

**Minutes of 39th Meeting of SAC held on 16.03.2026 at OPTCL Training Centre,
Chandaka, Bhubaneswar**

Members present:

1. Shri P.K. Jena, Chairperson, OERC
2. Shri S.K. Ray Mahapatra, Member (Tech.), OERC
3. Shri B. Mohanty, Member (Legal), OERC
4. Shri Priyabrata Patnaik, Secretary, OERC
5. Shri Sai Biplab Pradhan, Additional Secretary, DoE, GoO
6. Shri Satyabrata Rath, MD, GRIDCO
7. Shri Kedar Ranjan Pandu, MD, OPGC
8. Shri Pranab Kumar Mohanty, Director (Finance), OHPC
9. Shri Srikanta Sahu, Director (Finance), OPTCL
10. Shri B. B. Mehta, Director cum CLD, SLDC
11. Shri Gajanan Kale, CEO, TPNODL
12. Shri Arvind Singh, CEO, TPCODL
13. Shri Amit Kumar Garg, CEO, TPSODL
14. Shri Manoj Ku. Panda, Head (RA & PMAG), TPWODL
15. Shri Ashok Ku. Tripathy
16. Shri P. K. Pradhan
17. Shri Prabhakar Dora
18. Shri Girish Ch. Mahapatra
19. Smt. Saishree Patnaik
20. Smt. Abanti Behera
21. Shri Shiba Dutta Bhanja
22. Prof. (Dr.) P. K. Hota
23. Shri Bibhu Ch. Swain
24. Shri Sanjeev Ku. Tripathy
25. Shri Bidyadhar Mohanty
26. Shri Alekh Ch. Mallick
27. Shri Burle Balaraju
28. Shri Gour Ch. Panda
29. Shri Bimal Ku. Mahapatra
30. Shri Bimal Krushna Mishra

At the outset, the Secretary, OERC, welcomed the participants of the SAC and requested the Chairperson to preside over the meeting. Hon'ble Chairperson, OERC gave a brief introduction of the agenda of the meeting and asked the Consumer Counsel to make a brief presentation about the gist of the tariff applications of the Licensees and Generating companies of the state for the FY 2026-27. After the

Consumer Consultant made presentation, the SAC Members were requested to submit their views. The views of the SAC Members are as follows:

1. Shri Ashok Ku. Tripathy:

Shri Tripathy observed that the demand growth in the State has remained largely stagnant and emphasised the need to devise appropriate mechanisms to attract heavy industries for enhancing load growth. He suggested that the Commission may consider issuing suitable directions to ensure time-bound extension of connectivity to industries, so as to facilitate ease of doing business and promote industrial development. Further, he highlighted the importance of aligning with the vision of “Vikasit Odisha” and stressed the need for proactive initiatives towards the development of emerging sectors such as green hydrogen, green ammonia, and pumped storage plants. He suggested that pilot projects in these areas may be explored to assess feasibility and scalability.

2. Shri P.K. Pradhan:

The Member observed that the water level at Hirakud HEP is not being allowed to fall below 595 ft., despite the Minimum Draw Down Level (MDDL) being 590 ft., resulting in an estimated loss of around 40 MUs of generation, equivalent to approximately Rs. 40 Cr. He suggested that this aspect may be reviewed for optimal utilization of available resources. He further stated that there should be provision for revision of consumer bills beyond the period of two years which is the stipulated time in the Regulations. He recommended that a new One Time Settlement (OTS) scheme may be introduced to facilitate the recovery of dues. He also emphasized that DISCOMs should take measures to reduce Operation & Maintenance (O&M) and Administrative & General (A&G) expenses. He observed that capital expenditure by DISCOMs is largely concentrated in the 33 kV network and suggested the need for balanced infrastructure development across voltage levels.

Highlighting local supply issues, he pointed out that in certain areas of Bargarh district, particularly Paikmal and Padampur, the 11 kV voltage at times drops to as low as 6.6 kV, indicating serious voltage quality concerns. In this regard, he suggested that OPTCL may be directed to establish new substations in the Jharbandh and Bijepur areas to strengthen the network and improve the voltage profile.

3. Shri Prabhakar Dora:

Shri Dora emphasized that meters removed from consumer premises should be declared defective only by a competent authority following due process, to ensure transparency and accountability.

He further stressed that all investments undertaken by utilities should be supported by a detailed cost-benefit analysis, including assessment of Return on Investment (RoI) and Rate of Return

(RoR), to ensure financial prudence. He suggested that DISCOMs should issue a comprehensive circular after notification of the Tariff Order, clearly outlining its salient features for better understanding among stakeholders. Additionally, he expressed concern that the Grievance Redressal Forums (GRFs) are not interpreting the applicable Rules/Regulations in alignment with the Tariff Order and emphasized the need for ensuring consistency in their interpretation and implementation.

