

**Minutes of Performance Review of WESCO  
from April, 11 to September, 2011 held in OERC on 26.12.2011.**

Date of Review : 26.12.2011 at 04.00 PM

Period of Review : From April, 2011 to September, 2011

Representative of WESCO, GRIDCO and OPTCL present during the review:

- (i) Shri P.Gopal Reddy, M.D.
- (ii) Sri A.K.Bhora, CEO CSO.
- (iii) Sri M.K.Mishra. GM(O/M).
- (iv) Sri P.K.Sahoo, SE, RA..
- (v) Shri R. Kamilla, GM, EHT (O&M), OPTCL
- (vi) Shri M R Mohanty, AGM (Elec.), OPTCL
- (vii) Shri P K Mohapatra, AGM (Elect.), OPTCL

1. Shri P.Gopal Reddy, M.D WESCO made a presentation before the Commission about the performance of WESCO during the period from April, 2011 to Sept., 2011 as per the agenda items indicated by the Commission. Commission's Observations on Licensee's Performance in brief are as follows:

**(A) PERFORMANCE OF WESCO**

**Sales Analysis of WESCO**

2. The Commission noted that during the period under review the energy purchased by the licensee was found to be 3315.00 MU compared to the prorated target of the Commission at 3895.50 MU for 1<sup>st</sup> half of FY 2011-12 resulting in a net decrease of 0.77 % compared to the input during the same period of FY 2010-11. At the same time, the net sale by the licensee has been decreased by 0.53 % compared to the sales corresponding to same period for FY 2010-11. The decrease in sale is contributed by decrease in EHT and HT sale by 0.28% and 2.86% respectively in comparison to the sales corresponding to the same period for FY 2010-11. While there is an decrease in EHT and HT sales the LT sales has been increased by 1.90% compared to the previous years. During the period under review the licensee has achieved 83.00%, 92.46% & 43.93% of the collection target set by the Commission in EHT, HT and LT sector respectively.

SALES ANALYSIS OF WESCO-FY-2011-12 (Up to September)								
	INPUT	TOTAL SALES	EHT	% to Total Sales	HT	% to Total Sales	LT	% to Total Sales
TARGET proportionated to half year	3315.00	2661.95	790.67		658.65		1212.63	45.55%
ACHIEVEMENT	3154.69	1947.22	721.74	37.07%	603.56	31.00%	621.92	31.94%
% Achieved	95.16%	73.15%	91.28%		91.64%		51.29%	
Achieved Last Year	6510.88	3978.72	1459.60	36.69%	1362.98	34.26%	1156.13	29.06%
Proportionated to half year	3255.44	1989.36	729.80		681.49		578.07	
Change Compared to Last Year	-0.77%	-0.53%	-0.28%	0.38%	-2.86%	-3.26%	1.90%	2.88%
COLLECTION								
TARGET		1099.65	422.62		336.33		340.70	
ACHIEVEMENT		808.00	350.77		310.97		146.26	
% Achieved		73.48%	83.00%		92.46%		42.93%	

### **Loss Analysis of the WESCO**

3. While analyzing the performance in the reduction of loss achieved by the licensee it is noticed that the overall loss achieved by the licensee is 38.28% compared to 38.89% during FY 2010-11 resulting in a decrease of overall loss by 0.61%. It is observed that LT loss has reduced from 64.80% during FY 2010-11 to 61.96% during the 1<sup>st</sup> half of FY 2011-12 a decline of 2.84%. However, WESCO is still far away from the target of the Commission to achieve LT loss of 27.11% for FY 2011-12. With regard to the performance in achieving AT&C loss it is observed that WESCO has achieved an overall AT&C loss of 44.87% compared to 42.94% during FY 2010-11 resulting in a net increase of 1.93% compared to the last financial year. The overall increase in AT&C loss by 1.93 % was due to lower collection efficiency in EHT sector by 8.40% by the licensee compared to FY 2010-11. While there is a marginal improvement in billing efficiency the collection efficiency the overall efficiency of the licensee has decreased by 4.09%. In terms of all the parameters discussed above WESCO has not been able to meet OERC targets, though not declined.

<b>PERFORMANCE OF WESCO-LOSS</b>					
	<b>2010-11</b>	<b>Actual FY-2011-12(Apr-Sept)</b>	<b>Target 2011-12</b>	<b>Deviation</b>	<b>Change</b>
<b>LOSS (%)</b>					
LT	64.80%	61.96%	27.11%	34.85%	-2.84%
OVERALL	38.89%	38.28%	19.70%	18.58%	-0.61%
<b>BILLING EFFECIENCY (%)</b>					
LT	35.20%	38.04%	72.89%	-34.85%	2.84%
OVERALL	61.11%	61.72%	80.30%	-18.58%	0.61%
<b>COLLECTION EFFICIENCY (%)</b>					
EHT	99.00%	90.60%	99.00%	-8.40%	-8.40%
HT	99.00%	97.35%	99.00%	-1.65%	-1.65%
LT	74.00%	73.83%	99.00%	-25.17%	-0.17%
OVERALL	93.40%	89.31%	99.00%	-9.69%	-4.09%
<b>AT &amp; C LOSS (%)</b>					
LT	74.04%	71.91%	27.84%	44.07%	-2.13%
OVERALL	42.94%	44.87%	20.50%	24.37%	1.93%

### **Performance of Divisions:**

4. The division-wise performance sheet of WESCO shows that overall LT Realization to input for all divisions taken together has increased from 78.71 Paise to 89.47 Paise during the period under review. The increase in realization per input is 13.67% compared to the overall RST rise of 17.23% during FY FY 2011-12. The most efficient division in terms of reduction of AT&C – LT loss is found to be Rajgangpur which has reduced AT&C-LT loss by 10%. The worst performing divisions are Titlagarh where AT&C – LT loss has increased by 2.44%,. The Commission expressed displeasure for the fact that even after repeated instructions the loss level of divisions like Bargarh(W), Sonapur, Nuapada, Bolangir has remained at about 80 %. The CEO must initiate stern action against the non-performing divisional heads as directed by the Commission in its letter No.DIR(T)-336/08/2544 dtd.13.01.2012.

**Concrete action taken in this regard against the non-performing and poor performing official and staff should be reported to the Commission by 30.04.2012.**

