



# APPLICATION FOR OPEN ACCESS CHARGES (FY25-26)

NOVEMBER-2024

**TP SOUTHERN ODISHA DISTRIBUTION LIMITED**

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

Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004

Website: [www.tpsouthernodisha.com](http://www.tpsouthernodisha.com) Email: [tpsodl@tpsouthernodisha.com](mailto:tpsodl@tpsouthernodisha.com)

Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1



TPSODL/Regulatory /2024/63/7938

29-November-24

**Secretary**

Odisha Electricity Regulatory Commission

Bidyut Niyamak Bhawan

Plot No 4, Chunokoli

Shailashree Vihar

Bhubaneswar 751021

**Subject: Application for determination of Open Access Charges for consumers availing Open Access under Section 42 of the Electricity Act 2003, read with section 1.3 of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply tariff) Regulations, 2022 and all enabling provisions for determination of Wheeling Charges & Surcharges applicable to the Distribution System User & Open Access Consumers for use of intra-state transmission/ distribution system and associated facilities for the financial year 2025-26.**

**Dear Sir,**

The present application is being filed by TP Southern Odisha Distribution Limited (TPSODL) before the Hon'ble Commission for approval of Application for determination of Open Access Charges for consumers and all enabling provisions for determination of Wheeling Charges & Surcharges applicable to the Distribution System User & Open Access Consumers for use of intra-state transmission/ distribution system and associated facilities for the financial year 2025-26.

The submissions of TPSODL are enclosed herewith.

We trust our submissions are in order.

Yours faithfully

(Soumitry Dey)  
**Head-Regulatory**



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BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,

BIDYUT NIYAMAK BHAWAN.

PLOT No-4, CHUNOKOLI, SHAILASHREE VIHAR, BHUBANESWAR-751021

**IN THE MATTER OF:** Petition for determination of Open Access Charges for consumers availing Open Access under Section 42 of the Electricity Act 2003, read with section 1.3 of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply tariff) Regulations, 2022 and all enabling provisions for determination of Wheeling Charges & Surcharges applicable to the Distribution System User & Open Access Consumers for use of intra-state transmission/ distribution system and associated facilities for the financial year 2025-26.



And

**IN THE MATTER OF:** TP Southern Odisha Distribution Ltd., Corp Office, Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha - 760004.

.... *Petitioner*

**IN THE MATTER OF:** All Stake Holders

.... *Respondents*

**AFFIDAVIT**

I Soumitry Dey, aged about 47 years, s/o. Late Banshidhar Dey, working as the Head Regulatory Affairs, do hereby solemnly affirm and state as follows:

- That, I am working as Head Regulatory Affairs of TPSODL, Courtpeta, Berhampur, Dist. - Ganjam-760004. I am the authorized representative in the above matter and duly authorized by the said applicant to make this affidavit on its behalf.
- That, I have gone through the contentions in this submission and understood the contents thereof.
- That, the facts stated in the application are true to the best my knowledge and belief.

Identified by

Advocate

Verified that the contents of above affidavit are true and correct, no part it is false and nothing material has been concealed therefrom.

Deponent

Verified at Berhampur on this 29th day of Nov 2024

**DECLARATION**  
The deponent having been duly identified by S.R. Mahapatra, B.A., M.A., LL.M. Advocate on this 29th day of Nov 2024 at Berhampur on this 29th day of Nov 2024, at Berhampur I have solemnly affirmed & stated before me that the contents mentioned in the affidavit are true to the his/her knowledge, information & belief

Deponent

Birupakshya Patro

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
BIDYUT NIYAMAK BHAWAN.  
PLOT No-4, CHUNOKOLI, SHAILASHREE VIHAR, BHUBANESWAR-751021

Case No: \_\_\_\_\_ of 2024  
File No TPSODL/Regulatory /2024/63/7938

**IN THE MATTER OF:** Petition for determination of Open Access Charges for consumers availing Open Access under Section 42 of the Electricity Act 2003, read with section 1.3 of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply tariff) Regulations, 2022 and all enabling provisions for determination of Wheeling Charges & Surcharges applicable to the Distribution System User & Open Access Consumers for use of intra-state transmission/ distribution system and associated facilities for the financial year 2025-26.

