

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL),  
Corporate Office- Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Rejoinders to the objections received against the Aggregate  
Revenue Requirement, Wheeling and Retail Supply Tariff  
Application filed by TPNODL for the FY 2025-26.

Affidavit verifying the submission of TPNODL

I, Sri Pratap Kumar Mohanty, aged about 58 years, S/o. late Gyanendra Prasad Mohanty  
working as the Sr. GM (Risk, Regulatory & Legal), do hereby solemnly affirm and state as  
follows:

1. That, I am authorized representative of the TPNODL, the petitioner in the instant case  
and competent to swear this affidavit for and on behalf of TPNODL.
2. That, I have gone through the contentions in this submission and understood the  
contents thereof.
3. That, the facts stated in the submission are true to the best of my knowledge and belief.

Date: 27.01.2025

DEPONENT

The deponent being identified by  
Sr. Advocate Behera, do hereby affirm  
and state that the facts stated above  
are true to the best of my knowledge and belief  
and I have signed this

Pratap Kumar Mohanty

Sr. GM (Risk, Regulatory & Legal)

12/26  
27/1  
25  
11/25  
JW BEHERA  
Notary Public, Bhubaneswar

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
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AND

IN THE MATTER OF: Rejoinders to the objections received against the Aggregate  
Revenue Requirement, Wheeling and Retail Supply Tariff  
Application filed by TPNODL for the FY 2025-26.

Rejoinder to the objections received on the Aggregate Revenue Requirement, Wheeling  
and Retail Supply Tariff Application of TPNODL for the FY 2025-26.

THE ABOVE-NAMED APPLICANT TPNODL, MOST RESPECTFULLY SHOWETH:

That, in compliance to letter no. Case No. 95/2024/1470 dated 13.12.2024 of Secretary, OERC,  
the Public Notice on the ARR and Tariff application of the licensee have been published in the  
newspapers on dated 16.12.2024. A consolidated rejoinder to the objections received on the  
ARR & Tariff application of the licensee are submitted attached herewith.

Place: Balasore

Date: 27.01.2025

DEPONENT

*Preetap Kumar Mohanty*  
Sr. GM (Risk, Regulatory & Legal)

27/1/25  
12:00  
Notary Public, Balasore

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri Shyamapada Nandi, S/o- Sri Sachindra Nath Nandi, At-Nachindia,  
PO-Jathia, PS-Baliapal, Dist-Balasore-756023.

.....Objector

**Rejoinder to the objection filed by Sri Shyamapada Nandi against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.
2. **Respondent's view –AT&C loss reduction.**

TPNODL's reply: Overall AT&C loss is calculated taking into account total purchase unit sales unit and collection against sales. The Licensee has metered all inter division connection point which is necessary for calculation of divisional AT&C loss. Annual Audited report is regularly submitted to OERC at the time of truing up (Audited report for the FY 2023-24 has already been submitted). So, contention of the Objector that projected AT&C loss is not correct as all feeder, substations and consumer are not metered.

Regarding cleaning of lines and substations, this is to clarify that after take over, the Licensee is taking all required steps to maintain lines and substations clean and up to the standard. However, the licensee's network comprises of seventy-nine thousand distribution transformers and the cleaning is a regular process, if left for 4-5 months will



Pratap Kumar Mohanty

again lead to growth of vegetation. We thank the objector for bringing the cases attached to the notice of the licensee. Immediate necessary steps will be taken in this regard.

### 3. Respondent's view –Power on Hours Calculation Methodology

**TPNODL Reply:** The time required for system maintenance are unavoidable in nature and considering the same, Hon'ble Commission has stipulated allowable power interruption hours in a month as 60 Hrs. Power ON hour is determined in line with the provisions made by Hon'ble Commission. If in any area, power interruption is more than allowable limit of 60 hours, then it shall be considered for billing purpose.

In the instant case, given total interruption hours (subject to verification) is less than 60 hours. Hence, it was not considered for billing purpose.

### 4. Respondent's view – Temporary connection to Prawn firming

**TPNODL Reply:** The contention of the objector is not correct. Prawn firm asking power supply for a temporary period is categorized under temporary power supply category. When the consumer asks for disconnection of power supply or after elapse of temporary period, final bill is prepared taking into account final reading in the meter. Based on final bill, either the consumer is asked for payment of balance amount after adjusting paid amount or excess amount if any refunded to the consumer.

Drawl of power after termination of permitted period of temporary power supply or drawl of power without permission is treated as unauthorized drawl and attract action under 126 of IE Act. Ld Objector is requested to provide the details of case of Sripada Sahoo along with consumer no. for taking necessary action at our end.

### 5. Respondent's view –Delay in New connection

**TPNODL Reply:** The contention of the objector is not correct. All possible efforts are being made to ensure time line for new connection as stipulated in the Regulation. However, delay if any on account of consumers fault, like, want of document, payment of fees etc. is not attributable to TPNODL. Mere application of power supply without any valid documents cannot be treated as application in complete shape. However, If Ld Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

### 6. Respondent's view –Regulation 138 (e) i.e. power supply to LI points in the urban area.



Pratap Kumar Mohanty

**TPNODL's reply:** Classification of consumers has been made by Hon'ble Commission basing on their purpose of supply. The licensee categorizes the consumers strictly as per the provisions of Supply Code and raises bill to consumers as per the applicable tariff from time to time. However, the licensee has made a representation to OERC for consideration of case of LI consumer under urban area under "Irrigation Pumping and Agriculture" category.

**7. Respondent's view –Billing to LI consumer in rainy season.**

**TPNODL's reply:** The consumer with correct meter are billed as per actual reading in the meter. If there is no reading advance in the meter, the consumer will be billed demand charges only.

**8. Respondent's view –138 (f) Allied Agriculture Activities Category**

**TPNODL Reply:** Contention of the objector is not correct. TPNODL is extending due category benefit of both Allied Agriculture Activities and Allied Agro Industrial Activities Category to all eligible consumer under Basta Division. To substantiate our stand, the details of Allied Agriculture Activities and Allied Agro Industrial Activities Category consumers under Basta Division as on 30<sup>th</sup> September furnished in the following table:

Category of Consumer	HT	LT
Allied Agriculture Activities Category	1	285
Allied Agro Industrial Activities Category	1	11

As per the objector allegation, if DISCOM fails to implement the GRF and Ombudsman order, alternative remedies as per Regulation is available with the consumer. The consumer can approach the Hon'ble Commission under sec 142 against non-implementation of GRF or Ombudsman order.

**9. Respondent's view –Mega lift points under EHT**

**TPNODL Reply:** Justification against separate tariff for Mega lift point under EHT category has been elaborated in the application of the licensee which may please be referred.



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#### 10. Respondent's view –Billing with Defective meter

**TPNODL Reply:** The Ld. Objector has not gone through our proposal properly. The proposal of TPNODL is a win a win situation for both Discoms and consumer. TPNODL, keeping into account the seasonal effect, has proposed to revise the defective periods bill on the basis of actual recorded consumption in the corresponding period. Further, TPNODL, in order settle dues pertaining to pre-vesting period has also proposed for revision of past period exceeding the limit of two-year limit specified by Hon'ble Commission.

#### 11. Respondent's view –Revision of reconnection charges

**TPNODL Reply:** The presently applicable reconnection charges have been fixed back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

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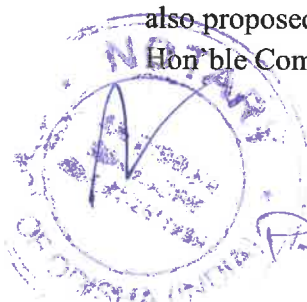
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State	Hours	Factor	Hours per day	Remarks (1 KW Load per year {2X (LXDXHXF)} (Kwh)
Chhattisgarh	24	40%	9.6	7008
West Bengal	12	50%	6	4380
Jharkhand	12	40%	4.8	3504
<b>Odisha</b>	<b>24</b>	<b>10%</b>	<b>2.4</b>	<b>1752</b>

From the above, it is clear that, in our state, the LF considered is the lowest. However, it is once again clarified that, the licensee's proposal for the realistic load assessment is for the consumers who are involved in unauthorised abstraction of energy and creating burden on the licensee and not to burden the genuine consumers.

#### 13. Respondent's view –Revision of previous bills

**TPNODL Reply:** In order to settle dues pertaining to pre-vesting period TPNODL has also proposed for revision of past period exceeding the limit of two-year limit specified by Hon'ble Commission.



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14. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred by the objector for further clarification.

For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**



**Cc to: Sri Shyamapada Nandi, S/o- Sri Sachindra Nath Nandi, At-Nachindia, PO-Jathia,  
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BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
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Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri Prabir Kumar Pradhan, At-Parulia, PO\_Asti, PS-Baliapal,  
Balasore-756026

.....Objector

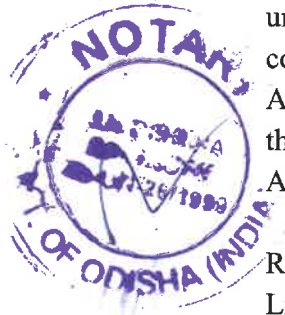
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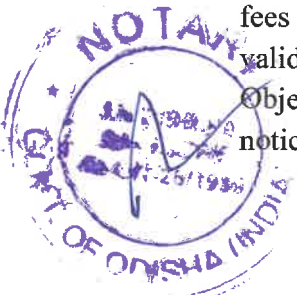
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*Pratap Kumar Mohanty*

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For and on behalf of

TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**



**Cc to: Sri Prabir Kumar Pradhan, At-Parulia, PO\_Asti, PS-Baliapal, Balasore-756026.**

**Mobile No. 9437123915**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR**

**Case No. 95/2024**

**IN THE MATTER OF:** TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

**IN THE MATTER OF:** Odisha Roller Flour Mills' Association (ORFMA), Admin Office at  
Shri Lalbaba Roller Flour Mills, Gosala, Nayabazar, Cuttack-753004

.....Objector

**Rejoinder to the objection filed by Odisha Roller Flour Mills' Association (ORFMA)  
against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff  
Application filed by TPNODL for the FY 2025-26**

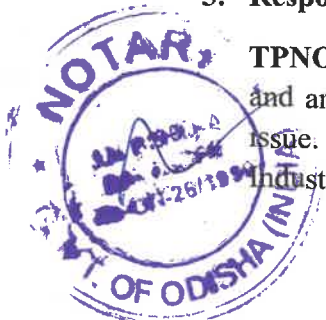
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2. **Respondent's view/objection: Expenditure of Rs. 288.70 Cr on R&M (Repair & Maintenance) expenses (Page 40, section 2.7.6 R&M cost).**

**TPNODL Reply:** R&M cost claimed by TPNODL in the ARR application is based upon the prevailing regulations, actual base of assets at sites and rate of entitlement. R&M cost is incurred for operation and maintenance of network so that consumer get reliable supply by ensuring safety of public and network. Licensee has provided the detailed justification against proposed R&M expenses under section 2.7 of ARR Application FY 2025-26 which may please be referred.

3. **Respondent's view/objection: Categorization of Agri-business**

**TPNODL Reply:** The Comments submitted by Ld. objector is related to tariff fixation and amendment of Supply Code 2019. Hon'ble Commission may like to decide on this issue. The current applicable tariff on "Allied Agricultural Activities" and "Allied Agro-Industrial Activities" are highly subsidized.

Pratap Kumar Mohanty



It is submitted that, the observation made by the respected respondent are not pertaining to ARR submission made by the petitioner. The matter refers to amendment of supply code 2019 which needs to be taken up separately. With regard to subsidy provision under section 65 of the Electricity Act 2003, it is the prerogative of Govt. of Odisha.

**4. Respondent's view /suggestion: Increase of TOD benefit from 10 paisa to 20 paisa**

**TPNODL Reply:** The purpose of TOD Tariff is to flatten the load curve of state electricity demand; further TOD mechanism is only successful when there is a good gap between incentive and surcharge.

ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters. The eligible consumers will get a ToD rebate @10Paise per unit for energy consumed during solar hours and a surcharge of 20 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours. That is quite in concurrence with the contention of the Ld objector. But the licensee is not in agreement with the proposal of increasing the ToD benefit to 50paise. In place of that, in case the Ld. Objector feels the present provision is not sufficient to encourage balancing of drawl, then in place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

**5. Respondent's view/objection: Adoption of KVAh billing**

**TPNODL Reply:** The contention of the objector regarding adoption of KVAh billing is not true. Adoption of KVAh billing will help in maintaining the power factor and hence very much effective in maintaining system stability from technical point of view.

The objective of introduction of KVAh billing is to ensure reduction in losses, which occurs due to low power factor and for encouraging the consumers to maintain their power factor near to unity.

**6. Respondent's view /suggestion: Performance Audit**

**TPNODL Reply:** For information of Ld. objector, this is to clarify that, independent and qualified auditor is auditing performance of TPNODL, regularly and its report is being submitted to Hon'ble Commission on regular interval.



*ratap kumar mohanty*

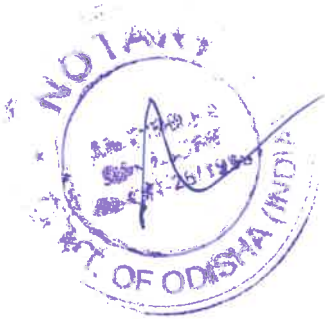
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For and on behalf of

TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**



**Cc to: - Odisha Roller Flour Mills' Association (ORFMA), Admin Office at Shri Lalbaba Roller Flour Mills, Gosala, Nayabazar, Cuttack-753004.**

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**Case No. 95/2024**

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**.....Applicant**

AND

**IN THE MATTER OF:** All Odisha Rice Miller's Association (AROMA), Registered office at, S-3/36, Sec-A, Zone-B, Mancheswar Industrial Estate, Bhubaneswar-751010.

**.....Objector**

**Rejoinder to the objection filed by All Odisha Rice Miller's Association (AROMA), against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.
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*Pratap Kumar Mohanty*





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ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters. The eligible consumers will get a ToD rebate @10Paise per unit for energy consumed during solar hours and a surcharge of 20 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours. That is quite in concurrence with the contention of the Ld objector. But the licensee is not in agreement with the proposal of increasing the ToD benefit to 50paise. In place of that, in case the Ld. Objector feels the present provision is not sufficient to encourage balancing of drawl, then in place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

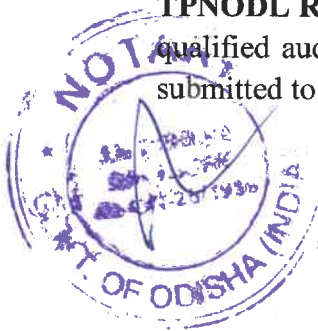
**5. Respondent's view/objection: Adoption of KVAh billing**

**TPNODL Reply:** The contention of the objector regarding adoption of KVAh billing is not true. Adoption of KVAh billing will help in maintaining the power factor and hence very much effective in maintaining system stability from technical point of view.

The objective of introduction of KVAh billing is to ensure reduction in losses, which occurs due to low power factor and for encouraging the consumers to maintain their power factor near to unity.

**6. Respondent's view /suggestion: Performance Audit**

**TPNODL Reply:** For information of Ld. objector, this is to clarify that, independent and qualified auditor is auditing performance of TPNODL, regularly and its report is being submitted to Hon'ble Commission on regular interval.



*Pratap Kumar Mohanty*

7. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred by the objector for further clarification.

For and on behalf of

TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**



**Cc. to: All Odisha Rice Miller's Association (AROMA), Registered office at, S-3/36, Sec-A, Zone-B, Mancheswar Industrial Estate, Bhubaneswar-751010.**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri A.K. Sahani, Electrical Inspector (Retd), B/L-108, VSS Nagar,  
Bhubaneswar-751007

.....Objector

Rejoinder to the objection filed by Sri A.K. Sahani against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26

1. **Respondent's view/objection:** The petitioner should honour different provisions of law  
**TPNODL Reply:**

TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the License of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission.

TPNODL is duty bound to abide by all the applicable rules and regulations and license conditions and tariff orders. Reply on the points raised by the objector on the ARR and Tariff application of the licensee are furnished hereunder:

a. **Respondent's view/objection:** No remunerative benefit was extended to any of the consumers

**TPNODL Reply:** License is duty bound to follow the provision of OERC (Distribution Supply Code, 2019) and other applicable rules and regulations and directives mentioned in the Tariff Orders.

b. **Respondent's view/objection:** Consumer less than 100 KVA are not being extended with Demand Charges:



Pratap Kumar Mohanty.

**TPNODL Reply:** Bill for the electricity consumption by any category of consumer is raised as per the applicable charges fixed by Hon'ble Commission in Tariff order. The licensee is extending all the provisions applicable for any category of the consumers in compliance to the Tariff order and other applicable directions of Hon'ble Commission.

**c. Respondent's view/objection: Govt. ED should be paid by TPNODL as per Regulation -152(i) of Supply Code 2019.**

The priority of adjustment is as per the provisions of regulation 152(i). The objector may kindly bring specific instances to the notice of licensee where deviation in ED collection has been noticed.

**2. Respondent's view –Not taking adequate action for AT&C loss reduction.**

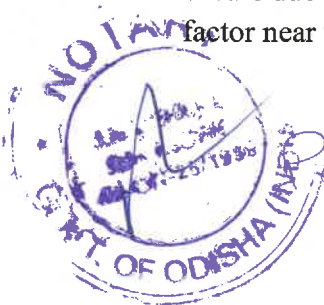
**TPNODL's reply:** Overall AT&C loss is calculated taking into account total purchase unit sales unit and collection against sales. The Licensee has metered all inter division connection point which is necessary for calculation of divisional AT&C loss. Annual Audited report is regularly submitted to OERC at the time of truing up (Audited report for the FY 2023-24 has already been submitted). So contention of the Objector that projected AT&C loss is not correct as all feeder, substations and consumer are not metered.

Regarding cleaning of lines and substations, this is to clarify that after took over the license from NESCO Utility, the Licensee is taking all required steps to maintain lines and substations clean and up to the standard. However, the licensee's network comprises of seventy-nine thousand distribution transformers and the cleaning is a regular process, if left for 4-5 months will again lead to growth of vegetation. The Objector is requested to provide the details of the substation for taking necessary action if it belongs to the licensee.

**3. Respondent's view -Adoption of KVAh billing**

**TPNODL's reply:** That, the contention of the objector regarding adoption of KVAh billing is not true. Adoption of KVAh billing will help in maintaining the power factor and hence very much effective in maintaining system stability from technical point of view.

The objective of introduction of KVAh billing is to ensure reduction in losses, which occurs due to low power factor and for encouraging the consumers to maintain their power factor near to unity Power factor.



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**4. Respondent's view – MMFC/Demand Charges for Consumers with Contract Demand <110 KVA and Demand Charges for GP >70 KVA and HT industrial (M) Supply:**

**TPNODL's reply:** The applicable demand charges for categories pointed out under HT supply are given hereunder:

Demand Charge (In Rs.)		
Category of Consumer	Voltage of Supply	Demand Charge (Rs./KVA)
Specified Public Purpose	HT	250
General Purpose >70<110KVA	HT	250
HT Industrial (Medium)	HT	150
Large Industrial	HT	250

TPNODL is raising consumer bills as per the provisions of Tariff order along with recording of KVA. If Ld Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

**5. Respondent's view –Power on Hours Calculation Methodology**

**TPNODL Reply:** The time required for system maintenance are unavoidable in nature and considering the same, Hon'ble Commission has stipulated allowable power interruption hours in a month as 60 Hrs. Power ON hour is determined in line with the provisions made by Hon'ble Commission.

**6. Respondent's view –Non-extension of Tariff Benefit to Allied Agriculture Activities and Allied Agro Industrial Activities Category**

**TPNODL Reply:** Contention of the objector is not correct. TPNODL is extending due category benefit of Allied Agriculture Activities and Allied Agro Industrial Activities Category to all eligible consumer. To substantiate our stand, the details of Allied Agriculture Activities and Allied Agro Industrial Activities Category consumers as on 30<sup>th</sup> September furnished in the following table:

Category of Consumer	HT	LT
Allied Agriculture Activities Category	76	3811
Allied Agro Industrial Activities Category	16	65

The objector is requested to bring the individual cases, if any, to the notice of the licensee for implementation of GRF/Ombudsman order

*Pratap Kumar Mohanty*

**7. Respondent's view – Regulation 138 (e) i.e. power supply to LI points in the urban area.**

**TPNODL's reply:**

Classification of consumers has been made by Hon'ble Commission basing on their purpose of supply. The licensee categorizes the consumers strictly as per the provisions of Supply Code and raises bill to consumers as per the applicable tariff from time to time. However, the licensee has made a representation to OERC for consideration of case of LI consumer under urban area under "Irrigation Pumping and Agriculture" category.

**8. Respondent's view in point no- 8, 9, 10, 11, 12 & 13- High cross subsidy surcharge. OERC should take steps to reduce CS and CSS.**

**TPNODL's reply:** The contention of the ld. Objector that due to high cross subsidy surcharge, the industries are not able to go for availing power supply through open access is not true. A comparative statement of the no. of consumers availing power through Open Access and the corresponding quantum over last six years given in the following table.

Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
No. of Consumers availing power supply through open access	11	13	16	18	14	13
Total units availed through Open access (in MU)	1250.69	1333.89	1522.122	1549.136	1014.724	1269.838

From the above table, it can be seen that the no. of consumers availing open access as well as the quantum of power availed through open access has increased year on year.

The Ld Objector may refer to para 99 of RST order FY 25. The computed cross subsidy surcharge for DISCOMs have been given in table -27. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-27 of RST order is reproduced hereunder:



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**Table – 27**  
**Computed Surcharge for Open Access Consumer 1MW and above**  
**for FY 2024-25 (In paise / unit)**

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	232.86	197.86	167.86	347.86
Surcharge for HT Consumer	108.90	20.08	42.41	178.54

However, the approved charges for FY 25 as given under table 28 are done at 70% of the computed values. The table no. 28 is reproduced hereunder:

**Table – 28**  
**Leviable Surcharge, Wheeling Charge and Transmission Charge for Open Access**  
**Consumer(s) of 1MW and above for FY 2024-25**

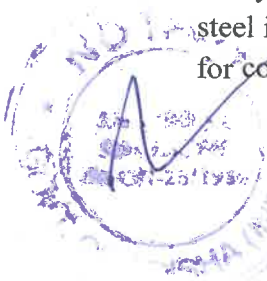
Name of the licensee	Cross Subsidy Surcharge (paise/unit)		Wheeling Charge applicable to HT Consumers only (paise/unit)	Transmission Charges for Open access Customer
	EHT	HT		
TPCODL	163.00	76.23	101.46	The Open Access Customer availing Open Access shall pay Rs.5760/MW/Day (Rs.240/MWh) as Transmission charges
TPNODL	138.50	14.06	152.23	
TPWODL	117.50	29.69	97.30	
TPSODL	243.50	124.98	156.82	

**9. Respondent's view –15 MVA load through non-dedicated 33 KV line**

**TPNODL Reply:** Allowing loads of 15MVA through non-dedicated 33KV line may over load the network, as it will require for accommodating 262Amp drawl for a single consumer. That will limit the scope of accommodating other loads in that feeder. That's why it is recommended to take such loads through dedicated feeder.

**10. Respondent's view: Rebate to all Steel Industry having CD>1 MVA in 33 KV supply with or without CGP.**

**TPNODL's reply:** Steel Industry having CGP are intentionally keeping less Contract demand as part of their demand are being met through CGP power. These consumers can easily attain the desired quantum of load factor. The very purpose of allowing rebate to steel industries will be deprived in case of Steel Industry having CGP. So, respondent pray for continuance of last year order.



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**11. Respondent's view: Re-introduction of KWH billing**

**TPNODL's reply:** After due deliberation Hon'ble Commission has introduced the KVAH billing, which would have been introduced much earlier. Objector's objection on this issue in previous year has been duly addressed by Hon'ble Commission in para 86 of RST Order for 2023-24. KVAH billing was introduced to maintain power factor near to 100%, which is necessary for system stabilisation. Further, as present KWH to KVAH is near about 95%, KVAH billing will have a very little impact on billing. Therefore, KWH billing should not be re-introduced again.

**12. Respondent's view: Reduction of load reduction period to 12 month in place of 36 month**

**TPNODL's reply:** As a substantial amount is spent in providing power supply to a consumer, any reduction of load within a short span makes the scheme unviable. Further, the licensee makes its demand projection, considering the contracted load of its consumers basing on which its power purchase cost and tariff is decided. Therefore, revision of load within a short span will deprive the licensee of the anticipated cross subsidy in case of subsidizing consumers along with shortfall in recovering the distribution cost.

**13. Respondent's view: Incentive to Closed unit**

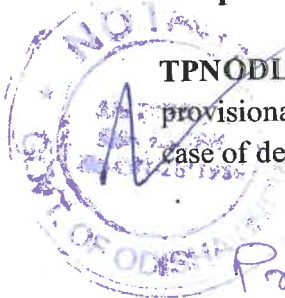
**TPNODL's reply:** As per present Regulation, arrear prior to two year are not eligible for any revision. Accordingly, for arrear of closed unit within two year are eligible for revision prior to such incentive.

**14. Respondent's view: Subsidy in tariff to cold storage unit**

**TPNODL's reply:** Applicable Tariff for cold storage is Allied Agro Industrial Category, which is a subsidised tariff. Applicable rate of energy charges for cold storage categorised under "Allied Agro Industrial Category" Rs. 3.00 and Rs 50 as demand charges in place of Rs. 5.85 and Rs 250 towards energy charges and demand charges respectively for other similar type of industries. So Hon'ble Commission should not allow any more subsidy in this tariff.

**15. Respondent's view: Smart prepaid meter**

**TPNODL's reply:** The contention of the objector that after installation of smart meter provisional bill served to the consumer is not correct. If Ld Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.



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**16. Respondent's view: Refund of excess Security deposit as per OERC Order**

**TPNODL's reply:** Many consumers considering their expansion program and consequent load enhancement are reluctant for refund of their excess security deposit. Therefore, instead of refunding excess security deposit to all eligible consumer, the licensee refunds the security deposit to the aspirant consumer only. However, interest at the rate approved by the Commission is being paid to the consumer on their total balance in security deposit account.

**17. Respondent's view: Monopolistic Attitude**

**TPNODL's reply:** The contention of the objector that the licensee's attitude towards conducting business is monopolistic is totally false and baseless.

TPNODL conducts its business strictly as per prevailing ACT, Rules, Regulation and guidance Hon'ble Commission. The licensee is taking all steps to develop a customer centric environment. The steps taken by the licensee in its journey of transformation starting from 1.4.2021 have been elaborated in its application. In its endeavour to develop a reliable network with adoption of latest technologies, the licensee needs support and cooperation from all its stakeholders.

The Ld. Objector is requested to bring the individual cases to the notice of the licensee, if any deviation has been noticed, so that necessary steps can be taken by the licensee. If Ld Objector has noticed any such deviation, the same may please be brought to the notice of the licensee.

**18.** The justification behind other tariff rationalization measures have been elaborated in the application of the applicant.