LT PERFORMANCE OF WESCO FOR APR-11 TO SEP-11									
							2010-11		2011-12
RATE OF BULK SUPPLY TARIFF (INCLUDING TRANSMISSION) P/U							217.50		287.00
SL. NO.	NAME OF DIVISION		LOSS % (Assuming HT Loss 8%)		AT & C LOSS (%)		P/U REALISATION FOR 2011-12 (Upto Sep-11) LT	P/U REALISATION FOR 2010-11 LT	% Change
			LT	OVER ALL	LT	OVER ALL			
<b>OERC TARGET</b>			<b>27.1%</b>	<b>19.7%</b>	<b>29.5%</b>	<b>20.5%</b>	<b>198.1</b>	<b>112.1</b>	
1	BARGARH(W)	2011-12 (Apr-Sep_	70.53%	71.07%	82.41%	81.24%	46.20	39.44	17.13%
		2010-11	74.07%	74.21%	84.33%	82.70%	39.44		
2	SONEPUR	2011-12 (Apr-Sep_	66.95%	66.71%	80.81%	77.16%	48.70	48.92	-0.44%
		2010-11	70.50%	69.94%	79.46%	77.05%	48.92		
3	NUAPADA	2011-12 (Apr-Sep_	70.30%	71.25%	80.00%	80.14%	63.65	52.13	22.11%
		2010-11	74.16%	74.62%	81.84%	81.17%	52.13		
4	BOLANGIR	2011-12 (Apr-Sep_	63.97%	63.97%	77.80%	75.31%	67.30	62.38	7.90%
		2010-11	66.65%	66.10%	78.51%	75.25%	62.38		
5	BARGARH	2011-12 (Apr-Sep_	67.68%	65.39%	75.75%	71.22%	71.63	57.75	24.03%
		2010-11	70.60%	62.85%	79.11%	67.75%	57.75		
6	SUNDERGARH	2011-12 (Apr-Sep_	67.86%	56.08%	75.71%	59.05%	72.00	68.69	4.81%
		2010-11	71.12%	57.21%	75.28%	59.75%	68.69		
7	TITLAGARH	2011-12 (Apr-Sep_	64.22%	59.67%	75.14%	67.70%	75.18	73.89	1.75%
		2010-11	64.51%	58.30%	73.27%	63.80%	73.89		
8	SAMBALPUR	2011-12 (Apr-Sep_	56.51%	41.20%	71.90%	57.57%	99.24	82.35	20.52%
		2010-11	54.94%	49.94%	74.34%	60.05%	82.35		
9	KWED	2011-12 (Apr-Sep_	62.36%	65.24%	70.39%	72.87%	88.62	77.80	13.90%
		2010-11	66.96%	69.42%	72.65%	74.76%	77.80		
10	SAMBALPUR(E)	2011-12 (Apr-Sep_	58.75%	50.80%	70.05%	58.26%	102.21	97.43	4.91%
		2010-11	55.13%	47.76%	69.50%	57.34%	97.43		
11	DEOGARH	2011-12 (Apr-Sep_	58.88%	48.54%	69.64%	57.32%	85.15	83.36	2.15%
		2010-11	60.39%	45.09%	69.69%	50.34%	83.36		
12	JHARSUGUDA	2011-12 (Apr-Sep_	57.65%	20.97%	68.77%	27.34%	103.00	91.87	12.11%
		2010-11	58.53%	19.69%	69.52%	22.88%	91.87		
13	KEED	2011-12 (Apr-Sep_	57.21%	57.56%	66.02%	63.37%	105.27	100.63	4.61%
		2010-11	54.42%	53.91%	66.61%	62.58%	100.63		
14	ROURKELA-SADAR	2011-12 (Apr-Sep_	58.86%	39.64%	64.25%	41.32%	127.14		
		2010-11							
15	ROURKELA	2011-12 (Apr-Sep_	57.88%	30.68%	63.76%	36.56%	121.91	109.63	11.20%
		2010-11	59.50%	35.33%	64.87%	37.78%	109.63		
16	RAJGANGPUR	2011-12 (Apr-Sep_	44.46%	9.05%	50.42%	14.72%	187.89	132.37	41.94%
		2010-11	57.37%	10.79%	60.53%	12.45%	132.37		
TOTAL	WESCO	2011-12 (Apr-Sep_	61.96%	38.28%	71.91%	44.87%	89.47	78.71	13.67%
		2010-11	63.90%	38.05%	73.38%	42.15%	78.71		

### Franchise Operation by the Licensee

- WESCO was directed to cover at least 1,87,500 nos. consumers by end of 2011-12 vide para 642 of RST Order of FY 2011-12. Against the above target WESCO has so far covered 1,18,079 nos. of consumers till 30<sup>th</sup> Sept., 2011. There are 3 nos. of input based franchisees, 7 nos. of Macro-Franchisees and 8 nos. Micro franchisees operating in the areas of WESCO as shown in table below.

<b>Franchisee Activity</b>			
	<b>As on 31.03.2010</b>	<b>As on 31.03.2011</b>	<b>As on 30.09.2011</b>
No of Micro-Franchisees	8	8	8
No of Consumers Covered	948	960	1089
No of Macro-Franchisees	19	19	7
No of Consumers Covered	102168	104334	78590
No of Input Based-Franchisees	0	3	3
No of Consumers Covered	0	36487	38400
Total no of consumers covered under Franchisee	103116	141781	118079

There is only Enzen Global Solution Pvt. Ltd, operating with input base franchise model in the area of WESCO. It has over achieved 26.03% in 2009-10, 23.83% in 2010-11 and 22.28% in 2011-12 (Up to Sept.2011) over the agreed rate of Input. The rest of the Franchisees operating in WESCO area are with revenue based models. The efficiency of a Franchisee is defined by the excess of collection or realization in terms of percentage over the target set by the licensee in collection of revenue ( In case of Revenue based model ) or in Realization Per Input (RPI in case of Input Model). In the other words the efficiency in percentage terms represents the achievement of the franchisee over the agreed rate in terms of Input based and amount of revenue agreed to be paid to the licensee in the respective year. The best performing franchise is M/s Shree Sai Laxmi Enterprises operating in 11KV Godbhaga Feeder of WESCO area with revenue based Macro Franchise model which has increased its franchise efficiency from 38.68 % to 51.26%. Similarly M/s King's Associates operating in Sohela Sub-division has also increased its franchise efficiency from 47.15% during FY10-11 to 58.05% during the period of review. A brief abstract of the performance of franchisees operating in WESCO area is as given below:

**PERFORMANCE OF FRANCHISEE UNDER WESCO**

Sl. No.	Name Of Franchisee	Start of Franchise Operation	Mode Of Operation	No Of Consumers	Efficiency (%)			
					FY 2009-10	FY 2010-11	Apr10-Sep-10	Apr-11 - Sep-11
1	M/s.Enzen Global Solution Pvt. Ltd. - Kantabanji Subdivision	Aug-08	Input Based	12982	26.03%	23.83%	22.01%	22.28%
2	M/s.Enzen Global Solution Pvt. Ltd. - Patnagarh Subdivision	Aug-08	Input Based	29148	30.62%	26.52%	24.24%	24.94%
3	M/s.Shree Sai Laxmi Enterprises- 11 KV Godbhaga Feeder	Dec-02	Revenue Based	2935	46.17%	44.38%	38.68%	51.26%
4	M/s.Shree Sai Laxmi Enterprises- 11 KV Larambha Feeder	Jul-03	Revenue Based	3874	18.40%	19.38%	18.20%	23.07%
5	M/s.Shree Sai Laxmi Enterprises- 11 KV Saranda Feeder	Jul-06	Revenue Based	1687	25.27%	23.83%	25.32%	20.66%
6	M/s.Susanta Pattnayak-Godramal & Charbahal	Aug-11	Revenue Based	8549	34.20%	31.10%	32.50%	24.10%
7	M/s.Garima Enterprises-Kuchinda Subdivision	Jul-11	Revenue Based	16743	157.86	178.42	71.23	86.24
8	M/s. Koshal Self Help Coop. Ltd. - Bheden	Nov-10	Revenue Based	10316	27.70%	19.00%	23.00%	21.00%

	Subdivision							
9	M/s. Koshal Self Help Coop. Ltd. - Bhatli Subdivision	Jan-11	Revenue Based	10597	16.40%	18.60%	17.00%	19.00%
10	M/s. AWAHAN - Paikmal Subdivision	Oct-10	Revenue Based	7667	31.60%	29.30%	28.40%	34.90%
11	M/s. Kings Associate - Sohela Subdivision	Jul-11	Revenue Based	14381	47.00%	47.15%	46.44%	58.15%

### Arrear Analysis

6. WESCO has an arrear of Rs. 1025.77 Cr. as on 30.09.2011 compared to the net arrear of Rs. 929.06 Cr. on 31.03.2011 resulting in a net increase of Rs.96.71 Cr. The net addition of arrear by Rs.96.71 Cr. is due to an increase in arrear in LT, HT, EHT and Govt. Dept. sector by Rs.46.81 Cr., Rs.7.83 Cr., Rs.36.41 Cr., and Rs.5.66 Cr. respectively. The addition of arrear during the period under review is Rs.96.71 Cr. against collection of arrear of Rs.25.49 Cr only. The addition of arrear was high in LT sector to the tune of Rs.46.81 Cr. against the collection of arrear in the same sector i.e. Rs.19.49 Cr. The Commission expressed concern due to addition of arrear to the tune of Rs.5.66 Cr. in Govt. Dept. against collection of Rs.1.99 Cr only in the same sector.

