

Record Note of Annual Performance Review of WESCO Utility held on 04.06.2019 at 11.00AM in the Training Hall of the OERC in the presence of the Commission

Date of Review : 4th June, 2019

Period of Review : April 2018-March 2019

Representatives of WESCO Utility: list enclosed as Annexure-I.

The performance of WESCO Utility for April 2018 – March 2019 of FY 2018-19 was reviewed by the Commission on 4th June, 2019 at 11.00 AM in the presence of senior officials of WESCO Utility. The Commission reviewed the billing and collection position of the WESCO Utility for the period from April 2018 to March 2019.

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

<u>ANNUAL PERFORMANCE OF WESCO-As on March-2019</u>				
BULK SUPPLY	2016-17	2017-18	2018-19	OERC Approval for 2018-19
AVG. DEMAND (MVA)	1600.00	1869.00	1123.00	1350.000
Energy input (MU)	6781.02	7248.22	7573.27	7120.00
BST & Tr.Charge bill (Cr.)	2255.40	2378.98	2421.45	
SALE TO CONSUMERS (MU)				
EHT	1071.71	1219.19	1556.92	1000.00
HT	1443.51	1682.44	1808.75	1550.00
LT	2121.08	2476.46	2606.64	3174.48
TOTAL	4,636.30	5,378.09	5,972.31	5,724.48
% of LT to Input	45.75%	46.05%	43.65%	55.45%
DISTRIBUTION LOSS (%)				
HT (Assume)	8.00%	8.00%	8.00%	8.00%
LT	44.31%	35.91%	30.05%	22.20%
HT & LT	37.57%	31.02%	26.61%	22.80%
OVERALL	31.63%	25.80%	21.14%	19.60%
BILLING EFFECIENCY (%)				
HT	92.0%	92.0%	92.0%	92.00%
LT	55.7%	64.1%	70.0%	77.80%
HT & LT	62.4%	69.0%	73.4%	77.2%
OVERALL	68.4%	74.2%	78.9%	80.40%
COLLECTION EFFICIENCY (%)				
EHT	104.90%	101.13%	91.88%	99.00%
HT	102.02%	100.34%	100.39%	99.00%
LT	75.21%	70.91%	66.33%	99.00%
HT & LT	88.22%	85.24%	83.36%	99.00%
OVERALL	93.24%	89.99%	86.30%	99.00%
AT & C LOSS (%)				
LT	58.12%	54.56%	53.60%	22.98%
HT & LT	44.92%	41.20%	38.82%	23.57%
OVERALL	36.25%	33.23%	31.94%	20.40%

Commission's Observations:

The Commission compared the figures relating to business operation of WESCO Utility for FY 2018-19 and for the corresponding period of FY 2017-18. The key observations are as follows:-

	2017-18	2018-19	Increase / Decrease	(↑↓)
No of consumer	1433756	1753440	3,19,684	↑
No.of Working Meter (at the end of the year)	993307	1159917	1,66,610	↑
EHT Sale (MU)	1219.19	1556.92	337.73	↑
HT Sale (MU)	1682.44	1808.75	126.31	↑
LT Sale (MU)	2476.46	2606.64	150.18	↑
Distribution Loss	25.80%	21.14%	4.66	↓
Billing Efficiency	79.55%	78.86%	0.69	↓
Collection Efficiency	89.99%	86.30%	3.69	↓
AT & C Loss	33.23%	31.94%	1.29	↓

1. WESCO Utility has reported that total number of consumers of WESCO Utility is 17,53,440 and all the consumers are under billing fold. This needs to be verified and confirmed by WESCO utility by 10.07.2019.
2. There is 337.73 MU increase in EHT sale and 126.31 MU increase in HT sale. Though there has been addition of 3,19,684 consumers in FY 18-19, there is only 150.18MU increase in LT sale.
3. On Energy Audit, WESCO Utility submitted that out of 151 Nos. of 33 kV feeders 136 Nos. are metered and out of 136 Nos. of 33 KV metered feeders 109 Nos. have been audited. Out of 838 Nos. of 11 kV feeders, 813 Nos. of 11 kV meters are having ok meter and out of that 462 Nos. are audited. Out of 52370 nos of DTRs 3957 No.s are metered and 175 Nos. are audited.
4. Commission expressed their displeasure over the reduction in Collection efficiency. A.O., WESCO Utility stated that due to strike by lawyers for Highcourt bench in WESTERN Odisha, WESCO offices remained closed for 3months from mid November 2018 to mid February 2019 and this hampered their revenue collection a lot.
5. WESCO Utility has cleared all BST bills of FY 2018-19.

