Summary of ARR & Tariff Filings

Submitted by

TPCODL (erstwhile CESU),

TPWODL (erstwhile WESCO Utility),

TPSODL (erstwhile SOUTHCO Utility)

and TPNODL (erstwhile NESCO Utility)

For

FY 2024-25

DISCOMs Summary of Annual Revenue Requirement (ARR) & Retail Supply Tariff (RST) Proposal Submitted by Electricity Distribution Companies of Odisha for the FY 2024-25

1. Energy Sale, Purchase and Loss

A statement of Energy Purchase, Sale and Overall Distribution Loss from FY 2022-23 to FY 2024-25 as submitted by DISCOM of Odisha namely TP Central Odisha Distribution Ltd (TPCODL, erstwhile CESU), TP Western Odisha Distribution Ltd (TPWODL, erstwhile WESCO Utility), TP Southern Odisha Distribution Ltd. (TPSODL, erstwhile SOUTHCO Utility) and TP Northern Odisha Distribution Limited. (TPNODL, erstwhile NESCO Utility) is given below.

*Table 1: **Energy Sale, Purchase and Loss** (Considering railway traction demand)*

DISCOMs	Particulars	2022-23 (Actual)	2023-24 (Rev-Est)	2024-25 (Est)
TPCODL	Energy Sale (MU)	7639.10	8834.71	9944.35
	Energy Purchased (MU)	9901.98	11212.99	12305.84
	Overall Distribution Loss %	22.85	21.21	19.19
TPNODL	Energy Sale (MU)	5410.05	6463.71	7007.108
	Energy Purchased (MU)	6473.32	7717.86	8161.085
	Overall Distribution Loss %	16.43	16.25	14.14
TPWODL	Energy Sale (MU)	10609.62	10714.5	9614.10
	Energy Purchased (MU)	13002.41	13080.0	11524.0
	Overall Distribution Loss %	18.4	18.08	16.57
TPSODL	Energy Sale (MU)	3155.37	3446.00	3708.00
	Energy Purchased (MU)	4188.45	4594.67	4917.51
	Overall Distribution Loss %	24.67	25.00	24.60

2. AT&C Losses

The System Loss, Collection Efficiency and target fixed by OERC in reference to AT&C Loss for the four DISCOMs since FY 2022-23 onwards are given hereunder.

Table 2: AT&C Loss

DISCOMs	Particulars	2022-23 (Actual)	2023-24 (Rev.-Est.)	2024-25 (Est)
TPCODL	Dist. Loss (%)	22.85	21.21	19.19
	Collection Efficiency (%)	102.45	99.00	99.00
	AT&C Loss (%)	20.96	22.00	20.00
	OERC Approved (AT&C Loss %)	23.70	22.00	20.00
TPNODL	Dist. Loss (%)	16.43	16.25	14.14
	Collection Efficiency (%)	106.06	99.00	99.00
	AT&C Loss (%)	11.36	17.09	15.00
	OERC Approved (AT&C Loss %)	19.17	17.09	15.00
TPWODL	Dist. Loss (%)	18.40	18.08	16.57
	Collection Efficiency (%)	100.14	99.00	99.00
	AT&C Loss (%)	18.29	18.90	17.41
	OERC Approved (AT&C Loss %)	20.40	18.90	17.40
TPSODL	Dist. Loss (%)	24.67	25.00	24.60
	Collection Efficiency (%)	102.46	99.00	99.00
	AT&C Loss (%)	22.81	25.75	25.35
	OERC Approved (AT&C Loss %)	25.75	25.75	25.35

3. Data Sources

TPNODL, TPWODL, TPSODL and TPCODL have scrupulously complied the information requested by the Commission for ARR and Tariff Determination for the FY 2024-25. The Petitioners have submitted their projections based on past trend of consumption for all categories of consumers.

4. Revenue Requirement for FY 2024-25

Sales Forecast

For projecting the consumption of different categories, TPNODL has analyzed and relied on the past trend of consumption pattern for last ten years i.e. from FY 2013-2014 to FY 2022-23 & actual sales data for the first six months of FY 2023-24. Actual addition reduction of load, present trend of drawl of power through open access, additional drawl on account of special tariff for industries having CGP with CD up to 20MW, revival of closure unit under HT/EHT Category and other factors such as post Covid-19 pandemic era has also been considered for projection of sales for current and ensuring year. The category-wise consumption projected for FY 2024-25 has been depicted in following sections.