**19.** That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred by the objector for further clarification.



For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Lega)**

**C.C. to: - Sri A. K. Sahani, B/L-108, VSS Nagar, Bhubaneswar-751007. Tel: 9437071622**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri Priyabrata Sahu, S/O- Late Adikannda Sahu, At-Bijaya Bihar,  
3<sup>rd</sup> Lane Extension, PO-Berhampur, Dist-Ganjam-760004.

..... Objector

Rejoinder to the objection/suggestions filed by Priyabrata Sahu against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2024-25

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.
2. **Respondents View/ Objection: The ARR of all Discom proposes an unnatural hike in expenditure in employees' cost, Repair & maintenance cost and A&G expenditure.**

**TPNODL Reply:** Licensee has prepared the ARR as per the provision of OERC (Terms and Condition for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, therefore all the projection has been estimated in the ARR as per the norms and terms of the said regulation. The justification behind the projected cost has been also mention in the ARR Application against the respective expenditures.

Further, all the audited financial reports of licensee are also furnished to Hon'ble Commission periodically for its prudent check.



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3. **Respondent's view/objection: Bills of consumers are not served in the time and generated on provisional but same time rebate are not passed on to the consumer because of late serving.**

**TPNODL Reply:** During initial operation phase of the licensee, issue in timely raising some of the consumer's bills was observed. However, in the present scenario consumer can send the photograph of meter reading and meter no. over dedicated what's app no. (7777004759) and consumer can get his electricity bill in his what's app. Further, licensee is proving the rebate to applicable consumers as per the provision of Tariff Orders in respective year.

Further, Consumer always have the option to connect with Customer Service Center, Anubhava Kedra at Sub-division level, and through what's app no. for resolution of metering, billing, collection or any other issues.

4. **Respondent's view/objection: DISCOM are disconnecting the power supply without proper notice and they are not ensuring/confirming with reason at the time of disconnection.**

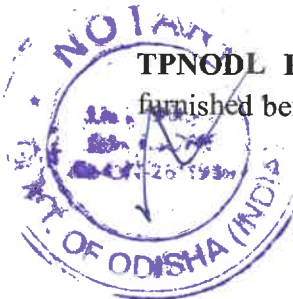
**TPNODL Reply:** TPNODL is not disconnecting the supply without prior intimation to a bona- fide consumer. Disconnection of power supply is done as per the provision of OERC Distribution (Condition of Supply) Code, 2019 regulation. Licensee always serve proper notice to consumers as per provision of Supply code before disconnection of supply for non-payment of electricity bills. However, objector is requested to bring the individual cases to the notice of the licensee for further clarification. TPNODL also provides the pre-shut down information over mike announcement to its valued consumers prior to execution of any major maintenance activity.

5. **Respondents View/ Objection: While calculating the interest on Capex loan is charged for whole year.**

**TPNODL Rejoinder:** The interest on Capex loan has been charged in a staggered manner instead of the whole year as objected. Further, interest on Capex loan has been capitalized instead of charge into revenue. For details applicable interest rate objector may please refer the respective financial format of ARR Application.

6. **Respondent's view/objection: Discom shall give the detail financial benefits derived from the Capex Plan on account of loss reduction and its impact on tariff.**

**TPNODL Reply:** The detailed capex plan along with Detailed Project Report are furnished before the Hon'ble Commission each year as per provision of Vesting Order of



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licensee. Accordingly, Hon'ble Commission hears it in Public Hearing and issues the order by way of analyzing the inputs from all stakeholders.

The AT&C loss has been reduced from 25.17% in FY 21 to 14.72 % as on FY 24 and the power supply hours have been 23:02 hrs in average during FY 2023-24, the corresponding extra billing and collection are the derived impact of the capital investments done so far. There is no hike in Retail supply tariff in last three years despite of significant increase in Bulk Supply tariff.

- 7. Respondent's view/objection: If any person requiring supply under LT or HT is prepared to take the supply through a pre-payment meter if available, the distribution licence/supplier shall not be entitled to collect the security deposit from such person.**

**TPNODL Reply:** The licensee reciprocates the contention of the objector under prepaid meter regime obviously there shall be no claim of security deposit. However, the licensee shall abide the direction of the Hon'ble Commission in this aspect.

- 8. Respondent's view/objection: Security Deposit for Enhanced Load.**

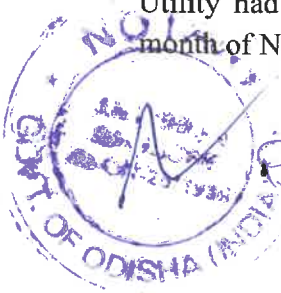
**TPNODL Reply:** Additional Security Deposit for enhanced load is being calculated and claimed strictly in line with OERC Distribution ( Condition of Supply ) code, 2019.

- 9. Respondent's view/objection: Discrimination of energy billing between HT & LT industrial consumers with KVAh & KWh respectively through the procurement of energy by the Discom in BST are being generated in KWH from GRIDCO.**

**TPNODL Reply:** The contention of the objector regarding adoption of KVAh billing is not true. Adoption of KVAh billing will help in maintaining the power factor and hence in system stability from technical point of view.

It is further submitted that, by adopting KVAh billing in place of KWh Billing the recent pattern of Power Factor penalty imposed on the consumers will be abolished. The objective of introduction of KVAh billing is to ensure reduction in losses which occurs due to low power factor and for encouraging the consumers to maintain their power factor near to unity Power factor.

In compliance to the direction of the Hon'ble Commission in the Tariff order 2014-15, the Utility had submitted the above required data before the Hon'ble commission during month of Nov'2014.



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**10. Respondent's view/objection: Standardization of DTR size as per BEE standards and Distribution loss.**

**TPNODL Reply:** This is to bring into kind information of the Ld objector that, Licensee has taken several initiatives towards loss reduction through its Capex plan in phased manner. We are also replacing the lower rating DTs with higher ratings as per BEE standards. All new foundations are being constructed keeping the future upgradation of the PTR /DTR in lesser time. TPNODL has also started to phase out the small rating (10 KVA, 16KVA) distribution transformers. TPNODL has bring down the distribution loss from 18.40% in FY 2021-22 to 14.91% in FY 2023-24

**11. Respondent's view/objection: Regarding installation of Smart Meters and their impact on consumers.**

**TPNODL Reply:** Hon'ble Commission may like to decide and issue necessary directions in the ensuing Tariff Order.

In most of the states like Gujarat, Maharashtra, Tamil Nadu, Andhra Pradesh, Karnataka Madhya Pradesh, Uttar Pradesh, Delhi meter cost is part of Capex and meter rent is not charged separately from the consumers. In fact, consumers are less burdened if meter cost is part of Capex specially consumers who consumes less electricity. And in Odisha large number of consumers consume less electricity say 50 units and below.

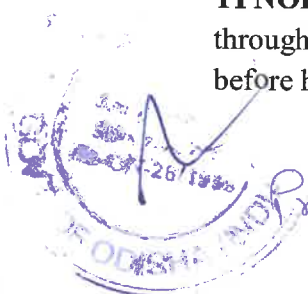
**12. Respondent's view/objection: Categorization of Agri-business**

**TPNODL Reply:** The Comments submitted by Ld. objector is related to tariff fixation and amendment of Supply Code 2019. Hon'ble Commission may like to decide on this issue. The current applicable tariff on "Allied Agricultural Activities" and "Allied Agro-Industrial Activities" is highly subsidized.

It is submitted that, the observation made by the respected respondent are not pertaining to ARR submission made by the petitioner. The matter refers to amendment of supply code 2019 which needs to be taken up separately. With regard to subsidy provision under section 65 of the Electricity Act 2003 is the prerogative of Govt. of Odisha.

**13. Respondent's view/objection: GRIDCO equity in kind.**

**TPNODL Reply:** Licensee never claims ROE and depreciation on the assets created through Government fund/schemes. We also submit the audited financial statements before hon'ble Commission for its prudence check.

 Pratap Kumar Mohanty

**14. Respondent's view/objection: The true up expenses of past year must as per actual and as per regulation.**

**TPNODL Reply:** In the Truing-up filing, the audited financials of TPNODL for FY 24 along with details calculation has been submitted before Hon'ble Commission. The justification behind all component including "return on equity" of truing-up exercise have been elaborated in the application of the applicant. In line with para 54 (a) of vesting order and as per Clause 3.6 of OERC Tariff Regulation 2022, The TPNODL has asked ROE in its ARR application.

**15. Respondent's view/objection: Non-tariff income such as rebate to the consumer, supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 1/3rd proposed by all Discoms.**

**TPNODL Reply:** Presumption of Ld. Objector that only 1/3rd of non-tariff income is passed on to consumers is not correct. This is to bring into kind information of the Ld objector that supervision charges, over drawl penalty & DPS are part of the non-tariff income. Non-tariff income is passed on to consumers of the DISCOM in full.

**16. Respondent's view/objection: The income tax and tax on equity.**

**TPNODL Reply:** Licensee has calculated and proposed the tax on equity in the ARR Application as per the provision of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022.

**17. Respondent's view/objection: Increase in demand charge of HT Consumer up to 110 KVA.**

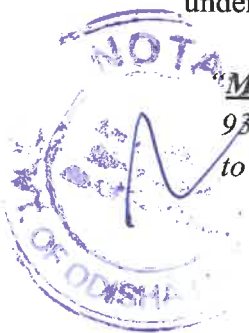
**TPNODL Reply:** TPNODL has not proposed any increase in Demand Charges specifically for HT medium Industrial consumers up to 110 KVA, rather than TPNODL proposes for its simplification and rationalization.

**18. Respondents View/ Objection: Regarding Smart Meter**

**TPNODL Replay:** In the RST order FY 24-25, Hon'ble Commission has taken a view under para 93

**Meter Cost to be recovered under CAPEX**

93. The Commission thoughtfully analysed the proposal. Though the proposal appears to be plausible, still it requires thorough analysis. There will be no issue as far as



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*inclusion of meter cost in CAPEX, where the new meters will be installed. But there may be many Consumers who have already paid the meter rent in full and there may be other Consumers those who have paid the meter rent in part. In those cases, abolishing meter rent may create problem in financial adjustment. Therefore, the DISCOMs are required to file a fresh proposal by giving all the details related to meter rent, number of Consumers in different metering categories, legal implications, if any, and detail plan for implementation etc. Accordingly, the Commission will examine the proposal for recovery under CAPEX.”*

Thereafter, DISCOMs have requested through common letter and presented before Hon'ble Commission for consideration. As advised a separate application is being filed for consideration of the meter cost under CAPEX mode which may kindly be heard along with ARR.

Further, as per regulation 113 of Supply Code, due to technological obsolescence, the old meters are required to be replaced with smart meters. While doing so, the consumers are reluctant to allow the replacement because they have paid the meter rent fully or partially and, in some cases, they have purchased the meters. In such scenarios, recovery of meter cost through CAPEX is more convenient to both the consumers as well as the licensee.

### **Regulatory Frameworks for Smart Meters Installation**

As per Supply Code 2019, clause no 97(iv) (3) Smart Meters are to be installed in next 3 years starting from 2019 as reiterated below:

The licensee/supplier shall gradually move on to prepaid/smart/pre-paid smart meters as and when available preferably within three years. In case pre-paid meter is installed, the meter shall conform to the technical requirements as specified in Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 and amendments thereof. (Emphasis Supplied)

The Central Electricity Authority (Installation and Operation of Meters) (Amendment) Regulations, 2022 clause no 3 stipulates following:

*“3 (b) All consumers in areas with communication network, shall be supplied electricity with Smart Meters working in prepayment mode, conforming to relevant IS, within the timelines as specified by the Central Government:*



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*Provided that all consumer connections having current carrying capacity beyond that specified in relevant IS, shall be provided with meters having automatic remote meter reading facility or Smart Meters as per relevant IS.*

*Provided further that in areas which do not have communication network, installation of prepayment meters, conforming to relevant IS, shall be allowed by the respective State Electricity Regulatory Commission” (Emphasis Supplied).*

*The Timelines for replacement of the Meters have been specified in the MoP Notification CG-DL-E-19082021-229126 issued through Gazette of India dated 19 Aug 2021 which has been subsequently amended vide notification CG-DL-E-26052022-236032 published on dated 26.05.2022, the relevant extract of which is reproduced below for ready reference:*

*All consumers (other than agricultural consumers) in areas with communication network, shall be supplied electricity with Smart Meters working in prepayment mode, conforming to relevant IS, within the timelines specified below:*

*(i) All Union Territories, all electrical divisions with high AT&C Loss (Urban Areas with AT&C loss >15% and rural areas with AT&C loss >25%), Industrial and Commercial consumers, all Government offices at Block level and above, shall be metered with smart meters, with prepayment mode, by 31st December, 2023:*

*Provided that these areas shall also be covered for smart Distribution Transformer (DT) metering by the Advanced Metering Infrastructure Service Provider (AMISP), on a priority basis, by 31st March, 2023;*

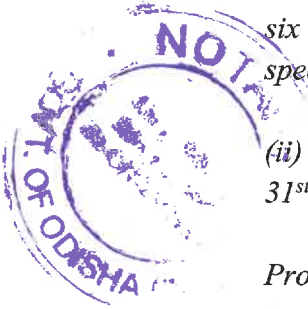
*Provided also that the State Regulatory Commission may, by notification, extend the said period of implementation, giving reasons to do so, only twice but not more than six months at a time, for a class or classes of consumers or for such areas as may be specified in that notification;*

*(ii) All other areas shall be metered with smart meters, with prepayment mode, by 31st March, 2025:*

*Provided that in these areas smart Distribution Transformer (DT) metering shall be completed by 31st December, 2023;*

*(iii) All feeders shall be metered by 31st December, 2022;*

*Pratap Kumar Mohanty*





*(iv) All the feeder meters shall be made communicable under National Feeder Monitoring System (NFMS) by 31st December, 2022 and shall have Automatic Meter Reading (AMR) facility or shall be covered under Advanced Metering Infrastructure (AMI).*

Further, inclusion of meter cost in CAPEX is rational one, where poor consumer will pay less in comparison to rich consumer.

Hence, all concern of Ld. Objector is already under active consideration of Hon'ble Commission.

**19. Respondent's view –Billing with Defective meter**

**TPNODL Reply:** The Ld Objector has not gone through our proposal properly. The proposal of TPNODL is a win a win situation for both Discoms and consumer. TPNODL, keeping into account the seasonal effect, has proposed to revise the defective periods bill on the basis of actual recorded consumption in the corresponding period of previous year. Further, TPNODL, in order settle dues pertaining to pre-vesting period has also proposed for revision of past period exceeding the limit of two-year limit specified by Hon'ble Commission.

**20. Respondent's view –Revision of reconnection charges**

**TPNODL Reply:** The presently applicable reconnection charges have been fixed back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

**21.** The justification behind other tariff rationalization measures have been elaborated in the application of the applicant.



*ratap Kumar Mohanty*

22. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred by the objector for further clarification.

For and on behalf of

TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**



**Cc to: Sri Priyabrata Sahu, S/O- Late Adikannda Sahu, At-Bijaya Bihar, 3<sup>rd</sup> Lane Extension (Tower Line) PO-Berhampur, Dist-Ganjam-760004. E-mail: [sahu.priyabrata999@gmail.com](mailto:sahu.priyabrata999@gmail.com). M. No.-9439262684.**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR**

**Case No. 95/2024**

**IN THE MATTER OF:** TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

**.....Applicant**

**AND**

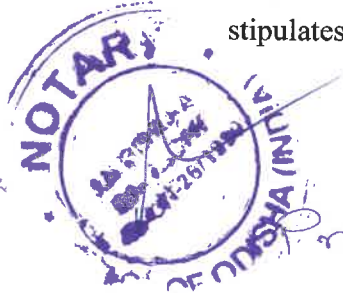
**IN THE MATTER OF:** The Sampatrai Rotary Club of Cuttack Senior Citizen Home (SRCCSCH), Plot No. 836/2070, Khata No. 96-D1 of Mouza, Narajmarthapur, Tehsil-Baranga, Cuttack-754006.

**.....Objector**

**Rejoinder to the objection filed by The Sampatrai Rotary Club of Cuttack Senior Citizen Home (SRCCSCH), against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.
2. **Respondent's view/objection: Designating the entire old age home as a "domestic" unit rather than a commercial unit and accordingly tariff shall be charged.**

**TPNODL Reply:** The Retail Supply Tariff Order dated 13.02.2024 for FY 2024-25, stipulates under Para 239 about the applicable tariff for old-age home.



*Pratap Kumar Mohanty*

3. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred by the objector for further clarification.

For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**



**Cc to: Akshaya Kumar Deo, President, Managing Committee, The Sampatrai Rotary Club of Cuttack Senior Citizen Home (SRCCSCH), Plot No. 836/2070, Khata No. 96-D1 of Mouza, Narajmarthapur, Tehsil-Baranga, Cuttack-754006.**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2023

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Ramesh Ch. Satpathy, President, Upobhokta Mahasangha,  
Bhubaneswar & Secretary, National Institute of Indian Labour,  
Plot No-302(B), Beherasahi, Nayapalli, Bhubaneswar-751012.

.....Respondent

**Rejoinder to the objection filed by Sri Ramesh Ch. Satpathy against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.
2. **Respondents View/ suggestion: Detail expenditure on different approved CAPEX scheme**

**TPNODL Reply:** TPNODL has proposed capital investment for the FY 2021-22, 2022-23, 2023-24 and 2024-25 aligned with multiple initiatives and schemes so as to reduce AT&C losses, improve system reliability and augment the network to support the continuous load growth. With this objective of ensuring reliable power supply and ensuring best customer services.

The year wise details of Capital Expenditure (as on Dec' FY25) with respect to the approval of the Hon'ble are furnished below:

Pratap Kumar Mohanty

### Capital Expenditures

CAPEX Already Approved		Amount Capitalized	Amount where Work in Progress/Planned
FY	Rs in Cr.	(Rs. in Crs)	(Rs. in Crs)
FY 21-22	258.78	250.8	6.86
FY 22-23	326.54	303.34	17.15
FY 23-24	433.1	370.29	49.15
FY 24-25	377.52	107.5	215.64

**3. Respondents View/ suggestion: Detail particulars of ODSSP Scheme and steps taken to rationalise the demand.**

**TPNODL Reply:** Out of 94 nos charged PSS under ODSSP schemes, 17 Nos PSS are now operating with load between 40% to 85 %. We are further exploring the feasibility for the load balancing between overloaded and under loaded PSS by installing the new 11 KV link lines and new feeders from under loaded PSS. This strategic approach aims to ensure a balanced and efficient distribution of load across our network, thereby improving overall reliability and performance.

**4. Respondents View/ suggestion: Actual manpower in regular cadre of Executives, Non-executives functioning in TPNODL**

**TPNODL Reply:** Actual manpower in regular cadre of executives, non-executives (both technical and non-technical) functioning in TPNODL under different divisions are furnished in the below table:

Division	Erstwhile Employee		CTC Employee		Total
	Executive	Non-Executive	Executive	Non-Executive	
BED Balasore	16	106	29	7	158
CED Balasore	12	92	36	9	149
SED Soro	19	95	46	2	162
JED Jaleswar	9	79	38	7	133
BTED Basta	10	72	33	10	125
BNED Bhadrak	20	120	47	10	197
BSED Bhadrak	15	87	27	3	132
BPED Baripada	21	156	53	10	240
UED Udala	6	62	35	5	108
RED rairangapur	18	69	46	4	137
JRED Jaipur Road	17	80	30	3	130
JTED Jaipur Town	15	53	41	3	112

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KUED Kuakhia	14	73	44	3	134
KED Keonjhar	8	67	41	3	119
AED anandapur	13	76	39	1	129
JOED Joda	13	65	42	1	121
<b>Grand Total</b>	<b>226</b>	<b>1352</b>	<b>627</b>	<b>81</b>	<b>2286</b>

**5. Respondents View/ suggestion: Division wise list of scrap materials**

**TPNODL Reply:** TPNODL submits that the details of scrap disposal/identified for disposal are already being intimated to the Hon'ble commission on a regular basis. However, the details of scrap sales have been furnished under format F-28 of the ARR Application FY 2024-25.

**6. Respondents View/ suggestion: Compensation paid to the human being faced in the fatal accident:**

**TPNODL Reply:** TPNODL, submits that the details with respect to electrical are being furnished to the Hon'ble Commission on monthly basis (by 15<sup>th</sup> of every succeeding month) towards compliance of the Regulation 12 of the OERC (Compensation of Electrical Accident) Regulation, 2020. The monthly compliance report consists of details of electrical accident occurring within our jurisdiction along with the corrective action taken. The licensee is disbursing compensation amounts in accordance with the OERC (Compensation of Electrical Accident) Regulation, 2020 and direction/orders issued by various forums like NHRC (National Human Rights Commission) and OHRC (Odisha Human Rights Commission) on case to case basis.

**7. Respondents View/ suggestion: Amount Collected from workers for EPF & Pension:**

**TPNODL Reply:** As such, TPNODL is following the provisions under OCS Pension Rule 1992 for sanction and disbursement of pension to the pensioners under its establishment. All Pensioners of TPNODL/ Erstwhile NESCO Utility are getting pension as per the provision laid down under such Rules and its amendments from time to time.

At present two types of employees are working under TPNODL i.e. Pensioners and Non-pensioners. EPF contribution of all non-pensionaries are being transferred to the RPFC since 1<sup>st</sup> April' 2021. Similarly, for all pensionaries, their EPF Contribution are being credited to the Provident Account maintained by NESCO EPF Trust. Investment position under different trust as on 31.03.2024 and 30.09.2024 is furnished in the ARR Application of the Licensee which may please be referred.



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**8. Respondents View/ suggestion: Details of Security Deposit received from consumers:**

**TPNODL Reply:** Status of Security Deposit as on 31<sup>st</sup> March,2024 and as on 30<sup>th</sup> November,2024 furnished in the following table:

As at	Balance of Consumer Security Deposit
31 March 2024	883.47
30 November 2024	937.59

**9. Respondents View/ suggestion: Provision for notice and penalty on consumers**

**TPNODL Reply:** This is to submit that the Licensee has not imposed any penalty on consumers without any notice.

**10. List of consumers availed benefit under PM Surya Ghar Muft Bijli Yojana.**

**TPNODL Reply:** The district wise count of consumers who have availed benefit under PM Surya Ghar Muft Bijli Yojana as on date is furnished below:

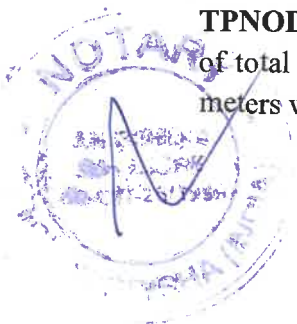
Name of District	No. of Consumer
Baleshwar	33
Bhadrak	14
Jajapur	6
Kendujhar	13
Mayurbhanj	14
<b>Grand Total</b>	<b>80</b>

**11. List of consumers availed benefit under PM Surya Ghar Muft Bijli Yojana through community Solar Scheme.**

**TPNODL Reply:** Government of India has not yet issued any guidelines under PM Surya Ghar Muft Bijli Yojana through community Solar Scheme.

**12. Respondents View/ suggestion: Status of Smart Meters Installation.**

**TPNODL Reply:** Total 1,67,104 nos of Smart Meters installed as on on 30.09.2024. Out of total 23,716 Government consumers, Licensee has installed 20,644 numbers of smart meters with pre-paid feature.



Pratap Kumar Mohanty



**13. Respondents View/ suggestion: Status of metering.**

**TPNODL Reply:** Total consumer base of TPNODL as on 30.09.2024 is 19,82,362 out which 19,78,590 consumers are metered (99.80% are metered).

Further, As of January 1, 2025, there are 1659 nos of consumers having without meters. The majority of the cases are premise-locked and very resistant customer refusal cases. Suitable action as per the Supply code has been initiated against such cases.

**14.** That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred by the objector for further clarification.

For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**



**C.C. to: - Sri Ramesh Ch. Satpathy, Plot No-302(B), Beherasahi, Nayapalli, Bhubaneswar-751012.**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

**IN THE MATTER OF:** TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

**IN THE MATTER OF:** Principal Chief Electrical Engineer, East Coast Railway, Rail Sadan,  
Chandrasekharpur, Bhubaneswar, Odisha – 751017.

..... Objector

**Rejoinder to the objection/suggestions filed by Principal Chief Electrical Engineer, East Coast Railway against on the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.

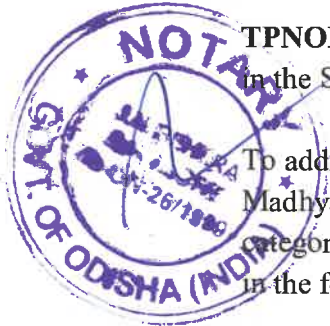
Reply to the points raised by the Ld. Objector are furnished hereunder

2. **Respondent's view/objection:** Hon'ble OERC is requested to treat Railway as separate category and fix tariff (EHT & HT) at lower level than that of tariff for other EHT & HT consumers in the state. **(Reduction of Higher Demand Charge and Energy Charges)**

**TPNODL Reply:** Railway Traction is a separate category as per the classification made in the Supply Code.

To address the issue mentioned by the Ld. Objector that in Andra Pradesh, Chhatisgarh, Madhya Pradesh, Maharashtra, Railway has been given importance and kept as a separate category with reasonable tariff, tariff applicable to railway in different states is furnished in the following table

Pratap Kumar Mohanty



Sr. No.	States	Demand Charges (per kVA per month)	Energy Charges
1	Chhattisgarh	375	5.25 per kVAh
2	Andhra Pradesh	350	6.50 per kVAh
3	Jharkhand	400	5.60 per kVAh
4	Madhya Pradesh*	320	6.05 per kWh
*A rebate of Rs 2 per Unit in energy charges is applicable. This rebate shall be applicable up to FY 2024-25			
6	Bihar**	540	8.16 per kVAh
**13 Ps/kVAh of rebate shall be provided for availing supply at voltages higher than 132kV.			
7	Odisha	Rs.250/-per kVA per month	EHT (kVAh)
		(Upto 60% L.F)	Rs. 5.80 per kVAh with 25paise rebate
		(> 60% L.F)	Rs. 4.70 per kVAh with 25paise rebate

From the above table, it can be noticed that the tariff applicable in Odisha is much less than that applicable in other states. So, there is no need to fix tariff at a level lower than that of tariff for other EHT & HT consumers.

3. **Respondent's view/objection:** Hon'ble OERC is requested to allow load factor incentive for Railway Traction category from 40% instead of 60%.

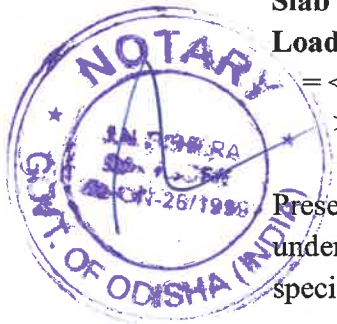
**TPNODL Reply:** Present rate of charges under HT & EHT Category is as follows:

**Slab rate of energy charges for HT & EHT (Paise/kVAh)**

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00

Presently Railway is covered under Railway Traction EHT Tariff where they are eligible under the above applicable Load Factor slab. Hon'ble Commission has also allowed a special rebate of 25 paise per unit to Railway Traction for all the units consumed in

Pratap Kumar Mohanty



addition to all other rebates they are eligible for. So, there is no further requirement for reduced tariff.