### STATUS OF ARREAR-WESCO

Category	Arrear as on 31-03-2011	Billing for the period Apr-11 to Sep-11	Collection against current dues Apr-11 to Sep-11 against '4'	Collection against arrear during 2010-11 against '3'	Total collection	Arrear for the period Apr-11 to Sep-11	Arrear as on 31-09-2011	Arrear Added during the period
1	2	3	4	5	6=4+5	7=3-4	8=2-5+7	
<b>EHT</b>	-6.76	387.18	350.40	0.37	350.77	36.78	29.65	36.41
<b>HT</b>	16.89	311.67	300.19	3.65	303.85	11.48	24.72	7.83
<b>LT</b>	841.57	186.15	119.84	19.49	139.33	66.30	888.39	46.81
Govt. & PSU	16.62	7.76	6.81	0.31	7.12	0.95	17.25	0.63
Govt.-HT	60.73	11.96	5.25	1.68	6.93	6.71	65.76	5.03
<b>Grand Total</b>	<b>929.06</b>	<b>904.72</b>	<b>782.50</b>	<b>25.49</b>	<b>808.00</b>	<b>122.22</b>	<b>1025.77</b>	<b>96.71</b>

### Consumer and Infrastructure Growth

7. During the period under review the no. of consumers has increased from 6,32,622 to 6,97,472 as on 30<sup>th</sup> Sept., 2011. The length of 11 KV feeder of the licensee has increased from 23,954.20 Km to 24,164,87 Km. Similarly the number of 11 KV feeder breakers installed increased from 78 nos. to 138 nos. and that of 33 KV feeder breakers increased from 60 nos. to 97 nos. A brief outlook of the infrastructure position of WESCO is given below:

CONSUMER STATUS			
	As on 31.03.2010	As on 31.03.2011	As on 30.09.2011
EHT	23	23	24
HT	584	624	633
LT	568541	631975	696815
Total	569148	632622	697472
Network System			
Length of 33 KV lines(km.)	4180.08	4267.29	4267.42
Length of 11 KV lines(km.)	22738.152	23954.203	24164.868
Length of L.T. lines(km.)	16858.925	17162.076	17193.46
Length of conductor stolen (km.)	1.96	0.8	0

Cost involved (Cr.)	0.00294	0.0012	0
No. of 33 KV Group Breakers Installed	42	45	44
No. of 33 KV Feeder Breakers Installed	58	60	97
No. of 11 KV Group Breakers Installed	98	108	193
No. of 11 KV Feeder Breakers Installed	69	78	138

### **Metering Position of CESU**

8. During the period under review the percentage of working meters has increased from 90.00% to 92.09% as on 30<sup>th</sup> Sept., 2011. It is seen that the no. of consumers availing TOD benefit is 13078 against 29509 no. of three-phase consumers. The Commission expressed displeasure for non-submission of transaction details of consumer metering during the period under review and directed to submit it before 28.2.2012.

<b>Consumer Metering Position</b>			
	<b>As on 31.03.2010</b>	<b>As on 31.03.2011</b>	<b>As on 30.09.2011</b>
Total number of meters	549845	623076	697472
No. of working meters	539311	560753	642330
Percentage of working meters ( % )	98.08%	90.00%	92.09%
New meters installed ( 3 ph ) (During The Period)	1588	1110	854
New meters installed ( 1 ph ) (During The Period)	18311	44288	73714
No of 3 Phase Consumers (LT)	0	28817	29509
No of Consumers with TOD benefit (LT)	0	12499	13078
No of Consumers above 10 KW load (LT)	0	7025	7351
No of Consumer AMR metering	0	0	1196
Total No of consumers as on 31st March 2010	0	569148	0
No of consumers added during FY-2010-11	0	63474	0
No of meters purchased during FY-2010-11	0	78000	0
No of meters used for installation for new consumer and replacements for old consumers during The Period	34611	75577	103784
Cost involved in purchase of meters during FY 2010-11 (Rs. Lacs)	0	910.15	0
Cost of meter rent Collected during FY 2010-11 (Rs. Lacs)	0	341.76	0

### **(B) SECTORAL ANALYSIS**

#### **Sales Analysis of the Sector**

9. A glance to the input to the sector as a whole shows a rise of 0.79 % in purchase of energy by the licensees taken together. However the sales by the licensees show an increase of energy by 2.65 % during FY 2011-12 during the period under review while compared to 2010-11. The rise in 2.653% in sales achieved mainly due to the increased sales in EHT and LT by 3.39 % and 5.61% respectively during FY 2011-12. A cursory look into the ratio of LT to total sales shows that the dependability of the licensee on LT sales has been increased by 4.11 % whereas that on HT has been reduced by 5.07 % during the period under review.

**PERFORMANCE OF DISTCOS (ALL ORISSA)-Sales Up to Sept 2012**

	CESU	NESCO	WESCO	SOUTHCO	Total Sales During FY-2011-12	2010-11	Change comp. to 2010-11
<b>TOTAL Purchase</b>	3,811.29	2,583.03	3,154.69	1,409.38	10,958.39	21244.79	0.79%
<b>SALE (MU)</b>							
EHT	704.58	893.78	721.74	187.53	2,507.63	4417.09	3.39%
HT	446.14	241.65	603.56	83.80	1,375.15	3106.27	-2.86%
LT	1,202.31	587.80	621.92	468.36	2,880.39	4704.64	5.61%
<b>TOTAL</b>	<b>2,353.03</b>	<b>1,723.24</b>	<b>1,947.22</b>	<b>739.69</b>	<b>6,763.18</b>	<b>12,228.00</b>	<b>2.65%</b>
% EHT to Total	29.94%	51.87%	37.07%	25.35%	37.08%	36.12%	0.95%
% HT to Total	18.96%	14.02%	31.00%	11.33%	20.33%	25.40%	-5.07%
% LT to Total	51.10%	34.11%	31.94%	63.32%	42.59%	38.47%	4.11%

**Growth of Categories and their Consumption**

10. So far as LT Sales are concerned the consumption has marginally increased from 67.08% as on Sept., 2010 to 67.47% during the period under review. There was an additional consumption of 8.39% by Kutir Jyoti consumer. It has been observed that the consumption by medium industries has reduced from 3.59% to 1.80% during the period of review. There has been reduction of LT and HT consumption in the state as a whole. The LT consumption has reduced 38.20% to 36.33 % during the period under review. While the HT consumption has reduced from 23.11% to 20.90%. On the other hand the consumption of EHT sales in the state as a whole has increased from 38.69% to 42.77% during the period under review. It has been observed that the realization per unit input has been found to be highest from large industries at 760.36 paise and lowest at 53.49 paise from Kutir Jyoti consumers. As admitted by the CEO of Distribution licensee, the higher realization in PWD was due to collection of some arrears.

**ALL ORISSA LT PERFORMANCE-As on September-2011  
2011-12 (upto Sept.2011)**

Category	% Consumption on Sept 2010	% consumer on Sept-2010	2011-12 (upto Sept.2011)					% Consumption	% consumer
			No. of Consumer	Consumption (MU)	Per Unit Billed P/U	Realization per unit Input (in Paise)	Billing per Consumer per Month(Rs)		
Domestic	67.08%	86.00%	2965770	1943.26	233.55	164.49	255.05	67.47%	81.84%
Kutir Jyoti			304118	45.35		53.49	34.05		8.39%
L.T. General (Com)	18.64%	7.61%	261554	529.98	601.87	555.33	2032.59	18.40%	7.22%
Agriculture	2.48%	1.16%	37299	68.11	134.71	69.22	409.97	2.36%	1.03%
Street Lighting	1.08%	0.02%	119	2.87	152.45	214.49	6134.17	0.10%	0.00%
Agro			99	1.58	201.23	186.82	5348.35	0.05%	0.00%
Allied Agro			1561	29.78	548.96	370.17	17457.29	1.03%	0.04%
Small Industry	2.14%	0.59%	8698	57.57	521.00	335.60	5747.62	2.00%	0.24%
Medium Industry	3.59%	0.13%	18573	51.85	558.29	558.35	2597.56	1.80%	0.51%
Specified Pub. Purpose<100KW	2.10%	0.57%	4570	105.55	596.44	622.90	22960.36	3.66%	0.13%
Spec. Pub. purpose >100KW	1.95%	0.17%	21621	44.27	518.35	396.03	1768.81	1.54%	0.60%
PWW	0.19%	0.06%	1	0.05	706.58	711.50	59750.87	0.00%	0.00%
Large Industry	0.01%	0.00%	3	0.16	771.11	760.36	69693.99	0.01%	0.00%
<b>TOTAL L.T.</b>	<b>100.00%</b>	<b>100.00%</b>	<b>3623986</b>	<b>2880.40</b>	<b>329.93</b>	<b>265.50</b>	<b>437.06</b>	<b>100.00%</b>	<b>100.00%</b>
<b>SUMMARY</b>									
LT	38.20%	99.94%	3623986	2880.40	329.93			36.33%	99.93%
HT	23.11%	0.06%	2378	1657.03	440.54			20.90%	0.07%
E HT	38.69%	0.00%	88	3391.33	373.42			42.77%	0.00%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>3626452</b>	<b>7928.76</b>	<b>371.65</b>			<b>100.00%</b>	<b>100.00%</b>