TPWODL has projected the consumption of different categories on the basis of past trends and consumption pattern for first six months of FY 2023-24, actual addition/reduction of loads and other important aspect of market condition. The growth in the domestic category has been estimated at 5.64% during FY 2024-25. The reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises as well as installation of new meters where consumers were availing power supply without meter. The growth in the sales of other categories in the LT sector has been estimated in the range of 6% during FY 2024-25 considering the past trends except Irrigation & Pumping category of consumers where growth of 9% has been taken up. The irrigation growth is due to addition of loads as well as metering. So, the overall growth under LT has been considered as 6.09%. The average sale under HT category consumers has been estimated @ 5.97% for the ensuing year and is based on the trend of the FY 2022-23 and actual load for the 1st six month of current year ending Sept'23. In addition to above due to some additional traction load & enhancement of existing load under Railway traction, Railway has filed petition before the Hon'ble APTEL challenging the Hon'ble Commission's decision in case no. 55 of 2016 regarding grant of deemed distribution license. The judgment for interim relief to railways before the Hon'ble APTEL is reserved. However, TPWODL has projected the estimated sales considering Railways as normal consumer of the licensee.

TPCODL has projected the future sales based on the data of past few years. The petitioner has submitted that due to COVID the sales were not significant owing to various factors but have improved post covid. LT sales was significant during Covid period but has not been the same in FY 2022-23. However higher growth is expected in all categories of consumers for the ensuing FY 2024-25.

Similarly, TPSODL has submitted its projections based on past trend of consumption for all categories of consumers.

Table 3 Sales Forecast (Considering railway traction demand)

Licensee	Sales for 2022-23 (Actual)			Sales for 2023-24 (Rev.Est.)			Sales for 2024-25 (Est.)		
	LT	HT	EHT	LT	HT	EHT	LT	HT	EHT
TPCODL	4269.00	1813.32	1556.42	4896.64	2076.38	1861.69	5591.93	2287.73	2064.67
TPNODL	2132.70	625.417	2651.93	2483.27	665.56	3314.57	2678.78	773.046	3555.28
TPWODL	2581.98	2164.94	5862.69	3340.50	2444.00	4930.00	3544.10	2590.00	3480.00
TPSODL	2028.06	421.621	705.687	2338.00	415.00	693.00	2545.00	436.00	727.00

5. Inputs in Revenue Requirement Proposals for FY 2024-25

5.1. Power Purchase Expenses

The Licensees have proposed the power purchase costs based on consumer load mix, consumption patterns and other economic policies, current BSP, transmission charges and SLDC charges.

Table 4 Proposed SMD and Power Purchase Cost

DISCOMs	Est. Power Purchase in(MU)	Estimated Sales (MU)	Distribution Loss (%)	Current BSP (Paise/Unit)	Estimated Power Purchase Cost (Rs. in Cr.) (Including Transmission and SLDC Charges)	SMD proposed MVA
TPCODL	12305.84	9944.35	19.19	305.00	4050.00	2568
TPNODL	8161.085	7007.108	14.14	335.00	2930.99	1400
TPWODL	11524.00	9614.10	16.57	390.00	4770.69	1850
TPSODL	4917.51	3708.00	24.60	210.00	1151.46	862

5.2. Employees Expenses

TPCODL, TPNODL, TPWODL and TPSODL have projected the employee expenses of Rs 856.2Cr, Rs 532.72 Cr, Rs 626.59 Cr and Rs 419.50 Cr respectively for FY 2024-25. Out of these proposed employee expenses, Rs 246.93Cr, Rs 174.44 Cr, Rs 157.58 Cr and Rs 116.65 Cr respectively are proposed for employee terminal benefit trust requirement for FY 2024-25.

TPNODL has projected Employee Cost of Rs. 532.71 Crs in FY 2024-25 considering 3% escalation considered on Basic Salary over FY 2022-23, Housing Rent allowance considered at 20% of Basic Salary, Reimbursement of Medical expenses considered at 5% of the basic Salary, Nominal escalation of 10% considered for other employee allowances and interest cost for providing interest free advance to eligible employee for EV under Staff welfare.

For projection of FY 2024-25, TPCODL has considered an increase of 9% over the individual salaries of FY 2023-24. Further, TPCODL has proposed for recruitment of 150 lineman as operational trainee in FY

2024-25 through structured recruitment policy from various Business Associates who are employed with TPCODL/ erstwhile CESU for a long period because of their knowledge whereas 600 lineman have retired with expertise in TPCODL network.