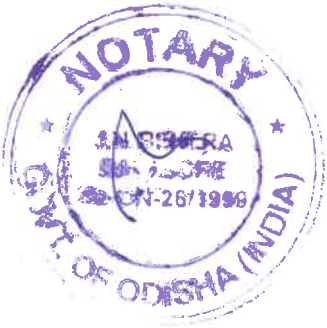
**4. Respondent's view /objection: Exemption of Railway Traction category from Solar, Normal and Peak hour Tariff (ToD Rebate/Surcharge)**

**TPNODL Reply:** Regarding the above request of the consumer, Hon'ble Commission may decide suitably.

**5. Respondent's view/objection: Hon'ble OERC is requested to advise DISCOMs suitably to ignore the MD rise/over shoot of both side RTSS of same or other DISCOMs during their feed extension over RTSS where incoming supply fails due to OPTCL reasons.**

**TPNODL Reply:** The submission of the railway in this regard is not acceptable. All the DISCOMs are operating in different geographical area & having different distribution license. The benefit of feed extension is being extended within the same DISCOM as per the terms of mutual agreement. But the same benefit cannot be extended across the DISCOM. Each DISCOM have different BSP even though single RST is in force across the state. Each DISCOM ARR also being individually approved. If railway would try to avail such benefit then each DISCOM's revenue would be affected. Hence proposal of railway in this regard may not be considered.

**6. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred by the objector for further clarification.**



For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**

**Cc to: Principal Chief Electrical Engineer, East Coast Railway, Rail Sadan,  
Chandrasekharapur, Bhubaneswar, Odisha – 751017.**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR**

Case No. 95/2024

**IN THE MATTER OF:** TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

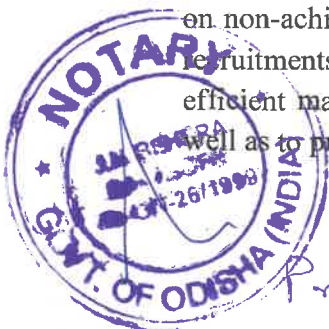
**IN THE MATTER OF:** M/s. Power Tech Consultants, Corporate Office at K-8-82,  
Kalinganagar, Ghatikia, Bhubaneswar-751029, [pwrtech@gmail.com](mailto:pwrtech@gmail.com),  
Phone-9437155337

.....Respondent

**Rejoinder to the objection filed by M/s. Power Tech Consultants on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2025-26 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff ) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .  
Reply to the points raised by the Ld. Objector are furnished hereunder.
2. **Respondent's view /suggestion: Human Resource Expenses**

**TPNODL Reply:** The Ld objector has given a comparative figure of the expenses starting from 2010-11. This will not be out of place to mention here that, TPNODL has started operation with effect from 1.4.2021 in compliance to the Vesting order dated 25.3.2021 of Hon'ble OERC. The license issued to the earlier distribution license was revoked and TPNODL has been vested with the utility of NESCO with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers.



*Pratap Kumar Mohanty*

As per OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, the applicant has submitted the required details in the prescribed format.

The employee cost projected is with only 3.6% hike over the approved quantum for FY 2024-25. So, the contention of the Ld. Objector that the proposed employee cost is very high is not true.

Further, for Truing –up of the previous financial year, the licensee has submitted before Hon’ble Commission Audited accounts for FY 23-24, which is also available in OERC as well as TPNODL website.

In compliance with the vesting order, TPNODL has submitted before Hon’ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon’ble Commission.

Inherited employee and CTC employee cost are being furnished separately as per the prescribed formats of Hon’ble Commission.

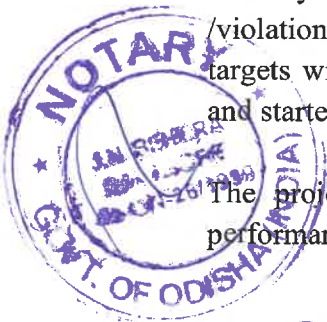
**3. Respondent’s view /suggestion: That TPNODL has projected Repair and Maintenance Expenses at Rs.321.45Cr for FY 25 against Rs.214.34Cr as approved by Commission to be spent during FY 24-25 ...**

**TPNODL Reply:** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon’ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

The audited financials of TPNODL for FY 24 as well as Half-yearly financials up to Sep’2024 for the FY 25 have been submitted before Hon’ble Commission. The annual audited financials for FY 24 are also a part of Truing up application of the licensee, which may please be referred for actual expenses.

The Ld Objector has given a comparative presentation of all the cost components year on year starting from 2010-11. Comparing the parameters with that of the erstwhile Utility does not have much relevance. The license of erstwhile DISCOM was revoked due to inability on its part to achieve the performance targets along with other non-achievements /violations. The license has been granted to the present applicant with certain performance targets with specified timelines. Accordingly, the licensee has prepared its plan of action and started its operation.

The projections of the licensee are required to be viewed in reference to its own performance. However, the detailed justification against each projection have been



Pratik Kumar Mohanty

submitted by the applicant in its application alongwith the asset details under various Government funded schemes, which may please be referred.

4. **Respondent's view /suggestion: Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2024-25 or actual A&G Expenses or whichever is lower.**

**TPNODL Reply:** The details of the A&G expenses incurred and the justification against the cost components alongwith the achievements so far have been elaborated in the application of the licensee which may please be referred.

5. **Respondent's view /suggestion: TPNODL has given a proposal for the Annual Revenue Requirement of Rs.4650.44 Crs for FY 26 against approved of Rs.4022.79 Crs...Annual Revenue Requirement of TPNODL may be approved accordingly through a prudence check.**

**TPNODL Reply:** The licensee has projected the Revenue Requirement of Rs. 4650.44 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

Further, due to the reasons explained in the previous para, comparing the ARR of TPNODL with that of the erstwhile licensee since 2010-11 is not relevant.

6. **Respondent's view /suggestion: With drawl of 3 slab based graded incentive tariff have resulted in a tariff impact and the HT /EHT industries are suffering a lot and will encourage the HT /EHT industries to go for CGP or to avail cheaper power from exchange....**

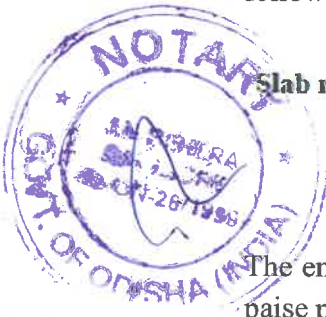
**TPNODL Reply:** The three-graded slab applicable for HT/EHT consumers was only restructured. EHT and HT consumers are charged a tariff for consumption up to 60% Load factor and for consumption more than 60% Load factor a reduced tariff is applicable. The present applicable slab for HT/EHT consumers is furnished in the following table

**Slab rate of energy charges for HT & EHT (Paise/kVAh)**

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00

The energy charges for HT and EHT consumers for consumption beyond 60% LF is 110 paise per unit less than that for consumption up to 60% LF.

Pratap Kumar Mohanty



Further Hon'ble Commission determines the tariff basing on the principle of higher rate of energy charge for supply at low voltage and gradual reduction in rate as the voltage level goes up. Hon'ble Commission has set energy charges at different voltage levels to reflect the cost of supply.

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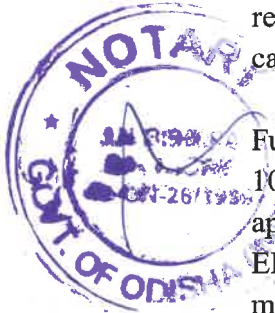
**TPNODL Reply:** For projecting the consumption under different categories, TPNODL has analysed and relied on the past trends of consumption pattern for last ten years and actual sales data for the first six months of FY 2024-25, actual addition/reduction of loads and other factors like increasing drawl of power through open access.

The projection for the FY 2025-26 has been done based on the actual sales in the H1 of 2024-25 keeping in view the past trend and considering the EHT and HT sales of individual consumers and their plan of expansion. Materialization of industrial projects do have a definite gestation period and also requirement for checking the network availability. The licensee has considered individual consumer/prospective consumer wise load keeping in view their individual gestation period. Detailed information has been submitted in the application of the licensee.

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**TPNODL Reply:** As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 10paise per unit (KVAh) for all units consumed in excess of 80% load factor. And, if the approval of Hon'ble Commission for FY 2024-25 will be perused, the cross subsidy for EHT consumers was 4.9%. This is very well within  $\pm 20\%$  of ACoS- in line with the mandate of the National Electricity Policy and Tariff Policy.



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**9. Tariff Determination**

**TPNODL Reply:** As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within  $\pm 20\%$  of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within  $\pm 20\%$  of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

- 10. Respondent's view /suggestion:** Cross Subsidy Surcharge ought to be gradually reduced every year. This is laid down in Section 42 of the Electricity Act, 2003 that a road map is to be made by this Hon'ble Commission for reduction of subsidies and the corresponding reduction in the amount of subsidies is to be reflected and implemented for the purposes of reduction of cross subsidy surcharge.....

**TPNODL Reply:** The Ld Objector may refer to para 100 of RST order FY 25. The computed cross subsidy surcharge for DISCOMs have been given in table -27. In view of the mandate of Electricity Act'2003 under section 42, the cross subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-27 of RST order is reproduced hereunder:

**Table – 27**  
**Computed Surcharge for Open Access Consumer 1MW and above**  
**for FY 2024-25 (In paise / unit)**

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	232.86	197.86	167.86	347.86
Surcharge for HT Consumer	108.90	20.08	42.41	178.54

However, the approved charges for FY 24 as given under table 28 are done at 70% of the computed values. The table no. 28 is reproduced hereunder:

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**Leviable Surcharge, Wheeling Charge and Transmission Charge for Open Access**  
**Consumer(s) of 1MW and above for FY 2024-25**

Name of the licensee	Cross Subsidy Surcharge (paise/unit)		Wheeling Charge applicable to HT Consumers only (paise/unit)	Transmission Charges for Open access Customer
	EHT	HT		
TPCODL	163.00	76.23	101.46	The Open Access Customer availing Open Access shall pay Rs.5760/MW/Day (Rs.240/MWh) as Transmission charges
TPNODL	138.50	14.06	152.23	
TPWODL	117.50	29.69	97.30	
TPSODL	243.50	124.98	156.82	



*Prateep Kumar Mohanty*

11. **Respondent's view /suggestion: Proposal to allow pro-rata billing should not be approved.**

**TPNODL Reply:** The detailed justification for the licensee's request of pro-rata billing has been given in the application of the licensee.

The licensee is working towards achieving the norms of regulation under normal conditions. However, uncontrollable climatic conditions such as Kalbaisakhi, monsoons, flood and extremely high temperature during summer months beset Odisha regularly, which affect the normal meter reading cycles.

Therefore, the licensee has requested for permitting pro-rata adjustment of slabs based on actual days of billing vis-à-vis the standard norm of 30 days to ensure that the consumer gets full slab benefit under all actual billing period scenarios.

12. **TPNODL has proposed that the consumers availing renewable power through open access shall have to pay the wheeling charges and cross subsidy charges as applicable to conventional consumers.**

**TPNODL Reply:** No such proposal has been given by TPNODL. Presently, the consumers availing renewable power are availing exemption as directed by Hon'ble Commission in line with Odisha Renewable Policy, 2022.

13. **Respondent's view /suggestion: Processing fees for providing services like change of name, category change, name correction, address correction, etc other than processing fees for new connection have been proposed by TPNODL. This will put domestic consumers under difficulty while for new connection, processing fee is Rs. 50/-, Rs.100/- for other services is not acceptable.**

**TPNODL Reply:** As per Supply Code, for new connection processing fees has been stipulated by Hon'ble Commission, but for other activities, no fee has been approved. To get a standard processing fee for the other activities across all the four DISCOMs, the licensee has placed the matter before Hon'ble Commission for necessary consideration and kind approval.

As per Supply Code, for new connection processing fees for LT Single phase has been stipulated by Hon'ble Commission as Rs.50/-. The licensee has proposed for revising the applicable processing fees for new service connection from Rs.50/- to Rs.100/-, alongwith approving standard processing fees for other activities.



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14. **Respondent's view /suggestion: TPNODL has suggested continuance of the Green Tariff from 20paise/unit. However, we suggest to reduce this to 10paise/unit....**

**TPNODL Reply:** In the present tariff of 20paise /unit, twenty-two numbers of consumers are already availing this facility. Hence, to attract more consumers to avail green power and as a step towards environmental sustainability, the licensee has proposed for continuance of the benefit.

The Green Tariff applicable in other states is furnished in the following table:

State	Applicable Green Energy Tariff (Over & above the Normal Tariff)
Gujrat	Rs. 1.00 per kWh
Karnataka	Rs. 0.50 per kWh
Maharashtra	Rs. 0.66 per kWh
Uttar Pradesh	Rs. 0.36 per kWh
Madhya Pradesh	Rs. 0.56 per kWh

The

Green Tariff applicable presently in our state is the lowest in comparison to the tariffs applicable in the above States. Therefore, there is no justification in the contention of the consumer in reducing the green tariff to 10 paise /unit.

15. **Respondent's view /suggestion: Special Tariff for closed unit who want to re-open their unit in 2025-26**

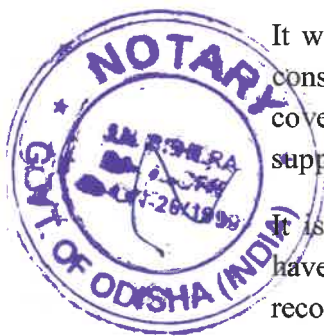
**TPNODL Reply:** The special rebate for closed unit who want to reopen their unit in 2025-26 has been proposed after a detail analysis and thorough study. Any further discount as proposed by the objector will affect the very purpose of the scheme.

16. **Respondent's view /suggestion: Revision of Reconnection charges with penalty clause.**

**TPNODL Reply:** TPNODL has taken number of measures to bring in cutting edge technology and micro SCADA already implemented. The licensee has installed smart meters in around fifty thousand consumers, but yet to operate them in pre-paid mode with auto disconnection facility.

It will take substantial time to reach the stage of doing remote disconnection to all the consumers. This reconnection charge also acts as a deterrent in the process, along with covering the man hour and other ancillary charges for physical reconnection of power supply.

It is also pertinent to mention here that; the presently applicable reconnection charges have been fixed way back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.



Pratap Kumar Mohanty

**17. Respondent's view /suggestion: Special tariff for existing industries who have no CGP for draw of additional power beyond CD of 10 MVA**

**TPNODL Reply:** The modification to allow load reduction sought by the objector will affect the very purpose of the scheme. The proposal of DISCOMS is a win-win situation for both TPNODL and the consumer where the licensee will get an assured revenue and the consumer will avail some rebate. If the consumer will be allowed to reduce its load, the revenue of DISCOMS becomes unassured. Further under the scheme the consumer will get sufficient benefit. If the consumer wants to avail benefit in any other scheme, net revenue may become less than the cost of power.

**18. Respondent's view /suggestion: Assessment in case of theft of energy**

**TPNODL Reply:** The licensee has requested for allowing higher load factor while doing assessment in case of unauthorised abstraction of energy. The licensee has given detailed justification in its application with supporting calculation. A comparative of the LF applicable in other states for assessment is given hereunder:

State	Hours	Factor	Hours per day	Remarks (1 KW Load per year {2X (LXDXHXF)} (Kwh)
Chhattisgarh	24	40%	9.6	7008
West Bengal	12	50%	6	4380
Jharkhand	12	40%	4.8	3504
<b>Odisha</b>	<b>24</b>	<b>10%</b>	<b>2.4</b>	<b>1752</b>

From the above, it is clear that, in our state, the LF considered is the lowest. However, it is once again clarified that, the licensee's proposal for the realistic load assessment is for the consumers who are involved in unauthorised abstraction of energy and creating burden on the licensee, and not to burden the genuine consumers.

The licensee will comply to every guideline that will be issued by Hon'ble Commission.

**19. Respondent's view /suggestion: Reduction in contract demand**

**TPNODL Reply:** The licence is following the regulation strictly. The objector is requested to provide specific instance where any consumer was denied to reduce its load deviating provisions of Regulation for reduction of contract demand, to take appropriate action.

*Pratap Kumar Mohanty*



**20. Respondent's view /suggestion: Refund of excess Security Deposit as per OERC Code :**

**TPNODL Reply:** There is no such provision of surcharge for delay in refund of excess deposit to the consumer in the Supply Code. The licensee is refunding excess SD to the consumers who are opting for refund. Most of the consumers are not opting for refund keeping in view their future expansion plans. Further, the issue pertains to Supply Code and not related to the ARR application of the licensee

**21. Respondent's view /suggestion: Security Deposit by means other than cash**

**TPNODL Reply:** The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

*“The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier”.*

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings

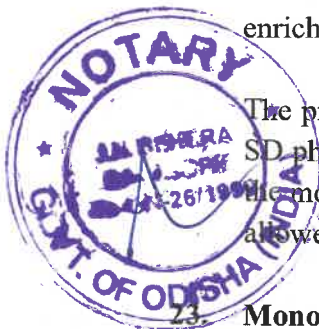
**22. Respondent's view /suggestion: Surcharge on late payment of Security Deposit Demand**

**TPNODL Reply:** The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but to ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

**Monopolistic Attitude: The attitude of TPNODL towards conducting business appears to be monopolistic in nature.**

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**TPNODL Reply:** The licensee plans its every activity keeping in view its customer centricity. The allegation made by the objector in such a generalised sense is not at all acceptable. Being an experienced part of the Odisha Power sector, we would request the Ld objector to bring such cases, if any, to the notice of the licensee, so that the same can be resolved at the earliest. We certainly would welcome suggestion from the Ld objector in making our system more customer centric.

**24. Extension of the payment duration from 3 days to 5days for availing Prompt payment**

**TPNODL Reply:** The suggestion of the respondent is not tenable as extending the prompt payment rebate from 3days to 5days will affect the cash inflow of the licensee and that will affect the payment of BST bill.

**25. Respondent's view /suggestion: ToD Benefit**

**TPNODL Reply:** ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @10Paise per unit for energy consumed during solar hours and a surcharge of 20 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak hours to no-peak hours. That is quite in concurrence with the contention of the Ld objector. But the licensee is not in agreement with the proposal of increasing the ToD benefit to 50paise. In place of that, in case the Ld. Objector feels the present provision is not sufficient to encourage balancing of drawl, then in place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

26. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred



For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**

**Cc to: M/s. Power Tech Consultants, Corporate Office at K-8-82, Kalinganagar, Ghatikia, Bhubaneswar-751029, [pwrtch@gmail.com](mailto:pwrtch@gmail.com), Phone-9437155337**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: The Utkal Chamber of Commerce & Industry Ltd.(UCCI), N-6, IRC  
Village, Nayapalli, Bhubaneswar-751015, [pwrtch@gmail.com](mailto:pwrtch@gmail.com),  
Phone-9437155337

.....Respondent

**Rejoinder to the objection filed by The Utkal Chamber of Commerce & Industry Ltd.(UCCI) on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2025-26 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff ) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .  
Reply to the points raised by the Ld. Objector are furnished hereunder.
2. **Respondent's view /suggestion: Human Resource Expenses**

**TPNODL Reply:** The Ld objector has given a comparative figure of the expenses starting from 2010-11. This will not be out of place to mention here that, TPNODL has started operation with effect from 1.4.2021 in compliance to the Vesting order dated 25.3.2021 of Hon'ble OERC. The license issued to the earlier distribution license was revoked and TPNODL has been vested with the utility of NESCO with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers.



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As per OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, the applicant has submitted the required details in the prescribed format.

The employee cost projected is with only 3.6% hike over the approved quantum for FY 2024-25. So, the contention of the Ld. Objector that the proposed employee cost is very high is not true.

Further, for Truing –up of the previous financial year, the licensee has submitted before Hon’ble Commission Audited accounts for FY 23-24, which is also available in OERC as well as TPNODL website.

In compliance with the vesting order, TPNODL has submitted before Hon’ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon’ble Commission.

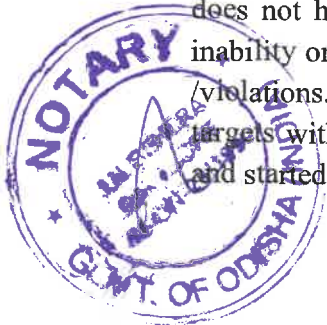
Inherited employee and CTC employee cost are being furnished separately as per the prescribed formats of Hon’ble Commission.

**3. Respondent’s view /suggestion: That TPNODL has projected Repair and Maintenance Expenses at Rs.321.45Cr for FY 25 against Rs.214.34Cr as approved by Commission to be spent during FY 24-25 ...**

**TPNODL Reply:** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon’ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

The audited financials of TPNODL for FY 24 as well as Half-yearly financials up to Sep’2024 for the FY 25 have been submitted before Hon’ble Commission. The annual audited financials for FY 24 is also a part of Truing up application of the licensee, which may please be referred for actual expenses.

The Ld Objector has given a comparative presentation of all the cost components year on year starting from 2010-11. Comparing the parameters with that of the erstwhile Utility does not have much relevance. The license of erstwhile DISCOM was revoked due to inability on its part to achieve the performance targets along with other non-achievements /violations. The license has been granted to the present applicant with certain performance targets with specified timelines. Accordingly, the licensee has prepared its plan of action and started its operation.



Pratik Kumar Mohanty



The projections of the licensee are required to be viewed in reference to its own performance. However, the detailed justification against each projection have been submitted by the applicant in its application alongwith the asset details under various Government funded schemes, which may please be referred.

4. **Respondent's view /suggestion: Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2024-25 or actual A&G Expenses or whichever is lower.**

**TPNODL Reply:** The details of the A&G expenses incurred and the justification against the cost components alongwith the achievements so far have been elaborated in the application of the licensee which may please be referred.

5. **Respondent's view /suggestion: Depreciation should not be allowed to be recovered on assets created out of Govt. grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not. The depreciation cost proposed by TPNODL for FY 2025-26.**

**TPNODL Reply:** Section 3.8 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022 stipulates the method of calculation of depreciation. In line with the provisions of the regulation, the depreciation calculation has been done and the details have been submitted in the application of the licensee which may please be referred.

6. **Respondent's view /suggestion: With drawl of 3 slab based graded incentive tariff have resulted in a tariff impact and the HT /EHT industries are suffering a lot and will encourage the HT /EHT industries to go for CGP or to avail cheaper power from exchange....**

**TPNODL Reply:** The three-graded slab applicable for HT/EHT consumers was only restructured. EHT and HT consumers are charged a tariff for consumption up to 60% Load factor and for consumption more than 60% Load factor a reduced tariff is applicable. The present applicable slab for HT/EHT consumers is furnished in the following table

**Slab rate of energy charges for HT & EHT (Paise/kVAh)**

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00



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The energy charges for HT and EHT consumers for consumption beyond 60% LF is 110 paise per unit less than that for consumption up to 60% LF.

Further Hon'ble Commission determines the tariff basing on the principle of higher rate of energy charge for supply at low voltage and gradual reduction in rate as the voltage level goes up. Hon'ble Commission has set energy charges at different voltage levels to reflect the cost of supply.

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The projection for the FY 2025-26 has been done based on the actual sales in the H1 of 2024-25 keeping in view the past trend and considering the EHT and HT sales of individual consumers and their plan of expansion. Materialization of industrial projects do have a definite gestation period and also requirement for checking the network availability. The licensee has considered individual consumer/prospective consumer wise load keeping in view their individual gestation period. Detailed information has been submitted in the application of the licensee.

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Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 10% raise per unit (KVAh) for all units consumed in excess of 80% load factor. And, if the approval of Hon'ble Commission for FY 2024-25 will be perused, the cross subsidy for

*Pratap Kumar Mohanty*



EHT consumers was 4.9%. This is very well within  $\pm 20\%$  of ACoS- in line with the mandate of the National Electricity Policy and Tariff Policy.

9. **Proposal for Load factor Rebate: ... For x% increase in load factor over and above 60%, the rebate shall be allowed at x%....**

**TPNODL Reply:** The method suggested by the Ld. Objector has not been substantiated with any justification for the method of incentive suggested and hence is devoid of any merit. The very motive of providing incentive is to encourage consumers to draw more power from the incumbent distribution licensee and the tariff setting is done by the Hon'ble Commission keeping in view the entire cross subsidy mechanism and the mandate of the National Electricity Policy and Tariff Policy

10. **Respondent's view /suggestion: TPNODL has given a proposal for the Annual Revenue Requirement of Rs.4650.44 Crs for FY 26 against approved of Rs.4022.79 Crs...Annual Revenue Requirement of TPNODL may be approved accordingly through a prudence check.**

**TPNODL Reply:** The licensee has projected the Revenue Requirement of Rs. 4650.44 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

Further, due to the reasons explained in the previous para, comparing the ARR of TPNODL with that of the erstwhile licensee since 2010-11 is not relevant.

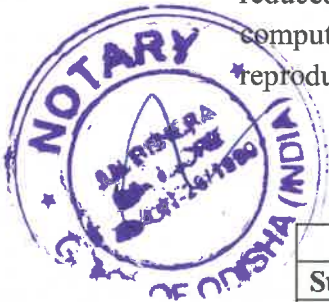
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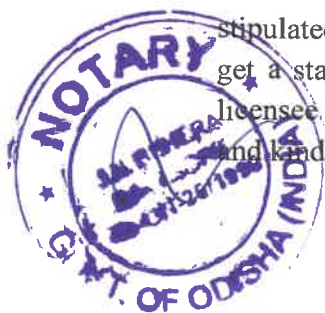
12. **Respondent's view /suggestion:** Reintroduction of DPS for LT Domestic, LT GP and HT Bulk Domestic consumers

**TPNODL Reply:** The observation of Hon'ble Commission for with drawl of this DPS provision was the levy of DPS will act as a hurdle for small consumers in resolving their billing dispute and the revenue impact is also not substantial.

However, it will be pertinent to mention here that the DPS provision will persuade the small consumers to pay in time. It will instil the culture of payment within due date in them. The aim of the licensee is not to levy DPS to those small consumers, but to regulate their payment habit with imposition of a deterrent. Without any deterrent, there is no binding on such consumers to pay the electricity bill in time.

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14. **Respondent's view /suggestion: TPNODL has suggested continuance of the Green Tariff from 20paise/unit. However, we suggest to reduce this to 10paise/unit....**

**TPNODL Reply:** In the present tariff of 20paise /unit, twenty-two numbers of consumers are already availing this facility.

Hence, to attract more consumers to avail green power and as a step towards environmental sustainability, the licensee has proposed for continuance of the benefit.

The Green Tariff applicable in other states is furnished in the following table:

State	Applicable Green Energy Tariff (Over & above the Normal Tariff)
Gujrat	Rs. 1.00 per kWh
Karnataka	Rs. 0.50 per kWh
Maharashtra	Rs. 0.66 per kWh
Uttar Pradesh	Rs. 0.36 per kWh
Madhya Pradesh	Rs. 0.56 per kWh

The Green Tariff applicable presently in our state is the lowest in comparison to the tariffs applicable in the above States. Therefore, there is no justification in the contention of the consumer in reducing the green tariff to 10 paisa /unit.

