumers either by post or by courier or through messenger. Serving of electricity bill through E-mode has not been emphasized in the regulation.
- However, DISCOM can send other information like billed amount and due date of payment etc., to the consumers through registered E-mail ID/Mobile numbers/smart meters.
- In the present day digital platform all are familiar with Electronic Bill (E-Bill). Almost all other service provider adopting E-Statement for their consumer.
- A substantial expenditure is being incurred in Bill Distribution along with considerable time.
- 55000 old meters have been replaced with smart meters and all the new 3-phase/1-phase connections are being provided with Smart Meters. Going forward, all the consumers will be covered under Smart Meter.
- In view of the above, consumers with smart meters can be served with E-bill without any additional cost. An online billing incentive of Rs.10/per month for consumers opting for E-bill, may please be approved.

Prayer: Hon'ble Commission is requested to consider online billing incentive of Rs.10/-per month where a consumer opts for e-bill

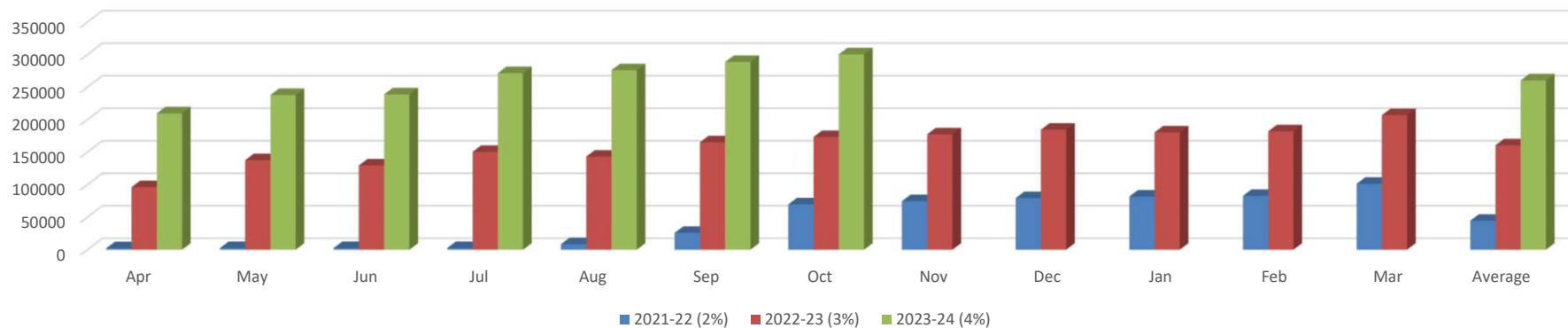


Continuation of 4% Digital Rebate for LT Domestic, LT GP Single phase & Single phase Irrigation consumers

Hon'ble Commission has been pleased to consider the prayer of the licensee and increase the applicable Digital rebate from 3% to 4% in FY 24. By this, 83% increase in digital payment over 1st seven months of last year has been noticed. A comparative figure is given hereunder.

This is motivating shift in culture from door to door collection to digital collection mode thereby reducing the corresponding A&G cost of collection significantly.

Digital Transaction Count



Prayer: Hon'ble Commission is requested to consider continuance of digital payment rebate of 4% for LT Domestic, LT GP Single phase & Single phase Irrigation consumers.



Special Tariff for Existing industries who have no CGP for Drawl of Additional power beyond CD of 10MVA (for non-CGP Industries Connected in 33kV or above)

- Industry to ensure minimum off take of 85% LF of existing CD
- Load reduction shall not be allowed during the financial year
- Power so consumed under this agreement may be treated as surplus power of GRIDCO and may be considered over and above the approved quantum in ARR including SMD.
- Interested industry has to pay a flat rate for additional energy so consumed beyond 85% LF of existing CD
- Consumption upto CD – to be billed under RST
- Industry will be allowed at a special tariff for consumption beyond 85% LF
- No demand charges for additional drawl beyond existing CD

Prayer: Hon'ble Commission is requested to consider the submission made by the licensee



Continuity of Special Tariff for Existing Industries having CGP with CD upto 20MW, if assured 80% LF of Existing CD