DIVISION WISE COMPARATIVE LT PERFORMANCE OF WESCO UTILITY			
DIVISION	2017-18	2018-19	Increase/ Decrease
	AT & C LOSS (%)	AT & C LOSS (%)	
RED, Rourkela	17.28	20.22	2.94%
REDS, Rourkela Sadar	30.72	22.58	-8.14%
RED, Rajgangpur	8.63	14.43	5.8%
SED, Sundergarh	43.89	38.75	-5.14
Rourkela Circle	26.41	23.98	2.43
SED, Sambalpur	49.45	46.46	-2.99%
SEED, Sambalpur	58.88	59.22	-0.34
JED, Jharsuguda	44.39	38.22	-6.17
BRED, Brajrajnagar	39.72	30.55	-9.17
DED, Deogarh	40.90	41.98	1.08
Burla Circle	49.17	46.22	-2.95
BED, Bargarh	69.70	70.21	0.51
BWED, Bargarh	80.12	79.24	0.88
Bargarh Circle	74.39	74.15	-0.24
BED, Bolangir	63.99	63.23	-0.76
SNED, Sonapur	65.36	64.59	-0.77
TED, Titlagarh	65.69	63.17	-2.52
Bolangir Circle	64.69	63.22	-2.47
KEED, Bhawanipatna	46.07	43.34	-2.73
KWED, Bhawanipatna	53.36	56.31	2.95
NED, Nuapada	64.82	63.85	-0.97
Bhawanipatna Circle	54.80	54.55	-0.25
WESCO Utility	54.56	53.60	-0.96

6. It is observed from the LT AT& C loss table above that Brajrajnagar Division has performed best among all divisions. There is 2.94% increase in LT AT & C loss at Rourkela division and in reply to this S.E., Rourkela stated that as Franchises are withdrawn from their division, the collection has reduced and as a result AT & C loss has increased. A.O., WESCO was advised to put appropriate collection mechanism in place.

7.

STATUS OF ARREAR (Rs Crores)								
Category	Arrear as on 31-03-1999	Arrear as on 31-03-2018 (Less Adj of Govt Dues of Rs.33.92 (Nov-14)Crs Paid By GoO)	Billing 2018-19 (Apr to Mar)	Collection 2018-19 (May to Apr)	Collection against arrear during 2018-19 (May to Apr) against '3'	Total collection	Arrear for the period 2018-19	Arrear as on 31-03-2019
1	2	3	4	5	6	7=5+6	8=4-5	9=3-6+8
LT	180.22	2168.34	983.85	588.47	48.819	637.29	395.38	2514.91
HT	2.88	0.00	1019.55	1025.96	7.444	1033.41	-6.42	0.00
EHT	0.00	36.43	1105.25	1013.56	1.926	1015.48	91.69	126.20
Govt & PSU LT	0.00	108.80	61.51	44.52	13.728	58.25	16.99	112.06
Govt & PSU HT	0.00	6.88	22.51	18.75	0.95	19.70	3.76	9.68
Total of above	183.10	2320.45	3192.67	2691.26	72.87	2764.13	501.41	2762.85

It is observed that arrear dues have increased by nearly Rs. 440 crores during the year 2018-19.

8. Metering Status:-

Report on Metering			
Sl. No.	Particulars	WESCO Utility	
		As on 31.03.2018	As on 31.03.2019
SINGLE PHASE			
1	Total Number of Consumer	13,56,727	16,71,632
2	Number of consumers without meters	15,842	1,32,887
3	Number of defective meters	3,95,925	4,30,771
4	Number of Meters in Working condition	9,22,322	11,07,974
5	Number of Static Meters	6,45,971	11,07,974
6	Number of electro-mechanical Meters	2,98,989	0
THREE PHASE			
1	Total Number of Consumer	69,086	81,908
2	Number of consumers without meters	17598	25823
3	Number of defective meters	3006	3126
4	Number of Meters in Working condition	47211	52959
5	Number of Static Meters	34935	52959
6	Number of electro-mechanical Meters	13547	0
Total number of consumers		14,25,813	17,53,540

A.O., WESCO Utility stated that out of 6,60,000 meters to be installed by GRIDCO, 3,90,000 meters have been supplied and 2,34,000 meters have been already installed. WESCO Utility shall procure and install 1,55,000 meters on its own by December 2019.