For optimizing the manpower cost, TPWODL has been recruiting majorly trainees - Graduate Engineer Trainees, Diploma Engineer Trainees, Commercial Trainees. Effective management of employee costs is crucial for the financial stability and long-term viability of any organization.

5.3. Administrative and General Expenses

TPCODL, TPNODL, TPWODL and TPSODL have estimated the A&G expenses for FY 2023-24 of Rs 168Cr, Rs 123.13 Cr, Rs 191.09 Cr and Rs 180.00 Cr respectively, based on actual expenses till September 2023. The DISCOMs submitted that regulatory provision of 7% increase over the approved A&G expenses is found to be grossly inadequate for the ensuing year and have proposed on actual A&G Expenses.

Accordingly, TPCODL, TPNODL, TPWODL and TPSODL have estimated the A&G expenses of Rs 234 Cr, Rs 134.40 Cr, Rs 245.87 Cr and Rs 191.00 Cr. For FY 2024-25.

5.4. Repair and Maintenance (R&M) expenses

TPWODL has calculated R&M expenses as 4.50% & 4.20% of GFA of own assets and the assets created with the Govt. through various schemes like ODSSP, IPDS, RLTAP, RGGVY and DDUGJY has calculated as 3.00%. TPSODL has also calculated R&M expenses as 5.40% & 4.50% of GFA of own assets. TPNODL has also calculated R&M expenses as 5.40% & 4.50% of GFA of own assets. Therefore, R&M claimed in ARR is as given below:

Table 5 ***R&M Costs (Rs in Cr)***

R&M Expenses	**TPCODL**	**TPNODL**	**TPWODL**	**TPSODL**
Opening GFA of DISCOMS own assets in Rs. Cr as on 1st April, 2024	6346.95	3595.02	3906.89	2195.48
% of GFA on DISCOM's own assets approved towards R&M	4.00%	4.50%	4.20%	4.50%
R&M Expenses for DISCOM's own assets	253.88	161.78	164.09	176.30
Opening GFA of assets created through grants in Rs. Cr as on 1st April, 2024	2064.35	3700.04	4359.15	2590.00
% of GFA on assets created through grants, approved towards R&M	3%	3%	3%	3%
R&M Expenses for assets created through grants	61.93	111.01	130.77	77.70
Total R&M Expenses as per Tariff Regulation, 2022	315.81	272.78	294.86	254.00
Special R&M proposed	42.00	48.66	42.00	**-**
Total R&M Expenses Proposed for FY 2024-25	**357.82**	**321.45**	**336.86**	**254.00**

5.5. Provision for Bad and Doubtful Debts

While estimating the provision for bad and doubtful debt, the licensees have proposed at the rate of 1% of the revenue billed for sale of electricity by considering the commissions approved collection efficiency of 99%. The provision for the bad and doubtful debts proposed by the licensees is as follows:

Table 6 ***Provision for Bad and Doubtful Debt***

DISCOMS	Collection Efficiency (%)	Proposed Bad Debts (Rs in Cr)
TPCODL	99%	58.14
TPNODL	99%	40.49
TPWODL	99%	57.51
TPSODL	99%	20.77

5.6. Depreciation

Depreciation for FY 2024-25 is projected at Rs 137.77 Cr by TPCODL, Rs 97.29 Cr by TPNODL, Rs 125.98 Cr by TPWODL and Rs 99.03 Cr by TPSODL.

5.7. Interest Expenses

TPCODL, TPNODL, TPWODL & TPSODL have submitted the interest expenses and the interest income for the FY 2024-25. The net total interest expenses proposed by TPCODL, TPNODL, TPWODL & TPSODL licensees is Rs 213.66 Cr, Rs 176.98 Cr, Rs 184.58 Cr & Rs. 100.50 Cr respectively. The major components of the interest expenses of these licensees are as follows:

5.7.1. Interest on Capex Loan

TPCODL has proposed an amount of Rs. 73.0 Crs. considering 8.5% interest rate. TPSODL has considered rate of interest as 8.25 % and has proposed an amount of Rs. 59.49 Crs. as interest on long term debt. Similarly, TPNODL has estimated the interest rate at 8.5% on long term debt and has proposed an amount of Rs. 61.95 Crs. TPWODL has estimated the interest on long term debt as Rs.45.10 Crs. considering 11.60% rate of interest. TPWODL has further submitted that the repayment of loan has been taken as 30% and has proposed an amount of Rs. 13.53 Crs. as Interest Capitalised, resulting in a net Interest on Capital Income for the ensuing FY 2024-25 as Rs. 31.57 Crs..