15. **Respondent's view /suggestion: Special Tariff for closed unit who want to re-open their unit in 2025-26**

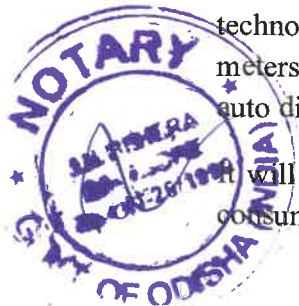
**TPNODL Reply:** The special rebate for closed unit who want to reopen their unit in 2025-26 has been proposed after a detail analysis and thorough study. Any further discount as proposed by the objector will affect the very purpose of the scheme.

16. **Respondent's view /suggestion: Revision of Reconnection charges with penalty clause**

**TPNODL Reply:** TPNODL has taken number of measures to bring in cutting edge technology and micro SCADA already implemented. The licensee has installed smart meters in around fifty thousand consumers, but yet to operate them in pre-paid mode with auto disconnection facility.

It will take substantial time to reach the stage of doing remote disconnection to all the consumers. This reconnection charge also acts as a deterrent in the process, along with

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covering the man hour and other ancillary charges for physical reconnection of power supply.

It is also pertinent to mention here that; the presently applicable reconnection charges have been fixed way back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

**17. Respondent's view /suggestion: Special tariff for existing industries who have no CGP for drawl of additional power beyond CD of 10 MVA**

**TPNODL Reply:** The modification to allow load reduction sought by the objector will affect the very purpose of the scheme. The proposal of DISCOMS is a win-win situation for both TPNODL and the consumer where the licensee will get an assured revenue and the consumer will avail some rebate. If the consumer will be allowed to reduce its load, the revenue of DISCOMS becomes unassured. Further under the scheme the consumer will get sufficient benefit. If the consumer wants to avail benefit in any other scheme, net revenue may become less than the cost of power.

**18. Respondent's view /suggestion: Assessment in case of theft of energy**

**TPNODL Reply:** The licensee has requested for allowing higher load factor while doing assessment in case of unauthorised abstraction of energy. The licensee has given detailed justification in its application with supporting calculation. A comparative of the LF applicable in other states for assessment is given hereunder:

State	Hours	Factor	Hours per day	Remarks (1 KW Load per year {2X (LXDXHXF)} (Kwh)
Chhattisgarh	24	40%	9.6	7008
West Bengal	12	50%	6	4380
Jharkhand	12	40%	4.8	3504
<b>Odisha</b>	<b>24</b>	<b>10%</b>	<b>2.4</b>	<b>1752</b>

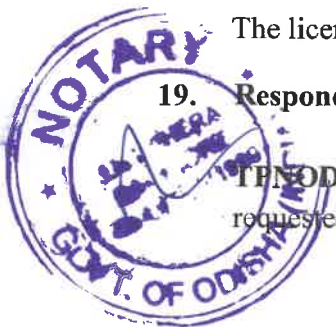
From the above, it is clear that, in our state, the LF considered is the lowest. However, it is once again clarified that, the licensee's proposal for the realistic load assessment is for the consumers who are involved in unauthorised abstraction of energy and creating burden on the licensee, and not to burden the genuine consumers.

The licensee will comply to every guideline that will be issued by Hon'ble Commission.

**19. Respondent's view /suggestion: Reduction in contract demand**

**TPNODL Reply:** The licence is following the regulation strictly. The objector is requested to provide specific instance where any consumer was denied to reduce its load

*Pratap Kumar Mohanty*



deviating provisions of Regulation for reduction of contract demand, to take appropriate action.

**20. Respondent's view /suggestion: Refund of excess Security Deposit as per OERC Code**

**TPNODL Reply:** There is no such provision of surcharge for delay in refund of excess deposit to the consumer in the Supply Code. The licensee is refunding excess SD to the consumers who are opting for refund. Most of the consumers are not opting for refund keeping in view their future expansion plans. Further, the issue pertains to Supply Code and not related to the ARR application of the licensee

**21. Respondent's view /suggestion: Security Deposit by means other than cash**

**TPNODL Reply:** The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

*“The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier”.*

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings

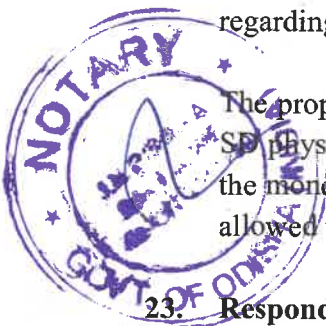
**22. Respondent's view /suggestion: Surcharge on late payment of Security Deposit Demand**

**TPNODL Reply:** TPNODL Reply: The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but to ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

**23. Respondent's view /suggestion: ToD Benefit**

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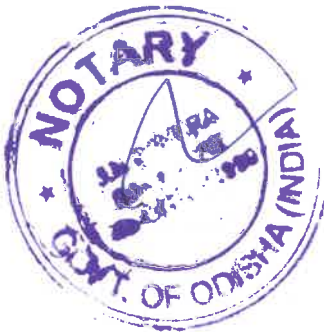


**TPNODL Reply:** ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @10Paise per unit for energy consumed during solar hours and a surcharge of 20 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak hours to no-peak hours. That is quite in concurrence with the contention of the Ld objector. But the licensee is not in agreement with the proposal of increasing the ToD benefit to 50paise. In place of that, in case the Ld. Objector feels the present provision is not sufficient to encourage balancing of drawl, then in place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

**24. Respondent's view /suggestion: Each Year Truing –up Exercise and Business Plan approval to be carried out through public hearing**

**TPNODL Reply:** As per the timelines stipulated in OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022, the licensee has submitted the Business Plan for the control period FY 2023-24 to FY 2027-28 and after hearing the Business plan of the licensee in a public hearing on dated 11.7.2023, Hon'ble Commission pronounced the Business Plan order on dated 14.9.2023. Truing up application for the previous year is being submitted by 30<sup>th</sup> November every year alongwith the audited financials before Hon'ble Commission for hearing and necessary approval.

**25. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred**



For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk Regulatory & Legal)**

**Cc to: The Utkal Chamber of Commerce & Industry Ltd.(UCCI), N-6, IRC Village, Nayapalli, Bhubaneswar-751015, [pwrtch@gmail.com](mailto:pwrtch@gmail.com), Phone-9437155337**



BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: M/s. Jindal Stainless Limited, Kalinganagar, Industrial Complex,  
Jajpur, Odisha-755026.

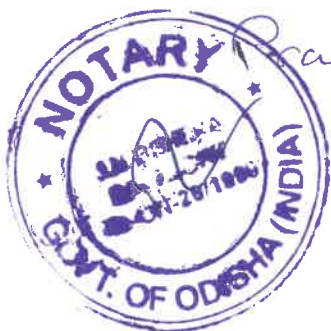
.....Respondent

**Rejoinder to the objection filed by M/s. Jindal Stainless Limited, Kalinganagar Industrial Complex on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2025-26 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .  
Reply to the points raised by the Ld. Objector are furnished hereunder.

2. **Tariff of EHT loads are increasing year over years**

**TPNODL Reply:** The comparative tariff of other state applicable to EHT industrial category is furnished in the below table. This can be noticed that the tariff applicable for EHT consumers in Odisha is much lesser than that of the other states.



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Category- Wise Average Tariff of neighboring state of Odisha			
Sr. No.	State	Category	Average Tariff (Rs. /kWh)
1	West Bengal	Commerical-33kV	8.53
		Industries-33kV	7.58
		Industries-132kV	7.12
2	Jharkhand	HT Services (33kV and above)	8.53
3	Chhattisgarh	Other Industries & General Purpose Non-Industrial	9.15
		Steel Industries	6.21
4	APSPDCL	Industry-33kV	7.46
		Industry-132kV	6.60
		Industry-220kV	6.56
5	APCPDCL	Industry-33kV	7.65
		Industry-132kV	7.49
6	APEPDCL	Industry-33kV	7.32
		Industry-132kV	6.83
		Industry-220kV	6.64
7	Odisha	EHT	6.30
		HT	6.47

3. The application for enhancement of load from 100 MVA to 162MVA is still pending at TPNODL.

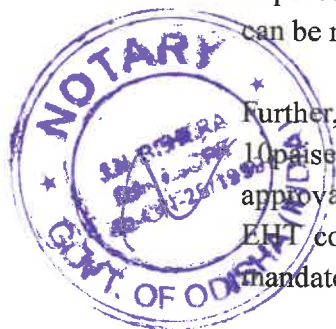
**TPNODL Reply:** JSL has applied for enhancement of load from 100MVA to 162MVA on 4<sup>th</sup> November,2024. On 7<sup>th</sup> November,2024, the application has been forwarded to ED, North Zone, OPTCL for necessary connectivity clearance and release of the additional 62MVA load. However, till date no response has been received from OPTCL.

4. Need for consumer category Mega steel Plant

**TPNODL Reply:** As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 10paise per unit (KVAh) for all units consumed in excess of 80% load factor. And, if the approval of Hon'ble Commission for FY 2024-25 will be perused, the cross subsidy for EHT consumers was 4.9%. This is very well within  $\pm 20\%$  of ACoS- in line with the mandate of the National Electricity Policy and Tariff Policy.

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5. **Proposal for Load factor Rebate: ... For x% increase in load factor over and above 60%, the rebate shall be allowed at x%....**

**TPNODL Reply:** The method suggested by the Ld. Objector has not been substantiated with any justification for the method of incentive suggested and hence is devoid of any merit. The very motive of providing incentive is to encourage consumers to draw more power from the incumbent distribution licensee and the tariff setting is done by the Hon'ble Commission keeping in view the entire cross subsidy mechanism and the mandate of the National Electricity Policy and Tariff Policy.

6. **Tariff Determination**

**TPNODL Reply:** As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within  $\pm 20\%$  of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within  $\pm 20\%$  of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

7. **Respondent's view /suggestion: Cross Subsidy Surcharge ought to be gradually reduced every year. This is laid down in Section 42 of the Electricity Act,2003 that a road map is to be made by this Hon'ble Commission for reduction of subsidies and the corresponding reduction in the amount of subsidies is to be reflected and implemented for the purposes of reduction of cross subsidy surcharge.....**

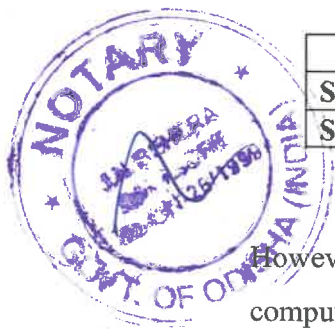
**TPNODL Reply:** The Ld Objector may refer to para 100 of RST order FY 25. The computed cross subsidy surcharge for DISCOMs have been given in table -27. In view of the mandate of Electricity Act'2003 under section 42, the cross subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-27 of RST order is reproduced hereunder:

**Table - 27**  
**Computed Surcharge for Open Access Consumer 1MW and above**  
**for FY 2024-25 (In paise / unit)**

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	232.86	197.86	167.86	347.86
Surcharge for HT Consumer	108.90	20.08	42.41	178.54

However, the approved charges for FY 24 as given under table 28 are done at 70% of the computed values. The table no. 28 is reproduced hereunder:

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**Table – 28**  
**Leviable Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY 2024-25**

Name of the licensee	Cross Subsidy Surcharge (paise/unit)		Wheeling Charge applicable to HT Consumers only (paise/unit)	Transmission Charges for Open access Customer
	EHT	HT		
TPCODL	163.00	76.23	101.46	The Open Access Customer availing Open Access shall pay Rs.5760/MW/Day (Rs.240/MWh) as Transmission charges
TPNODL	138.50	14.06	152.23	
TPWODL	117.50	29.69	97.30	
TPSODL	243.50	124.98	156.82	

8. **TPNODL has proposed that the consumers availing renewable power through open access shall have to pay the wheeling charges and cross subsidy charges as applicable to conventional consumers.**

**TPNODL Reply:** No such proposal has been given by TPNODL. Presently, the consumers availing renewable power are availing exemption as directed by Hon'ble Commission in line with Odisha Renewable Policy, 2022.

9. **Respondent's view /suggestion: Processing fees for providing services like change of name, category change, name correction, address correction, etc other than processing fees for new connection have been proposed by TPNODL. This will put domestic consumers under difficulty while for new connection, processing fee is Rs. 50/-, Rs.100/- for other services is not acceptable.**

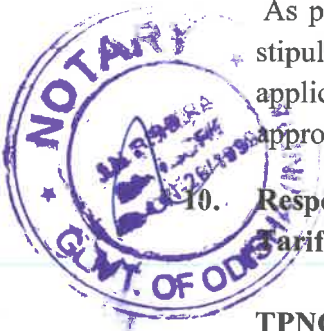
**TPNODL Reply:** As per Supply Code, for new connection processing fees has been stipulated by Hon'ble Commission, but for other activities, no fee has been approved. To get a standard processing fee for the other activities across all the four DISCOMs, the licensee has placed the matter before Hon'ble Commission for necessary consideration and kind approval.

As per Supply Code, for new connection processing fees for LT Single phase has been stipulated by Hon'ble Commission as Rs.50/-. The licensee has proposed for revising the applicable processing fees for new service connection from Rs.50/- to Rs.100/-, alongwith approving standard processing fees for other activities.

10. **Respondent's view /suggestion: TPNODL has suggested continuance of the Green Tariff from 20paise/unit. However, we suggest to reduce this to 10paise/unit....**

**TPNODL Reply:** In the present tariff of 20paise /unit, twenty-two numbers of consumers are already availing this facility.

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Hence, to attract more consumers to avail green power and as a step towards environmental sustainability, the licensee has proposed for continuance of the benefit.

The Green Tariff applicable in other states is furnished in the following table:

State	Applicable Green Energy Tariff (Over & above the Normal Tariff)
Gujrat	Rs. 1.00 per kWh
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Maharashtra	Rs. 0.66 per kWh
Uttar Pradesh	Rs. 0.36 per kWh
Madhya Pradesh	Rs. 0.56 per kWh

The Green Tariff applicable presently in our state is the lowest in comparison to the tariffs applicable in the above States. Therefore, there is no justification in the contention of the consumer in reducing the green tariff to 10 paise /unit.

Further, the consumer has mentioned about availing green power from TPNODL to meet its RPO requirement. This is to inform that, the CGPs are obligated entities and the licensee is also an obligated entity. Out of the RPO quantum of one obligated entity another obligated entity can not avail green power to meet its RPO requirement. The consumer had applied before Hon'ble OERC for the same and Hon'ble Commission has passed clear direction in the matter in case no-31 of 2024 order dated 25.6.2024.

**11. Refund of excess Security Deposit as per OERC Code.**

**TPNODL Reply:** There is no such provision of surcharge for delay in refund of excess deposit to the consumer in the Supply Code. The licensee is refunding excess SD to the consumers who are opting for refund. Most of the consumers are not opting for refund keeping in view their future expansion plans. Further, the issue pertains to Supply Code and not related to the ARR application of the licensee

**12. Payment of Security Deposit by means other than cash**

**TPNODL Reply:** The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

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Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any

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additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

**13. Respondent's view /suggestion: Surcharge on late payment of Security Deposit Demand**

**TPNODL Reply:** The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but to ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

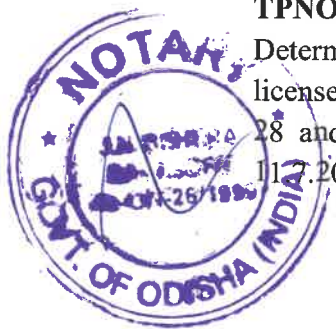
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**14. Respondent's view /suggestion: ToD Benefit**

**TPNODL Reply:** ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @10Paise per unit for energy consumed during solar hours and a surcharge of 20 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak hours to no-peak hours. That is quite in concurrence with the contention of the Ld objector. But the licensee is not in agreement with the proposal of increasing the ToD benefit to 50paise. In place of that, in case the Ld. Objector feels the present provision is not sufficient to encourage balancing of drawl, then in place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

**15. Respondent's view /suggestion: Each Year Truing –up Exercise and Business Plan approval to be carried out through public hearing**

**TPNODL Reply:** As per the timelines stipulated in of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, the licensee has submitted the Business Plan for the control period FY 2023-24 to FY 2027-28 and after hearing the Business plan of the licensee in a public hearing on dated 11.7.2023, Hon'ble Commission pronounced the Business Plan order on dated 14.9.2023



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Truing up application for the previous year is being submitted by 30<sup>th</sup> November every year alongwith the audited financials before Hon'ble Commission for hearing and necessary direction.

16. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred

For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*  
Sr. GM (Risk, Regulatory & Legal)



Cc to: M/s. Jindal Stainless Limited, Kalanganagar, Industrial Complex, Jajpur, Odisha-755026

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR .**

Case No. 95/2024

**IN THE MATTER OF:** TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

**IN THE MATTER OF:** North Odisha Chamber of Commerce and Industry(NOCCI),  
Ganeswarpur Industrial Estate, Januganj, Balsores-756019

.....Respondent

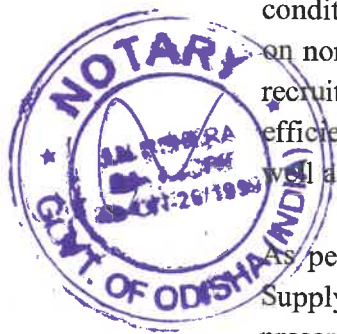
**Rejoinder to the objection filed by North Odisha Chamber of Commerce and Industry (NOCCI) on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2025-26 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff ) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004. Reply to the points raised by the Ld. Objector are furnished hereunder.
2. **Respondent's view /suggestion: Human Resource Expenses**

**TPNODL Reply:** The Ld objector has given a comparative figure of the expenses starting from 2010-11. This will not be out of place to mention here that, TPNODL has started operation with effect from 1.4.2021 in compliance to the Vesting order dated 25.3.2021 of Hon'ble OERC. The license issued to the earlier distribution license was revoked and TPNODL has been vested with the utility of NESCO with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers.

As per OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, the applicant has submitted the required details in the prescribed format.

*Pratap Kumar Mohanty*





The employee cost projected is with only 3.6% hike over the approved quantum for FY 2024-25. So, the contention of the Ld. Objector that the proposed employee cost is very high is not true.

Further, for Truing –up of the previous financial year, the licensee has submitted before Hon'ble Commission Audited accounts for FY 23-24, which is also available in OERC as well as TPNODL website.

In compliance with the vesting order, TPNODL has submitted before Hon'ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon'ble Commission.

Inherited employee and CTC employee cost are being furnished separately as per the prescribed formats of Hon'ble Commission.

**3. Respondent's view /suggestion: That TPNODL has projected Repair and Maintenance Expenses at Rs.321.45Crs for FY 25 against Rs.214.34Crs as approved by Commission to be spent during FY 24-25 ...**

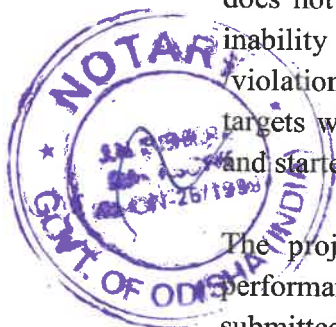
**TPNODL Reply:** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

The audited financials of TPNODL for FY 24 as well as Half-yearly financials up to Sep'2024 for the FY 25 have been submitted before Hon'ble Commission. The annual audited financials for FY 24 are also a part of Truing up application of the licensee, which may please be referred for actual expenses.

The Ld Objector has given a comparative presentation of all the cost components year on year starting from 2010-11. Comparing the parameters with that of the erstwhile Utility does not have much relevance. The license of erstwhile DISCOM was revoked due to inability on its part to achieve the performance targets along with other non-achievements /violations. The license has been granted to the present applicant with certain performance targets with specified timelines. Accordingly, the licensee has prepared its plan of action and started its operation.

The projections of the licensee are required to be viewed in reference to its own performance. However, the detailed justification against each projection have been submitted by the applicant in its application alongwith the asset details under various Government funded schemes, which may please be referred.

*Pratap Kumar Mohanty*



4. **Respondent's view /suggestion:** Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2024-25 or actual A&G Expenses or whichever is lower.

**TPNODL Reply:** The details of the A&G expenses incurred and the justification against the cost components alongwith the achievements so far have been elaborated in the application of the licensee which may please be referred.

5. **Respondent's view /suggestion:** Depreciation should not be allowed to be recovered on assets created out of Govt. grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not. The depreciation cost proposed by TPNODL for FY 2025-26.

**TPNODL Reply:** Section 3.8 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 stipulates the method of calculation of depreciation. In line with the provisions of the regulation, the depreciation calculation has been done and the details have been submitted in the application of the licensee which may please be referred.

5. **Respondent's view /suggestion:** TPNODL has given a proposal for the Annual Revenue Requirement of Rs.4650.44 Crs for FY 26 against approved of Rs.4022.79 Crs.. Annual Revenue Requirement of TPNODL may be approved accordingly through a prudence check.

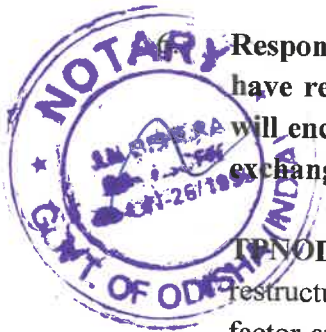
**TPNODL Reply:** The licensee has projected the Revenue Requirement of Rs. 4650.44 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

Further, due to the reasons explained in the previous para, comparing the ARR of TPNODL with that of the erstwhile licensee since 2010-11 is not relevant.

**Respondent's view /suggestion:** With drawl of 3 slab based graded incentive tariff have resulted in a tariff impact and the HT /EHT industries are suffering a lot and will encourage the HT /EHT industries to go for CGP or to avail cheaper power from exchange....

**TPNODL Reply:** The three-graded slab applicable for HT/EHT consumers was only restructured. EHT and HT consumers are charged a tariff for consumption up to 60% Load factor and for consumption more than 60% Load factor a reduced tariff is applicable. The present applicable slab for HT/EHT consumers is furnished in the following table

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**Slab rate of energy charges for HT & EHT (Paise/kVAh)**

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00

The energy charges for HT and EHT consumers for consumption beyond 60% LF is 110 paise per unit less than that for consumption up to 60% LF.

Further Hon'ble Commission determines the tariff basing on the principle of higher rate of energy charge for supply at low voltage and gradual reduction in rate as the voltage level goes up. Hon'ble Commission has set energy charges at different voltage levels to reflect the cost of supply.

Hon'ble Commission has already given justification for reduction of graded slab from three to two applicable for HT/EHT consumers.

The tariff applicable for the category is relevant, the slabs are applicable for encouraging the consumers to avail power at higher load factor and the same persists in the present structure of two slab tariff also. Therefore, the proposal of the objector is not acceptable.

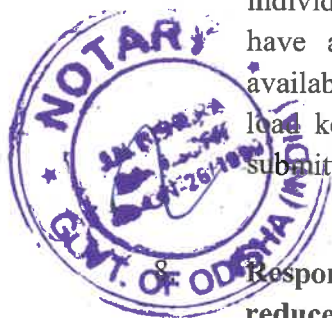
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**TPNODL Reply:** For projecting the consumption under different categories, TPNODL has analysed and relied on the past trends of consumption pattern for last ten years and actual sales data for the first six months of FY 2024-25, actual addition/reduction of loads and other factors like increasing drawl of power through open access.

The projection for the FY 2025-26 has been done based on the actual sales in the H1 of 2024-25 keeping in view the past trend and considering the EHT and HT sales of individual consumers and their plan of expansion. Materialization of industrial projects do have a definite gestation period and also requirement for checking the network availability. The licensee has considered individual consumer/prospective consumer wise load keeping in view their individual gestation period. Detailed information has been submitted in the application of the licensee.

**Respondent's view /suggestion: Cross Subsidy Surcharge ought to be gradually reduced every year. This is laid down in Section 42 of the Electricity Act,2003 that a road map is to be made by this Hon'ble Commission for reduction of subsidies and the corresponding reduction in the amount of subsidies is to be reflected and implemented for the purposes of reduction of cross subsidy surcharge.....**

*Pratap Kumar Mohanty*



**TPNODL Reply:** The Ld Objector may refer to para 100 of RST order FY 25. The computed cross subsidy surcharge for DISCOMs have been given in table -27. In view of the mandate of Electricity Act'2003 under section 42, the cross subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-27 of RST order is reproduced hereunder:

**Table – 27**  
**Computed Surcharge for Open Access Consumer 1MW and above**  
**for FY 2024-25 (In paise / unit)**

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	232.86	197.86	167.86	347.86
Surcharge for HT Consumer	108.90	20.08	42.41	178.54

However, the approved charges for FY 24 as given under table 28 are done at 70% of the computed values. The table no. 28 is reproduced hereunder:

**Table – 28**  
**Leviable Surcharge, Wheeling Charge and Transmission Charge for Open Access**  
**Consumer(s) of 1MW and above for FY 2024-25**

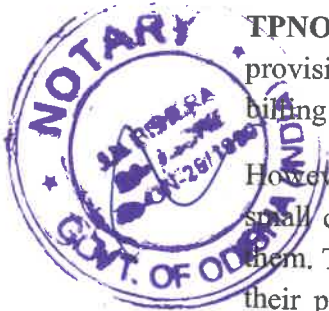
Name of the licensee	Cross Subsidy Surcharge (paise/unit)		Wheeling Charge applicable to HT Consumers only (paise/unit)	Transmission Charges for Open access Customer
	EHT	HT		
TPCODL	163.00	76.23	101.46	The Open Access Customer availing Open Access shall pay Rs.5760/MW/Day (Rs.240/MWh) as Transmission charges
TPNODL	138.50	14.06	152.23	
TPWODL	117.50	29.69	97.30	
TPSODL	243.50	124.98	156.82	

**9. Respondent's view /suggestion: Reintroduction of DPS for LT Domestic, LT GP and HT Bulk Domestic consumers**

**TPNODL Reply:** The observation of Hon'ble Commission for with drawl of this DPS provision was the levy of DPS will act as a hurdle for small consumers in resolving their billing dispute and the revenue impact is also not substantial.

However, it will be pertinent to mention here that the DPS provision will persuade the small consumers to pay in time. It will instil the culture of payment within due date in them. The aim of the licensee is not to levy DPS to those small consumers, but to regulate their payment habit with imposition of a deterrent. Without any deterrent, there is no binding on such consumers to pay the electricity bill in time.

*Pratap Kumar Mohanty*



10. **Respondent's view /suggestion: Proposal to allow pro-rata billing should not be approved.**

**TPNODL Reply:** The detailed justification for the licensee's request of pro-rata billing has been given in the application of the licensee.

The licensee is working towards achieving the norms of regulation under normal conditions. However, uncontrollable climatic conditions such as Kalbaisakhi, monsoons, flood and extremely high temperature during summer months beset Odisha regularly, which affect the normal meter reading cycles.

Therefore, the licensee has requested for permitting pro-rata adjustment of slabs based on actual days of billing vis-à-vis the standard norm of 30 days to ensure that the consumer gets full slab benefit under all actual billing period scenarios.