- To promote industrial growth and development of State economy , Hon'ble Commission has continued the provision of Special Tariff for Existing Industries having CGP with CD upto 20MW, if assured consumption with 80% LF of existing CD with revised rate of Rs.5/ per KVAh in RST Order FY 23-24.
- Due to substantial rise in charges, out of 4 nos consumers availing power supply under special tariff in FY 22-23, only two consumers are availing the benefit in FY 23-24, resulting in lower actual drawl of 165.18 MU estimated for 2023-24 against projected drawl of 641.29 MU in the ARR for the FY 2023-24.
- Under the above provision , the details of power availed by industries furnished in the following table

Addition Billing (MU) / Revenue (In ₹ Crs) due to Special Tariff						
Name of Consumer (EHT)	Category	Normal Billing MU (As per Trend)	Additional Billing MU (Due to Special Tariff)		Additional Revenue (In ₹ Crs.)	
			Current Year	Ensuing Year	Current Year	Ensuing Year
Jindal Steel & Power Ltd	Heavy	26.251	122.666	124.734	64.36	65.39
Ferro Alloys Plant, Balasore	Large	68.327	42.514	44.053	20.80	21.52
Total		94.578	165.18	168.787	85.16	86.91

Prayer: For sustainability of the scheme, it is requested before Hon'ble Commission that the scheme may kindly be approved for ensuing year with reduced rate of Rs 4.30 in place of Rs 5.00 with one time prior permission from GRIDCO in the FY



Continuity of Special Tariff for Existing Industries having CGP with CD>20MW with minimum offtake 80% of existing CD

- ❑ Special provision allowed by Hon'ble Commission for sale of surplus power of GRIDCO through tripartite agreement to all consumers with CGP with CD>20MW in RST Order FY 24 as reproduced below;

“Any industry having CGP with CD above 20 MW willing to avail power from DISCOMs and operating at load factor more than 80% shall be allowed to draw power at the rate not less than Rs.5.00 per kVAh for all incremental energy drawal above 80% load factor. No overdrawal penalty shall be levied on them. For this purpose, the industry shall enter into a tripartite agreement with DISCOMs and GRIDCO.”

- ❑ The intention of the scheme was to sale the surplus power of the state to industries inside the state –so that they can avail cheaper power and avoid open access.

Prayer: Hon'ble Commission is requested to allow the above provision to continue in FY 24-25 for consumers having CGP with CD>20MW and minimum offtake of 80%



Special Tariff for drawl of RE Power with Premium Rate

- Hon'ble Commission has allowed a Green Tariff of 25paise per unit
- The consumers of any category can get a Green Consumer Certification by DISCOMs, if 100% of their power requirement is met from renewable sources by DISCOMs.
- This DISCOMs to further enable intending consumers to procure such allocated Green power under 'Green Tariff'.
- Licensee proposes to lower the premium Green Tariff to 20 paise per unit over and above the normal charges instead of 25 paise per unit as per currently approved Tariff order.
- Only 19 LT consumer are availing the Green Tariff at the approved rate.

Approved RE Drawl _FY 23-24	Percentage w.r.t. total drawl of DISCOMs
3783.78MU	10.23%

Particulars	TPNODL	TPCODL	TPWODL	TPSODL	Total
Approved Input FY 23-24(MU)	7508	11256	13286	4920	36970
Allocation of RE Power to DISCOMs (MU)	768.42	1152.02	1359.79	503.56	3783.78

Prayer: Hon'ble Commission is requested to consider the submission made by the licensee



Pro-Rata Billing

- As per Regulation 109 (i) The meter shall normally be read on fixed date \pm 3 working days for monthly billing cycle.
- Odisha is very prone to uncontrollable climatic conditions such as Kalbaisakhi, monsoons and extremely high temperature during summer months. This conditions affect normal meter reading billing cycles and result in extension of billing period beyond the + 3 working days for monthly billing cycle.
- The Hon'ble Commission has clarified the issue of Pro-rata Billing in case of deviation of billing from 30 days billing cycle vide letter dated 06.06.2022. The clarification, however has not addressed the situations where the billing, for various reasons explained above , cannot be carried within the stipulated timeline
- Pro-rata billing for slab adjustment based on actual no of days of billing vis- a -vis the standard norm of 30 days is just and equitable. It will ensure that the consumer gets full slab benefit under all actual billing period scenarios.