5.7.2. Interest on Working Capital

TPCODL, TPNODL, TPWODL and TPSODL have projected the interest on working capital as Rs. 53.89 Crs., Rs. 51.86 Crs., Rs.67.12 Crs. and Rs.19.98 Crs. respectively for the FY 2024-25. The licensees have considered the rate of interest for working capital as SBI base rate plus 300 basis points and have estimated it as 11.6%, 11.5% by TPCODL & TPNODL and 13.1% by TPWODL and TPSODL. TPWODL has further submitted that, its proposal of Rs. 67.12 Crs. includes Rs. 5.0 Crs. as interest on account of other borrowings. The amount proposed by TPCODL in the submission has been taken into consideration for Commission’s perusal and approval.

5.7.3. Interest earned on Security deposits

TPCODL, TPNODL, TPWODL and TPSODL have projected the interest on SD as Rs. 84.84 Crs., Rs. 63.16 Crs., Rs. 85.89 Crs., and Rs. 21.03 Crs. respectively for the FY 2024-25.

6. Revenue of DISCOMs

6.1. Non-Tariff Income

TPCODL, TPNODL, TPWODL and TPSODL have proposed non-tariff income for FY 2024-25 to the tune of Rs.114.00Cr, Rs 207.34 Cr, Rs 386.02 Cr and Rs 54.62Cr respectively. The non-tariff income mainly includes the receipts to licensee from meter rent, service connection charges, reconnection charges, ODP, DPS, Wheeling Charges, CSS, rebate on power purchase, interest on FD etc.

6.2. Return on Equity and Tax on Income

TPCODL has projected the RoE of Rs 118.93 Cr and tax on Income of Rs. 40 Cr. TPNODL has projected the RoE of Rs 102.54Cr and tax on Income of Rs. 34.49 Cr. TPWODL has projected that, ROE @ 16% has been claimed amounting to Rs.135.24 Cr. on equity base of Rs.845.28 Cr. Provision towards Tax on equity has also been made at the rate of 25.17 % gross (Tax 22% + Surcharge 10% +Education cess 4%) amounting to Rs.45.55 Cr. TPSODL has proposed ROE for FY 2024-25 as Rs. 90.26 Cr. and Rs. 30.36 Cr tax on ROE.

6.3. Revenue at Existing Tariff

The Licensees have estimated the revenue from sale of power by considering the sales projected for FY 2024-25 and by applying various components of existing tariffs. The total revenue based on the existing tariffs applicable for the projected sales is estimated at Rs 5814.35 Cr, Rs 4048.92Cr, Rs 5751.16 Cr and Rs 2077.00Cr by TPCODL, TPNODL, TPWODL and TPSODL respectively.

7. Summary of Annual Revenue Requirement and Revenue Gap

The proposed revenue requirement of DISCOMs have been summarized below:

Table 7 Proposed Revenue Requirement of DISCOMs for the FY2024-25 (Rs in Cr)

	Particulars	TPCODL	TPNODL	TPWODL	TPSODL	Total
A	Total Power Purchase, Transmission & SLDC Cost	4050.46	2930.99	4770.69	1151.46	12903.6
1	Employee Expenses	856.19	532.72	606.50	419.50	2414.91
2	A&G Expenses	233.91	134.40	245.87	191.40	805.58
3	R&M Expenses	357.82	321.45	336.86	254.00	1270.13
4	Provision for Bad & Doubtful Debt	58.14	40.49	57.51	20.77	176.91
5	Depreciation	137.77	97.29	125.98	99.03	460.07
6	Interest Expenses	213.66	176.98	184.58	100.50	675.72
7	Return on Equity	118.93	102.54	135.42	90.26	447.15

	Particulars	TPCODL	TPNODL	TPWODL	TPSODL	Total
8	Tax on ROE	40.00	34.49	45.55	30.36	150.4
B	Total Distribution Cost	2016.42	1440.36	1738.27	1205.82	6400.87
C	Total Special Appropriation	-	9.24	0.59	-	9.83
D	Total expenditure including special appropriation (B+C)	2016.42	1449.60	1738.87	1205.82	6410.7
E	Less: Miscellaneous Receipt	114.00	207.34	386.02	54.62	761.98
F	Net Distribution Cost (D-E)	1902.42	1242.26	1352.85	1151.20	5648.72
G	Total Revenue Requirement(A+F)	5952.88	4173.25	6123.54	2302.66	18552.32
H	Expected Revenue at Existing Tariff	5814.35	4048.92	5751.16	2077.00	17691.43
I	Less: Surplus carried over from past true ups	-	-	371.12	-	371.12
J	(GAP)/ Surplus (G-H-I)	(138.54)	(124.33)	(1.26)	(225.66)	(489.78)
K	Recovery of ASL	32.89	-	-	-	32.89
L	Net (GAP)/ Surplus	(171.43)	(124.33)	(1.26)	(225.66)	(522.68)

8. Allocation of Wheeling and Retail Supply Cost

The licensees have submitted the allocation of wheeling and retail supply cost of their total ARR based on the Commissions Regulations on bifurcation of Wheeling and Retail Supply Business.