11. **Respondent's view /suggestion: TPNODL has proposed that, consumers availing renewable power through open access shall have to pay wheeling charges and cross subsidy surcharge as applicable to consumers availing conventional power for FY 25-26.**

**TPNODL Reply:** The contention of the Ld. Objector that the licensee has proposed that consumers availing renewable power through open access shall have to pay wheeling charges and cross subsidy surcharge as applicable to consumers availing conventional power for FY 25-26 is not correct. The licensee has not made any such proposal.

12. **Respondent's view /suggestion: Processing fees for providing services like change of name, category change, name correction, address correction, etc other than processing fees for new connection have been proposed by TPNODL. This will put domestic consumers under difficulty while for new connection, processing fee is Rs. 50/-, Rs.100/- for other services is not acceptable.**

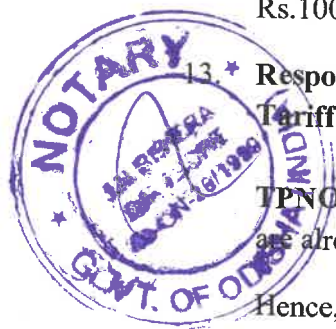
**TPNODL Reply:** As per Supply Code, for new connection processing fees for LT Single phase has been stipulated by Hon'ble Commission as Rs.50/-. The licensee has proposed for revising the applicable processing fees for new service connection from Rs.50/- to Rs.100/-, along with approving standard processing fees for other activities.

13. **Respondent's view /suggestion: TPNODL has suggested continuance of the Green Tariff from 20paise/unit. However, we suggest to reduce this to 10paise/unit....**

**TPNODL Reply:** In the present tariff of 20paise /unit, twenty-two numbers of consumers are already availing this facility.

Hence, to attract more consumers to avail green power and as a step towards environmental sustainability, the licensee has proposed for continuance of the benefit.

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The Green Tariff applicable in other states is furnished in the following table:

State	Applicable Green Energy Tariff (Over & above the Normal Tariff)
Gujrat	Rs. 1.00 per kWh
Karnataka	Rs. 0.50 per kWh
Maharashtra	Rs. 0.66 per kWh
Uttar Pradesh	Rs. 0.36 per kWh
Madhya Pradesh	Rs. 0.56 per kWh

The Green Tariff applicable presently in our state is the lowest in comparison to the tariffs applicable in the above States. Therefore, there is no justification in the contention of the consumer in reducing the green tariff to 10 paise /unit.

14. **Respondent's view /suggestion: Special Tariff for closed unit who want to re-open their unit in 2025-26**

**TPNODL Reply:** The special rebate for closed unit who want to reopen their unit in 2025-26 has been proposed after a detail analysis and thorough study. Any further discount as proposed by the objector will affect the very purpose of the scheme.

15. **Respondent's view /suggestion: Revision of Reconnection charges with penalty clause**

**TPNODL Reply:** TPNODL has taken number of measures to bring in cutting edge technology and micro SCADA already implemented. The licensee has installed smart meters in around fifty thousand consumers, but yet to operate them in pre-paid mode with auto disconnection facility.

It will take substantial time to reach the stage of doing remote disconnection to all the consumers. This reconnection charge also acts as a deterrent in the process, along with covering the man hour and other ancillary charges for physical reconnection of power supply.

It is also pertinent to mention here that; the presently applicable reconnection charges have been fixed way back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

16. **Respondent's view /suggestion: Special tariff for existing industries who have no CGP for draw of additional power beyond CD of 10 MVA**

**TPNODL Reply:** The modification to allow load reduction sought by the objector will affect the very purpose of the scheme. The proposal of DISCOMS is a win-win situation for both TPNODL and the consumer where the licensee will get an assured revenue and the consumer will avail some rebate. If the consumer will be allowed to reduce its load,

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the revenue of DISCOMS becomes unassured. Further under the scheme the consumer will get sufficient benefit. If the consumer wants to avail benefit in any other scheme, net revenue may become less than the cost of power.

17. **Respondent's view /suggestion: Assessment in case of theft of energy**

**TPNODL Reply:** The licensee has requested for allowing higher load factor while doing assessment in case of unauthorised abstraction of energy. The licensee has given detailed justification in its application with supporting calculation. A comparative of the LF applicable in other states for assessment is given hereunder:

State	Hours	Factor	Hours per day	Remarks (1 KW Load per year {2X (LXDHXF)} (Kwh)
Chhattisgarh	24	40%	9.6	7008
West Bengal	12	50%	6	4380
Jharkhand	12	40%	4.8	3504
<b>Odisha</b>	<b>24</b>	<b>10%</b>	<b>2.4</b>	<b>1752</b>

From the above, it is clear that, in our state, the LF considered is the lowest. However, it is once again clarified that, the licensee's proposal for the realistic load assessment is for the consumers who are involved in unauthorised abstraction of energy and creating burden on the licensee, and not to burden the genuine consumers.

The licensee will comply to every guideline that will be issued by Hon'ble Commission.

18. **Respondent's view /suggestion: Reduction in contract demand**

**TPNODL Reply:** The licence is following the regulation strictly. The objector is requested to provide specific instance where any consumer was denied to reduce its load deviating provisions of Regulation for reduction of contract demand, to take appropriate action.

19. **Respondent's view /suggestion: ToD Benefit**

**TPNODL Reply:** ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @10Paise per unit for energy consumed during solar hours and a surcharge of 20 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak hours to no-peak hours. That is quite in concurrence with the contention of the Ld objector. But the licensee is not in agreement with the proposal of increasing the ToD benefit to 50paise. In place of that, in case the Ld. Objector feels the present provision is not sufficient to encourage balancing of drawl, then in place of

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increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

20. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred.



For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty.*

**Sr. GM (Risk Regulatory & Legal)**

**C.C. to:** North Odisha Chamber of Commerce and Industry (NOCCI), Ganeswarpur Industrial Estate, Januganj, Balesore-756019, Phone- 06782-224273/240287, email-[info@nocci.in](mailto:info@nocci.in)



**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR**

Case No. 95/2024

**IN THE MATTER OF:** TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.  
.....Applicant

AND

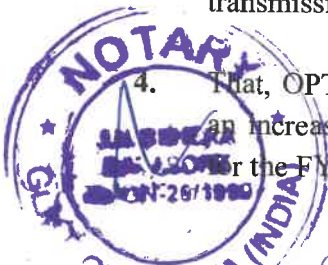
**IN THE MATTER OF:** Odisha Power Transmission Corporation Limited, Janpath,  
Bhubaneswar-751022.

.....Respondent

**Rejoinder to the objection filed by M/s Odisha Power Transmission Corporation Limited (OPTCL), on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.
2. That, OPTCL has filed an application for approval of Aggregate Revenue Requirement and Transmission Tariff for the Year 2025-26 under Section 62, 64 and all other applicable provisions of the Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business) Regulations, 2004 OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 and other tariff related matters of ARR for FY 2025-26 in the present application which has been registered as case no. 93/2024.
3. That, OPTCL has proposed to recover ARR amount of Rs. 1398.71 Cr. from LTOA customers including DISCOMs. OPTCL has proposed that Rs. 1374.55 Cr. to be recovered from DISCOMs for transmission of 38097.40 MU energy @ 36.08 P/U as transmission charges in the FY 2025-26.

4. That, OPTCL has proposed ARR of Rs. 1398.71 Crs for the ensuing financial year with an increase of around 53% over the approval of Hon'ble Commission of Rs.913.76 Crs for the FY 2024-25.



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5. The existing Transmission charge approved for FY 2024-25 is 24 paise per unit. TPNODL has calculated the power purchase expenses considering transmission charge 24 paise per unit. The petitioner has proposed for a hike of 50% in the transmission charge per unit in the ensuing year. That will increase the power purchase cost and so also the revenue requirement of the licensee by additional Rs. 105.33.76 Crs. and will affect the tariff by around 14 paise per unit which will be a substantial burden to the consumers.
6. Therefore, Hon'ble Commission is requested to decide the matter keeping in view the interest of the consumers of the state.
7. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred.

For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**



**C.C. to: Odisha Power Transmission Corporation Limited, Janpath, Bhubaneswar-751022.**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR**

Case No. 95/2024

**IN THE MATTER OF:** TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

**IN THE MATTER OF:** M/s. Visa Steel Limited, Kalinganagar Industrial Complex, At/Po-  
Jakhpura, Dist-Jajpur, Odisha-755026, [Email-dr.dash@visasteel.com](mailto:dr.dash@visasteel.com),  
Mobile -9777958822

.....Respondent

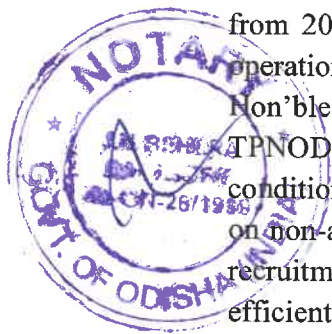
**Rejoinder to the objection filed by M/s Visa Steel Limited on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2025-26 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .  
Reply to the points raised by the Ld. Objector are furnished hereunder.

**2. Respondent's view /suggestion: Human Resource Expenses**

**TPNODL Reply:** The Ld objector has given a comparative figure of the expenses starting from 2010-11. This will not be out of place to mention here that, TPNODL has started operation with effect from 1.4.2021 in compliance to the Vesting order dated 25.3.2021 of Hon'ble OERC. The license issued to the earlier distribution license was revoked and TPNODL has been vested with the utility of NESCO with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers.

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As per OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, the applicant has submitted the required details in the prescribed format.

The employee cost projected is with only 3.6% hike over the approved quantum for FY 2024-25. So, the contention of the Ld. Objector that the proposed employee cost is very high is not true.

Further, for Truing –up of the previous financial year, the licensee has submitted before Hon'ble Commission Audited accounts for FY 23-24, which is also available in OERC as well as TPNODL website.

In compliance with the vesting order, TPNODL has submitted before Hon'ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon'ble Commission.

Inherited employee and CTC employee cost are being furnished separately as per the prescribed formats of Hon'ble Commission.

3. **Respondent's view /suggestion: That TPNODL has projected Repair and Maintenance Expenses at Rs.321.45Cr for FY 25 against Rs.214.34Cr as approved by Commission to be spent during FY 2024-25.**

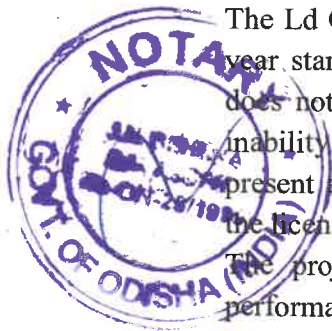
**TPNODL Reply:** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

The audited financials of TPNODL for FY 24 as well as Half-yearly financials up to Sep'2024 for the FY 25 have been submitted before Hon'ble Commission. The annual audited financials for FY 24 is also a part of Truing up application of the licensee, which may please be referred for actual expenses.

The Ld Objector has given a comparative presentation of all the cost components year on year starting from 2010-11. Comparing the parameters with that of the erstwhile Utility does not have much relevance. The license of erstwhile DISCOM was revoked due to inability on its part to achieve the performance targets. The license has been granted to the present applicant with certain performance targets with specified timelines. Accordingly, the licensee has prepared its plan of action and started its operation.

The projections of the licensee are required to be viewed in reference to its own performance. However, the detailed justification against each projection have been submitted by the applicant in its application alongwith the asset details under various Government funded schemes, which may please be referred.

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4. **Respondent's view /suggestion: Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2024-25 or actual A&G Expenses or whichever is lower.**

**TPNODL Reply:** The details of the A&G expenses incurred and the justification against the cost components alongwith the achievements so far have been elaborated in the application of the licensee which may please be referred.

5. **Respondent's view /suggestion: Depreciation should not be allowed to be recovered on assets created out of Govt. grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not. The depreciation cost proposed by TPNODL for FY 2025-26.**

**TPNODL Reply:** Section 3.8 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022 stipulates the method of calculation of depreciation. In line with the provisions of the regulation, the depreciation calculation has been done and the details have been submitted in the application of the licensee which may please be referred.

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**TPNODL Reply:** The licensee has projected the Revenue Requirement of Rs. 4650.44 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

Further, due to the reasons explained in the previous para, comparing the ARR of TPNODL with that of the erstwhile licensee since 2010-11 is not relevant.

7. **Respondent's view /suggestion: Projection of EHT, HT and LT sales – We request Hon'ble Commission to carry out a prudent check of LT sales projection data as TPNODL has projected a very high figure of LT sales. TPNODL needs to give enough justification for LT sales with actual sales pattern for at least last 12years.**

**TPNODL Reply:** For projecting the consumption under different categories, TPNODL has analysed and relied on the past trends of consumption pattern for last ten years and actual sales data for the first six months of FY 2024-25, actual addition/reduction of loads and other factors like increasing drawl of power through open access.

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The projection for the FY 2025-26 has been done based on the actual sales in the H1 of 2024-25 keeping in view the past trend and considering the EHT and HT sales of individual consumers and their plan of expansion. Materialization of industrial projects do have a definite gestation period and also requirement for checking the network availability. The licensee has considered individual consumer/prospective consumer wise load keeping in view their individual gestation period. Detailed information has been submitted in the application of the licensee.

## 8. Tariff Determination

**TPNODL Reply:** As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within  $\pm 20\%$  of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within  $\pm 20\%$  of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

9. **Respondent's view /suggestion:** Cross Subsidy Surcharge ought to be gradually reduced every year. This is laid down in Section 42 of the Electricity Act, 2003 that a road map is to be made by this Hon'ble Commission for reduction of subsidies and the corresponding reduction in the amount of subsidies is to be reflected and implemented for the purposes of reduction of cross subsidy surcharge.....

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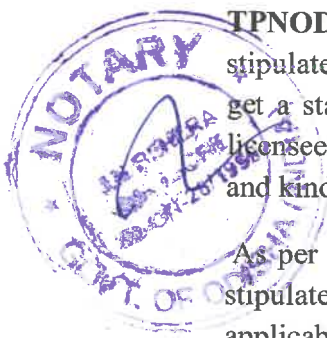
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Therefore, the licensee has requested for permitting pro-rata adjustment of slabs based on actual days of billing vis-à-vis the standard norm of 30 days to ensure that the consumer gets full slab benefit under all actual billing period scenarios.

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**TPNODL Reply:** As per Supply Code, for new connection processing fees has been stipulated by Hon'ble Commission, but for other activities, no fee has been approved. To get a standard processing fee for the other activities across all the four DISCOMs, the licensee has placed the matter before Hon'ble Commission for necessary consideration and kind approval.

As per Supply Code, for new connection processing fees for LT Single phase has been stipulated by Hon'ble Commission as Rs.50/-. The licensee has proposed for revising the applicable processing fees for new service connection from Rs.50/- to Rs.100/-, alongwith approving standard processing fees for other activities.



*Pratap Kumar Mohanty*

12. **Respondent's view /suggestion: TPNODL has suggested continuance of the Green Tariff from 20paise/unit. However, we suggest to reduce this to 10paise/unit....**

**TPNODL Reply:** In the present tariff of 20paise /unit, twenty-two numbers of consumers are already availing this facility.

Hence, to attract more consumers to avail green power and as a step towards environmental sustainability, the licensee has proposed for continuance of the benefit.

The Green Tariff applicable in other states is furnished in the following table:

State	Applicable Green Energy Tariff (Over & above the Normal Tariff)
Gujrat	Rs. 1.00 per kWh
Karnataka	Rs. 0.50 per kWh
Maharashtra	Rs. 0.66 per kWh
Uttar Pradesh	Rs. 0.36 per kWh
Madhya Pradesh	Rs. 0.56 per kWh

The Green Tariff applicable presently in our state is the lowest in comparison to the tariffs applicable in the above States. Therefore, there is no justification in the contention of the consumer in reducing the green tariff to 10 paise /unit.

13. **Respondent's view /suggestion: Special Tariff for closed unit who want to re-open their unit in 2025-26**

**TPNODL Reply:** The special rebate for closed unit who want to reopen their unit in 2025-26 has been proposed after a detail analysis and thorough study. Any further discount as proposed by the objector will affect the very purpose of the scheme.

14. **Respondent's view /suggestion: Revision of Reconnection charges with penalty clause**

**TPNODL Reply:** TPNODL has taken number of measures to bring in cutting edge technology and micro SCADA already implemented. The licensee has installed smart meters in around fifty thousand consumers, but yet to operate them in pre-paid mode with auto disconnection facility.

It will take substantial time to reach the stage of doing remote disconnection to all the consumers. This reconnection charge also acts as a deterrent in the process, along with covering the man hour and other ancillary charges for physical reconnection of power supply.



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It is also pertinent to mention here that; the presently applicable reconnection charges have been fixed way back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

**15. Respondent's view /suggestion: Special tariff for existing industries who have no CGP for drawl of additional power beyond CD of 10 MVA**

**TPNODL Reply:** The modification to allow load reduction sought by the objector will affect the very purpose of the scheme. The proposal of DISCOMS is a win-win situation for both TPNODL and the consumer where the licensee will get an assured revenue and the consumer will avail some rebate. If the consumer will be allowed to reduce its load, the revenue of DISCOMS becomes unassured. Further under the scheme the consumer will get sufficient benefit. If the consumer wants to avail benefit in any other scheme, net revenue may become less than the cost of power.

**16. Respondent's view /suggestion: Assessment in case of theft of energy**

**TPNODL Reply:** The licensee has requested for allowing higher load factor while doing assessment in case of unauthorised abstraction of energy. The licensee has given detailed justification in its application with supporting calculation. A comparative of the LF applicable in other states for assessment is given hereunder:

State	Hours	Factor	Hours per day	Remarks (1 KW Load per year {2X (LXDXHXF)} (Kwh)
Chhattisgarh	24	40%	9.6	7008
West Bengal	12	50%	6	4380
Jharkhand	12	40%	4.8	3504
<b>Odisha</b>	<b>24</b>	<b>10%</b>	<b>2.4</b>	<b>1752</b>

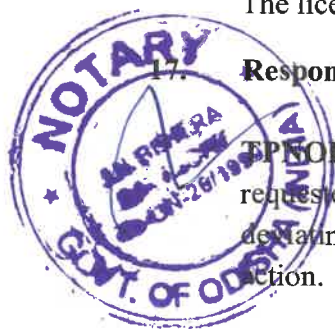
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The licensee will comply to every guideline that will be issued by Hon'ble Commission.

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**TPNODL Reply:** The licence is following the regulation strictly. The objector is requested to provide specific instance where any consumer was denied to reduce its load denoting provisions of Regulation for reduction of contract demand, to take appropriate action.

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**19. Respondent's view /suggestion: Each Year Truing –up Exercise and Business Plan approval to be carried out through public hearing**

**TPNODL Reply:** As per the timelines stipulated in OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022, the licensee has submitted the Business Plan for the control period FY 2023-24 to FY 2027-28 and after hearing the Business plan of the licensee in a public hearing on dated 11.7.2023, Hon'ble Commission pronounced the Business Plan order on dated 14.9.2023 Truing up application for the previous year is being submitted by 30<sup>th</sup> November every year alongwith the audited financials before Hon'ble Commission for hearing and necessary approval.

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For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**

**Cc to: M/s. Visa Steel Limited, Kalinganagar Industrial Complex, At/Po-Jakhpura, Dist-Jajpur, Odisha-755026, [Email-dr.dash@visasteel.com](mailto:dr.dash@visasteel.com), Mobile -9777958822**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: M/s. Tata Steel Limited, Kalinganagar Industrial Complex, Duburi, JK  
Road, Dist-Jajpur-755026.

.....Respondent

Rejoinder to the objection filed by M/s. Tata Steel Limited, Kalinganagar Industrial  
Complex on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff  
Application filed by TPNODL for the FY 2025-26

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2025-26 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff ) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .  
Reply to the points raised by the Ld. Objector are furnished hereunder.

**2. Respondent's view /suggestion: Human Resource Expenses**

**TPNODL Reply:** The Ld objector has given a comparative figure of the expenses starting from 2010-11. This will not be out of place to mention here that, TPNODL has started operation with effect from 1.4.2021 in compliance to the Vesting order dated 25.3.2021 of Hon'ble OERC. The license issued to the earlier distribution license was revoked and TPNODL has been vested with the utility of NESCO with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers.

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As per OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, the applicant has submitted the required details in the prescribed format.

The employee cost projected is with only 3.6% hike over the approved quantum for FY 2024-25. So, the contention of the Ld. Objector that the proposed employee cost is very high is not true.

Further, for Truing –up of the previous financial year, the licensee has submitted before Hon'ble Commission Audited accounts for FY 23-24, which is also available in OERC as well as TPNODL website.

In compliance with the vesting order, TPNODL has submitted before Hon'ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon'ble Commission.

Inherited employee and CTC employee cost are being furnished separately as per the prescribed formats of Hon'ble Commission.

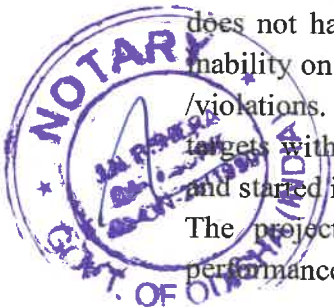
**3. Respondent's view /suggestion: That TPNODL has projected Repair and Maintenance Expenses at Rs.321.45Cr for FY 25 against Rs.214.34Cr as approved by Commission to be spent during FY 23-24 ...**

**TPNODL Reply:** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

The audited financials of TPNODL for FY 24 as well as Half-yearly financials up to Sep'2024 for the FY 25 have been submitted before Hon'ble Commission. The annual audited financials for FY 24 is also a part of Truing up application of the licensee, which may please be referred for actual expenses.

The Ld Objector has given a comparative presentation of all the cost components year on year starting from 2010-11. Comparing the parameters with that of the erstwhile Utility does not have much relevance. The license of erstwhile DISCOM was revoked due to inability on its part to achieve the performance targets along with other non-achievements /violations. The license has been granted to the present applicant with certain performance targets with specified timelines. Accordingly, the licensee has prepared its plan of action and started its operation.

The projections of the licensee are required to be viewed in reference to its own performance. However, the detailed justification against each projection have been



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submitted by the applicant in its application alongwith the asset details under various Government funded schemes, which may please be referred.

4. **Respondent's view /suggestion: Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2024-25 or actual A&G Expenses or whichever is lower.**

**TPNODL Reply:** The details of the A&G expenses incurred and the justification against the cost components alongwith the achievements so far have been elaborated in the application of the licensee which may please be referred.

5. **Respondent's view /suggestion: Depreciation should not be allowed to be recovered on assets created out of Govt. grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not. The depreciation cost proposed by TPNODL for FY 2025-26.**

**TPNODL Reply:** Section 3.8 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022 stipulates the method of calculation of depreciation. In line with the provisions of the regulation, the depreciation calculation has been done and the details have been submitted in the application of the licensee which may please be referred.

6. **Respondent's view /suggestion: TPNODL has given a proposal for the Annual Revenue Requirement of Rs.4650.44 Crs for FY 26 against approved of Rs.4022.79 Crs...Annual Revenue Requirement of TPNODL may be approved accordingly through a prudence check.**

**TPNODL Reply:** The licensee has projected the Revenue Requirement of Rs. 4650.44 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

Further, due to the reasons explained in the previous para, comparing the ARR of TPNODL with that of the erstwhile licensee since 2010-11 is not relevant.

7. **Respondent's view /suggestion: With drawl of 3 slab based graded incentive tariff have resulted in a tariff impact and the HT /EHT industries are suffering a lot and will encourage the HT /EHT industries to go for CGP or to avail cheaper power from exchange....**

**TPNODL Reply:** The three-graded slab applicable for HT/EHT consumers was only restructured. EHT and HT consumers are charged a tariff for consumption up to 60% Load factor and for consumption more than 60% Load factor a reduced tariff is

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applicable. The present applicable slab for HT/EHT consumers is furnished in the following table

**Slab rate of energy charges for HT & EHT (Paise/kVAh)**

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00

The energy charges for HT and EHT consumers for consumption beyond 60% LF is 110 paise per unit less than that for consumption up to 60% LF.

Further Hon'ble Commission determines the tariff basing on the principle of higher rate of energy charge for supply at low voltage and gradual reduction in rate as the voltage level goes up. Hon'ble Commission has set energy charges at different voltage levels to reflect the cost of supply.

Hon'ble Commission has already given justification for reduction of graded slab from three to two applicable for HT/EHT consumers.

The tariff applicable for the category is relevant, the slabs are applicable for encouraging the consumers to avail power at higher load factor and the same persists in the present structure of two slab tariff also. Therefore, the proposal of the objector is not acceptable.

8. **Respondent's view /suggestion: Projection of EHT, HT and LT sales – We request Hon'ble Commission to carry out a prudent check of LT sales projection data as TPNODL has projected a very high figure of LT sales. TPNODL needs to give enough justification for LT sales with actual sales pattern for atleast last 12years.**

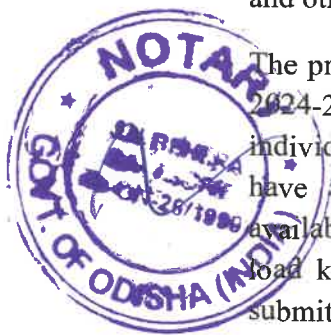
**TPNODL Reply:** For projecting the consumption under different categories, TPNODL has analysed and relied on the past trends of consumption pattern for last ten years and actual sales data for the first six months of FY 2024-25, actual addition/reduction of loads and other factors like increasing drawl of power through open access.

The projection for the FY 2025-26 has been done based on the actual sales in the H1 of 2024-25 keeping in view the past trend and considering the EHT and HT sales of individual consumers and their plan of expansion. Materialization of industrial projects do have a definite gestation period and also requirement for checking the network availability. The licensee has considered individual consumer/prospective consumer wise load keeping in view their individual gestation period. Detailed information has been submitted in the application of the licensee.

9. **Need for consumer category Mega steel Plant**

**TPNODL Reply:** As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher

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drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 10paise per unit (KVAh) for all units consumed in excess of 80% load factor. And, if the approval of Hon'ble Commission for FY 2024-25 will be perused, the cross subsidy for EHT consumers was 4.9%. This is very well within  $\pm 20\%$  of ACoS- in line with the mandate of the National Electricity Policy and Tariff Policy.

**10. Proposal for Load factor Rebate: ... For x% increase in load factor over and above 60%, the rebate shall be allowed at x%....**

**TPNODL Reply:** The method suggested by the Ld. Objector has not been substantiated with any justification for the method of incentive suggested and hence is devoid of any merit. The very motive of providing incentive is to encourage consumers to drawl more power from the incumbent distribution licensee and the tariff setting is done by the Hon'ble Commission keeping in view the entire cross subsidy mechanism and the mandate of the National Electricity Policy and Tariff Policy

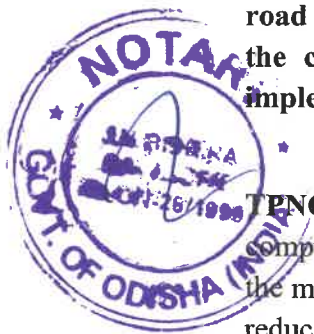
**11. Tariff Determination**

**TPNODL Reply:** As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within  $\pm 20\%$  of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within  $\pm 20\%$  of the ACoS. Further , the tariff ois set with an endeavour to reduce the cross subsidy over the years also.