*And*

**IN THE MATTER OF:** TP Southern Odisha Distribution Ltd., Corporate Office, Kamapally, Courtpeta, Berhampur, Ganjam District, Odisha 760004

..... *Petitioner*

*And*

**IN THE MATTER OF:** All Stake Holders

..... *Respondents*

**MOST RESPECTFULLY SHOWETH:**

1. That, by virtue of Vesting order of Hon'ble Commission vide order in Case No-83/2020 dated 28.12.2020 and as per section 21 of the Electricity Act' 2003, the rights, powers, authorities, duties and obligations under SOUTHCO Utility's license stood transferred to TP Southern Odisha Distribution Ltd. (hereinafter referred to as "TPSODL") on the effective date that is 01.01.2021.



2. That, the Hon'ble Commission vide order No-OERC/Engg./1/2021/408 dated 26.03.2021, has issued the Licence Conditions applicable to TPSODL.
3. That, TP Southern Odisha Distribution Ltd (TPSODL) is required to submit proposal for approval of Open Access charges before the Hon'ble Commission for the FY 2025-26 as per the provisions of OERC (Terms and Conditions of Intra-State Open Access) Regulations 2020.
4. That, any customer under the licensee area of TPSODL intending to avail one MW or more power from any other Utility or generator by open access facility of distribution network of the Licensee may do so, by paying Open Access Charges applicable from time to time. This application is for approval of Open Access charges for FY 2025-26.
5. For determination of Open Access Charges for the Financial Year 2025-26, the Licensee considered estimated figures as presented in its ARR application for FY 2025-26. TPSODL. Based on the submission made under the ARR Application, the Wheeling Charges and Cross Subsidy Surcharge (CSS) have been reworked and presented as below.

**A. Wheeling charge for Open Access:**

6. In the petition for determination of ARR for FY 2025-26, TPSODL had submitted the following for wheeling business for FY 2025-26.
7. TPSODL is an entity formed with effect from 1st January 2021 and has inherited the systems as existing at the time of Effective date from Southco Utility. As per the Tariff Regulations 2022, the ARR needs to be worked out for Wheeling and Retail Supply business separately.
8. That, the Hon'ble Commission has approved the expenditure under various heads for both the businesses together and has provided the segregation under pre-defined ratio under the Tariff Regulation 2022 as follows:

**Extracts from clause 2.5.2 of Tariff Regulations 2022**

Allocation matrix for segregation of expenses between Wheeling Business and  
Retail Supply Business

<b>Particulars Wheeling</b>	<b>Wheeling Business (%)</b>	<b>Retail Supply Business (%)</b>
Power Purchase Expenses	0%	100%
Intra-State Transmission Charges	0%	100%
Employee Expenses	60%	40%
Administrative and General Expenses	50%	50%
Repair and Maintenance Expenses	90%	10%
Depreciation	90%	10%
Interest on Long-term Loan Capital	90%	10%
Interest on Working Capital	10%	90%
Provision for Bad Debts	0%	100%
Income Tax	90%	10%
Contribution to contingency reserves, if any		
Return on Equity	90%	10%
Non-Tariff Income	10%	90%

9. Accordingly, in this submission, for the purpose of working out the Wheeling Charges, we have segregated the expenditure on the basis of the ratios used by the Hon'ble Commission in Tariff Regulations. Based on the same, the Wheeling and Retail Supply ARR would be as follows:



Table 1: Wheeling Business ARR

Statement of Allocation of Wheeling and Retail Supply Cost by TPSODL for FY25-26  
(Rs. In Crs)

Sl No	Cost/Income Component	ARR for Ensuing FY	Assumption Ratio: Wheeling Business	Assumption Ratio: Retail Supply Business	Wheeling cost for Ensuing FY	Retail supply Cost for Ensuing FY
1	Cost of Power	1,012.43	0%	100%	-	1,012.43
2	Transmission Charges	121.49	0%	100%	-	121.49
3	SLDC Charges	0.96	0%	100%	-	0.96
	<b>Total power purchase cost</b>	<b>1,134.89</b>			<b>-</b>	<b>1,134.89</b>
	<b>O&amp;M</b>	<b>-</b>				
4	Employee Cost	589.20	60%	40%	353.52	235.68
5	Repair & Maintenance Cost	214.18	90%	10%	192.76	21.42
6	Administrative & General Expenses	173.09	50%	50%	86.55	86.55
7	Bad & Doubtful Debt including Rebate	22.52	0%	100%	-	22.52
8	Depreciation	134.65	90%	10%	121.19	13.47
	<b>Interest on Loans</b>	<b>-</b>				
9	for Capital loan	77.57	90%	10%	69.81	7.76
10	for Working capital	25.94	10%	90%	2.59	23.34
11	Interest on Security Deposits	33.25	0%	100%	-	33.25
12	Return on Equity	110.41	90%	10%	99.37	11.04
13	Tax on RoE	37.14	90%	10%	33.42	3.71
	<b>Special Appropriation</b>	<b>-</b>				
14	Carrying Cost	-	25%	75%	-	-
15	True Up of Current year GAP 1/3rd	-	25%	75%	-	-
16	Other, if any- Contingency Reserve	-	100%	0%	-	-
	<b>Grand Total</b>	<b>2,552.83</b>			<b>959.21</b>	<b>1,593.62</b>
	<b>Miscellaneous Receipt</b>	<b>-</b>				