### Collection of Arrear Analysis of the sector

11. The status of arrear in the state as a whole is as given in the table below:

<b>STATUS OF ARREAR-Odisha-As on September-2011</b>								
Category	Arrear as on 31.03.2011 (Rs. Cr.)	Billing Up to Sept.2011 (Rs. Cr.)	Collection against current dues for the FY 2011-12	Collection against arrear for the FY 2011-12	Total Collection for the FY 2011-12 (Up to Sept.2011)	Arrear added during the period (Rs. Cr.)	Arrear as on 30.09.2011	Net Arrear Added during FY 2011-12 so far
1	2	3	4	5	6=4+5	7= (3-4)	8= (2+3)-6	9=8-2
<b>EHT</b>	100.22	1203.85	1154.98	3.75	1158.73	46.42	145.33	45.11
<b>HT</b>	103.60	690.33	659.83	8.99	668.82	27.08	125.11	21.51
<b>LT</b>	3117.19	877.43	649.51	89.77	739.28	195.86	3255.34	138.14
<b>Govt. PSU-LT</b>	224.42	78.98	54.27	7.42	61.69	21.03	241.70	17.28
<b>Govt.PSU-HT</b>	218.27	96.14	76.82	2.48	79.30	19.32	235.11	16.84
<b>Grand Total</b>	<b>3763.70</b>	<b>2946.72</b>	<b>2595.42</b>	<b>112.40</b>	<b>2707.82</b>	<b>309.70</b>	<b>4002.58</b>	<b>238.89</b>

During the period under review the net arrear of all the DISCOMs taken together has increased from Rs.3763.70 Crore as on 31.03.2011 to Rs.4002.58 Crore as on 31 09.2011 thereby resulting an increased of arrear by Rs.238.89 crore during the period under review. The contribution of WESCO found to be the highest in terms of addition of arrears by 40.48% of the total arrear added during the period followed by CESU, NESCO and SOUTHCO with 23.66%, 22.79% and 13.06% respectively. All the DISCOMs have collected less arrear compared to arrear added during the period under review.

<b>ARREAR ANALYSIS-As on September-2011</b>							
DISCOM	Arrear as on 31.03.2011	Arrear added during (April to Sept., 2011)	% of arrear added to Odisha total	% of arrear added to OB	Arrear Collected	% of arrear Collected to added	Arrear as on 30.09.2011
CESU	1447.47	56.53	23.66%	3.91%	41.60	73.59%	1504.00
NESCO	941.76	54.43	22.79%	5.78%	26.82	49.27%	996.19
WESCO	929.06	96.71	40.48%	10.41%	25.49	26.36%	1025.77
SOUTHCO	445.41	31.21	13.06%	7.01%	18.49	59.25%	476.62
<b>TOTAL</b>	<b>3763.70</b>	<b>238.89</b>	<b>100.00%</b>	<b>6.35%</b>	<b>112.40</b>	<b>47.05%</b>	<b>4002.58</b>

### Performance Analysis of the DISCOMs of the State

12. During the period under review the overall sales of SOUTHCO found to have increased highest by 2.95%. The overall sales in case of LT the sales of CESU found to be highest with 3.46% compared to the previous year. All DISCOMs have shown a decrease in overall distribution loss while there has been an increase in LT distribution loss by all DISCOMs. That implies that the licensees have fared more or less badly in LT while compared to reduction of loss in HT. The reduction in AT & C loss in LT is highest in WESCO with 2.12 % followed by CESU. The performance of WESCO in reducing LT AT & C front is good; this is because it had the higher AT&C loss of 74.04% compared to 56.55% for CESU and all DISCOMs at 63.87% for 2010-11. However it should be kept mind that the Realization per Input LT is still at 89.47 paise which is the lowest among all DISCOMs being 119.50 on the average for all DISCOMs and 150.25 paise for CESU. The Realization Per Input for 2010-11 for WESCO being the lowest at 78.73 paise compared to all DISCOM average of 112.79 paise and 143.87 paise for CESU during 2010-11. The increase is apparently

high though it still remains the lowest at 89.47 paise compared to all DISCOMs average of 119.50 paise and 150.25 paise for CESU during 2011-12 upto Sep' 2011.

<b>PERFORMANCE OF DISCOMs-AT A GLANCE-As on September-2011</b>										
	2010-11		2011-12-Up to Sept.		Change compared to Last Year	2010-11		2011-12-Up to Sept.		Change compared to Last Year
	OERC Approval	Actual	OERC Approval	Actual		OERC Approval	Actual	OERC Approval	Actual	
<b>SALES ANALYSIS</b>										
	OVERALL					LT				
CESU	4791.30	4361.45	2960.58	2353.03	1.98%	2879.30	2111.99	1659.14	1202.31	3.46%
NESCO	4176.30	3435.59	2171.79	1723.24	0.08%	1631.70	1134.58	950.77	587.80	0.90%
WESCO	4999.80	3978.72	2661.95	1947.22	-0.53%	2053.80	1156.10	1212.63	621.92	1.90%
SOUTHCO	1709.10	1323.38	1004.38	739.69	2.95%	1182.50	844.61	699.03	468.36	2.73%
ALL ORISSA	15676.50	13099.14	8798.69	6763.18	0.82%	7747.40	5247.28	4521.56	2880.39	2.45%
<b>OVERALL LOSS PERFORMANCE</b>										
	OVERALL DIST. LOSS (%)					OVERALL AT & C LOSS (%)				
	2010-11		2011-12-Up to Sept.		Change compared to Last Year	2010-11		2011-12-Up to Sept.		Change compared to Last Year
	OERC Approval	Actual	OERC Approval	Actual		OERC Approval	Actual	OERC Approval	Actual	
CESU	25.37%	38.3%	24.00%	38.26%	-0.04%	26.86%	41.00%	24.76%	41.79%	0.79%
NESCO	18.46%	32.8%	18.40%	33.29%	0.53%	20.09%	36.56%	19.22%	38.06%	1.50%
WESCO	19.93%	38.9%	19.70%	38.28%	-0.62%	21.53%	42.94%	20.50%	44.87%	1.94%
SOUTHCO	27.82%	48.2%	26.50%	47.52%	-0.70%	29.27%	52.60%	27.24%	53.12%	0.52%
ALL ORISSA	22.22%	38.3%	21.71%	38.28%	-0.06%	23.77%	42.62%	22.49%	43.29%	0.67%
<b>LT LOSS PERFORMANCE OF DISCOMs</b>										
	L T DISTRIBUTION LOSS (%)					LT AT & C LOSS (%)				
	2010-11		2011-12-Up to Sept.		Change compared to Last Year	2010-11		2011-12-Up to Sept.		Change compared to Last Year
	OERC Approval	Actual	OERC Approval	Actual		OERC Approval	Actual	OERC Approval	Actual	
CESU	29.40%	51.63%	29.20%	50.15%	-1.47%	30.81%	56.55%	29.91%	56.49%	-0.06%
NESCO	29.40%	55.36%	27.05%	55.21%	-0.14%	30.81%	66.25%	27.78%	67.53%	1.28%
WESCO	29.40%	64.79%	27.11%	61.96%	-2.83%	30.81%	74.04%	27.84%	71.91%	-2.12%
SOUTHCO	29.40%	55.32%	27.75%	54.98%	-0.34%	30.81%	60.92%	28.47%	63.87%	2.95%
ALL ORISSA	29.40%	56.58%	27.98%	54.99%	-1.59%	30.81%	63.87%	28.70%	63.78%	-0.09%
<b>REALIZATION PER UNIT INPUT (RPI) OF DISCOMs</b>										
	OVERALL (2010-11)		OVERALL 2011-12-Up to Sept.		% Increased	LT-FY (2010-11)		LT 2011-12-Up to Sept.		% Increased
	Target	Achieved	Target	Achieved		Target	Achieved	Target	Achieved	
CESU	236.73	223.05	306.10	244.67	9.69%	174.90	143.87	222.43	150.25	4.43%
NESCO	260.69	233.00	339.79	273.45	17.36%	143.20	101.00	227.45	102.68	1.66%
WESCO	257.15	221.47	331.72	256.13	15.65%	130.40	78.73	204.78	89.47	13.65%
SOUTHCO	196.07	166.64	262.27	185.18	11.13%	143.70	119.02	206.16	116.61	-2.02%
ALL ORISSA	244.37	216.43	316.30	247.10	14.17%	154.76	112.79	216.31	119.50	5.95%