4. Shri Girish Ch. Mahapatra:

The member submitted his view that the tariff hearing of OERC should also be conducted in Rourkela. He stated that one of the concerns for ARR is reduced sales by DISCOMs through TPA. Further, instead of taking legal action for theft, DISCOMs are collecting fines. The new consumers, particularly the industries, are bearing all the cost for network extension while getting new connections, which is unnecessarily burdening consumers. The Commission should consider how to reduce this burden on consumers. When an infrastructure is developed in contribution of particular consumer, the latter gets the benefit. The infrastructure cost should be shared with all consumers connected to that particular infrastructure. There should be a provision for training and development of the GRF members.

5. Smt. Saishree Patnaik:

Smt. Patnaik observed that since DISCOMs are reducing their loss, there should not be any rise in tariff. Even after TP DISCOMs are saying that they are operating efficiently, in reality the power cuts are still continuing. She stated that DISCOMs should install tested meters in consumer premises and pointed out a solitary case where the deposits by the consumers are not reflected in the bill.

6. Smt. Abanti Behera:

Smt. Behera submitted that there should not be any rise in tariff since DISCOMs are making profit. She highlighted that the consumer bill is very lengthy and it is difficult for the consumers to understand. She mentioned that Section 126 and 135 of the Electricity Act, 2003 are not properly implemented by DISCOMs and proper procedures are also not being followed.

7. Shri Sibadutta Bhanja:

The member stated that there is a shortage of LPG in our country due to war situation. Therefore, dependence on induction cooking has increased. He suggested that DISCOM should not impose

fine for overdrawal due to induction cooking undertaken by consumers. He also observed that the cross-subsidy surcharge should be divided between GRIDCO and DISCOMs.

8. Prof. P. K. Hota:

The Member emphasized that the electricity tariff should be cost-reflective, noting that electricity is a tradable commodity and consumers should be adequately informed about the price they are paying. He raised concerns regarding the increase in tariff despite substantial capital expenditure being undertaken by DISCOMs and suggested that the linkage between investment and tariff outcomes should be clearly demonstrated. He further observed that there is likely to be a significant rise in electricity demand by 2035, with electric mobility expected to contribute a substantial share to the overall demand in the State. In this context, he stressed that DISCOMs should plan and develop adequate infrastructure to meet the anticipated growth. He suggested that a dedicated forum may be constituted to analyze the impact of electric mobility on the power supply position of Odisha and to facilitate informed planning. Additionally, he highlighted that resource sharing and optimization are critical for achieving economical tariffs and emphasized the need to promote research and development (R&D) initiatives in this area across all utilities.

9. Shri Bibhu Ch. Swain:

Shri Swain emphasized the need for the introduction of Demand Side Management (DSM) measures in Odisha and suggested that DISCOMs should undertake adequate consumer awareness programmes in this regard. He highlighted that certain fisheries clusters are presently operating diesel generator (DG) sets without availing electricity connectivity and suggested that necessary steps may be taken to extend grid connectivity to such consumers. He appreciated the efforts of TPSODL in extending power supply to consumers with a load of around 150 MW by utilizing the network of Tata Steel at Gopalpur. He further pointed out that the print on electricity bills fades quickly due to thermal printing and suggested that DISCOMs may explore more durable alternatives. He stated that revenue collection pertaining to the pre-vesting period should be credited to GRIDCO. He also suggested that mandatory energy storage provisions may be considered for solar installations of 500 kW and above. In this context, he recommended that the Commission may determine an appropriate tariff for energy storage, enabling owners to sell stored energy to GRIDCO. Further, he suggested that Time-of-Day (ToD) tariff may be made applicable to consumers opting for the same. He emphasized that the SLDC, Odisha website should be updated regularly to ensure the availability of current and accurate information. Lastly, he observed that high

employee costs and Administrative & General (A&G) expenses may be rationalised by minimizing avoidable litigation expenses and addressing instances of disproportionately high salaries.

10. Shri Sanjeev Ku. Tripathy:

The Member mentioned that OHPC does not have the capability or expertise that is required for repair of Chiplima HEP. He suggested that a good consultant should be engaged to carry out the repair and maintenance work. Discussing about Rooftop Solar, he stated that DISCOM should promote more Roof Top Solar and should not treat supervision charges as their income. The DISCOMs are collecting 6% supervision charges in government projects in spite of the OERC Order in contrary. He submitted that the Schedule of rates should not be escalated by 6% every year which is not realistic.