Prayer: In view of the above explained difficulties, we request the Hon'ble Commission to permit pro-rata billing.



Special Tariff for Industries for Temporary business requirement

- Temporary supply is permitted under existing regulation for which provision of 10% higher Energy Charge is there
- The licensee is having many industries with CGP. During outage/maintenance of the units, they require additional load for a short duration of 2-3 months
- To meet the above requirement of such industries, the licensee proposed before Hon'ble Commission
 1. To approve such temporary additional load beyond CD for short duration of maximum three months
 2. In such event the industry to bear 10% higher charge both on normal Demand charge and Energy Charge component
- The above consumption to be accommodated by the licensee well within its approved/permitted SMD

Prayer: Hon'ble Commission is requested to consider the submission made by the licensee



Other Proposals



Creation of Disaster Resilient Rolling Corpus Material Bank

Name	Lowest Pressure(mbar)	Year	Winds(km/hr)
Odisha Cyclone	912	1999	276
Phailin	940	2013	215
Hudhud	950	2014	185
Titli	978	2018	110
Fani	932	2019	250
Amphan	920	2020	260
YAAS	970	2021	140

- Odisha is prone to the natural disastrous cyclones which effected erstwhile NESCO & TPNODL in a very bad manner and will certainly continue to be a major natural challenge for TPNODL.
- All the operating 5 districts (Balasore, Mayurbhanj, Bhadrak, Jajpur, Keonjhar) fall under the very high damage risk zone.
- Balasore, Jajpur, Bhadrak and Keonjhar (some part) of Licensee has experienced flood.

Source: https://en.wikipedia.org/wiki/List_of_tropical_cyclones_that_affected_India

Prayer: In view of the above it is the humble submission of DISCOM to allow a separate CAPEX towards creation of disaster resilient rolling corpus material bank equivalent to three months of average consumption of major materials like transformers, cables ,conductors ,etc taken over a period of three years or else a charge of Rs.2 per month to be recovered from consumers through energy charges.



Re- introduction of DPS LT Domestic, LT General Purpose and HT Bulk Supply Domestic Consumers

- ❑ In the RST order 2022-23, there was a DPS @ 1% of billed value for each month of delay on LT Domestic, LT General Purpose and Bulk Domestic Consumers , to build a regular payment practice in those categories for payment of monthly electricity bill.
- ❑ Considering negligible revenue impact of such DPS and to resolve bill disputes quickly for those categories, in the RST Order FY2023-24, Hon'ble Commission discontinued the provision of levy of DPS on the Electricity Bills to LT Domestic, LT GP and HT Bulk Supply Domestic consumers.
- ❑ The DPS was acting as the required deterrent and persuading those consumers to pay monthly bills in time . Withdrawal of DPS has resulted in willful delay in payment by the above category of consumers.

Prayer: Therefore, it is most humbly prayed before Hon'ble Commission to reintroduce levy of DPS on LT Domestic, LT General Purpose and Bulk Domestic Consumers and extension of due date to next due date to address grievance of consumers regarding delay delivery of bill.



Considering Actual LF for the category during assessment of unauthorized drawl

As per regulation 161 of OERC Distribution (Condition of Supply) Code, 2019, the assessment of energy consumption for the duration of unauthorised use shall be done as per the formula:

Units assessed= L X H X F

Where, L = Connected load in Kw,

H = No. of hours of the period of assessment

F = Load factor as prescribed under regulation 52

The Enforcement Assessment calculated as per the prescribe load factor is in-adequate and often less than the actual usage, thus giving the consumers a scope to continue illegal abstraction of energy.

Case Study for assessing 1.5 KW AC load

Taking LF as per actual usage hrs	Taking LF as prescribed u/r 52
Considering usage of 6 hrs per day, minimum consumption =1.5KW X 6Hrs X 30days = 270 units	Considering LF of 10% as per regulation 52. =1.5KW X 2.4 X 30 = 108 units

In case, if the meter reading of the tampered meter is 200 units (say), the assessed units will be less that the consumption recorded by the tampered meter.