### **OBSERVATIONS**

13. While looking in to the performance of the sector during the period under reviews following points were observed by the Commission.
1. While LT sales increased by 5.61 %, LT AT & C loss decreased by 0.09 %
  2. Although AT&C loss in LT decreased by 0.09 % the LT realization target achieved by the licensees as a whole has been increased by 5.95 %.
- (C) **Compliance to the action points outlined by the Commission in the performance review meeting for FY 2010-11(Up to Sept) during the month of December 2010.**

### **14. INITIATIVES TO REDUCE LOSS**

#### **(i) Load Verification of Feeders**

Directives:

DISCOMs must submit the load verification report of all feeders up to 440 volt /LT before next review meeting and match it with the load of the consumers.

Achievement:

With the gradual increase of consumer demand, regular load drawal at 33/11/LT feeders are carried out from the dump data by the MRT wing, accordingly infrastructure is upgraded on priority basis and rest of infrastructure augmentation are proposed under CAPEX scheme.

(ii) **Voluntary declaration of contract demand of residential premises of the DISCOM employees**

Directives:

All employees of DISCOMs must voluntarily declare the Contract Demand of their residential premises.

Achievement:

Employees are encouraged to declare their load particulars in nearest section /subdivision office. However vigilance wing of WESCO are physically verifying the premises and contract demands are being enhanced accordingly.

(iii) **Verification of load and contract demand for all high valued consumers with CD>20KW**

Directives:

The DISCOMs must verify the load and Contract Demand of all high valued consumers above 20 KW.

Achievement:

The maximum demand of the consumers having CD more than 20 KW are being monitored regularly and accordingly CDs are enhanced. More over MRT wings are conducting physical verification of consumer premises. The category wise no of enhancement of contract demand are as follows. Domestic category 20, General purpose 57, Medium Industry 331, Specific Public Purpose 18, Public Water Works 4, Large Industry 172.

(iv) **Cross checking of meter readings**

Directives:

DISCOMs were directed to submit the revenue generated by cross-checking of meter reading.

Achievement:

The revenue generated by cross-checking of meter readings has resulted in additional billing of 1.85 MU and revenue of Rs 89.17 Lacs.

15. **ADMINSTRATIVE MEASURES**

(i) **Fixation of Responsibility & Accountability**

Directives:

Strict administrative action must be taken against errant and callous employees as provided under service code. Performance review of employees after attaining the age of 50 years and compulsory retirement to the non-performing/poor performing officials should be initiated.

Achievement:

As per service code, the performance of employees is being reviewed from time to time by the competent authority. The administrative action against executives are (i) Show cause notice served-68 (ii) Warning/Censured-18 (iii) Suspension-5 (iv) With holding of increment-4.

(ii) **Delegation of Power**

Directives:

The delegation of technical, financial and administrative matter should be finalised before 28.02.2011

Achievement:

The delegation of power to technical/financial/administrative personnel is in practice as per prevalent rule in WESCO.

16. **FUNCTIONING OF ENERGY POLICE STATION & VIGILANCE**

(i) **Functioning of the Energy police station & Vigilance and Antitheft Measures**

Directives:

The target for number of raids and checking to be carried out by DISCOMs was 720 & 7200 for CESU, 540 & 5400 for NESCO, 180 & 1800 for WESCO and SOUTHCO(both) respectively and revenue generated should be 10 times that of expenditure.

Achievement:

WESCO conducted 72 no of raids and 14581 no of vigilance checkings. The amount realised from vigilance activities are 1.25 Cr.

During the period under review the nos. of cases finalized under Sec. 126 &135 was 2855 nos and the amount finalized was Rs.1.44 crore. During the period under review the amount collected by regularizing connections has been increased significantly to Rs. 125.72 lakhs from Rs. 22.81 lakhs during the entire financial year 2010-11. From the submissions of WESCO it is observed that the licensee is found to be pro-action in lodging FIRs and prosecuting illegal consumers into Court.

<b>Anti Theft Measures</b>			
	<b>As on 31.03.2010</b>	<b>As on 31.03.2011</b>	<b>As on 30.09.2011</b>
No of cases Finalised under Section 126 & 135	0	0	2855
Ammount Finaliseded (Rs. Lacs)	0	0	144.41
Ammount Assessed during filing of case (Rs. Lacs)	0	0	142.59
No of new connections given	26562	45376	72380
No. of connection Regularised	1859	3975	2926
Amount Collected (Rs. Lacs)	0	22.81	125.72
No. of FIR lodged	26	97	76
No. of illegal consumers prosecuted/Initiated in Court	0	66	47
Number of disconnections made	68858	38573	43389
Revenue realised (Rs. LACS.)	713.15	583.98	751.52

(ii) **Action taken with report of AMR & Vigilance cell**

Directives:

All DISCOMs were advised to initiate strict disciplinary action against officials pointed out by AMR and Vigilance Cell and action taken report should be submitted to the Commission. The Commission vide this para had directed CESU to clean up its own house by taking action against the employees of the CESU directly or indirectly indulging in theft of energy.

Achievement:

During this period there is no adverse remark by EMR & Vigilance cell against the officials

17. **SYSTEM UP GRADATION**

(i) **Submission of cost Data**

Directives:

Cost Data upto 2009-10 should be submitted before 29th February'2011.

Achievement:

CESU submitted that the cost data for FY 2009-10 is under process of preparation and will be submitted soon.

(ii) **Preparedness of DISCOMS to utilize Capex**

Directives:

DISCOMs were advised to prepare ring fenced projects along with their base line data and submit before the Commission.

Achievement:

For Utilisation of CAPEX each of the Divisions are identified as monitoring unit and base line datas along with asset details are prepared and submitted to Hon'ble Commission vide letter no WESCO/CAPEX/12530 dated 01.12.11

(iii) **Achievement on recommendation of Expert Team, Loss reduction Committee & Quality of Supply Improvement Committee.**

Directives:

The licenses are required to take follow up action on pending recommendation /direction with reference to the enquiry conducted by independent expert as regards to maintenance and operation of distribution S/S and lines. Apart from that, the Commission has setup 2 nos of Committees to recommend measures on Reduction of Loss & Improvement of quality of Supply. The follow up actions on such recommendations by the licensees should be submitted before the Commission before 31<sup>st</sup> January 2012.

Achievement:

The status of inquiry committee report was submitted to Hon'ble Commission vide Letter No WESCO/RA/ 136 dated 19.04.11

18. **COLLECTION OF ARREAR**

(i) **Separate target for collection of Current and Arrear revenue and Improvement of Collection Efficiency at Division Level.**

Directives:

The DISCOMs were directed to fix specific target for collection of current and arrear revenue for each and every divisional officer.

Achievement:

WESCO assigns target of revenue collection both arrear and current to all the field units. In 1st Phase arrear amount greater than Rs50,000/- are being concentrated and the AM/DM(Commerce) of each of the Divisions has been assigned the responsibility.

(ii) **Strategy for Collection of Arrear from High valued Consumers**

Directives:

CESU, NESCO and WESCO were directed to collect arrears from all high valued HT & EHT consumers.

Achievement

In 1st half of the current financial year the realisation from arrears in EHT and HT category are 0.37 and 3.96 Cr respectively.

(iii) **Strategy for collection arrear from Govt. Dept & PSU**

Directives:

Department-wise request letter along with arrear details are submitted to each department and consolidated arrear details are submitted to Department of Energy, GoO vide letter no WESCO/Com/MD-sec/329(2) dated 15.12.11.