19	Total Misc. Receipts	62.81	10%	90%	6.28	56.53
20	Total Revenue Requirement	2,490.02			952.93	1,537.09

10. The Sales estimated in the petition are as follows:

Table 1: Sales Estimate for FY 2025-26 (MUs)

Sl. No.	Particulars	FY25-26
1	Total LT	2544.63
2	HT Sales	460.502
3	EHT Sales	829.96
	Total Sales	3835.087

11. Based on the above submissions, the Wheeling Charges for TPSODL work out to a) Rs 54,027 per MW per Day for Long Term and Medium-Term Open Access and b) Rs. 2.25 per Kwh for Short Term Open Access as given in the table below:

Table 2: Wheeling Charges computation by TPSODL

Sr No	Particulars	Unit	Value
1	Wheeling ARR	Rs Cr	953
2	Energy Input to TPSODL	Mus	5062
3	Less EHT Sales	MUs	-829
4	Energy input for wheeling computation	MUs	4233
5	Average Load served by the Distribution Licensee	MW	483.24
6	Wheeling Charges for Medium Term and Long Term Open Access	Rs/MW/Day	54, 027
7	Wheeling Charges for Short Term Open Access	Rs/Kwh	2.25

**B. Cross subsidy surcharge for HT and EHT Consumers:**

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



*Extracts :CSS formula from Tariff Policy*

**Surcharge formula:**

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

Where

S is the surcharge

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

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

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

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

R is the per unit cost of carrying regulatory assets.

13. Based on the same, and converting the Demand Charges (Rs/kVA/Month) for 100 % Load Factor (LF), the CSS for EHT and HT category of consumers for FY 2024-25 is as follows:

*Table 3: Computation of Cross Subsidy Surcharge (CSS)*

S. No	Particulars	Units	EHT	HT
1	Energy Charge Considered	Rs/Kwh	6.46	6.89
2	Demand Charges	Rs/KVA/Month	250	250
3	PF Considered		0.99	0.92
4	Average Hours in a month	Hrs	730	730
5	Demand Charges converted with 100 % LF	Rs/Kwh	0.346	0.374
6	Total Tariff for CSS considered ( 1+5)	Rs/Kwh	6.81	7.26
7	Cost of Power Purchase (incl'd Tran Charge)	Rs/Kwh	2.24	2.24
8	Applicable Losses	%	3%	8%
9	Wheeling Charge	Rs/Kwh	0	2.25
<b>10</b>	<b>CSS</b>	<b>Rs/KWh</b>	<b>4.50</b>	<b>2.58</b>

**C. Additional Surcharge:**



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

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

15. Presently, TPSODL procures power from Gridco alone and is paying a Bulk Supply Tariff of Rs 2.00 per Kwh for the same under the Bulk Supply Agreement signed between Gridco and TPSODL. In addition, TPSODL also pays a Transmission Tariff of Rs 0.24 per Kwh to OPTCL. Since in the present arrangement of power purchase, there is no obligation to bear any fixed costs for purchase even after reduction of sales on account of Open Access, no Additional Surcharge has been proposed.

#### **D. Prayers**

1. TPSODL prays that the Hon'ble Commission may kindly pleased to;
  - a) Accept this Open Access Charges application of the applicant.
  - b) Approve the Open Access Charges of the Utility for FY 2025-26.
  - c) Permit making additional submission required in this matter.
  - d) Grant any other relief as deemed fit & proper in the facts and circumstances of the case.