Prayer: Hon'ble Commission is requested to allow 30% LF for domestic consumers



Standard Service Connection Charges for Three Phase Consumer

Sr. No	Contract Demand	Proposed Service Connection Charges
1	Upto 10 KW	4500
2	11-20 KW	7000
3	21-40 KW	10000
4	41-50 KW	19500
5	51-63 KW(70 KVA)	33000
6	> 70 KVA	As per load Requirement and estimate thereof

The Charges are calculated based on average 25 meters service length and use of armoured cable

- Standard Service connection charges for single phase connections up to 5 KW has been defined in the regulation, but there is no standardize rate for 3 phase LT connection.
- To fasten the process and making the system based auto Demand Note for three phase connections in line with single phase cases there must be a standardize charges for 3 phase also

Prayer: Hon'ble Commission is requested to kindly approve standardization of service connection charges for three phase consumer



Revision of Reconnection charges

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

It is submitted that the reconnection charges w.e.f. 01.04.2023 is continuing since last 11 years even though BST and RST of DISCOMs have increased no of times.

Prayer: Hon'ble Commission is requested to allow the Reconnection charges as per the proposed rate.





Revision of LT Application Processing Fees

Category	Prior to 27 th August 2019	Continuing since 27 th August 2019	Proposed Reconnection charges
Change of Category	Rs.25/-	Rs.50/-	Rs.100/-
New Connection / Load Change	Rs.25/-	Rs.50/-	Rs.100/-
Change/correction of Name or address, Ownership change/modification	Rs.25/-	Rs.50/-	Rs.100/-

It is submitted that the processing fees w.e.f. 01.04.2023 is continuing since 27th August 2019 for new connection only, may be made applicable for other service with revised rate of Rs 100/-.

Prayer: Hon'ble Commission is requested to allow the Processing fees as per the proposed rate.





Truing-Up for FY 2022-23

(Case No. 123 of 2023)



Expenditure	Approval by OERC for FY 2022-23	Actual (Audited Accounts)	True up Considering Normative T&D loss 18.35%
INPUT(MU)	6020.00	6476.00	6632.12
Cost of power purchase	1932.42	2079.75	2129.94
Transmission Cost	168.56	181.29	181.29
SLDC Cost	1.08	1.08	1.08
Less : Rebate		-21.90	-21.90
Total Power purchase Cost(A)	2102.06	2240.22	2290.41
Employee Cost	393.86	390.46	440.32
Repair & Maintenance Cost (Net off Govt. Grant Amortisation)	141.43	237.53	237.53
Administrative & General Expenses	84.23	162.42	112.55
Provision for bad & doubtful debts	16.02	64.98	31.65
Depreciation(Net off Govt. Grant - Cons. Contbn Amortisation)	44.66	30.62	27.39
Interest on loan including interest on SD	31.98	60.39	62.94
Interest on Term Loan (normative)		7.86	12.58
Total Operation & Maintenance and Other Cost	712.18	954.26	924.95
Return on equity	40.00	0.00	56.99
Income Tax		34.99	34.99
Total Distribution Cost	752.18	989.25	1016.94
Less Miscellaneous Receipts	154.15	202.84	157.43
Net Distribution Cost(B)	598.03	786.41	859.50
Repayment of ASL			0.27
Total Revenue Requirement	2700.09	3026.63	3150.19
Actual Revenue	2701.03	3164.53	3164.53
SURPLUS/(GAP)	0.95	137.90	14.34
Expenses disallowed in last truing -up order FY 2021-22			
Disallowed A&G Cost			(26.52)
Disallowed Interest on Term Loan			(1.54)
SURPLUS/(GAP)			(3.72)



Disallowance of A&G expenses for the FY 2021-22

Expenditure	Allowed in Truing-up FY 2021-22(Crs.)	Actual (Audited) FY 2021-22(Crs)	Difference (Allowed –Actual) In Crs.
Administrative & General Expenses	78.72	105.24	(26.52)

- Hon’ble Commission while approving A&G for FY 22, had allowed 60% additional amount over the amount approved for the erstwhile utility with a direction for considering the expenses in truing up subject to prudence check.