**12. Respondent's view /suggestion: Cross Subsidy Surcharge ought to be gradually reduced every year. This is laid down in Section 42 of the Electricity Act,2003 that a road map is to be made by this Hon'ble Commission for reduction of subsidies and the corresponding reduction in the amount of subsidies is to be reflected and implemented for the purposes of reduction of cross subsidy surcharge.....**

**TPNODL Reply:** The Ld Objector may refer to para 100 of RST order FY 25. The computed cross subsidy surcharge for DISCOMs have been given in table -27. In view of the mandate of Electricity Act'2003 under section 42, the cross subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-27 of RST order is reproduced hereunder:

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**Table – 27**  
**Computed Surcharge for Open Access Consumer 1MW and above**  
**for FY 2024-25 (In paise / unit)**

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	232.86	197.86	167.86	347.86
Surcharge for HT Consumer	108.90	20.08	42.41	178.54

However, the approved charges for FY 24 as given under table 28 are done at 70% of the computed values. The table no. 28 is reproduced hereunder:

**Table – 28**  
**Leviable Surcharge, Wheeling Charge and Transmission Charge for Open Access**  
**Consumer(s) of 1MW and above for FY 2024-25**

Name of the licensee	Cross Subsidy Surcharge (paise/unit)		Wheeling Charge applicable to HT Consumers only (paise/unit)	Transmission Charges for Open access Customer
	EHT	HT		
TPCODL	163.00	76.23	101.46	The Open Access Customer availing Open Access shall pay Rs.5760/MW/Day (Rs.240/MWh) as Transmission charges
TPNODL	138.50	14.06	152.23	
TPWODL	117.50	29.69	97.30	
TPSODL	243.50	124.98	156.82	

13. **Respondent's view /suggestion: Proposal to allow pro-rata billing should not be approved.**

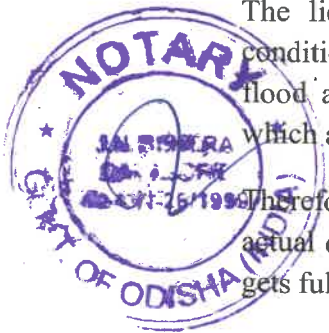
**TPNODL Reply:** The detailed justification for the licensee's request of pro-rata billing has been given in the application of the licensee.

The licensee is working towards achieving the norms of regulation under normal conditions. However, uncontrollable climatic conditions such as Kalbaisakhi, monsoons, flood and extremely high temperature during summer months beset Odisha regularly, which affect the normal meter reading cycles.

Therefore, the licensee has requested for permitting pro-rata adjustment of slabs based on actual days of billing vis-à-vis the standard norm of 30 days to ensure that the consumer gets full slab benefit under all actual billing period scenarios.

14. **TPNODL has proposed that the consumers availing renewable power through open access shall have to pay the wheeling charges and cross subsidy charges as applicable to conventional consumers.**

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**TPNODL Reply:** No such proposal has been given by TPNODL. Presently, the consumers availing renewable power are availing exemption as directed by Hon'ble Commission in line with Odisha Renewable Policy, 2022.

15. **Respondent's view /suggestion: Processing fees for providing services like change of name, category change, name correction, address correction, etc other than processing fees for new connection have been proposed by TPNODL. This will put domestic consumers under difficulty while for new connection, processing fee is Rs. 50/-, Rs.100/- for other services is not acceptable.**

**TPNODL Reply:** As per Supply Code, for new connection processing fees has been stipulated by Hon'ble Commission, but for other activities, no fee has been approved. To get a standard processing fee for the other activities across all the four DISCOMs, the licensee has placed the matter before Hon'ble Commission for necessary consideration and kind approval.

As per Supply Code, for new connection processing fees for LT Single phase has been stipulated by Hon'ble Commission as Rs.50/-. The licensee has proposed for revising the applicable processing fees for new service connection from Rs.50/- to Rs.100/-, alongwith approving standard processing fees for other activities.

16. **Respondent's view /suggestion: TPNODL has suggested continuance of the Green Tariff from 20paise/unit. However, we suggest to reduce this to 10paise/unit....**

**TPNODL Reply:** In the present tariff of 20paise /unit, twenty-two numbers of consumers are already availing this facility.

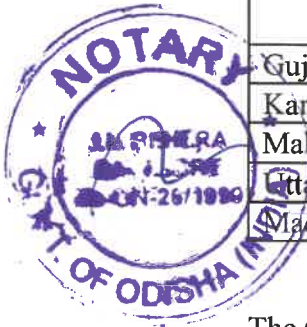
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deviating provisions of Regulation for reduction of contract demand, to take appropriate action.

**20. Payment of Security Deposit by means other than cash**

**TPNODL Reply:** The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

*“The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier”.*

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

**21. Respondent's view /suggestion: Refund of excess Security Deposit as per OERC Code.**

**TPNODL Reply:** There is no such provision of surcharge for delay in refund of excess deposit to the consumer in the Supply Code. The licensee is refunding excess SD to the consumers who are opting for refund. Most of the consumers are not opting for refund keeping in view their future expansion plans. Further, the issue pertains to Supply Code and not related to the ARR application of the licensee

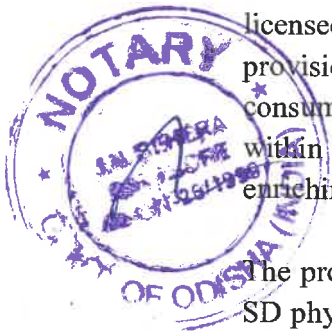
**22. Respondent's view /suggestion: Surcharge on late payment of Security Deposit Demand**

**TPNODL Reply:** The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but to ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

**23. Respondent's view /suggestion: ToD Benefit**

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**TPNODL Reply:** ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @10Paise per unit for energy consumed during solar hours and a surcharge of 20 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours. That is quite in concurrence with the contention of the Ld objector. But the licensee is not in agreement with the proposal of increasing the ToD benefit to 50paise. In place of that, in case the Ld. Objector feels the present provision is not sufficient to encourage balancing of drawl, then in place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

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For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*  
**Sr. GM (Risk, Regulatory & Legal)**

**C.C. to: M/s. Tata Steel Limited, Kalinganagar Industrial Complex, Duburi, JK Road,  
Dist-Jajpur- 755026.**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
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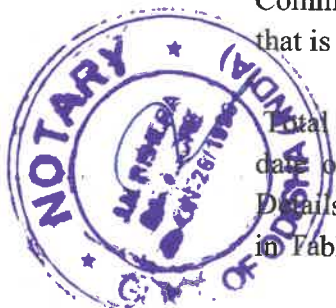
IN THE MATTER OF: Shri Panchanana Jena, Working President, Bijuli Karmachari Sangh,  
Berhampur-760010.  
.....Respondent

Rejoinder to the objection filed by Shri Panchanana Jena, Working President, Bijuli Karmachari Sangh, Berhampur, on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2024-25 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .
2. **Respondent's view /suggestion: Data on recruitment as on De-2024**

**TPNODL Reply:** The licence has been issued to TPNODL with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers. In compliance with the vesting order, TPNODL has submitted before Hon'ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon'ble Commission.

Total 1374 nos. of recruitment done under Executive and Non-Executive cadre from the date of vesting till Dec-2024. 63% of the total recruitment is from Odisha domicile. Details of recruitments done, proposed to be recruited, retirement plan have been detailed in Table No-12, Page no. 16 of the ARR application FY 2025-26 of the licensee.



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With regard to the contention of the Ld Objector to absorb people who have worked long years in the organisation, TPNODL has absorbed 83 nos. of BA linemen who have worked in the organisation for more than 15years meeting other required eligibility criteria fixed.

**3. Respondent's view /suggestion: Expenditure in R&M and A&G:**

**TPNODL Reply:** Licensee has proposed R&M and A&G expenditures a per provision in the OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff), Regulation' 2022

**Repair and Maintenance Expenses-** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

**A & G Expenses-**The details of the A&G expenses incurred and the justification against the cost components along with the achievements so far have been elaborated in the application of the licensee which may please be referred. TPNODL would like to submit that the said costs reflect the expenses incurred in ensuring accurate meter reading, bill generation, and timely delivery, along with maintaining the necessary infrastructure and systems for these operations. It includes manpower costs, data management, printing and distribution, as well as investments in technology to enhance accuracy and efficiency. The Licensee continuously strives to optimize costs and improve operational efficiency while maintaining the quality and reliability of services.

4. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred.



For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**

**Cc to: Shri Panchanana Jena, S/o Late Bairagi Jena, Sakti Nagar 3<sup>rd</sup> Lane, Near Engineering School Road, Berhampur-760010, E-mail: jena.manoranjan1@gmail.com.**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri Judhister Behera, Secretary, Upavokta Mahasangha, Siddartha  
Nagar Lane-1, Berhampur-760004

.....Respondent

Rejoinder to the objection filed by Sri Judhister Behera on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2025-26 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .  
Reply to the points raised by the Ld. Objector are furnished hereunder.
2. Respondent's view /suggestion: ARR of all DISCOMs proposes an exuberant in expenditure in employees' cost, R&M cost and A&G expenditure which is double than the approved expenditure last year. Further, power outages have gone up after TATA power taken over the company. If the gap proposed by all DISCOMs is allowed it will increase the cost of unit by Rs. 1.00 per unit. The meter reading and billing cost per consumer per month comes to around Rs. 43 which is very high and needs a prudent check.

TPNODL Reply: The details of all expenses incurred and the justification against the cost components along with the achievements so far have been elaborated in the application of the licensee which may please be referred.



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**Employee Expenses-** The license issued to the earlier distribution license was revoked and TPNODL has been vested with the utility of NESCO with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers. In compliance with the vesting order, TPNODL has submitted before Hon'ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon'ble Commission.

**Repair and Maintenance Expenses-** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

**A & G Expenses-**The details of the A&G expenses incurred and the justification against the cost components along with the achievements so far have been elaborated in the application of the licensee which may please be referred. TPNODL would like to submit that the said costs reflect the expenses incurred in ensuring accurate meter reading, bill generation, and timely delivery, along with maintaining the necessary infrastructure and systems for these operations. It includes manpower costs, data management, printing and distribution, as well as investments in technology to enhance accuracy and efficiency. The Licensee continuously strives to optimize costs and improve operational efficiency while maintaining the quality and reliability of services.

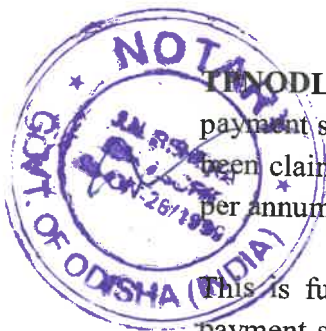
Concern of Id. objector that if GAP as proposed by Discoms will be allowed, it will increase cost per unit by Rs. 1.00 is not correct. If Hon'ble Commission allow Gap, which is justified one, will cost Rs. 0.20 per unit only.

3. **Respondent's view/objection: The present rate interest of Fixed Deposit is around 6% whereas for delay payment, DISCOMS is charging @18%.**

**TPNODL Reply:** The contention of Ld. Objector, that the DISCOMS is charging delay payment surcharge @18% during Corona period is not correct. Delay payment surcharge has been claimed as per rate approved by Hon'ble Commission, i.e. 1% per month or say 12% per annum for domestic and LT Commercial consumer.

(This is further to clarify that the intention of Licensee is not to earn profit from delay payment surcharge. Rather DISCOMS prefer on time payment from its consumer. The DPS

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was acting as the required deterrent, which motivate consumer to pay its electricity bill in time.

Contention of Ld. Objector that rebate is not allowed to consumers is also factually incorrect. The DISCOM allow all eligible rebate entitled by a consumer by virtue of prevailing Retail supply Tariff order. However, If Ld. Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

4. **Respondent's view/objection: In addition to above Discoms are disconnecting the power supply without proper notice the same should be stopped immediately.**

**TPNODL Reply:** - On non-payment of Licensee's dues, TPNODL issues proper disconnection notice in accordance with Regulation 172 of the OERC Distribution (Conditions of Supply) Code, 2019, TPNODL, being a DISCOM adhere with the Regulations/ direction of Hon'ble Commission. However, If Ld. Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

5. **Respondents View/ Objection: The Discoms must give detail financial benefits derived from the Capex plan on account of loss reduction and its impact on tariff.**

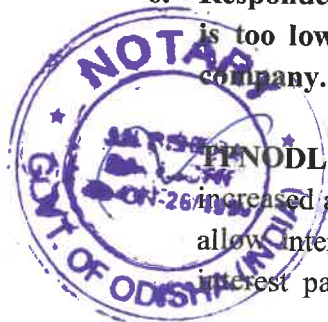
**TPNODL Replay:** The detailed capex plan along with Detailed Project Report are furnished before the Hon'ble Commission each year as per provision of Vesting Order of licensee. Accordingly, Hon'ble Commission hears it in Public Hearing and issues the order by way of analyzing the inputs from all stakeholders.

The AT&C loss has been reduced from 25.17% in FY 21 to 14.72 % as on March' 2024 and the power supply hours have been 23:02 hrs in average during FY 2023-24, the corresponding extra billing and collection are the derived impact of the capital investments done so far. There is no hike in Retail supply tariff in last three years despite of significant increase in Bulk Supply tariff.

6. **Respondents View/ Objection: Interest on security deposit may be increased as 4.25% is too low and company is enjoying 6% interest on the Security deposit lying with company.**

**TPNODL Replay:** Ld. Objector submission that interest on security deposit may be increased as 4.25% is too low is factually incorrect. As per prevailing RST order, DISCOMs allow interest @ 6.75% on security deposit of consumer. TPNODL further submits that interest paid on security deposit of the consumers and interest earned from the deposit

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against consumer's security deposit has been taken into account in ARR application and benefit, if any passed on to the consumers. TPNODL is not gaining any benefit from it.

7. **Respondents View/ Objection: The Consumers may be given instalment facility at least 3 to deposit security deposit to restart the industry.**

**TPNODL Replay:** It is to submit that payment of Security deposit is being guided by OERC Regulation, 2019. The DISCOM strictly follow the Regulation with respect to security deposit payment. The total amount of security deposit is required to be deposited before effecting power supply to ensure payment security to the licensee

8. **Respondents View/ Objection: Unlike domestic and commercial consumers other consumers may be provided with suitable digital rebate.**

**TPNODL Replay:** This is to submit that; digital rebate is allowed against small payment to domestic and commercial consumer is a step toward digital INDIA by promoting them for payment in digital mode and to minimize cash handling cost. By virtue of Income Tax, other payment more than Rs.10,000/- need to be in non-cash mode. Hence, no promotion in other consumer is required.

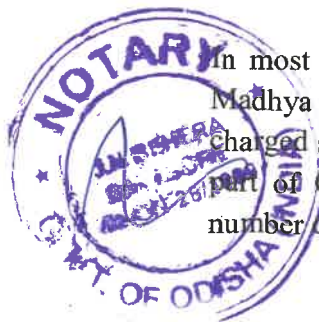
9. **Respondents View/ Objection: The Company has planned to install meter why the poor consumers of ODISHA will bear the capital cost or meter rent. The cost must be bear by the GOVT or the company from own profits.**

**TPNODL Replay:** That Government of India, through the Ministry of Power Gazette notification (F. No. 23/35/2019-R&R) dated 17th August 2021, had mandated all states to transition from conventional meters to more advanced prepaid smart meters. Further, the Hon'ble OERC has also advised the Odisha DISCOMs vide letter no. OERC/Engg./2/2017/609 dated 03 May 2023 to implement the same in a phased manner following a priority as directed.

With respect to cost of meter/ meter rent, the Licensee has submitted a proposal for recovery of meter cost through CAPEX instead of monthly meter rent. The same is under consideration of the Hon'ble Commission.

In most of the states like Gujarat, Maharashtra, Tamil Nadu, Andhra Pradesh, Karnataka Madhya Pradesh, Uttar Pradesh, Delhi meter cost is part of Capex and meter rent is not charged separately from the consumers. In fact, consumers are less burdened if meter cost is part of Capex specially consumers who consumes less electricity. And in Odisha large number of consumers consume less electricity say 50 units and below.

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**10. Respondents View/ Objection: There should be no tariff hike.**

**TPNODL Rejoinder:** The tariff to be charged from different consumer categories as per Supply Code Chapter IX Section 141 to 146 is to be determine by Hon'ble Commission based on sales and expenditure for the ensuring year 2025-26. ARR filed by TPNODL strictly as per provisions of Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, which is under review of Hon'ble Commission.

**11. Respondents View/ Objection: The true-up exercises of past years must be actual and as per parameter approved by tariff and regulation, but it is observed that same is claimed in normative basis taking up efficiency gain in misleading manner. Tax on return on equity may not be considered as it has to be paid out of licensee's return on capital. Passing the same to the consumer is not acceptable. Further, DERC has fixed RoE as 10% which is much below the RoE fixed as per regulation.**

**TPNODL Replay:** In the Truing-up filing, the audited financials of TPNODL for FY 24 along with details calculation has been submitted before Hon'ble Commission. The justification behind all component including "return on equity" of truing-up exercise have been elaborated in the application of the applicant. In line with para 54 (a) of vesting order and as per Clause 3.6 of OERC Tariff Regulation 2022, The TPNODL has asked ROE in its ARR application.

**12. Respondents View/ Objection: The Non-Tariff Income such as rebate to consumer, supervision charges, over drawl penalty and DPS should be passed on to consumers in full instead of 1/3rd proposed by DISCOMs.**

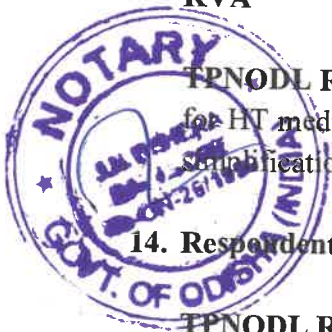
**TPNODL Replay:** Presumption of Ld. Objector that only 1/3<sup>rd</sup> of non-tariff income is passed on to consumers is not correct. This is to bring into kind information of the Ld objector that supervision charges, over drawl penalty & DPS are part of the non-tariff income. Non-tariff income is passed on to consumers of the DISCOM in full.

**13. Respondents View/ Objection: Increase in Demand Charge of HT Consumer up to 110 KVA**

**TPNODL Replay:** TPNODL has not proposed any increase in Demand Charges specifically for HT medium Industrial consumers up to 110 KVA, rather than TPNODL proposes for its simplification and rationalization.

**14. Respondents View/ Objection: Regarding Smart Meter**

**TPNODL Replay:** In the RST order FY 24-25, Hon'ble Commission has taken a view under para 93



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**“Meter Cost to be recovered under CAPEX**

93. The Commission thoughtfully analysed the proposal. Though the proposal appears to be plausible, still it requires thorough analysis. There will be no issue as far as inclusion of meter cost in CAPEX, where the new meters will be installed. But there may be many Consumers who have already paid the meter rent in full and there may be other Consumers those who have paid the meter rent in part. In those cases, abolishing meter rent may create problem in financial adjustment. Therefore, the DISCOMs are required to file a fresh proposal by giving all the details related to meter rent, number of Consumers in different metering categories, legal implications, if any, and detail plan for implementation etc. Accordingly, the Commission will examine the proposal for recovery under CAPEX.”

Thereafter, DISCOMs have requested through common letter and presented before Hon’ble Commission for consideration. As advised a separate application is being filed for consideration of the meter cost under CAPEX mode which may kindly be heard along with ARR.

Further, as per regulation 113 of Supply Code, due to technological obsolescence, the old meters are required to be replaced with smart meters. While doing so, the consumers are reluctant to allow the replacement because they have paid the meter rent fully or partially and, in some cases, they have purchased the meters. In such scenarios, recovery of meter cost through CAPEX is more convenient to both the consumers as well as the licensee.

**Regulatory Frameworks for Smart Meters Installation**

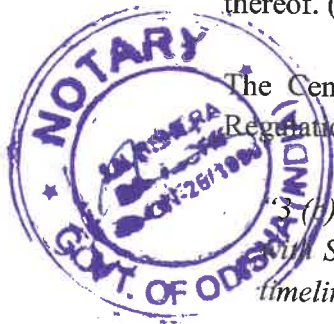
As per Supply Code 2019, clause no 97(iv) (3) Smart Meters are to be installed in next 3 years starting from 2019 as reiterated below:

The licensee/supplier shall gradually move on to prepaid/smart/pre-paid smart meters as and when available preferably within three years. In case pre-paid meter is installed, the meter shall conform to the technical requirements as specified in Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 and amendments thereof. (Emphasis Supplied)

The Central Electricity Authority (Installation and Operation of Meters) (Amendment) Regulations, 2022 clause no 3 stipulates following:

3 (1) All consumers in areas with communication network, shall be supplied electricity in Smart Meters working in prepayment mode, conforming to relevant IS, within the timelines as specified by the Central Government:

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*Provided that all consumer connections having current carrying capacity beyond that specified in relevant IS, shall be provided with meters having automatic remote meter reading facility or Smart Meters as per relevant IS.*

*Provided further that in areas which do not have communication network, installation of prepayment meters, conforming to relevant IS, shall be allowed by the respective State Electricity Regulatory Commission” (Emphasis Supplied).*

*The Timelines for replacement of the Meters have been specified in the MoP Notification CG-DL-E-19082021-229126 issued through Gazette of India dated 19 Aug 2021 which has been subsequently amended vide notification CG-DL-E-26052022-236032 published on dated 26.05.2022, the relevant extract of which is reproduced below for ready reference:*

*All consumers (other than agricultural consumers) in areas with communication network, shall be supplied electricity with Smart Meters working in prepayment mode, conforming to relevant IS, within the timelines specified below:*

*(i) All Union Territories, all electrical divisions with high AT&C Loss (Urban Areas with AT&C loss >15% and rural areas with AT&C loss >25%), Industrial and Commercial consumers, all Government offices at Block level and above, shall be metered with smart meters, with prepayment mode, by 31st December, 2023:*

*Provided that these areas shall also be covered for smart Distribution Transformer (DT) metering by the Advanced Metering Infrastructure Service Provider (AMISP), on a priority basis, by 31st March, 2023;*

*Provided also that the State Regulatory Commission may, by notification, extend the said period of implementation, giving reasons to do so, only twice but not more than six months at a time, for a class or classes of consumers or for such areas as may be specified in that notification;*

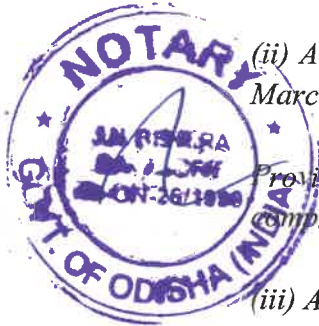
*(ii) All other areas shall be metered with smart meters, with prepayment mode, by 31<sup>st</sup> March, 2025:*

*Provided that in these areas smart Distribution Transformer (DT) metering shall be completed by 31st December, 2023;*

*(iii) All feeders shall be metered by 31st December, 2022;*

*(iv) All the feeder meters shall be made communicable under National Feeder Monitoring System (NFMS) by 31st December, 2022 and shall have Automatic Meter*

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*Reading (AMR) facility or shall be covered under Advanced Metering Infrastructure (AMI).*

Further, inclusion of meter cost in CAPEX is rational one, where poor consumer will pay less in comparison to rich consumer.

Hence, all concern of Ld. Objector is already under active consideration of Hon'ble Commission.

**15. Respondents View/ Objection: Billing with Defective meter**

**TPNODL Reply:** The Ld. Objector has not gone through our proposal properly. The proposal of TPNODL is a win a win situation for both Discoms and consumer. TPNODL, keeping into account the seasonal effect, has proposed to revise the defective periods bill on the basis of actual recorded consumption in the corresponding period. It will not be justified for consumer to revise defective period bill during winter seasons based on average of actual consumption during summer season.

**16. Respondents View/ Objection: Revision of Reconnection Charges**

**TPNODL Reply:** The presently applicable reconnection charges have been fixed back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

**17. Respondents View/ Objection: Utilization of Security Deposit**

**TPNODL Reply:** Due to Regulatory mandate, security deposit of consumer laying with DISCOMs are deposited in Bank earning interest at bank rate only. Whereas, the licensee is sourcing money for working capital at higher interest rate which is ultimately passed on to the consumer. Utilization of SD for working capital with a concrete operating procedure to ensure timely refund of SD to the consumer as per the provisions of regulation has been submitted before Hon'ble Commission for consideration. This has been proposed to reduce financial burden which is being passed on to the consumers.

**18. Respondents View/ Objection: Penalty under Sec 126 and increasing load factor**

**TPNODL Reply:** The contention of the licensee has not been properly interpreted. The licensee has requested for allowing higher load factor while doing assessment in case of unauthorised abstraction of energy. The licensee has given detailed justification in its application with supporting calculation. A comparative of the LF applicable in other states for assessment is given hereunder:

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State	Hours	Factor	Hours per day	Remarks (1 KW Load) per year {2X (LXDXHXF)} (Kwh)
Chhattisgarh	24	40%	9.6	7008
West Bengal	12	50%	6	4380
Jharkhand	12	40%	4.8	3504
<b>Odisha</b>	<b>24</b>	<b>10%</b>	<b>2.4</b>	<b>1752</b>

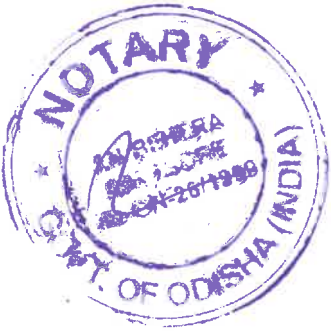
From the above, it is clear that, in our state, the LF considered is the lowest. However, it is once again clarified that, the licensee's proposal for the realistic load assessment is for the consumers who are involved in unauthorised abstraction of energy and creating burden on the licensee and not to burden the genuine consumers.

19. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred.

For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk Regulatory & Legal)**



**Cc to: Sri Judhister Behera, Secretary, Upavokta Mahasangha, Siddartha Nagar Lane-1 Berhampur-760004.**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri Prabhakar Dora, S/O-Bhaskar Rao Dora, 3<sup>rd</sup> Lane, Vidya Nagar,  
P/O/Dist-Rayagada-755001.

.....Objector

**Rejoinder to the objection filed by Sri Prabhakar Dora against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26.**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the License of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission. The present application has been filed as per the provisions of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022. Reply to the points raised by the Ld. Objector are furnished hereunder.

**2. Respondent's view/objection: Suggestion on various issue**

**TPNODL Reply:** The allegation of objector that no one is acknowledged/responded to the suggestion made by objector is not correct. In our reply to the objector for the FY 2024-25, we have responded to all concern of Id. Objector. However, we are replying once again to the valued concern/suggestion of Id. Objector as follows

**1. Deficiency in MO Bidyut Portal**

**TPNODL Reply:** Licensee is committed for continuous improvement in MO Vidyut application as well as in other services as per consumers feedback. However, the objector is requested to bring the individual cases to the notice of the licensee for its speedy resolution.

Pratap Kumar Mohanty



**ii. Procedure for proving Dump Report**

**TPNODL Reply:** Dump report is provided on application of consumers supported with a receipt of fees of Rs 500.00.

**iii. Convenient charges being taken by banks for online payments**

**TPNODL Reply:** Under TPNODL, there is no convenient charge for UPI payment. In addition, there is no convenient charge for card payment through Bill desk, HDFC payment gateway and payment up to Rs 2000 through Paytm gateway. Convenient charges are there only in case of card payment above Rs 2000 through Paytm gateway.