Table 8: TPNODL Statement of allocation of Wheeling and Retail Supply Cost. Rs. Cr.

Sl No.	Cost/Income Component	ARR for Ensuing FY 2024-25	Assumption Ratio for consideration in Wheeling Business	Assumption Ratio for consideration in Retail Supply Business	Wheeling cost for Ensuing FY	Retail supply Cost for Ensuing FY 2024-25
1	Cost of Power	2733.96	0%	100%	0.00	2733.96
2	Transmission Charges	195.87	0%	100%	0.00	195.87
3	SLDC Charges	1.16	0%	100%	0.00	1.16
	Total power purchase cost *	2930.99			**0.00**	**2930.99**
	O&M	0.00				
4	Employee Cost	532.72	60%	40%	319.63	213.09
5	Repair & Maintenance Cost	321.45	90%	10%	289.30	32.14
6	Administrative & General Expenses	134.40	50%	50%	67.20	67.20
7	Bad & Doubtful Debt including Rebate	40.49	0%	100%	0.00	40.49
8	Depreciation	97.29	90%	10%	87.56	9.73
	Interest on Loans	0.00				
9	for Capital loan	61.95	90%	10%	55.75	6.19
10	for Working capital	51.86	10%	90%	5.19	46.67

11	Interest on Security Deposits	63.17	0%	100%	0.00	63.17
12	Return on Equity	102.54	90%	10%	92.28	10.25
13	Tax on RoE	34.49	90%	10%	31.04	3.45
	Special Appropriation	0.00				
14	Carrying Cost	9.24	25%	75%	2.31	6.93
15	True Up of Current year GAP 1/3rd	0.00	25%	75%	0.00	0.00
16	Other, if any- Contigency Reserve	0.00	100%	0%	0.00	0.00
	Grand Total	4380.57			**950.27**	**3430.31**
17	**Miscellaneous Receipt**	0.00				
18	**Total Misc. Receipts**	207.34	**10%**	**90%**	**20.73**	**186.61**
19	**Total Revenue Requirement**	**4173.23**			**929.53**	**3243.70**

Table 9: TPWODL Statement of allocation of Wheeling and Retail Supply Cost. (Rs. Lakh)

Cost/Income Component	**ARR for FY 2024-25**	**Assumption Ratio for consideration in Wheeling Business**	**Assumption Ratio for consideration in Retail Supply Business**	**Wheeling cost for FY 2024-25**	**Retail supply Cost for FY 24-25**
Cost of Power	449222.89	0%	100%	23166.72	426056.17
Transmission Charges	27640.61	0%	100%	1801.86	25838.75
SLDC Charges	205.66	0%	100%	205.66	0.00
Total power purchase cost *	**477069.16**			**25174.23**	**451894.92**
O&M					
Employee Cost	60649.92	60%	40%	36389.95	24259.97
Repair & Maintenance Cost	33686.40	90%	10%	30317.76	3368.64
Administrative & General Expenses	24586.53	50%	50%	12293.27	12293.27
Bad & Doubtful Debt including Rebate	5751.16	0%	100%	0.00	5751.16

Cost/Income Component	ARR for FY 2024-25	Assumption Ratio for consideration in Wheeling Business	Assumption Ratio for consideration in Retail Supply Business	Wheeling cost for FY 2024-25	Retail supply Cost for FY 24-25
Depreciation	12598.40	90%	10%	11338.56	1259.84
Interest on Loans					
For Term Loan CAPEX	3156.40	90%	10%	2840.76	315.64
for Working capital	6712.05	10%	90%	671.21	6040.85
Interest on Security Deposits	8589.27	0%	100%	0.00	8589.27
Return on Equity	13542.97	90%	10%	12188.67	1354.30
Tax on ROE	4555.35	90%	10%	4099.81	455.53
Carrying cost on Regulatory Assets/Liabilities	58.85	10%	90%	5.88	52.96
Special Appropriation					
Amortization of Regulator Assets	0.00	25%	75%	0.00	0.00
True Up of Current year	-37111.91	25%	75%	-9277.98	-27833.93
Other, if any-Contigency Reserve	0.00	100%	0%	0.00	0.00
Grand Total	**613844.54**			**126042.12**	**487802.42**
Miscellaneous Receipt					
Non-Tariff Income	38602.13	10%	90%	3860.21	34741.92