11. Shri Bidyadhar Mohanty:

The Member submitted that there should not be any increase in tariff. He raised his concern that the DISCOMs are installing smart meters forcibly in consumer premises. He expressed that the DISCOMs are anti-workers and conveyed his dissatisfaction over their work. He emphasized that the DISCOM should abide by the Regulations of the Commission and act accordingly.

12. Shri Alekh Ch. Mallick:

Shri Mallick suggested that the surplus funds available with OHPC and OPGC may be strategically utilized for the development of nuclear energy and thermal power projects to meet the anticipated increase in future demand. He observed that while the transmission tariff of OPTCL has remained stable, there has been an upward revision in the charges of PGCIL, which is a good sign. In this context, he suggested that further efforts may be made to rationalize and reduce OPTCL's transmission charges. He further recommended that OPTCL may explore direct connectivity to the second units of NTPC at Talcher and Darlipali to optimize transmission arrangements and potentially avoid payment of CTU charges. Additionally, he pointed out that although provisions exist in the PPA for the evacuation of power from Darlipali by OPTCL, the same have not yet been operationalized and appropriate action may be taken in this regard.

13. Shri Burle Balaraju:

The Member submitted that the grid substation at Udayagiri is still not charged despite the fact that it has been completed since last 5 years. He further expressed safety concerns about unauthorized building construction below transmission lines. Shri Balaraju expressed concern that the Grid Substation at Udayagiri has not yet been commissioned, despite the completion of the project nearly five years ago, and emphasized the need for expediting its charging and operationalization. He further raised safety concerns regarding unauthorized construction of buildings beneath transmission lines and stressed the importance of strict enforcement of safety regulations to prevent potential hazards.

14. Shri Goura Ch. Panda:

Shri Panda stated that the maintenance carried out by the DISCOMs should be coordinated and done in cluster-based approach. Unnecessary shutdown should not be taken for maintenance of individual cases. He suggested that the funds should be invested in a targeted manner with necessary planning. He discussed that the DISCOMs are not collecting street light bills from the Panchayati Raj institutions and further suggested that Employees should visit consumer premises in proper uniform for necessary identification by the consumer.

15. Shri Bimal Ku. Mahapatra:

Shri Mahapatra stated that, if the flexibility provided to present DISCOMs have been given to OSEB, there might have been huge reformation in the sector. He stressed that there is no scope for interaction of consumers with DISCOM officers. There shall be scope for consumer interaction in every stage of DISCOM's hierarchy. In each DISCOM office, consumer rights should be properly displayed for the sensitization of the consumers. He observed that certain GRF's are functioning as a part of licensee and therefore consumers are gradually losing faith in GRFs.

The written submission of SAC Member **Shri S. P. Mallick** were taken on record which are given below:

Shri Mallick has mentioned that Smart meter billing should be made on first day of each billing month and defective meter to be replaced within 2 months. Smart meter replacement should be done free of cost. Theft assessment should be done by authorized representatives only. Since the AT&C loss is reducing, tariff should not increase for the proposed FY 2026-27. A&G expenses must be capped and regular scrutiny of CAPEX should be conducted.

After the deliberations of the SAC Members, the Chairperson invited the special invitees to discuss the issues and to make suitable suggestions. Their replies are summarized as stated hereafter.

Shri Sai Biplab Pradhan, Additional Secretary, Department of Energy, Government of Odisha submitted that the suggestions and observations of the SAC Members and the Commission has been duly noted for consideration of the Government.

Shri Srikanta Sahu, Director (Finance), OPTCL highlighted that out of total employee expenses, around 40% is accounted towards terminal liability of the legacy employees post transfer notification. He also stated that the OPTCL projects are getting delayed due to uncontrollable factors such as RoW issues and forest clearances.

Shri Satyabrata Rath, MD, GRIDCO stated that they will try to improve their efficiency, but the challenge is that over the years the losses of the entire sector is piled up with GRIDCO. He requested the Commission that they would improve the efficiency through trading and the Commission may consider acknowledging the losses and provide financing cost.

Shri Pranab Kumar Mohanty, Director (Finance), OHPC responded to a query raised by one SAC member regarding the additional outcome of the Renovation Costs proposed by OHPC for Hirakud HEP. He stated that Renovation would not add any additional capacity to the plant. He stated that he agrees with the minimum drawal level at Hirakud is not being achieved and action is required in this regard.

Shri Kedar Ranjan Pandu, MD, OPGC stated that they are planning for construction of a Solar Power Plant with Batter Storage System and mentioned that the funds available with OPGC would be utilized effectively.