9. Only 50% of the total consumers are covered under Urja Mitra for intimating outage information.
10. It is observed that there is no increase in loss reduction of Pilot feeders.

Directives of the Commission:

	ALL ODISHA PERFORMANCE OF DISCOMs				All Odisha 2018-19
	FY 2018-19				
	CESU	NESCO	WESCO	SOUTHCO	
DEMAND (MVA) (OERC APPROVAL)	1580.00	990.00	1350.00	610.00	4530.00
ACTUAL SMD (MVA)	1454.98	891.38	1123.00	634.18	4103.54
APPROVED PURCHASE (MU)	9070.00	6140.00	7120.00	3660.00	25990.00
Energy input (MU)	8784.00	5575.78	7573.27	3638.95	25572.00
SALE TO CONSUMERS (MU)					
EHT	1245.69	2179.03	1556.92	456.02	5437.66
HT	1254.65	431.34	1808.75	285.30	3780.03
LT	3810.52	1920.55	2606.64	1814.56	10152.27
TOTAL	6310.86	4530.92	5972.31	2555.88	19369.96
OERC APPROVAL	6814.50	5013.32	5724.48	2726.70	20279.00
LOSS (%)					
LT Loss	32.92%	28.70%	30.05%	31.34%	31.14%
OVERALL	28.16%	18.74%	21.14%	29.76%	24.25%
OERC APPROVAL Loss	24.87%	18.35%	19.60%	25.50%	21.97%
BILLING EFFECIENCY (%)					
LT	67.08%	71.30%	69.95%	68.66%	68.86%
HT & LT	67.19%	69.24%	73.39%	65.97%	69.20%
OVERALL Loss	71.84%	81.26%	78.86%	70.24%	75.75%
COLLECTION EFFICIENCY (%)					
EHT	100.37%	96.46%	91.88%	99.95%	96.15%
HT	98.64%	96.60%	100.39%	93.60%	98.81%
LT	94.37%	89.10%	66.33%	80.55%	84.35%
HT & LT	95.67%	91.04%	83.36%	83.10%	89.32%
OVERALL	96.75%	94.10%	86.30%	86.95%	91.67%
AT & C LOSS (%)					
LT	36.70%	36.48%	53.60%	44.70%	41.92%
HT & LT	35.72%	36.96%	38.82%	45.18%	38.20%
OVERALL	30.49%	23.53%	31.94%	38.93%	30.57%
OERC APPROVAL	23.77%	19.17%	20.40%	26.25%	22.13%

1. LT AT & C loss of WESCO utility is highest among four DISCOMs. Commission directed WESCO Utility to improve the same by improving LT collection.
2. A.O., WESCO should directly interact with consumers.
3. Commission directed WESCO Utility to streamline the Billing & Collection agency to make the system efficient.

4. Commission asked A.O., WESCO Utility why there is no further reduction in AT & C loss of pilot feeders. In reply to this he stated that though meters are there at most of the 11KV & 33kV feeders, CT & PT are out of order there should be rectified. However, this is not a satisfactory reply.
5. WESCO Utility is required to install 5,81,000 meters totally out of which 4,26,000 will be installed by GRIDCO and 1,55,000 will be installed by WESCO Utility. WESCO Utility must install 25,000-30,000 meters every month against their own programme. Month wise performance may be reported to OERC.
6. Commission directed WESCO Utility to submit Business plan by 30th June.

Representative of WESCO UTILITY

1. Sri U. K Samal, A. O.
2. Sri D.K.Agarwalla, G.M.(F)
3. Sri S.K.Malhik, C.S.
4. Sri P.K. Sahoo, G.M.(Works & PL)
5. Sri K.C.Nanda, DGM(F)
6. Sri B. K. Sahoo,D.G.M.
7. Sri R.P. Patra, D.G.M.(HR)
8. Sri S.K. Thakur, D.G.M.(O&M)
9. Sri D.S. Mishra, , AGM, MRT
- 10.Sri Alok Ku.Satpathy, SEEC, Kalahandi
11. Sri S.K. Lal
- 12.Sri S.K.Darjee, S.E.E.C. & Sambalpur
- 13.Sri A. N. Meher, S.E. ,RKL
- 14.Sri M.P.Rout,EA Cell, Burla
- 15.Sri. R.K. Naik, AGM, MRT
- 16.Sri A. K. Bishi, Manager(Fin)
- 17.Sri A.K.Patra, Manager