**iv. Display of Bills and ledger of the consumer and download provision**

**TPNODL Reply:** This facility is already been there under TPNODL area. The consumer under TPNODL can avail this facilitate by registering in My TATA power App and customer portal of TPNODL website.

**v. Notification of Service charges**

**TPNODL Reply:** TPNODL claims all service charges as per rate prescribed in the Regulation.

**vi. Notification for Designated Officer**

**TPNODL Reply:** The Ld. Objector has pointed out that the licensee must notify designated officers for carrying out various activities, so that consumer can approach the concerned officer depending on the type of concern.

The licensee has started operation with effect from 01.04.2021 and since then this has been a continuous effort of the licensee to streamline each and every activity involved in its business. Accordingly, procedural set up have been restructured and responsibility assigned to the concerned officers.

However, it is pertinent to mention here that, if a number of officers will be notified as responsible officers for information of the general public for their various types of concerns, that will complicate the process for the consumer. Therefore, to make the process consumer friendly, the application for new service connection are being received online, up to 5KW in Mo Bidyut portal and for 3phase in the licensee website. After receiving the application, it is being dealt and disposed as per the internal guideline set for the process with involvement of various teams like CMG, MMG, KCG, NEG, etc. Further, the complaint registration has also been made online and also through various customer touch points which are also registered in Customer Redressal Module and redirected to the concerned officer /person and redressed as per the procedure set for the same. The licensee

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is operating 711 nos. of fuse call centers, 139nos. of Anubhav Kendras keeping in view the convenience of consumer reach.

**vii. Display of Official Phone no/E-mail address instead of personal E-mail ID & Phone No.**

**TPNODL Reply:** Consumer can reach us through Customer care contact no and Mail ID

**viii.Lack of uniform procedure as to the terms while issuing permission for supply. No standard format is existing. Standard format for estimate and permission needs to be designed and adhered all over.**

**TPNODL Reply:** Now new connection and other complaint under TPNODL area are being addressed through online mode. Where, except estimate, other activities are standardized. To standardize estimated amount, TPNODL has submitted its proposal before Hon'ble Commission in the present ARR.

**ix.Duties and Responsibilities to Officer and staff not clearly defined or assigned**

**TPNODL Reply:** As explained under previous para responsibilities of Officer, and staff has been clearly defined and assigned.

**x. Notification of Designated Officer responsible for giving LC (Line Clearance) in line with ELBO regulations**

**TPNODL Reply:** For giving Line clearance, the licensee has designed a Permit to Work guideline with an aim to make the system accident free. In case of any line clearance is required to work on live line, as per the set guideline, the person needs to take Line clearance from the central Power System Control Centre observing all the set procedures. Only central Power System Control Centre issues Line Clearance that is Permit to work on live line.

Similarly, while returning Line clearance also same type of stipulated protocols are to be observed before the line is charges. This is a step taken by the licensee to make the system accident free.

**xi. Adherence to different dress codes for Officer/workers/Business Associates.**

**TPNODL Reply:** Dress code has been adopted for permanent staff of TPNODL and all the staff are being provided with two pair of dresses annually. BA employees who are working for line maintenance are provided with full body harness.

Pratap Kumar Mohanty



**3. Respondent's view/objection: Sales Projection.**

**TPNODL Reply:** TPNODL has projected sales of different category after analyzing and relying upon past trend of consumption pattern of last ten years, actual sales data of first six months of current year and load growth in pipeline. Details justification against growth in sales at different voltage have been furnished in the ARR application, which may please be referred.

**4. Respondent's view/objection: AT&C Loss Trajectory.**

**TPNODL Reply:** Current year as well as ensuring year AT & C loss trajectory of TPNODL is strictly in line with vesting order.

**5. Respondent's view/objection: T&D Loss Projection.**

**TPNODL Reply:** Current year as well as ensuring year T & D loss projection of TPNODL is strictly in line with vesting order.

**6. Respondent's view/objection: Power Purchase cost.**

**TPNODL Reply:** The power purchase cost of TPNODL has been derived from the estimated input based on sales estimate and targeted distribution loss.

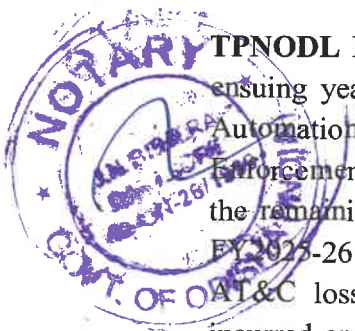
**7. Respondent's view/objection: Manpower.**

**TPNODL Reply:** The justification of manpower expenses keeping in view real challenged faced for seamless operation, consumer satisfaction, project execution and other related activities has been elaborated in the ARR application, which may please be referred.

**8. Respondent's view/objection: A&G Cost.**

**TPNODL Reply:** Estimation of A&G expenses during the current year as well as in the ensuing year has been envisaged on account of meter reading, billing and collection, IT Automation, AMR related running expenses, Insurance expenses, Professional Charges, Enforcement activities, Customer Care and compensation towards electrical accidents etc, in the remaining period for the current Financial year 2024-25 and for the full ensuing year FY 2025-26. All of these activities would contribute significantly towards reduction of AT&C losses and provide consumer convenience. The details of the A&G expenses incurred and the justification against the cost components along with the achievements so far have been elaborated in the application of the licensee, which may please be referred.

*Pratap Kumar Mohanty*



**9. Respondent's view/objection: R&M Expenditure.**

**TPNODL Reply:** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

**10. Respondent's view/objection: Return on Equity.**

**TPNODL Reply:** As per para 54 (a) of the Vesting Order, the Commission shall allow return on equity, as per the Tariff Regulations, to TPNODL on the equity capital of Rs. 250 crores (Indian Rupee Two hundred and fifty crores) only which was the reserve price of the utility of NESCO.

As per Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, DISCOMS are entitled for Return on equity on assets put to use after Effective Date up to date of applicability of these Regulations.

Para 3.6.2. of Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 clearly **restrict asset funded by consumer contributions, capital subsidies/ Government grants for consideration as capital base for the purpose of calculation of Return on Equity.**

Accordingly, The TPNODL has asked ROE only on actual investment made by TPNODL as per approval of Hon'ble Commission. Capital investment of consumer are not included in capital base for calculation of ROE.

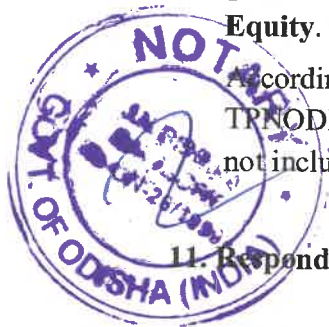
**11. Respondent's view/objection: Revision of Reconnection charges.**

**TPNODL Reply:** The presently applicable reconnection charges have been fixed back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

**12. Respondent's view/objection: Realistic Assessment of load in case of theft of electricity.**

**TPNODL Reply:** The contention of the licensee has not been properly interpreted. The licensee has requested for allowing higher load factor while doing assessment in case of unauthorised abstraction of energy. The licensee has given detailed justification in its

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application with supporting calculation. A comparative of the LF applicable in other states for assessment is given hereunder:

State	Hours	Factor	Hours per day	Remarks (1 KW Load) per year {2X (LXDXHXF)} (Kwh)
Chhattisgarh	24	40%	9.6	7008
West Bengal	12	50%	6	4380
Jharkhand	12	40%	4.8	3504
<b>Odisha</b>	<b>24</b>	<b>10%</b>	<b>2.4</b>	<b>1752</b>

From the above, it is clear that, in our state, the LF considered is the lowest. However, it is once again clarified that, the licensee's proposal for the realistic load assessment is for the consumers who are involved in unauthorised abstraction of energy and creating burden on the licensee and not to burden the genuine consumers.

**13. Respondent's view/objection: Standardization of Service connection charges.**

**TPNODL Reply:** The Licensee has justified its stand on standardization of service connection charges by mentioning various operational difficulties and in light of Right of consumers Rule, 2020, which may kindly be referred.

**14. Respondent's view/objection: Metering of GP consumer having contract demand less than 70 KVA billed at GP tariff.**

**TPNODL Reply:** TPNODL meticulously follow the direction of Hon'ble Commission towards billing of GP Consumer having contract demand less than 70 KVA under LT tariff.

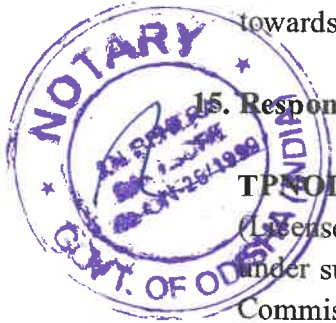
**15. Respondent's view/objection: Compensation.**

**TPNODL Reply:** As per clause-5 (3) of the Orissa Electricity Regulatory Commission (Licensees' Standards of Performance) Regulations, 2004, the liability of compensation under sub-clauses (1) to (2) shall be applicable to supply of electricity from such date the Commission may direct by order issued for the purpose. However, till date no such directives have been issued by Hon'ble Commission.

**16. Respondent's view/objection: Separate Tariff for Seasonal Industries.**

**TPNODL Reply:** The concept of 80% demand charges is applicable for consumer HT Industrial and GP consumer having contract demand >100KW, where the licensee has to

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keep reserve the quantum of load availing by the seasonal consumer. Against the quantum of load kept reserve for consumer remains idle during non-use period, which can not be allocated to any other consumer. Hence, the consumer has to pay minimum charges towards load kept for his use.

However, for load less than 70 KVA, there is no concept of 80% demand charges. The consumer has to pay fixed charges/demand charges on the basis of his actual use.

**17. Respondent's view/objection:** More the Consumption less the price for Domestic consumers.

**TPNODL Reply:** It is to bring out that, Hon'ble Commission is guided by the principles of National Tariff Policy for setting tariffs for different category of consumers. Relevant extract from section 8.3 of the National Tariff Policy, reproduced hereunder:

- 1. Consumers below poverty line who consume below a specified level, as prescribed in the National Electricity Policy may receive a special support through cross subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply.*
- 2. For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within  $\pm 20\%$  of the average cost of supply..."*

To support the economically weaker category of consumers, cross subsidization is being followed. The consumers with lower consumption like less than 30 units are considered below poverty line. Similarly, to support the consumers falling under lower consumption slabs, like less than 50 units, 50 to 200 units, lesser rates have been fixed which is gradually increased.

The existing pattern of tariff applicable for domestic and LT GP is to support the lower consumption group /weaker section of the society and ensure power for all.

**18. Respondent's view/objection: The Permission/feasibility for prospective consumer**

**TPNODL Reply:** License is duty bound to follow the provision of OERC (Distribution Supply Code, 2019) and other applicable rules and regulations and directives mentioned in the Tariff Orders. However, if any consumer is aggrieved with non-fulfillment of Hon'ble Commission directives, Objector may bring such cases to the notice of the License for further necessary action.

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**19. Respondent's view/objection: Revival of Cold Storages with application allied agricultural tariff.**

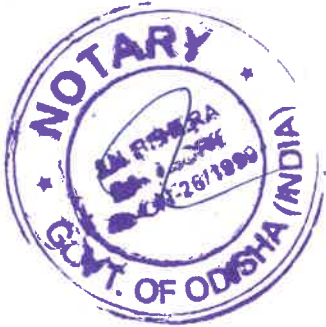
**TPNODL Reply:** The allegation of the Ld. Objector that DISCOMs viewed cold storage as a business venture rather than as a means of preserving agriculture product is purely baseless and false. The DISCOMS duty is to categorise a consumer based upon its purpose of use and bill them at the rate approved by Hon'ble Commission. This is further to submit that considering the reasons mentioned by ld. Objector, Hon'ble Commission reduced the rate of Allied Agro-Industrial tariff in 2023-24 tariff order.

20. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred by the objector for further clarification.

For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk, Regulatory & Legal)**



**Cc to: Sri Prabhakar Dora, S/O-Bhaskar Rao Dora, 3<sup>rd</sup> Lane, Vidya Nagar, P/O/Dist-Rayagada-755001. E-mail-doraprabhakar1965@gmail.com, M: 9437103756**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR**

**Case No. 95/2024**

**IN THE MATTER OF:** TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.  
.....**Applicant**

AND

**IN THE MATTER OF:** M/s. Neelachal Ispat Nigam Limited, Neelachal House, Kalinganagar  
Industrial Complex, Duburi, Dist-Jajpur-755026

.....**Respondent**

**Rejoinder to the objection filed by M/s. Neelachal Ispat Nigam Limited, Kalinganagar Industrial Complex on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2025-26 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff ) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .  
Reply to the points raised by the Ld. Objector are furnished hereunder.
2. **Respondent's view /suggestion: Human Resource Expenses**

**TPNODL Reply:** The Ld objector has given a comparative figure of the expenses starting from 2010-11. This will not be out of place to mention here that, TPNODL has started operation with effect from 1.4.2021 in compliance to the Vesting order dated 25.3.2021 of Hon'ble OERC. The license issued to the earlier distribution license was revoked and TPNODL has been vested with the utility of NESCO with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers.



*Poojap Kumar Mohanty*



As per OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, the applicant has submitted the required details in the prescribed format.

The employee cost projected is with only 3.6% hike over the approved quantum for FY 2024-25. So, the contention of the Ld. Objector that the proposed employee cost is very high is not true.

Further, for Truing –up of the previous financial year, the licensee has submitted before Hon'ble Commission Audited accounts for FY 23-24, which is also available in OERC as well as TPNODL website.

In compliance with the vesting order, TPNODL has submitted before Hon'ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon'ble Commission.

Inherited employee and CTC employee cost are being furnished separately as per the prescribed formats of Hon'ble Commission.

**3. Respondent's view /suggestion: That TPNODL has projected Repair and Maintenance Expenses at Rs.321.45Cr for FY 25 against Rs.214.34Cr as approved by Commission to be spent during FY 23-24 ...**

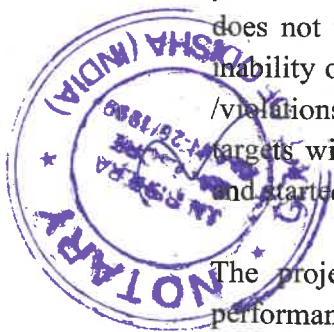
**TPNODL Reply:** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

The audited financials of TPNODL for FY 24 as well as Half-yearly financials up to Sep'2024 for the FY 25 have been submitted before Hon'ble Commission. The annual audited financials for FY 24 are also a part of Truing up application of the licensee, which may please be referred for actual expenses.

The Ld Objector has given a comparative presentation of all the cost components year on year starting from 2010-11. Comparing the parameters with that of the erstwhile Utility does not have much relevance. The license of erstwhile DISCOM was revoked due to inability on its part to achieve the performance targets along with other non-achievements /violations. The license has been granted to the present applicant with certain performance targets with specified timelines. Accordingly, the licensee has prepared its plan of action and started its operation.

The projections of the licensee are required to be viewed in reference to its own performance. However, the detailed justification against each projection have been

*Pratap Kumar Mohanty*



submitted by the applicant in its application alongwith the asset details under various Government funded schemes, which may please be referred.

4. **Respondent's view /suggestion: Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2024-25 or actual A&G Expenses or whichever is lower.**

**TPNODL Reply:** The details of the A&G expenses incurred and the justification against the cost components alongwith the achievements so far have been elaborated in the application of the licensee which may please be referred.

5. **Respondent's view /suggestion: Depreciation should not be allowed to be recovered on assets created out of Govt. grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not. The depreciation cost proposed by TPNODL for FY 2025-26.**

**TPNODL Reply:** Section 3.8 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022 stipulates the method of calculation of depreciation. In line with the provisions of the regulation, the depreciation calculation has been done and the details have been submitted in the application of the licensee which may please be referred.

6. **Respondent's view /suggestion: TPNODL has given a proposal for the Annual Revenue Requirement of Rs.4650.44 Crs for FY 26 against approved of Rs.4022.79 Crs...Annual Revenue Requirement of TPNODL may be approved accordingly through a prudence check.**

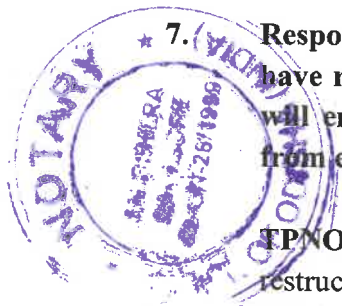
**TPNODL Reply:** The licensee has projected the Revenue Requirement of Rs. 4650.44 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

Further, due to the reasons explained in the previous para, comparing the ARR of TPNODL with that of the erstwhile licensee since 2010-11 is not relevant.

7. **Respondent's view /suggestion: With drawl of 3 slab based graded incentive tariff have resulted in a tariff impact and the HT /EHT industries are suffering a lot and will encourage the HT /EHT industries to go for CGP or to avail cheaper power from exchange....**

**TPNODL Reply:** The three-graded slab applicable for HT/EHT consumers was only restructured. EHT and HT consumers are charged a tariff for consumption up to 60% Load factor and for consumption more than 60% Load factor a reduced tariff is

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applicable. The present applicable slab for HT/EHT consumers is furnished in the following table

**Slab rate of energy charges for HT & EHT (Paise/kVAh)**

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00

The energy charges for HT and EHT consumers for consumption beyond 60% LF is 110 paise per unit less than that for consumption up to 60% LF.

Further Hon'ble Commission determines the tariff basing on the principle of higher rate of energy charge for supply at low voltage and gradual reduction in rate as the voltage level goes up. Hon'ble Commission has set energy charges at different voltage levels to reflect the cost of supply.

Hon'ble Commission has already given justification for reduction of graded slab from three to two applicable for HT/EHT consumers.

The tariff applicable for the category is relevant, the slabs are applicable for encouraging the consumers to avail power at higher load factor and the same persists in the present structure of two slab tariff also. Therefore, the proposal of the objector is not acceptable.

8. **Respondent's view /suggestion: Projection of EHT, HT and LT sales – We request Hon'ble Commission to carry out a prudent check of LT sales projection data as TPNODL has projected a very high figure of LT sales. TPNODL needs to give enough justification for LT sales with actual sales pattern for at least last 12years.**

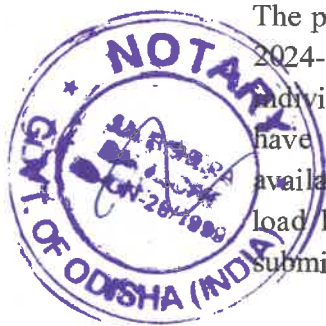
**TPNODL Reply:** For projecting the consumption under different categories, TPNODL has analysed and relied on the past trends of consumption pattern for last ten years and actual sales data for the first six months of FY 2024-25, actual addition/reduction of loads and other factors like increasing drawl of power through open access.

The projection for the FY 2025-26 has been done based on the actual sales in the H1 of 2024-25 keeping in view the past trend and considering the EHT and HT sales of individual consumers and their plan of expansion. Materialization of industrial projects do have a definite gestation period and also requirement for checking the network availability. The licensee has considered individual consumer/prospective consumer wise load keeping in view their individual gestation period. Detailed information has been submitted in the application of the licensee.

9. **Need for consumer category Mega steel Plant**

**TPNODL Reply:** As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher

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drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 10paise per unit (KVAh) for all units consumed in excess of 80% load factor. And, if the approval of Hon'ble Commission for FY 2024-25 will be perused, the cross subsidy for EHT consumers was 4.9%. This is very well within  $\pm 20\%$  of ACoS- in line with the mandate of the National Electricity Policy and Tariff Policy.

**10. Proposal for Load factor Rebate: ... For x% increase in load factor over and above 60%, the rebate shall be allowed at x%....**

**TPNODL Reply:** The method suggested by the Ld. Objector has not been substantiated with any justification for the method of incentive suggested and hence is devoid of any merit. The very motive of providing incentive is to encourage consumers to drawl more power from the incumbent distribution licensee and the tariff setting is done by the Hon'ble Commission keeping in view the entire cross subsidy mechanism and the mandate of the National Electricity Policy and Tariff Policy

**11. Tariff Determination**

**TPNODL Reply:** As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within  $\pm 20\%$  of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within  $\pm 20\%$  of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

**12. Respondent's view /suggestion: Cross Subsidy Surcharge ought to be gradually reduced every year. This is laid down in Section 42 of the Electricity Act,2003 that a road map is to be made by this Hon'ble Commission for reduction of subsidies and the corresponding reduction in the amount of subsidies is to be reflected and implemented for the purposes of reduction of cross subsidy surcharge.....**

**TPNODL Reply:** The Ld Objector may refer to para 100 of RST order FY 25. The computed cross subsidy surcharge for DISCOMs have been given in table -27. In view of the mandate of Electricity Act'2003 under section 42, the cross subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-27 of RST order is reproduced hereunder:



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**Table – 27**  
**Computed Surcharge for Open Access Consumer 1MW and above**  
**for FY 2024-25 (In paise / unit)**

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	232.86	197.86	167.86	347.86
Surcharge for HT Consumer	108.90	20.08	42.41	178.54

However, the approved charges for FY 24 as given under table 28 are done at 70% of the computed values. The table no. 28 is reproduced hereunder:

**Table – 28**  
**Leviable Surcharge, Wheeling Charge and Transmission Charge for Open Access**  
**Consumer(s) of 1MW and above for FY 2024-25**

Name of the licensee	Cross Subsidy Surcharge (paise/unit)		Wheeling Charge applicable to HT Consumers only (paise/unit)	Transmission Charges for Open access Customer
	EHT	HT		
TPCODL	163.00	76.23	101.46	The Open Access Customer availing Open Access shall pay Rs.5760/MW/Day (Rs.240/MWh) as Transmission charges
TPNODL	138.50	14.06	152.23	
TPWODL	117.50	29.69	97.30	
TPSODL	243.50	124.98	156.82	

13. Respondent's view /suggestion: Proposal to allow pro-rata billing should not be approved.

**TPNODL Reply:** The detailed justification for the licensee's request of pro-rata billing has been given in the application of the licensee.

The licensee is working towards achieving the norms of regulation under normal conditions. However, uncontrollable climatic conditions such as Kalbaisakhi, monsoons, flood and extremely high temperature during summer months beset Odisha regularly, which affect the normal meter reading cycles.

Therefore, the licensee has requested for permitting pro-rata adjustment of slabs based on actual days of billing vis-à-vis the standard norm of 30 days to ensure that the consumer gets full slab benefit under all actual billing period scenarios.

14. TPNODL has proposed that the consumers availing renewable power through open access shall have to pay the wheeling charges and cross subsidy charges as applicable to conventional consumers.

**TPNODL Reply:** No such proposal has been given by TPNODL. Presently, the consumers availing renewable power are availing exemption as directed by Hon'ble Commission in line with Odisha Renewable Policy, 2022.



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15. **Respondent's view /suggestion: Processing fees for providing services like change of name, category change, name correction, address correction, etc other than processing fees for new connection have been proposed by TPNODL. This will put domestic consumers under difficulty while for new connection, processing fee is Rs. 50/-, Rs.100/- for other services is not acceptable.**

**TPNODL Reply:** As per Supply Code, for new connection processing fees has been stipulated by Hon'ble Commission, but for other activities, no fee has been approved. To get a standard processing fee for the other activities across all the four DISCOMs, the licensee has placed the matter before Hon'ble Commission for necessary consideration and kind approval.

As per Supply Code, for new connection processing fees for LT Single phase has been stipulated by Hon'ble Commission as Rs.50/-. The licensee has proposed for revising the applicable processing fees for new service connection from Rs.50/- to Rs.100/-, alongwith approving standard processing fees for other activities.

16. **Respondent's view /suggestion: TPNODL has suggested continuance of the Green Tariff from 20paise/unit. However, we suggest to reduce this to 10paise/unit....**

**TPNODL Reply:** In the present tariff of 20paise /unit, twenty-two numbers of consumers are already availing this facility.

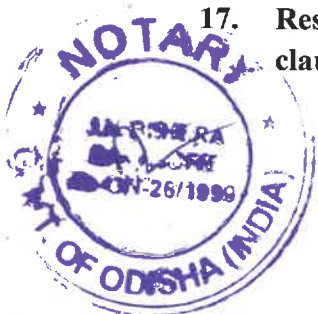
Hence, to attract more consumers to avail green power and as a step towards environmental sustainability, the licensee has proposed for continuance of the benefit.

The Green Tariff applicable in other states is furnished in the following table:

State	Applicable Green Energy Tariff (Over & above the Normal Tariff)
Gujrat	Rs. 1.00 per kWh
Karnataka	Rs. 0.50 per kWh
Maharashtra	Rs. 0.66 per kWh
Uttar Pradesh	Rs. 0.36 per kWh
Madhya Pradesh	Rs. 0.56 per kWh

The Green Tariff applicable presently in our state is the lowest in comparison to the tariffs applicable in the above States. Therefore, there is no justification in the contention of the consumer in reducing the green tariff to 10 paise /unit.

17. **Respondent's view /suggestion: Revision of Reconnection charges with penalty clause**



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**TPNODL Reply:** TPNODL has taken number of measures to bring in cutting edge technology and micro SCADA already implemented. The licensee has installed smart meters in around fifty thousand consumers, but yet to operate them in pre-paid mode with auto disconnection facility.

It will take substantial time to reach the stage of doing remote disconnection to all the consumers. This reconnection charge also acts as a deterrent in the process, along with covering the man hour and other ancillary charges for physical reconnection of power supply.

It is also pertinent to mention here that; the presently applicable reconnection charges have been fixed way back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

**18. Respondent's view /suggestion: Assessment in case of theft of energy**

**TPNODL Reply:** The licensee has requested for allowing higher load factor while doing assessment in case of unauthorised abstraction of energy. The licensee has given detailed justification in its application with supporting calculation. A comparative of the LF applicable in other states for assessment is given hereunder:

State	Hours	Factor	Hours per day	Remarks (1 KW Load) per year {2X (LXDXHXF)} (Kwh)
Chhattisgarh	24	40%	9.6	7008
West Bengal	12	50%	6	4380
Jharkhand	12	40%	4.8	3504
<b>Odisha</b>	<b>24</b>	<b>10%</b>	<b>2.4</b>	<b>1752</b>

From the above, it is clear that, in our state, the LF considered is the lowest. However, it is once again clarified that, the licensee's proposal for the realistic load assessment is for the consumers who are involved in unauthorised abstraction of energy and creating burden on the licensee, and not to burden the genuine consumers.

The licensee will comply to every guideline that will be issued by Hon'ble Commission.

**19. Respondent's view /suggestion: Reduction in contract demand**

**TPNODL Reply:** The licence is following the regulation strictly. The objector is requested to provide specific instance where any consumer was denied to reduce its load deviating provisions of Regulation for reduction of contract demand, to take appropriate action.



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**20. Respondent's view /suggestion: Refund of Excess Security Deposit as per OERC Code**

**TPNODL Reply:** There is no such provision of surcharge for delay in refund of excess deposit to the consumer in the Supply Code. The licensee is refunding excess SD to the consumers who are opting for refund. Most of the consumers are not opting for refund keeping in view their future expansion plans. Further, the issue pertains to Supply Code and not related to the ARR application of the licensee.