Shri Gajanan Kale, CEO, TPNODL, on behalf of all the four DISCOMs stated that the suggestions and observations of the Commission and the members have been duly noted. He stated that out of 10 Million customers in the state of Odisha, around 90% of the customers belong to Domestic/ Agricultural/ Agro-Industrial consumer category who are availing supply much below the average cost of supply. That implies that 90% of the consumers are subsidized by 10% of the

consumers. Over the last five years, though Odisha has one of the lowest electricity tariff in the country, there is a regular CAGR of 7% to 9% across the state. The impact of per capita consumption is basically because of the Industrial customers who are subsidizing the rest of the consumers. Responding to the concern about monitoring the OPEX of the DISCOMs, he stated that the asset base has increased with CAPEX activities and grant by the Government and preventive maintenance is being done. Second shift operation in rural areas has been implemented for which around 180 Cr. has been spent by all the DISCOMs. Apart from that Fuse Call Centres and Anubhav Kendras has been started for rural consumers. Considering all these aspects, the Operation and Maintenance Expenses have increased. The DISCOMs are working on reduction of the operational costs as per the suggestions of the Commission. Further the expenses against manpower in A&G expenditure will also be reduced accordingly. He raised his concern that with the increase in BSP and transmission charges, the Retail supply tariff would be impacted. All the stakeholders of the power system of the state has to perform for the tariff to stay in control. Action is also being taken with the help of Government to improve low voltage issues in rural areas in ODSSP-VI onwards.

Shri. P. K. Jena, Chairperson, OERC stated that the extra cost incurred by utilities do not have prior approval of the Commission. The transmission licensee, OPTCL unilaterally has increased conveyance allowance and now the Commission is forced to allow similar cost to DISCOM employees who are large in numbers. Chairman directed that the number of interruption and power on hours should be reflected in the bill from April 2026 onwards. He stated that the OPTCL projects which are not completed within 24-36 months shall not be considered in the ARR. He further stated that OPTCL projects should not be tendered unless 80% of the ROW clearances is obtained, just like the procedure followed by NHAI. He suggested that OPTCL should analyze the rate of low capitalization year-on-year.

The Chairperson further stated that availing electricity is a fundamental right. There should not be any differentiation of development area, either BDA, IDCO etc. for granting electricity connection. He pointed out that for long period of time since pre-vesting, DISCOMs have not been providing bills to the consumers for electricity connection and now they are charging a lumpsum amount which is not affordable by poor consumers. The tariff should be set in a way that it should take into account the geographic location, paying capacity and load pattern of consumers. Addressing the concern of Members about the integrity of the software used by the DISCOMs for Smart Meter Billing, he stated that a third-party software audit should be done for Smart Meters on random sample basis. He mentioned that the Commission is trying to utilize GRF offices to create consumer awareness.

He further informed that the Commission is under the process of devising a simpler format of the electricity bill. He emphasized that the bill cannot be utilized for giving notice to the consumer for disconnection. There should be separate notice for disconnection. Highlighting Demand Side Management, he said that necessary awareness must be done for induction cooking during solar hours when power supply position is comfortable. He agreed with the observation of one Member that the Commission should bring out a modified Regulation for GRF & Ombudsman. On another note, he directed that all the information relating to business and operation of SLDC, Odisha should be on the website so that people shall not file any RTI application and that the DISCOMs cannot escape from RTI in the name of OERC. Chairman stated that there are lots of data discrepancies in the submission of DISCOMs. Addressing the Street light connection and billing issue, he stated that it should not be given to any village society other than Panchayati Raj institutions. He suggested that Prepaid connections should be given to street light connections. He stated that after supply is disconnected, the security money should be refunded through accounts to the consumer by the DISCOM instead of any cash transaction. Responding to one Members concern, he stated that during eviction drive while houses are demolished, it is the responsibility of consumer to apply for disconnection. Further, addressing to another issue raised by one Member he observed that employees of DISCOMs should visit the consumer premises in proper uniform and their identity cards should be issued by TP DISCOMs and not BAs. He stated that the Commission while framing the revised Supply Code will ensure that it is easily understandable by the consumers. DISCOM should not give unrealistic targets to the Business Associates so that harassment to the consumers can be avoided. Responding to the employee expenses projected by OPTCL, the Chairman stated that 45% hike in total ARR cannot be approved. Responding to the concern of MD, GRIDCO, Chairman stated that based on the performance of GRIDCO in the ensuing financial year, decision would be taken to liquidate some portion of the loan currently with GRIDCO. He emphasized that GRIDCO and the state is impacted due to non-drawal of state share of power from M/s Vedanta. The Consumers should not suffer for the non-implementation of Commission's Order by the State Government and GRIDCO. While mentioning the capital available with OHPC, the Chairman expressed his concern by the lack of action for utilisation of the fund held by OHPC. Regarding the renovation proposed by OHPC for Hirakud Power Station, he stated that the capacity would not increase because of Renovation, however, the renovation must be done as in a timely manner. Further, OHPC doesnot have the expertise to add further capacity and the State Government and OHPC should actively pursue the utilisation of funds available with OHPC. Mentioning the minimum drawal level at Hirakud HEP, he stated that the cost of the lesser drawal (40 MU) would