***Allocation of power purchase cost towards wheeling has been made considering 8 % loss on input after effecting EHT Sales**

9. Tariff Proposals and Rationalization Measures:

The licensees have proposed some tariff rationalization measures to improve the revenue and recovery of the cost of supply. The brief details of their proposal are as under:

(a) Levy of DPS on Electricity Bills

All the four licensees have submitted that rescinding the levy of DPS for LT Domestic, LT General Purpose and HT Bulk Supply Domestic Consumers since dtd: 01.04.2023, as per Tariff Order for FY 2023-24, has resulted in willful delay in payment of bills by these customers. The DPS was acting as the required deterrent and the consumers were paying in time. In this regard, they have assured that DPS would be applicable only on the undisputed portion. Hence when the Bill gets revised due to Disputes, the DPS would be once again computed on the Un Disputed amount. Further, in order to address the issue in payment delay by the consumers due to late bill delivery, the Due Date may be increased from 7 days to 30 days.

(b) Introduction of Pro rata Billing

All the four Distribution Licensees have appealed for introduction of pro rata billing. The current regulation states that meter reading shall normally be done on fixed date ±3 working days for monthly billing cycle. Since the state has extreme climatic conditions and is prone to cyclones and Kalbaisakhi, the billing gets affected. As per Commission's clarification letter dtd: 06.06.2022, pro-rata billing was denied in all cases other than in cases of commencement or termination of supply on a day other than the first day of a month. Considering that billing on fixed date every month (± 3 days) may not be feasible for un-avoidable reasons as explained above, the Petitioners have proposed for permitting pro-rata adjustment of slab limits based on actual days of billing vis-à-vis the standard norm of 30 days (365 Days/ 12) to ensure that the consumers gets the full slab benefit under all actual billing period scenarios.

(c) Additional Rebate of Rs.10/ - p.m. if opted E-Bill

The Distribution Licensees have emphasized the shift in lifestyle from conventional ways to digital platform. Even though, information to the extent of billed amount and due date of payment to the consumer has been mandated to be sent through registered E-mail Id/ Mobile number/Smart meters etc. but serving of bill to the consumer physically through courier/ special messenger/ spot billing has been strictly mandated. Therefore, the petitioners have proposed that shifting towards E-Bill is in the interest of the Discoms as well as the consumers. While the consumer benefits by witnessing the E-Bill through electronic media obviating the need to print and store the bill, the Discoms too saves the cost of bill printout. Consumers with smart meters can be served with E-bill without any additional cost. Going forward, all the consumers will be covered under Smart Meter fold. In order to promote installation of smart meters and reduction in Meter Reading and

Bill Distribution Expenses, the licensees propose Rs.10/ p.m. additional rebate over and above all other rebate as the consumer is otherwise eligible may please be approved where a consumer desires/opt for E-bill instead of physical bill. With the above initiative, the MRBD cost will be zero where consumer is having smart meter. TPCODL has further submitted that such facility of E-Bill Discount should be restricted to Non SBM Consumers.

(d) Meter Cost to be recovered in CAPEX instead of through Meter Rent

All the four Discoms have submitted that at present the cost of meters are recovered through the approved Meter Rents by the Commission. Further, the Meter rents permitted are for a period of 5 years or 8 years for Single Phase Smart Meters and Meter Rents are different for various kind of meter installed. In addition, the Supply Code also permits recovery of rent even after a period of 5 years after the meter is changed due to technological upgradation. It is noticed that such conditions in the Supply Code as well as the availability of various types of meters leads to difference in interpretation of various clauses of Tariff Order as well as the Supply Code and thus consumer disputes with regards to recovery of Meter Rent. In view of the above, the petitioners propose that the expenditure on Meters for consumers to be a part of the Capital Expenditure Plan which needs to be approved by the Commission. In case the same is approved, the Meter Rent application can be ceased. Further for those meters that are installed, the Capital Expenditure incurred so far on such meters less the amount of rent recovered can be considered as Capital Expenditure of the Discom.

