

Before the Odisha Electricity Regulatory Commission
Pot No-4, Chunokoli, Shailashree Vihar, Bhubaneswar-751021

Case No: _____ of 2023

IN THE MATTER OF: Determination of Open Access Charges for FY 2023-24 for consumers availing Open Access under Section 42 of the Electricity Act 2003

And

IN THE MATTER OF: TP Central Odisha Distribution Ltd. (Formerly CESU), Corporate Office, Power House ,Unit-8, , Bhubaneswar- 751 012 represented by its Chief –Regulatory & Government Affairs.

...Petitioner

And

IN THE MATTER OF: GRIDCO, OPTCL,DoE-GoO and All Concerned Stakeholders
...Respondents

Affidavit

-7 JAN 2023

I, Puneet Munjal, aged about 59 son of late Jagdish Lal Munjal residing at Bhubaneswar do hereby solemnly affirm and say as follows:

1. I am the Chief-Regulatory & Government Affairs of TP Central Odisha Distribution Ltd., the Petitioner in the above matter and I am duly authorized to swear this affidavit on its behalf.
2. The statements made in the submission -File No- TPCODL/Regulatory/2023/ 6/164 herein shown to me are based on information provided to me and I believe them to be true.

Bhubaneswar.

Dated: 07.01.2023


Chief-Regulatory & Government Affairs

IDENTIFIED BY ME

ADVOCATE. BBSR



Jagyneshwar Acharya
Notary, Govt. Of India
Odisha, BBSR, Dist-Khurda
Regd.No.-7791/2009
Mob:-9861006174



Case No: _____ of 2023

File No TPCODL/Regulatory /2023/6/164

IN THE MATTER OF: Determination of Wheeling and Open Access Charges for FY 2023-24 for consumers availing Open Access under Section 42 of the Electricity Act 2003

And

IN THE MATTER OF: TP Central Odisha Distribution Ltd. (Formerly CESU), Corporate Office, Power House ,Unit-8, , Bhubaneswar- 751 012 represented by its Chief –Regulatory & Government Affairs.

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IN THE MATTER OF: GRIDCO, OPTCL, DoE-GoO and All Concerned Stakeholders
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Application under Section 42 of the Electricity Act 2003 read with OERC (Terms and Conditions of Intra-State Open Access) Regulations 2020 for approval of Wheeling Charges , Cross Subsidy Surcharge and Additional Surcharge for FY 2023-24.

TP Central Odisha (TPCODL) is required to submit proposal for approval of Open Access charges before the Hon'ble Commission for the FY 2023-24 as per the provisions of OERC (Terms and Conditions of Intra-State Open Access) Regulations 2020. Any customer under the licensee area of TPCODL intending to avail one MW or more power from any other Utility or generator by availing open access facility of distribution network of the Licensee may do so, by paying Open Access Charges applicable from time to time.

TPCODL, vide submission TPCODL / Regulatory/ 2022/ 186/8725 dated 29.11.2022, submitted a petition for determination of Open Access charges for the Financial year FY 2023-24 which is based on the ARR worked out based on the Tariff Regulations 2014 . The Hon'ble Commission vide the gazette notification dated 20th Dec 2022 has issued the New Tariff Regulations called 'Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 for the control



period FY 2023-24 to FY 2027-28. In view of the above, TPCODL has filed a new petition for approval of Aggregate Revenue Requirement (ARR), Retail Supply Tariff for the Financial year FY 2023-24 under the new Tariff Regulations, 2022. Consequently, we are submitting this petition based on the new ARR FY-24 petition that has been filed in line with the New Tariff Regulations 2022.

This application is for approval of Wheeling Charges and Open Access charges for FY 2023-24.

For determination of wheeling and Open Access Charges for the Financial Year 2023-24, the Licensee considered estimated figures as presented in its ARR application for FY 2023-24 submitted vide submission TPCODL/Regulatory/2023/5/163.

1. Wheeling charge for Open Access:

In the petition for determination of ARR for FY 2023-24, TPCODL had submitted the following for wheeling business for FY 2023-24.

TPCODL is an entity formed with effect from 1st June 2020 and has inherited the systems as existing at the time of Effective date from CESU. As per the Tariff Regulations, the ARR needs to be worked out for Wheeling and Retail Supply business separately.