122..... At this stage we allow the additional A&G expenses of about sixty percent of the approved amount in the ARR of Rs.49.20 crore for FY 2021-22 which is Rs. 29.52 crore. However, the petitioner is directed to produce the required justifications for such additional expenses under the head A&G expenses incurred in the truing up petition for FY 2021-22.

The expenses under this head will accordingly be allowed after prudence check.”

- The actual expenses incurred under A&G as per audited accounts is Rs.105.24Crs for the FY 22
- However, Hon’ble Commission has allowed Rs. 78.72Crores towards A&G expenses in truing –up for FY 21-22 as per the ABP order, which was mainly based on the expenses incurred by the erstwhile utility.

Prayer : It is most humbly requested before Hon’ble Commission to kindly consider allowing the actual A&G cost incurred for FY 21-22 as per direction.





Disallowance of Interest Cost on Normative Term Loan for FY 2021-22

- The licensee had placed before Hon'ble Commission for approval normative interest on Term Loan in the truing up application for the FY 2021-22
- However the same has not been considered as no actual loan was taken for funding the capital expenditure and the same has been funded entirely through internal resources

Sl. No.	Particulars	FY 2021-22
1	Opening Balance	-
2	Loan Taken during the year	46.48
3	Repayments during the Year (Equal to Depreciation)	2.84
4	Closing Balance	43.64
5	Average Balance	21.82
6	Rate of Interest	7.05%
7	Interest	1.54

The relevant extract of the judgment dated 3.10.2019 of APTEL is as follows:

“8 (ix) The Central Commission should have taken into consideration the aspect that whatever be the types of funds, it is never free of cost. There is always a cost of funding. The argument that no actual loan for additional capital expenditure was taken and therefore it is not admissible for any normative IDC is wrong. It is the commercial decision of the Appellant whether to borrow the money from the market for the purpose of additional capitalisation or use its internal accruals. In either case, the capitalisation deserves to be given the Interest During Construction. For the simple reasons that if the internal accruals were not to be used as additional capital than it would have been invested in the market in any interest earning instrument. Additional capitalisation is therefore entitled to be compensated in terms of normative IDC. The Central Commission should have considered this aspect that no funds are free funds.”

Prayer : It is most humbly requested before Hon'ble Commission to kindly allow normative interest on Term Loan amounting to Rs.1.54 Crs. which was disallowed for the FY 2021-22.



Demand Side Management



Sl. No.	Particular	Amount (Rs.)
1	Basic Price of one BEE 5 Star BLDC Fan	2405
2 (1 x 18%)	GST @ 18%	432.9
3 (1+2)	Total Price of one BEE 5 Star BLDC Fan incl. GST	2837.9
4	Dismantling and Installation Charges	250
5 (1x 10%)	Transportation Charges	240
6 [(4 +5) x 18 %]	GST @ 18% on Dismantling, Installation & Transportation Charges	88
7 [3+4+5+6]	Total cost of Installation of one BEE 5 Star BLDC Fan (Supply and Service Cost including Transport)	3416

Particulars	UoM	FY 2024-25
Total BLDC Fans	Nos	120000
DSM expenditure to be allowed in the ARR	Cr.	8.95
Energy savings (MUs) @ 257Units/Fan per annum	MU	123.36

- A combined petition was filed for approval of Energy Efficiency Program for Domestic Consumers for promotion of Demand Side Management before Hon'ble Commission.
- Hon'ble Commission has already passed an order in Case No. 79/2023 on dated 17.11.2023 and accorded in-principle approval of the energy efficiency program for domestic consumers
- Customers will bear 50% of the cost of installation of one BLDC Fan, i.e., Rs. 1708, and the balance 50% will be provided as subsidy/ incentive.
- The balance 50% which will be provided as subsidy/ incentive out of that Government of Odisha to provide 30% & balance 20% to be recovered through ARR of DISCOMs.