(e) Creation of Corpus for Meeting Natural Calamities

TPCODL, TPNODL & TPSODL have submitted that the state of Odisha faces a lot of natural calamities like, cyclone, flood, thunderstorm, wind storm etc. while the restoration of power supply becomes a challenge and also requires immediate resources like man and material. To face such unforeseen events DISCOMs creation of adequate resources is not cost effective. Therefore, the said petitioners have proposed for creation of certain fund in order to face such distress requirement. The Licensees have submitted for allowing a separate charge of Rs.2.00 per month from all the consumers through energy charges.

(f) Creation of Energy Police station (EPS)

The Distribution Licensees have emphasized the necessity of Energy Police Station in their area of operation. They have submitted that at times there is stiff resistance faced by employees at the time of meter replacement and collection of dues and sometimes they are even manhandled. It is therefore imperative that the support from police is available to the Discoms. TPNODL has submitted that it has concurrently taken up with the Government of Odisha for implementation of 3 Nos. of such police stations and has written to the DGP Odisha in the past. Alternatively, the Commission may consider approving the cost of additional Police Personnel earmarked and deployed for working exclusively with Discom. TPSODL has submitted that the earlier distribution company SOUTHCO had stablished EPS in all eight revenue divisions but due to financial crunch and non-reporting of deputed police personnel, the system has remained discontinued. TPWODL has also submitted that in its area of operation, there are 10 Nos. of EPS created under state government initiatives and proposes that with present management and changed scenario, the EPS would be effective and definitely positive. Accordingly, the licensees TPCODL & TPNODL have proposed for setting up of 3 Nos. each and TPWODL & TPSODL have proposed for setting up of 2 Nos. each of EPS in the initial phase.

(g) Realistic Assessment of Load for unauthorized use

OERC Distribution (Condition of Supply) Code, 2019, has specified guidelines for assessment of unauthorized use in the regulation. The assessment is made on LDF basis. The licensees have submitted that the Load Factors to be considered as specified in the regulation does not provide a realistic assessment of the Energy and therefore the Energy Bill. Therefore, all the four petitioners have submitted for allowing 30% LF for Domestic consumers (10% at present), 60% for GP (30% at present) and 100% for continuous process industries for assessment purpose.

(h) Billing of Public Lighting

TPCODL and TPNODL have submitted that there are many public light points where metering arrangement is not possible due to previous practice to generate one electricity bill against multiple connection points/ connected load under different sections and from multiple sources / transformers. Many such connections are there specifically in Gram Panchayat area where dedicated street light phase has not been drawn for separate metering and switching system is done manually. Further, such connection are present in scatter manner. Hence, the said licensees have proposed that in the absence of meters for public lighting, billing should be considered assuming 11 hours burning time taking the average use of summer and winter seasons. Further, there should be a mandate for periodic maintenance of the timer and other switching apparatus by the concerned local authorities in order to avoid the wastage of energy.

(i) Revision of Reconnection Charges

At present, the Reconnection Charges are recovered from consumers for reconnecting their supply after disconnection. The Charges have been fixed way back on 1st April 2012 while the cost of reconnection has increased over the years. Therefore, all the four Discoms have requested to increase the Charges as follows:

Description	Prior to 1st April 2012	Continuing since 1st April 2012	Proposed Reconnection charges
LT Single Phase Domestic Consumer	Rs. 75.00	Rs. 150.00	Rs. 300.00
LT Single Phase other consumer	Rs. 200.00	Rs. 400.00	Rs. 800.00
LT 3 Phase consumers	Rs. 300.00	Rs. 600.00	Rs. 1200.00
All HT & EHT consumers	Rs. 1500.00	Rs. 3000.00	Rs. 6000.00

TPWODL has further submitted that the biggest challenge in the field is that, even after disconnection, consumers are not willing to reconnect power supply formally, but found to be reconnected again through their own means and ways. This is not only affecting business of the licensee, at the same time, the risk of fatal accident cannot be ruled out. It is not possible to monitor post disconnection by 24 X 7 with the available resources as well as it is not cost effective. Therefore, the licensee has proposed for a separate penalty clause of payment of fine amounting to 10 times of the reconnection charges and other action as per law, so as to create fear among such segment of consumers. In addition to above, upon reconnection if the consumer fails to clear its dues regularly and the licensee is disconnecting the consumers, in such case the consumer has to pay 5 times of the reconnection charges for each subsequent reconnection so made.