be considered as the income of OHPC and would not be passed on to the Consumers. Hirakud is not a carryover reservoir and the water is not utilized if saved. He expressed his concern about the principle followed by OPGC regarding non-utilisation of surplus funds for materializing projects that would have benefitted the consumers of the state during peak hours. The Chairman highlighted that some expenses will be provided to SLDC for installing a complete setup that would reflect the real-time SCADA data of the DISCOMs. This would provide information to the Commission and the State Government regarding the performance of the DISCOMs such as reliability of power supply a 11 kV feeders and PSSs of the DISCOMs. Discussing about the performance of DISCOMs, Chairman reiterated that the things are improving but due to lack of digitization, the performance indices such as SAIFI and SAIDI does not reflect the actual scenario in the feeder end. Even though the O&M expenses are increasing, substantial improvement is not seen in the quality of service provided to the consumers. He suggested that the Business processes need adjustment by undertaking planned maintenance. While a certain 33 kV feeder is under shutdown, all the necessary activities of the interrupted area must be completed during the same period of shutdown. Further, without improvement in the reliability and quality of power supply, the rising O&M expenses cannot be considered and justified. Analysis must be done whether the power system improvement is in consonance with the investments done in the power system. Approximately, 73000 Nos. of employees are engaged by the DISCOMs under different heads, including regular, contractual and BA employees. Further, the Chairman intimated the participants and stakeholders that from the next financial year onwards, all the data shall be submitted to the Commission digitally through a software developed for that purpose. He advised the Government to plan necessary grants for voltage improvement in areas where the project is not viable for the DISCOMs. The Chairman intimated that all kinds of analysis has been done and decision would be taken on the issues of the stakeholders. Tariff would be finalized considering all relevant issues, data & information submitted by the petitioners, objectors & relevant stakeholders.

Biswa Ranjan Mohanty, Member, Legal stated that everyone is interested for the interest of the Consumer and if everybody discharge their functions as per the Act, Regulations and procedure, then the biggest beneficiary will be the Consumer. This is our objective and definitely we will stand by it.

S. K. RayMohapatra, Member, Technical stated that the tariff has not been increased in the last 5 years, rather it has decreased for Domestic consumers by 10 paisa/unit. Even though the state is power surplus, the consumers are not getting 24 x 7 reliable quality power. And we are trying that the consumers get affordable power and are not burdened. As far as safety and reliability is concerned, the DISCOMs have improved the system. However, from the total reduction in AT&C loss, major contribution is reduction in commercial loss and the technical losses are still very high. This is the reason for reduced reliability of power supply. He emphasized that the transmission and distribution infrastructure currently available is adequate but the planning of such infrastructure is not very efficient. The minimum CAPEX requirement as per Vesting Order is Rs. 5600 Cr. and in the meantime, the Commission has approved more than Rs. 7000 Cr. The outcome of such investment is not effective resulting in low voltage issues and reduced reliability. The DISCOMs have also not addressed the safety aspect in a major way. The Commission has advised TPNODL to identify one area and declare it trip free with complete digitization, that would act as a model for all the DISCOMs. Further, he highlighted the impact of Artificial Intelligence in every aspect of power system. Necessary action must be taken to introduce this. New concept has been conceptualized by CERC for fulfilling RCO obligation with Virtual Power Purchase Agreement with purchase of REC. We are also discussing about segregation of STU, SLDC and OPTCL so that their independent operation and efficiency would help the power sector.

The Chairman intimated the SAC members that the commission is coming up with several Regulations with innovative and radical ideas. He requested to provide suggestions and observations on these Regulations. He stated that Tariff exercise is not a financial exercise only but it shows a direction in which the sector is expected to move.

Shri Priyabrata Patnaik, the Commission Secretary, thanked all the participants for attending the Meeting and also for giving their valuable suggestions and opinions and declared ending of the meeting with a vote of thanks to the Chair.

Sd/-

(P. K. Jena)
Chairperson