Achievement:

Department wise request letter along with arrear details are submitted to each department and consolidated arrear details are submitted to Department of Energy, GoO vide letter no WESCO/Com/MD-sec/329(2) dated 15.12.11.

19. **TECHNOLOGICAL UPGRADATION**

(i) **Feeder Metering Position**

Directives:

All the licensees should achieve 100% metering upto the level of distribution transformers

Achievement:

During the period under review the no of Distribution Transformer Metering position has remained same at 12558 nos. An overview of the feeder metering position is as given below:

<b>Feeder Metering</b>			
	<b>As on 31.03.2010</b>	<b>As on 31.03.2011</b>	<b>As on 30.09.2011</b>
No. of 33 KV feeders(excluding GRIDCO interface)	85	90	91
No. of 33 KV feeder metering	85	89	85
No. of 11 KV feeders	466	491	496
No. of 11 KV feeder metering	451	491	472
No. of 33/11 kv transformers	261	262	269

No. of 33/11 kv transformer metering position	0	0	0
No. of distribution transformers(11/0.4 & 33/0.4 kv)	18565	21461	22893
No. of distribution transformer metering position	12558	12558	12558
Energy Audit Carried Out-33 KV	63	65	56
Energy Audit Carried Out-11 KV	0	0	1
Energy Audit Carried out- No of DTRs covered	0	0	64

**(ii) Energy Audit of WESCO**

Directives:

DISCOMs were directed to achieve energy audit for at least 50% of 33 and 11KV feeders by end of this year to achieve the long term goal of Energy Audit at DTR level.

Achievement:

Out of 91 nos. of 33 KV feeders, 56 feeders are being audited regularly .Energy Audit of 11 KV feeders are not initiated due to faulty/defective DTR meters. However Energy Audit initiated for 2 nos. of 11 KV feeders, after installation of DTR meters in all S/Ss. From the energy audit report submitted by WESCO in 33 KV feeders Sonapur, Kesinga and Bolangir feeders are found to have high level of losses to the tune of 15.75%, 12.74% and 10.17% respectively.

**(iii) Reduction of Loss with technological intervention.**

Directives:

The Commission vide this Para had directed DISCOMs to generate sufficient revenue to meet their cost of service & turn around the distribution business. The DISCOMs were directed to achieve 90% of the collection per LT input target set by the Commission by adopting various technical as well as administrative measures.

Achievement:

WESCO as initiated an eight point programme to be implemented in all its circles as per the strategy given below:

- DTR Load Balance
- Check Meter Reading
- Meter Sealing
- Meter Replacement
- Hooking Removed
- Hooking Regularised
- Theft Cases Registered
- Approached Slip Distributed
- Disconnection made for non-payment arrear

The impact of the eight point programme on DTR loss reduction is encouraging. Among 375 nos. of DTRs where 8 point programme is implemented, the nos. of DTR where load drawal reduced by 20% is found to be 208 nos. and the number of DTR where load drawal reduced by 10% is found to be 142 nos.

20. **QUALITY OF SUPPLY**

(1) **Quality of Supply**

Directives:

There must be a significant reduction in no of failure in transformer and interruptions in feeders by undertaking timely R & M works.

Achievement:

This year failure of Distribution Transformer is 1498 against total s/s of 22893(6.5%). During the same period previous year the failure was 1693 against 19475(8.7%). So the failure rate is reduced by 25%. However, the Commission expressed displeasure for increased number of interruption in both 33 KV and 11 KV feeders.

<b>QUALITY OF SUPPLY</b>			
	<b>As on 31.03.2010</b>	<b>As on 31.03.2011</b>	<b>As on 30.09.2011</b>
Failure of Power Transformers	19	13	17
No. of transformers burnt	1514	1061	1300
Cost involved (Cr.)	3.028	2.122	2.6
No of Interruptions in 33 KV Feeders	11016	5293	6020
No of Interruptions in 11 KV Feeders	75306	38140	38255

(2) **System Improvement Works**

Directives:

The Commission has directed to carry out system improvement works in the Retail Supply Tariff Order of FY 2011-12 as detailed of Table 121 of para 634.

Achievement:

Against the direction of the Commission to upgrade and install new distribution transformers WESCO has failed miserably to meets its target during the period under review. However, WESCO has converted 467 nos. of single phase lines to three phase lines as submitted during the course of revenue. The brief overview work of the system improvement works carried out during the review period is as given below:

<b>SYSTEM IMPROVEMENT WORKS DURING REVIEW PERIOD</b>			
	<b>As on 31.03.2010</b>	<b>As on 31.03.2011</b>	<b>As on 30.09.2011</b>
Installation of New Transformers	146	102	3
Upgradation of Transformers	170	93	26
Installation of Pillar Box	63	21	0
Length of AB Cable Laid	28.83	11.65	21
Conversion of Single Phase to Three Phase Lines	29	20	467

21. **Quality of Service**

(1) **Consumer Complaints**

Directives:

Prompt follow up action should be taken on all grievances. Punishment should be initiated for non-compliance of consumer grievances.

Achievement:

The grivances of individual consumers like power off, replacement of faulty meters and billing disputes are settled at section/subdivision level.The findings of vigilance squad immediately complied on receipt of vigilance report.

(2) **Implementation of GRF Orders**

Directives:

CESU was directed to comply with the orders of GRF in a time bound manner.

### Achievement:

During the period under review WESCO has performed well in disposing consumer grievances through Consumer Handling Procedure (CHP) including Bijuli Adalat. It has disposed 3851 no of grievances during the 1<sup>st</sup> half of the financial year compared to 4248 nos. of cases disposed during the financial year of 2010-11.

Name of the GRF	Opening Balance	No. of cases registered	No. of cases Disposed	No. of cases pending for disposal	No. of orders pending for implementation
Burla	9	45	43	11	67
Rourkela	15	25	34	6	19
Bolangir	181	236	343	74	840

A brief overview of the functioning of different GRF functioning under WESCO is as given below:

<b>Functioning of GRF</b>			
	<b>As on 31.03.2010</b>	<b>As on 31.03.2011</b>	<b>As on 30.09.2011</b>
No. of Grievances received	8971	5325	4373
Disposed through CHP including Bijuli Adalat	7361	4248	3851
Total No. of GRF Orders received for compliance	0	0	863
No. of GRF Orders Complied	0	0	641

## 22. **Implementation of Safty Measures**

### Directives:

DISCOMs should appoint Electrical Safety Officers, in terms of the requirement under CEA (Measures relating to safety and Electric Supply) Regulations, 2010 for ensuring observance of safety measures in their organisation for construction, operation and maintenance of distribution system. The CEO should review the work of the safety officer once in each quarter and take up the required steps on the report submitted by the Safety Officer for over safe operation of the distribution system.

### Achievement:

- For Elephant Corridor WESCO, submit an estimate amounting to Rs 49.89 Cr to Principal Chief Conservator of Forest (Wild Life) vide letter No. WESCO/O&M/867(3) dtd. 25.11.2011.
- The estimated Cost of separate line for Head quarter hospital for Deogarh, Nuapada, Bolangir, Sundargarh, Bhawanipatna, Bargarh are to tune of 2.55 Cr and the same is submitted to Health & Family welfare Deptt..

## 23. **Improvement of Voltage Profile**

WESCO has been experiencing low voltage problem in Khariar road, Nuapada, Dharmagada, Bhawanipatna, and Padampur divisions of its area of operation.

### Baragarh:

Present installed capacity of transformer at katapalli is 40 + 20 = 60 MVA

### Proposed by OPTCL

After expansion of Baragarh 132/33 KV grid sub-station by addition of 40 MVA this problem will be eliminated.

### **Nuapada Grid Sub-station**

Present installed capacity of transformer at Khariar 132/33 KV sub-station is 2 x 20 MVA which is inadequate to supply power to Nuapada.

Proposed by OPTCL

The construction work a new 132/33 sub-station has been started at Nuapada of capacity 2 x 12.5 = 25 MVA which is scheduled to completed by June, 2012 after which the problem at Nuapada will be sorted out. After Kesinga Grid 220/132 2x100 MVA the problem will further sorted out.