**21. Payment of Security Deposit by means other than cash**

**TPNODL Reply:** The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

*"The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier".*

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

**22. Respondent's view /suggestion: Surcharge on late payment of Security Deposit Demand.**

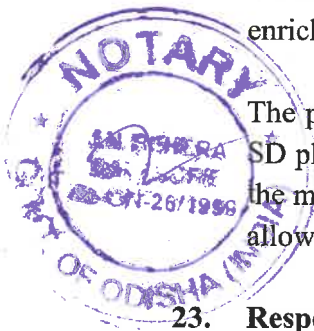
**TPNODL Reply:** The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but to ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

**23. Respondent's view /suggestion: ToD Benefit**

**TPNODL Reply:** ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @10Paise per unit for energy

*Pratap Kumar Mohanty*





consumed during solar hours and a surcharge of 20 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak hours to no-peak hours. That is quiet in concurrence with the contention of the Ld objector. But the licensee is not in agreement with the proposal of increasing the ToD benefit to 50paise. In place of that, in case the Ld. Objector feels the present provision is not sufficient to encourage balancing of drawl, then in place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

**24. Respondent's view /suggestion: Each Year Truing –up Exercise and Business Plan approval to be carried out through public hearing**

**TPNODL Reply:** As per the timelines stipulated in of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022, the licensee has submitted the Business Plan for the control period FY 2023-24 to FY 2027-28 and after hearing the Business plan of the licensee in a public hearing on dated 11.7.2023, Hon'ble Commission pronounced the Business Plan order on dated 14.9.2023 Truing up application for the previous year is being submitted by 30<sup>th</sup> November every year alongwith the audited financials before Hon'ble Commission for hearing and necessary direction.

**25. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred**

For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk Regulatory &Legal)**



**Cc to: M/s. Neelachal Ispat Nigam Limited, Neelachal House, Kalinganagar Industrial Complex, Duburi, Dist-Jajpur-755026**

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95/2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri Manoranjan Routray, S/O- Sri Khetra Mohan Routray, Trinath Temple Street, PS-/PO/Dist-Koraput-764020.

.....Respondent

**Rejoinder to the objection filed by Sri Manoranjan Routray on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2025-26 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff ) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .  
Reply to the points raised by the Ld. Objector are furnished hereunder.
2. Respondent's view /suggestion: ARR of all DISCOMs proposes an exuberant in expenditure in employees' cost, R&M cost and A&G expenditure which is double than the approved expenditure last year. Further, power outages have gone up after TATA power taken over the company. If the gap proposed by all DISCOMs is allowed it will increase the cost of unit by Rs. 1.00 per unit. The meter reading and billing cost per consumer per month comes to around Rs. 43 which is very high and needs a prudent check.

TPNODL Reply: The details of all expenses incurred and the justification against the cost components along with the achievements so far have been elaborated in the application of the licensee which may please be referred.

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**Employee Expenses-** The license issued to the earlier distribution license was revoked and TPNODL has been vested with the utility of NESCO with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers. In compliance with the vesting order, TPNODL has submitted before Hon'ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon'ble Commission.

**Repair and Maintenance Expenses-** The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

**A & G Expenses-**The details of the A&G expenses incurred and the justification against the cost components along with the achievements so far have been elaborated in the application of the licensee which may please be referred. TPNODL would like to submit that the said costs reflect the expenses incurred in ensuring accurate meter reading, bill generation, and timely delivery, along with maintaining the necessary infrastructure and systems for these operations. It includes manpower costs, data management, printing and distribution, as well as investments in technology to enhance accuracy and efficiency. The Licensee continuously strives to optimize costs and improve operational efficiency while maintaining the quality and reliability of services.

Concern of ld. objector that if GAP as proposed by Discoms will be allowed, it will increase cost per unit by Rs. 1.00 is not correct. If Hon'ble Commission allow Gap, which is justified one, will cost Rs. 0.20 per unit only.

**3. Respondent's view/objection: The present rate interest of Fixed Deposit is around 6% whereas for delay payment, DISCOMS is charging @18%.**

**TPNODL Reply:** The contention of Ld. Objector, that the DISCOMS is charging delay payment surcharge @18% during Corona period is not correct. Delay payment surcharge has been claimed as per rate approved by Hon'ble Commission, i.e. 1% per month or say 12% per annum for domestic and LT Commercial consumer.

This is further to clarify that the intention of Licensee is not to earn profit from delay payment surcharge. Rather DISCOMS prefer on time payment from its consumer. The DPS

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was acting as the required deterrent, which motivate consumer to pay its electricity bill in time.

Contention of Ld. Objector that rebate is not allowed to consumers is also factually incorrect. The DISCOM allow all eligible rebate entitled by a consumer by virtue of prevailing Retail supply Tariff order. However, If Ld. Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

- 4. Respondent's view/objection: In addition to above Discoms are disconnecting the power supply without proper notice the same should be stopped immediately.**

**TPNODL Reply:** On non-payment of Licensee's dues, TPNODL issues proper disconnection notice in accordance with Regulation 172 of the OERC Distribution (Conditions of Supply) Code, 2019, TPNODL, being a DISCOM adhere with the Regulations/ direction of Hon'ble Commission. However, If Ld. Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

- 5. Respondents View/ Objection: The Discoms must give detail financial benefits derived from the Capex plan on account of loss reduction and its impact on tariff.**

**TPNODL Reply:** The detailed capex plan along with Detailed Project Report are furnished before the Hon'ble Commission each year as per provision of Vesting Order of licensee. Accordingly, Hon'ble Commission hears it in Public Hearing and issues the order by way of analyzing the inputs from all stakeholders.

The AT&C loss has been reduced from 25.17% in FY 21 to 14.72 % as on March' 2024 and the power supply hours have been 23:02 hrs in average during FY 2023-24, the corresponding extra billing and collection are the derived impact of the capital investments done so far. There is no hike in Retail supply tariff in last three years despite of significant increase in Bulk Supply tariff.

- 6. Respondents View/ Objection: Interest on security deposit may be increased as 4.25% is too low and company is enjoying 6% interest on the Security deposit lying with company.**

**TPNODL Reply:** Ld. Objector submission that interest on security deposit may be increased as 4.25% is too low is factually incorrect. As per prevailing RST order, DISCOMs allow interest @ 6.75% on security deposit of consumer. TPNODL further submits that interest paid on security deposit of the consumers and interest earned from the deposit against consumer's security deposit has been taken into account in ARR application and benefit, if any passed on to the consumers. TPNODL is not gaining any benefit from it.

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7. **Respondents View/ Objection: The Consumers may be given instalment facility at least 3 to deposit security deposit to restart the industry.**

**TPNODL Replay:** It is to submit that payment of Security deposit is being guided by OERC Regulation, 2019. The DISCOM strictly follow the Regulation with respect to security deposit payment. The total amount of security deposit is required to be deposited before effecting power supply to ensure payment security to the licensee

8. **Respondents View/ Objection: Unlike domestic and commercial consumers other consumers may be provided with suitable digital rebate.**

**TPNODL Replay:** This is to submit that; digital rebate is allowed against small payment to domestic and commercial consumer is a step toward digital INDIA by promoting them for payment in digital mode and to minimize cash handling cost. By virtue of Income Tax, other payment more than Rs.10,000/- need to be in non-cash mode. Hence, no promotion in other consumer is required.

9. **Respondents View/ Objection: The Company has planned to install meter why the poor consumers of ODISHA will bear the capital cost or meter rent. The cost must be bear by the GOVT or the company from own profits.**

**TPNODL Replay:** That Government of India, through the Ministry of Power Gazette notification (F. No. 23/35/2019-R&R) dated 17th August 2021, had mandated all states to transition from conventional meters to more advanced prepaid smart meters. Further, the Hon'ble OERC has also advised the Odisha DISCOMs vide letter no. OERC/Engg./2/2017/609 dated 03 May 2023 to implement the same in a phased manner following a priority as directed.

With respect to cost of meter/ meter rent, the Licensee has submitted a proposal for recovery of meter cost through CAPEX instead of monthly meter rent. The same is under consideration of the Hon'ble Commission.

In most of the states like Gujarat, Maharashtra, Tamil Nadu, Andhra Pradesh, Karnataka Madhya Pradesh, Uttar Pradesh, Delhi meter cost is part of Capex and meter rent is not charged separately from the consumers. In fact, consumers are less burdened if meter cost is part of Capex specially consumers who consumes less electricity. And in Odisha large number of consumers consume less electricity say 50 units and below.



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**10. Respondents View/ Objection: There should be no tariff hike.**

**TPNODL Rejoinder:** The tariff to be charged from different consumer categories as per Supply Code Chapter IX Section 141 to 146 is to be determine by Hon'ble Commission based on sales and expenditure for the ensuring year 2025-26. ARR filed by TPNODL strictly as per provisions of Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, which is under review of Hon'ble Commission.

**11. Respondents View/ Objection: The true-up exercises of past years must be actual and as per parameter approved by tariff and regulation, but it is observed that same is claimed in normative basis taking up efficiency gain in misleading manner. Tax on return on equity may not be considered as it has to be paid out of licensee's return on capital. Passing the same to the consumer is not acceptable. Further, DERC has fixed RoE as 10% which is much below the RoE fixed as per regulation.**

**TPNODL Replay:** In the Truing-up filing, the audited financials of TPNODL for FY 24 along with details calculation has been submitted before Hon'ble Commission. The justification behind all component including "return on equity" of truing-up exercise have been elaborated in the application of the applicant. In line with para 54 (a) of vesting order and as per Clause 3.6 of OERC Tariff Regulation 2022, The TPNODL has asked ROE in its ARR application.

**12. Respondents View/ Objection: The Non-Tariff Income such as rebate to consumer, supervision charges, over drawl penalty and DPS should be passed on to consumers in full instead of 1/3rd proposed by DISCOMs.**

**TPNODL Replay:** Presumption of Ld. Objector that only 1/3<sup>rd</sup> of non-tariff income is passed on to consumers is not correct. This is to bring into kind information of the Ld objector that supervision charges, over drawl penalty & DPS are part of the non-tariff income. Non-tariff income is passed on to consumers of the DISCOM in full.

**13. Respondents View/ Objection: Increase in Demand Charge of HT Consumer up to 110**

**KVA**

**TPNODL Replay:** TPNODL has not proposed any increase in Demand Charges specifically for H<sub>1</sub> medium Industrial consumers up to 110 KVA, rather than TPNODL proposes for its simplification and rationalization.

**14. Respondents View/ Objection: Billing with Defective meter**

**TPNODL Reply:** The Ld. Objector has not gone through our proposal properly. The proposal of TPNODL is a win a win situation for both Discoms and consumer. TPNODL,

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keeping into account the seasonal effect, has proposed to revise the defective periods bill on the basis of actual recorded consumption in the corresponding period. It will not be justified for consumer to revise defective period bill during winter seasons based on average of actual consumption during summer season.

**15. Respondents View/ Objection: Revision of Reconnection Charges**

**TPNODL Reply:** The presently applicable reconnection charges have been fixed back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

**16. Respondents View/ Objection: Utilization of Security Deposit**

**TPNODL Reply:** Due to Regulatory mandate, security deposit of consumer laying with DISCOMs are deposited in Bank earning interest at bank rate only. Whereas, the licensee is sourcing money for working capital at higher interest rate which is ultimately passed on to the consumer. Utilization of SD for working capital with a concrete operating procedure to ensure timely refund of SD to the consumer as per the provisions of regulation has been submitted before Hon'ble Commission for consideration. This has been proposed to reduce financial burden which is being passed on to the consumers.

**17. Respondents View/ Objection: Penalty under Sec 126 and increasing load factor**

**TPNODL Reply:** The contention of the licensee has not been properly interpreted. The licensee has requested for allowing higher load factor while doing assessment in case of unauthorised abstraction of energy. The licensee has given detailed justification in its application with supporting calculation. A comparative of the LF applicable in other states for assessment is given hereunder:

State	Hours	Factor	Hours per day	Remarks (1 KW Load) per year {2X (LXDXHXF)} (Kwh)
Chhattisgarh	24	40%	9.6	7008
West Bengal	12	50%	6	4380
Jharkhand	12	40%	4.8	3504
<b>Odisha</b>	<b>24</b>	<b>10%</b>	<b>2.4</b>	<b>1752</b>

From the above, it is clear that, in our state, the LF considered is the lowest. However, it is once again clarified that, the licensee's proposal for the realistic load assessment is for the consumers who are involved in unauthorised abstraction of energy and creating burden on the licensee and not to burden the genuine consumers.



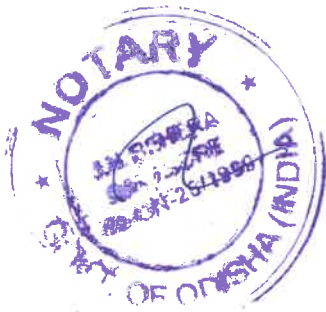
*Pratap Kumar Mohanty.*

18. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred.

For and on behalf of  
TP Northern Odisha Distribution Ltd

*Pratap Kumar Mohanty*

**Sr. GM (Risk Regulatory & Legal)**



**Cc. to: Sri Manoranjan Routray, S/O- Sri Khetra Mohan Routray, Trinath Temple Street,  
PS-/PO/Dist-Koraput-764020, Email: callmanoranjan@gmail.com**



BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR

Case No. 95, 96, 97 & 98 /2024

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Shri Ananda Kumar Mohapatra, Freelance Power Analyst, Plot No.-  
799/4, Kotiteertha Lane, Bhubaneswar-02

.....Objector

**Rejoinder to the objection filed by Sri Ananda Kumar Mohapatra against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2025-26**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.
2. **Respondent's view/objection: Power Purchase Cost & Tariff**

TPNODL Reply: Retail supply tariff reflects cost of supply. If the cost of supply is high, retail supply tariff also required to be in higher side. With respect to the Cost of Supply (CoS), the Hon'ble Commission in its RST Order has held as under:

*"The Cost of Supply is the cost incurred by the utility to supply one unit of electricity at its consumer's metering point and is a crucial part of the tariff setting process. The purpose of computation of Cost of Supply (CoS) is to apportion all costs required to serve consumers of different categories in a fair and an equitable manner giving proper price signals and identifying subsidy/cross-subsidy among consumer categories for developing an appropriate policy and a regulatory way forward. Tariff setting is a revenue balancing method. The revenue requirement of DISCOM is met through tariff recovered*

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*from the consumers. The revenue can be of two categories i.e. revenue recovered from the consumer for sale of power and miscellaneous receipt from other activities of DISCOMs. The revenue requirement to be earned through tariff will be less if miscellaneous receipt is given credit as a part of the revenue earned. This in turn will reduce tariff to be charged to the consumers. **The cost of supply is not necessarily equal to average tariff.** This is because of miscellaneous receipt shall be utilised to meet the revenue requirement which would have otherwise been recovered from the consumer through tariff.” (Emphasis added)*

However, in line with clause 8.3 (2) of the Tariff Policy 2016, the average tariff of the state is well within +/-20% of Average cost of Supply. Further, tariff in some states is lower than Odisha because of subsidy provided by state sector.

### 3. Respondent's view/objection: Timelines

**TPNODL Reply:** Licensee is duty bounded to follow the provision of OERC (Distribution Supply Code, 2019) and other applicable rules and regulations and directives mentioned in the Tariff Orders and ensure its timely compliance.

TPNODL, in line with vesting order, taking all reasonable steps to ensure that all Consumers connected to the Licensee's Distribution System receive a safe, economical and reliable supply of electricity as provided in the Distribution Code, and other Guidelines issued by the Commission in accordance with the provisions of the Act, the State Act, Rules and Regulations.

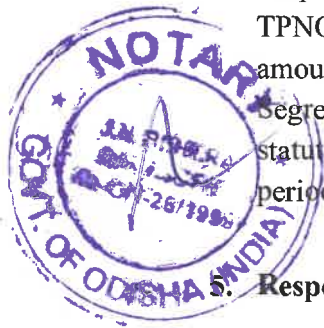
### 4. Respondents View/ Objection: Misappropriation of Govt. grant investment.

**TPNODL Reply:** TPNODL submits that as per Segregation Order dated 25.11.2021, unspent grant of Rs. 172.31 Cr. as on 31.3.2021 had been transferred to the licensee. TPNODL is required to maintain the bank balance in separate bank accounts and this amount to be used for which the grant is received. As per terms of Vesting Order & Segregation Order, TPNODL is mandated to comply with the directions. Accordingly, a statutory audit is being conducted and the report is submitted to the Hon'ble Commission periodically.

### 5. Respondent's view/objection: Truing up for previous FY 2024.

**TPNODL Reply:** In the Truing-up filing the audited financials of TPNODL for FY 24 along with details calculation has been submitted before Hon'ble Commission. The

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justification behind all component of truing-up exercise have been elaborated in the application of the applicant

**6. Respondent's view –Power Purchase & Sales for FY26.**

**TPNODL's reply:** The justification behind growth in sales has been elaborated in the application of the applicant. In line with vesting order collection efficiency has been considered as 99% for determination of tariff.

**7. Respondent's view –Summary of ARR.**

**TPNODL's reply:** The justification behind all the components of ARR along with the achievements so far have been elaborated in the application of the licensee, which may please be referred. ROE and Bad & doubtful debt have been calculated in line with vesting order and OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022. Assessment under Sec 126 and 135 of IE Act has been done strictly as per Act regulation. The allegation of non-disclosure of collection against assessment under Sec 126 and 135 of IE Act is not true.

**8. Respondent's view –Collection of Additional Security Deposit.**

**TPNODL's reply:** As per Regulation 53 of OERC Distribution (Conditions of Supply) Code, 2019 Security deposit of the consumers are to be reviewed once in a year and as per Regulation 54 (i) of the code, if required security deposit is found more than 10% of the existing security deposit, the licensee is entitled to claim such demand. The relevant extracts on general review and demand notice for additional security deposit from regulation 53 and 54 (i) of OERC Distribution (Condition of Supply) code, 2019 are provided hereunder:

**General Review**

*53-Subject to the restrictions of the periods of two months as specified in Regulation 52(i), the adequacy of the amount of security deposit calculated in respect of consumers shall be reviewed by the Licensee/supplier generally once in every year (preferably after revision of tariff for the respective year) based on the average consumption for the period representing 12 (twelve) months from April to March of the previous year.*

**Demand notice for Additional Security Deposit**

*54. (i) Based on review as per Regulation 53 above, demand for shortfall or refund of excess shall be made by the Licensee/supplier. Provided, however, that if the security deposit payable by the consumer is short by or in excess of not more than 10% of the existing security deposit, no demand for shortfall will be made for payment of Additional Security Deposit and the consumer shall not be entitled to demand the refund of the Excess.*

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Although, for review of security deposit preference has been given on tariff hike, but it is not essential for annual review. Basic of the Regulation is to review once in a year and based on two-month average of past one-year consumption. Hence, as per above regulation the licensee is demanding additional security deposit from the consumers. The objector has given a summarised picture of total peak demand and total contract demand of Domestic consumer of the state. However, for security calculation demand is not the basic criteria. It is the average consumption based on which ASD is calculated. Further occasional drawal on account of ceremonial function has been taken into consideration by giving 10% criteria. Average consumption increases only if the consumer draws excess power frequently.

**9. Respondent's view –Open Access Charges for FY26.**

**TPNODL's reply:** The Ld Objector may refer to para 99 of RST order FY 25. The computed cross subsidy surcharge for DISCOMs have been given in table -27. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-27 of RST order is reproduced hereunder:

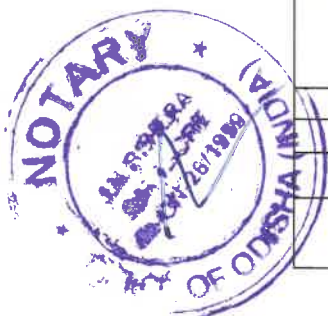
**Table – 27**  
**Computed Surcharge for Open Access Consumer 1MW and above**  
**for FY 2024-25 (In paise / unit)**

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	232.86	197.86	167.86	347.86
Surcharge for HT Consumer	108.90	20.08	42.41	178.54

However, the approved charges for FY 25 as given under table 28 are done at 70% of the computed values. The table no. 28 is reproduced hereunder:

**Table – 28**  
**Leviable Surcharge, Wheeling Charge and Transmission Charge for Open Access**  
**Consumer(s) of 1MW and above for FY 2024-25**

Name of the licensee	Cross Subsidy Surcharge (paise/unit)		Wheeling Charge applicable to HT Consumers only (paise/unit)	Transmission Charges for Open access Customer
	EHT	HT		
TPCODL	163.00	76.23	101.46	The Open Access Customer availing Open Access shall pay Rs.5760/MW/Day (Rs.240/MWh) as Transmission charges
TPNODL	138.50	14.06	152.23	
TPWODL	117.50	29.69	97.30	
TPSODL	243.50	124.98	156.82	



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**10. Respondent's view –Installation of smart meter under CAPEX.**

**TPNODL's reply:** Contention of Ld. Objector that the licensee is collecting illegal rent from the consumers funded through Govt. Scheme is not correct. Levy of Meter rent for meters installed under Govt. funded schemes has been stopped as per letter no OERC/Engg-02/2018/647 dated 13.06 2024.

**11. Respondent's view –High Gap between Maximum Demand and Minimum Demand.**

**TPNODL's reply:** Concern has been raised by Id. Objector on demand variation during 1<sup>st</sup> half the financial year. Mostly summer season is in first half of a financial year and it is obvious that demand will vary depending upon use of cooling appliances and mostly at the peak time the demand will be high.

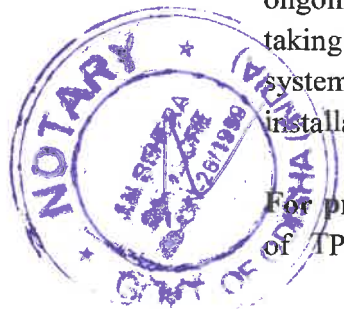
**12. Respondent's view –Reliability of power supply.**

**TPNODL's reply:** After taking over the charge of NESCO Utility, TPNODL took numerous initiatives to ensure steady and reliable power supply.

**To arrest/ reduce PT failure,** TPNODL gradually phase out PTR with low health score, educate our PSS Operator / Filed staff not to do more than 2 test Charge & take confirmation from STS/Section Manager, differential protection  $\geq 5$  MVA inducted at old PTR's and ensure no escalation of 11kV fault to 33kV. TPNODL has also planned for CAPEX works to ramp up earthing and phase out PTRs repaired more than three time from system.

**To arrest/reduce DT failure,** TPNODL has ensure massive addition of DTRs through various Government Schemes & under Annual CAPEX to reduce load burden on the existing DTRs. Quality of insulation in HV & LV Winding has been upgraded for repaired DTR to reduce inter-turn short circuit. The bare conductors are also being replaced with AB Cable to reduce theft, pilferage and hooking activities, which causes additional load to the system. Ensure distribution of the loads evenly among the phases of the transformer. Project Mission 100 was undertaken for mass level DTR maintenance under which 12600+ DTR of 63KVA & above rating were maintained, which is also ongoing. Installation of Lightning Arresters, New Breather, DTR earthing activity etc. are taking place in mass level under CAPEX & OPEX head. To ensure proper protection system of the PSS, New Relay installation, new battery bank and charger, New CR Panel installation and LA installation and upkeep have been carried out.

**For proper maintenance of network,** separate AMC has been introduced post takeover of TPNODL for 33KV and 11KV maintenance to create a culture of preventive



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maintenance. AMC is given to 10 different agencies for the 16 divisions across TPNODL for 11KV & LT Network. The network is being inspected regularly through manual patrolling as well as drone inspection in forest and inaccessible areas. Thermo-scanning is done for the entire network using high power thermo scanning cameras and to identify the defects, hotspots and attend breakdowns in quick time and perform preventive maintenance activities to enhance system reliability by rectifying the probable faults even before they occur.

After take over, TPNODL did a comprehensive study of the entire network. Entire HT network of TPNODL (33 & 11KV) is now 100% documented in terms of single line diagram (SLD). These SLD were prepared through a focused drive for more than 6 months where-in network data was captured through the closed coordination with JE/SDOs/ Lineman. The entire base network of TPNODL covering 100% 33KV network, 11KV network, PSS and Distribution transformers have been modelled in Cyme Dist. Software. Load flow analysis of the entire network is done and the abnormalities such as under-voltage, overload portions identified. All the required under-voltage and overload feeder mitigation schemes prepared basing on the load flow analysis. The Performance Based Maintenance Contract also includes 24X7 Breakdowns Crews for restoration of 33KV & 11KV feeders and substation equipment. Besides, preventive maintenance activities are being performed as per the maintenance plan and schedule prepared by TPNODL using the SAP PM system.

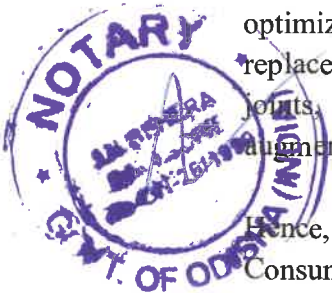
Due to above initiative of TPNODL, 33 KV tripping, failure rate of PTR and DTR are reduced drastically.

TPNODL acknowledged the importance of CAPAX and hence in compliance to section 39 of the Vesting order, TPNODL has proposed Capital Expenditure plan for the FY 21-22, FY 22-23, FY 23-24, FY 24-25 & FY 25-26 and submitted before the Hon'ble Commission

For further improvement in reliability and to reduce the losses, major interventions like Network reinforcement, Technology adoption is proposed in the plan so that equipment failure / tripping can be reduced and reliability, billing & collection efficiency can be improved. The network demanded urgent refurbishment like re-conductoring of feeders, optimization of feeder length, dedicated feeders for industrial/ commercial customers, replacement of damaged / tilted poles, provision of intermediate poles, replacement of joints, enhancing system protection, replacement of sick equipment and network augmentation to improve the reliability of power supply.

Hence, TPNODL, in line with vesting order, taking all reasonable steps to ensure that all Consumers connected to the Licensee's Distribution System receive a safe, economical and reliable supply of electricity as provided in the Distribution Code, and other

Pratap Kumar Mohanty



Guidelines issued by the Commission in accordance with the provisions of the Act, the State Act, Rules and Regulations.

Due to continuous initiation of licensee, it can be observed from the given table that, the reliability indices have improved remarkably. TPNODL further assures that it will continue its journey of transformation to provide the consumers a reliable supply and service. The improvement in Reliability Indices since FY 22 are furnished hereunder:

FY	SAIFI (Nos)	SAIDI (Hrs)
2021-22	674.67	455.51
2022-23	621.20	378.39
2023-24	576.45	348.95
2024-25 (up Q3)	425.04	247.16

13. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website [www.tpnodl.com](http://www.tpnodl.com), which may please be referred by the objector for further clarification.

For and on behalf of  
TP Northern Odisha Distribution Ltd

**Sr. GM (Risk, Regulatory & Legal))**



**Cc to: Shri Ananda Kumar Mohapatra, Freelance Power Analyst, Plot No.-799/4,  
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