Prayer: Hon'ble Commission is requested to allow the actual expenses that will be incurred in the DSM plan in Truing-up exercise



Open Access Application

(Case No. 124 of 2023)



An application has been filed before Hon'ble Commission by TPNODL vide Case No-124/2023 with the following prayers:

- ❑ Determination of Open Access Charges viz Wheeling Charges, Cross Subsidy Surcharge, Additional Surcharge & Stand by charges (as applicable) for the financial year 2024-25, in accordance with the para 22, 23, 24 & 25 of chapter 5 of OERC (Terms and Conditions of Intra state Open Access) Regulation, 2020, applicable to open access customers for use of intra-state transmission/ distribution system, in view of section 42 of the Electricity Act-2003.



Sl. No	Particulars	FY 2021-22			FY 2022-23			FY 2023-24 (Upto Oct'23)		
		EHT	HT	Total	EHT	HT	Total	EHT	HT	Total
1	No. of Consumers availing power supply through open access	15	3	18	14	NIL	14	13	NIL	13
2	Total units availed through Open access (in MU)	1530.104	19.032	1549.136	1031.882	NIL	1031.882	696.65	NIL	696.7
3	No. of Consumers liable to pay cross subsidy surcharge	12	3	15	11	NIL	11	12	NIL	12
4	Total units on which C.S. Surcharge claimed (in MU)	361.527	16.005	377.532	224.59	NIL	224.59	87.123	NIL	87.123

TPNODL Calculation of Wheeling Charges for FY 2024-25



STATEMENT OF CALCULATION OF WHEELING CHARGES FOR FY 2024-25

SI No	Particulars	Cost as proposed in the ARR for 2024-25 (In Cr.)
1	Operation & Maintenance Exp	676.13
1.1	Employee Expenses	319.63
1.2	Administration & General Exp	67.20
1.3	Repair & Maintenance Exp	289.30
2	Depreciation	87.56
3	Interest on Long Term loan Capital	55.75
4	Interest on Working Capital	5.19
5	Interest on Security Deposit	0
6	Interest on Power Bond	
7	Provision for Bad debts	
8	Contingency Reserve	0
9	Carrying cost	2.31
10	Return on Equity with Tax	123.32
11	Less-Non-Tariff Income	(20.73)
11	Distribution Cost for Wheeling	929.53
12	Wheeling charges (Paise/ Unit)	201.817

Particulars	EHT	HT	LT	Total
Total Sale (MU)-proposed for 2024-25	3555	773	2679	7007
Input (MU)-Proposed for 2024-25	3555	1142	3464	8161
Loss (MU)	0	368	786	1154
Input received in the system(MU)	8161	4606	3464	





Calculation of Surcharge for EHT category of Consumers

Total EHT Sales proposed for FY 2024-25 in MU	Proposed Revenue from sale for EHT Category Rs in Crore	Average Tariff (P/KWH) (T)	Cost of power Purchase (P/KWH) (C)	Wheeling Charge (P/KWH)(D)	System Loss (%) (L)	Regulatory Asset (P/KWH) (R)	Surcharge (P/KWH) (T - (C/ (1-L/100)+D+R))
3555.28	2206.77	620.70	359.00	0	0	0	262

Calculation of Surcharge for HT category of Consumers

Total HT Sales proposed for FY 2024-25 in MU	Proposed Revenue from sale for HT Category Rs in Crore	Average Tariff (P/KWH) (T)	Cost of power Purchase (P/KWH) (C)	Wheeling Charge (P/KWH)(D)	System Loss (%) (L)	Regulatory Asset (P/KWH) (R)	Surcharge (P/KWH) (T - (C/ (1-L/100)+D+R))
773.05	514.60	665.68	359.00	201.82	8	0	74



In the aforesaid facts and circumstances, the applicant most humbly prays before the Hon'ble Commission to kindly :

- 1) Take the application of the licensee on record
- 2) Approve the ARR for the FY 2024-25
- 3) Bridge the GAP for FY 2024-25 through increase in RST or reduction in Bulk Supply Tariff wherever possible
- 4) Allow Tariff Rationalization Measures as proposed
- 5) Approve the Open Access Charges for the FY 2024-25
- 6) Approve the truing –up petition of the licensee for the FY 2022-23
- 7) Licensee craves leave for submission of further/additional reply as and when required
- 8) Any other relief, order or direction which the Hon'ble Commission deems fit



Thank You!

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