### **Dharmagada Grid S/s**

Present installed capacity of transformer at Junagada 132/33 KV sub-station 20 + 12.5=32.5 MVA

Proposed by OPTCL

After completion of ongoing Golamunda 132/33 KV grid sub-station this problem will be sorted out.

### **Bhawanipatna Grid S/s**

Present it is fed from Kesinga 132/33 KV grid sub-station of capacity of transformer =2X12.5=25 MVA sub-station

Proposed by OPTCL

The completion of Bhawanipatna 132/33 KV sub-station will be completed by June, 2012 after which this problem will be sorted out.

### **Padampur Grid S/s**

Presently it is fed from Barapalli 132/33 KV grid sub-station of capacity of transformer =2X12.5=25 MVA sub-station.

Proposed by OPTCL

A new 132/33 KV sub-station is proposed at Padmapur after which this problem will be sorted out.

## **(D) Overall performance for the half year ending 30.09.2011**

24. From the review of the performance of the DISCOMs conducted from 22.12.1011 to 27.12.2011, the Commission finds that no perceptible serious efforts have been made by the distribution companies to reduce the loss which is the main cause for poor financial state of affairs of the distribution companies. In most of the cases the distribution loss as well as the AT&C loss have rather increased during April-September, 2011 compared to those in 2010-11. This would be seen from the table given below:

<b>DISCOMs LOSS PARAMETERS FY 2011-12 (Up to Sept)</b>					
<b>DISCOM</b>	<b>NESCO</b>	<b>WESCO</b>	<b>SOUTHCO</b>	<b>CESU</b>	<b>TOTAL</b>
Overall Distribution Loss	33.29%	38.28%	47.52%	38.26%	38.28%
Distribution Loss In LT	55.21%	61.96%	54.98%	50.15%	54.99%
Overall AT & C Loss	38.06%	44.87%	53.12%	41.79%	43.29%
AT & C Loss in LT	67.53%	71.91%	63.87%	56.49%	63.78%
AT & C Loss in Ht& EHT Taken Together	58.70%	55.50%	62.05%	50.62%	55.26%
Collection Per Input-Overall	273.45	256.13	185.18	244.67	247.10
Collection Per Input-LT	102.68	89.47	116.61	150.25	119.50
<b>LOSS PARAMETERS FY 2010-11</b>					
<b>DISCOM</b>	<b>NESCO</b>	<b>WESCO</b>	<b>SOUTHCO</b>	<b>CESU</b>	<b>TOTAL</b>
Overall Distribution Loss	32.75%	38.89%	48.22%	38.30%	38.34%

Distribution Loss In LT	55.36%	64.80%	55.42%	51.63%	56.58%
Overall AT & C Loss	37.87%	42.20%	52.60%	41.00%	42.62%
AT & C Loss LT	66.25%	74.06%	60.90%	56.56%	63.87%
AT & C Loss in Ht& EHT Taken Together	56.79%	54.59%	58.78%	51.57%	54.54%
Collection Per Input-Overall	225.67	218.01	165.19	223.08	215.19
Collection Per Input-LT	101.00	78.73	119.02	143.87	112.79

The overall performance of WESCO during the 1<sup>st</sup> half of the FY 2011-12 has remained more or less same compared to its performance during FY 2010-11. However, it is not upto the expected level in different aspects. The LT and overall AT&C and distribution loss has marginally increased during the period under review and it is well behind the target set by the Commission in various aspects. Unless, the performance of WESCO is improved further during the remaining period of the financial year 2011-12 which the MD has promised, it will be difficult for the licensee to improve the quality of supply in its area of operation. This is a matter of serious concern for the consumers and for the employees of the WESCO whose sustenance depends on substantial improvement in its performance particularly in the matter of AT&C loss reduction and collection of arrear and redressal of consumer grievances.

**(E) Further directions of the Commission for compliance by the DISCOMs**

25. As per Clause 7.1 of the License Conditions the licensee is required to develop and maintain an efficient, coordinated and economical distribution system in the Area of Distribution and effect supply of electricity to consumers in such area of supply in accordance with the provisions of the Act, the State Act, Rules, Regulations, Orders and Directions of the Commission. Basically the Licensee is the utility service oriented company and servicing consumers in proper manner is the primary responsibility of the Licensee.

In this connection it must be made clear to all employees of the distribution company that collection of legitimate revenue from the consumers is one of the essential requirements for maintaining the quality service to the consumers, because without collection of revenue it shall not be possible to pay the power purchase cost, meet the expenditure on salary, operation and maintenance expenditure and other essential requirement to maintain the standard of service to the consumers. Hence, each and every employee starting from the Managing Director down below upto the Lineman is individually, jointly and severally responsible to ensure proper service to the consumers by discharging their duties which inter alia includes collection of revenue as one of the most important functions. This must be made clear to all employees of the concerned distribution companies.

26. Some employee organization of the distribution companies have demanded that Managing Director/CEO should not review the performance of JEs directly when SE, EE and SDO are there. It has been reported that some JEs have also boycotted the review meeting taken by MD, WESCO. This type of attitude and stand of the employees is simply reprehensive and totally uncalled for. In the hierarchical structure of administration of the distribution licensee, all employees down below the MD/CEO heading the organization are accountable to him/her (MD/CEO) for their performance in all respects, including proper maintenance of distribution network and collection of revenue. Hence, MD/CEO can and shall review the performance of all employees starting from SEs, EEs, Assistant Engineers, Junior Engineers and even lineman at any time. The boycotting of any performance review meeting taken by MD/CEO by any employees amounts to dereliction of duties and calls for stringent disciplinary action against such employees/group of employees. This must be abundantly made clear to all employees of the distribution companies.

Any employee indulging in anti-consumer activities or showing non-cooperation in collection of revenue must be sternly dealt with and the Commission shall not tolerate any leniency in this respect.

27. Unless the overall AT&C loss is reduced substantially and per unit input realization is improved, it would be difficult for the DISCOMs to meet the power purchase cost and other day to day expenses like salary, O&M expenses etc. in view of rising procurement cost of power. The worst division should be identified and the concerned Executive Engineer may be asked to reduce at least 30% of the present level of loss by 31.3.2012. The salary of the Executive Engineer and the other staffs upto lineman for the month of March, 2012 shall not be paid unless the minimum target of 30% of the present level of loss is reduced by 31.3.2012. Similarly, all other divisions should be asked to reduce the present level of loss at least by 20% by end of 31.3.2012, failing which appropriate action should be taken against the Executive Engineer and the staff below him upto the lineman.
28. The other important directions issued by the Commission as indicated below vide their letter No. Dir(T)-336/08/2544 dated 13.1.2012 shall be scrupulously followed and compliance reported as per the time schedule indicated therein:-
  - (1) Feeder-wise responsibility should be fixed on the concerned JE and he/she should be designated as Feeder Manager. The Feeder Manager shall be personally responsible for reduction of loss in the feeder in his charge.
  - (2) Routine maintenance like trimming of trees, cleaning and ensuring neutral grounding of transformer, replacement of broken wires and loose connection would reduce the loss to a substantial extent as confirmed by Chairman-cum-CEO, CESU during performance review on 27.12.2011.
  - (3) In the past instruction was issued to cross check the meter reading taken by the meter readers or the employees of the agency engaged for meter reading and billing. In a large number of cases in CESU under billing has been detected. There should be regular cross checking of meter readings and the result thereof should be reported to the Commission before 15th of every month.
  - (4) It is seen that the meter readers are also not covering all the consumers who have been even brought to the billing fold. Monthly review should be conducted by the concerned CEO/MD to see that all the consumers in the billing fold are covered under the billing cycle.
  - (5) One of the reasons for poor billing and higher loss is on account of large number of consumers having been not brought to the billing fold. All the JE/SDO (Electrical) and concerned Executive Engineer be asked to verify and bring all the consumers to the billing fold latest by 31.01.2012 and certificate to that effect should be obtained from them that all the consumers enjoying electricity have been brought to the billing fold. The correctness of such certificate should be cross checked through a senior officer and CVO from the headquarters. Particularly, in case of RGGVY and BGJY programme even though lines have been charged and the consumers are drawing power they have not been brought to the billing fold for months together. As instructed earlier as soon as the lines have been charged regular monthly bill should be issued to the consumers pending formal taking over of the documents from the central PSUs.
  - (6) It is generally pointed out that the loss in case of EHT consumers is zero and in case of HT consumers it is 8%. But in reality this does not take into account unauthorized abstraction of electricity by these high end consumers. 100% checking of the meters of EHT & HT consumers should be periodically ensured by MRT staff. It was reported that some of these high end consumers

are using technology like remote control mechanism to tamper or disable the meter temporarily and accordingly while conducting verification of their meters, appropriate instrument should be used to detect such bypassing meters. All high end consumers of contract demand of 20 KW above be invariable covered under AMR and their consumption pattern be analyzed both at Divisional and Headquarter office. Divisional Engineers be made accountable for proper billing and collection of such high end consumers of CD 20 KW and above.