In this submission, for the purpose of working out the Wheeling Charges, we have segregated the expenditure on the basis of the allocation matrix provided in the Regulation 2.5.2 of the New Tariff Regulations 2022. In the absence of an allocation proportion for Additional Serviceable Liabilities Recovery, the same has been considered in proportion of 90:10 between Wheeling & Retail tariff. Based on the same, the Wheeling and Retail Supply ARR would be as follows:

Table 1: Wheeling Business ARR



Sr No	Particulars	Total (Rs Cr)	Wheeling Business Share	Retail Supply Business Share	Wheeling Business ARR (Rs Cr)	Retail Supply ARR (Rs Cr)
1	Cost of Normative power Purchase (including Transmission Charge and SLDC Charges)	3610.3	0%	100%	0.00	3610.31
	O&M Charges					
2	Employee Costs (Net of capitalization)	827.23	60%	40%	496.34	330.89
3	Repairs and Maintenance	291.29	90%	10%	262.17	29.13
4	Admin and General	163.51	50%	50%	81.75	81.75
5	Bad and Doubtful Debt including Rebate	50.87	0%	100%	0.00	50.87
6	Depreciation	81.38	90%	10%	73.24	8.14
7	Interest for Capital Loan (Net of Capitalization)	46.61	90%	10%	41.95	4.66
8	Interest for Working Capital	46.87	10%	90%	4.69	42.18
9	Interest on Security Deposits	65.56	0%	100%	0.00	65.56
10	Return on Equity	98.75	90%	10%	88.87	9.87
11	Tax on RoE	33.21	90%	10%	29.89	3.32
12	Interest on ASL	0.00	90%	10%	0.00	0.00
13	ASL Repayment	20.45	90%	10%	18.41	2.05
14	Non Tariff Income-Wheeling				-74.82	
15	Non Tariff Retail Income	-109.56				-34.74
	Total	5226.48			1022.49	4203.99

The Sales estimated in the petition are as follows

Table 2: Sales Estimate for FY 2023-24 (MUs)

Sr No	Particulars	FY 2023-24
1	Total LT Sales	4902
2	HT Sales	1908
3	EHT Sales	1858
4	Total Sales	8668

Based on the above submissions, the Wheeling Charges for TPCODL work out to a) **Rs 26847 per MW per Day** for Long Term and Medium Term Open Access and b) **Rs 1.12 per Kwh** for Short Term Open Access as given in the table below:



Table 3: Wheeling Charges computation

Sr No	Particulars	Unit	Value
1	Wheeling ARR	Rs Cr	1022
2	Energy Input to TPCODL	Mus	10999
3	Less EHT Sales	MUs	-1858
4	Energy input for wheeling computation	MUs	9141
5	Average Load served by the Distribution Licensee	MW	1043.45
6	Wheeling Charges for Medium Term and Long Term	Rs/MW/Day	26847
7	Wheeling Charges for Short Term	Rs/Kwh	1.12

2. Cross subsidy surcharge for HT and EHT Consumers:

The Cross Subsidy Surcharge proposed is based on the formula given in the Tariff Policy of 2016. The extracts of the Tariff Policy with regards to the CSS formula is given as under

Extracts :CSS formula from Tariff Policy

Surcharge formula:

$$S = T - [C / (1 - L / 100) + D + R]$$

Where

S is the surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level

R is the per unit cost of carrying regulatory assets.

Based on the same, and converting the Demand Charges (Rs/kVA/Month) for 100 % Load Factor (LF), the CSS for EHT and HT category of consumers is as follows:



Table 4: Computation of Cross Subsidy Surcharge (CSS)

Sr No	Particulars	Units	EHT	HT
1	Projected Revenue from Energy Charges	Rs Cr	1085	1117.44
2	Energy Projected	Mus	1858.00	1908.00
3	Average Energy Charge	Rs/Kwh	5.84	5.86
4	Demand Charges	Rs/KVA/Month	250	250
5	PF Considered		0.97	0.94
6	Average Hours in a month	Hrs	730	730
7	Demand Charges converted with 100 % LF	Rs/Kwh	0.353	0.364
8	Total Tariff for CSS considered (3+7)	Rs/Kwh	6.19	6.22
9	Cost of Power Purchase	Rs/Kwh	3	3
10	Applicable Losses	%	3%	8%
11	Wheeling Charge	Rs/Kwh	0	1.12
12	CSS	Rs/KWh	3.10	1.84

3. Additional Surcharge:

As per Regulation 24 (2) of the OERC Terms and Conditions of Intra-State Open Access Regulations 2020, the condition for applicability of Additional Surcharge is as follows:

(2) This additional surcharge shall become applicable only if the obligation of the licensee in terms of power purchase commitments has been and continues to be stranded or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. Note: Fixed costs related to network assets would be recovered through wheeling charges.

Presently, TPCODL procures power from Gridco alone and is paying a Bulk Supply Tariff of **Rs 3.00 per Kwh** for the same under the Bulk Supply Agreement signed between Gridco and TPCODL on 30th June 2020. Since in the present arrangement of power purchase, there is no obligation to bear any fixed costs for purchase even after reduction of sales on account of Open Access, no Additional Surcharge has been proposed.

4. Prayers

TPCODL prays that the Hon'ble Commission may kindly pleased to;



1. Accept this Open Access Charges application of the applicant.
2. Approve the Wheeling and Open Access Charges of the Utility for FY 2023-24.
3. Permit making additional submission required in this matter.
4. Condone any delay in submission.
5. Grant any other relief as deemed fit & proper in the facts and circumstances of the case.