- (7) Monthly report should be submitted by 15th of the succeeding month to the Commission indicating the name of high end consumers like industries, hotels, nursing homes, shopping malls, hospitals, private education institutions, cinema houses, fabricating units, vehicle showrooms etc., where verification / cross checking of meters has been done and the result of such verification/raids. Monthly target should be fixed for the CVO and Energy Police Stations for verification and conducting raids of high value consumers.
- (8) Monthly consumer Mela should be organized to bring other small consumers abstracting electricity unauthorizedly in the billing fold and the procedure for giving new connection should be simplified. The introduction of giving new connection on Tatkal basis should be worked out so that the genuine consumers desirous of taking power supply should not face problems.
- (9) From the review, it is seen that bills raised during the current financial year have not been collected fully and arrear has been added which works out to Rs.294.90 crore for the period 01.04.2011 to 30.09.2011 as indicated below:

<b>Name of DISCOMs</b>	<b>NESCO</b>	<b>WESCO</b>	<b>SOUTHCO</b>	<b>CESU</b>	<b>Total</b>
Addition of arrear (Rs. in Crore)	54.43	96.71	31.21	112.55	294.90

Special drive should be launched for collection of arrear both in respect of Govt. departments, urban local bodies, lift irrigation points, pani panchayat, urban water supply, rural water supply, hospital, etc. as well as other private consumers including HT & EHT consumers. All DISCOMs must ensure that all EHT and HT consumers not only pay the current monthly bills in time but also all arrears outstanding against them shall have to be cleared by 31.03.2012 at the latest. The DISCOMs are directed to report the monthly progress by 15<sup>th</sup> of the succeeding month.

- (10) Adequate number of call centers should be opened for facility of registering complaint as well as collection and giving new connection to the consumers and taking up other activities to provide better service to the consumers.
- (11) In the rural areas more Women Self Help Groups should be entrusted with billing, collection and constant liaison should be held with the District Administration to entrust number of villages to Women Self Help Groups. Each DISCOMs must cover at least 30000 consumers through Women Self Help Groups during 2011-12.
- (12) As decided in the meeting held on 29.01.2011, the agencies, organizations willing to supply install smart meters which can connect/dis-connect, enhance load remotely, and facilitate meter reading along with other standard meter features should be entrusted with supply, installation, billing and collection and increase in the revenue per input should be appropriately shared keeping in view their requirement to recover the cost of capital. Preferably one or more division should be entrusted to such of the willing agencies on Build-Own-Operate-Transfer (BOOT) modality with revenue sharing basis so that they will have economy of scale to ensure economy in operation and better

performance. The broad scope of the work may be as per Annexure attached herewith subject to detail negotiation and agreement between licensees and agencies. The firms, who have participated in the presentation at OERC on the subject be approached for detailed meeting and negotiation at your end. After negotiation and formal agreement vetting of the Commission may be sought for before signing the final agreement.

- (13) It is seen that the substantial amount of arrear of electricity dues are outstanding against various departments and organization under its control, including municipalities. Show cause notices should be issued to all such organization indicating the date line to clear their outstanding dues failing which no leniency should be shown to disconnect their power supply. The clear cut instruction issued by Finance Department to ensure timely payment of electricity dues by various organization should be brought to the notice of the district administration and they should be informed not to interfere in the efforts to disconnect the power supply to the defaulting organizations.
- (14) In CESU area, the energy police station have made a number arrests but in WESCO area no such arrest has not been made. The number of arrests in NESCO and SOUTHCO is also very small. However, arrest of culprits does not have any perceptible impact on reduction of incident of theft of electricity. This should be possible only when the culprits are penalized by expeditious finalization of the criminal proceedings drawn against them. Addl. District & Session Judge of Balasore, Berhampur, Bhubaneswar, Cuttack & Sambalpur have been notified as Special Courts for trial and offences under section 135 to 140 and 150 of the Electricity Act, 2003 and steps may be taken to request them to devote specific days in a week for trial of offences of the Electricity Act, 2003. For the area other than those for which Special Courts have been notified, the Dist. & Session Judges/ SDJMs may also be approached for expeditious trial of the energy related cases as Rule (11) of the Electricity Rule, 2005 stipulates that the jurisdiction of such courts shall not be barred under sub-section 1 of section 154 till such time the Special Court is constituted under sub-section 1 of section 153 of the Act. In this connection, the copy of the letter **No.2484 dtd.03.01.2012 addressed to Secretary, Department of Energy is enclosed for necessary follow up action in the matter.**
- (15) All DISCOMs must make concerted efforts to increase billing and collection efficiency to ensure that monthly current BST and transmission bills are paid in time and arrear differential BST bills are paid in full to GRIDCO before 31.03.2012.
- (16) Special drive should be launched to ensure implementation of all pending orders of GRFs and Ombudsman by 31.01.2012. Besides, a monitoring mechanism should be put in place to ensure timely implementation for such orders within 30 days from the date of orders of GRFs/ Ombudsman or the time limit prescribed in such orders. As instructed in the interactive meeting held with GRFs & Ombudsman on 21.09.2011 monthly meeting should be taken up by the MD/CEO with GRFs to review the disposal of grievance cases, implementation of orders and GRF/ Ombudsman and the feed back regarding the defects/ deficiencies in service to the consumers noticed by them.
- (17) Deterrent action has to be urgently taken against the official and staff for their poor performance. The Commission in their letter No.2269 dtd.03.12.2011 have already issued, necessary instructions. Action taken in this regard should be reported to the Commission by 10.02.2012 at the first stance and there after by 10.04.2012.

- (18) Apart from the above, the Commission vide letter No.2527 dtd.11.01.2012 has also directed as under:

*“Pending Introduction of Smart Grid Solutions deploying BOOT Model on Revenue sharing basis as stated above, I am directed to inform that the Commission desires that all consumers with a Contract Demand of 20 KW or more of your DISCOM should be covered under AMR (who are not covered under BOOT Model) undertaking a Special Programme through retrofitting wherever required within 3 months time i.e. by 15.04.2012 positively, if required, meeting such expenditure from Capex Funding. The arrangement for monitoring of such AMRs in CEO’s Office, Division Office as well as in OERC shall also be made installing suitable terminals at such places so as to keep a strict vigil on the performance of AMRs and on billing of high value consumers. The road map of the completion of 100% AMR for high value consumers may please be furnished for information of the Commission.”*

29. The licensee WESCO is directed to ensure strict compliance of the various directions of the Commission as per the time schedule indicated above and fix responsibilities and accountability at different levels to improve the overall performance failing which stringent action should be taken against the defaulting and non-performing officers and staffs.

30. **ODISHA ELECTRICITY REGULATORY COMMISSION**

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**No.DIR (T)-368/09/**

**Dated- .02.2012**

From

Shri P K Swain  
Secretary

To

The Chief Executive Officer,  
WESCO, Burla, Sambalpur

Sub: **Review of Performance of WESCO for April, 11 to September, 2011 held in OERC on 26.12.2011.**

Sir,

In inviting a reference to the subject cited above, I am directed to send herewith the aforesaid report for your information and necessary action.

Yours faithfully,

Encl : As above.

**SECRETARY**

**Copy to:**

- i) The Principal Secretary, Department of Energy, Govt. of Orissa along with copy of the enclosure for favour of information.
- ii) The CMD, GRIDCO, Janpath, Bhubaneswar along with copy of the enclosure for favour of information.
- iii) The CMD, OPTCL, Janpath, Bhubaneswar along with copy of the enclosure for favour of information.