(j) Extension of Time period for Temporary Connections

As per OERC Supply Code 2019, Temporary power connections can be given to meet temporary needs upto a period of 6 months. However, the power requirement for construction purpose is generally greater than 6 months and may span even to years in case of big projects. Therefore, TPCODL has requested to extend the timeline for temporary connection for construction purpose till the activity is complete. TPNODL has proposed to incorporate the clause in SoP Regulation, dtd: 16.12.2010 which is, “Temporary connection shall be granted for a period of up to 6 months at a time, which can be further extended depending upon the requirement.” in OERC Supply Code.

(k) Charges for Temporary Supply

As per the Commission’s RST order vide para 238, charges for temporary supply have been allowed with payment of 10% higher on energy charges as per relevant consumer category. TPNODL & TPWODL have submitted that, with the above provision, a person or industry which desires to avail construction supply, applicability of charges as respective category has become a challenge. Because unless construction is completed, they may not be covered under appropriate category as per tariff norms. So, the licensees have requested that more clarity may be provided for ease of doing business. Further they have proposed that, during construction, GP tariff may be made applicable for all types of construction irrespective of future tariff category upon completion of construction activity.

(l) Special tariff for Industries for temporary business requirement

TPNODL & TPWODL have submitted that there are around 21 and 24 industries in their area of operation having their own CGP either of single unit or multiple units of generators which undergo outages during their annual maintenance. Further, some of the other industries need power intermittently to meet seasonal requirements. For such temporary outages of CGP and short-term business need, these industries approach DISCOM for period ranging from few days to couple of months. They are also not willing to increase their load for such short-term need as reduction of load has certain restriction. In view of the above, TPNODL & TPWODL have proposed to approve/ permit such temporary additional load beyond CD for short period of maximum 3 months with 10% higher charges on both normal Demand and energy component. Such additional consumption will contribute towards revenue enhancement and will help to protect risk of tariff enhancement. The above temporary arrangement shall be accommodated by the licensees well within its approved/ permitted SMD, without additional burden to GRIDCO.

(m) Billing with Defective Meter

As per existing regulation the licensee is permitted to raise provisional bill for maximum up to three months and during this time the defective meter has to be replaced with new meter. Thereafter, the provisional bill so raised shall be revised considering actual meter reading for next six consecutive billing cycles. With the above mechanism the licensees are facing difficulties, since sometimes the consumers are not paying even the actual bill after replacement of defective meter unless the provisional bill is revised while in many other cases, consumers are desiring to revise the bill considering past actual consumption in corresponding period. In some cases, consumers are insisting for bill revision considering actual meter reading after one month’s consumption. Most of the consumers are trying to control the consumption and are tempted to use through other means with an intention to reduce the bill compared to their consumption during meter defective period. Further, with upward revision, consumers are not willing to pay their dues. Therefore, the licensees have proposed the Commission to give direction for revision of the provisional bill in case of defective meter by considering the past corresponding period’s actual consumption. Implying, if meter is found defective in Summer, bill shall be revised considering actual consumption of summer only and if it is in winter past winter period actual meter reading may be taken into consideration.

However, basing upon actual consumption during the succeeding six-month period, necessary sundry debit shall be made if the actual consumption in succeeding month is less than or more than the past corresponding period's actual consumption. Further, at present the Commission has allowed bill revision of past period till 15th July-23 (as per OTS order), which may kindly be further extended for one more year.

(n) Minimum offtake for the industries having CGP

Presently the BST of all the DISCOMs is with composite of Energy and Demand charges. Considering the approved SMD composite, BST is determined by the Commission and at the same time HT & EHT consumers have to pay the demand charges @ Rs.250 per kVA per month on Demand Recorded or 80% of CD whichever is higher. The existing Demand charges is continuing since long. In the neighboring states the Demand charges is on the installed capacity @ Rs.375 per kVA per month however, here in Odisha irrespective of installed capacity, consumer has the choice to keep the contract demand. With increased consumer mix under LT segment as well as increase of O&M cost meeting fixed cost like Staff cost & R&M by Distribution company becoming sturdier. The major impact is due to the CGP industries who are keeping their CD, but not using the DISCOM energy and use only on occasional requirement mostly during peak period. As a result, GRIDCO is facing difficulty in arranging power for them as they are drawing without prior intimation or scheduling in the imploration of fixed demand charges. With Demand charges of Rs.250 per Kva and occasional power drawal, has major impact on DISCOM. Therefore, the petitioners TPNODL & TPWODL have proposed that for Industries having CGP, minimum off take should be 25% of the requirement commensurate with their CD or Demand charges has to be on installed capacity instead of CD.

(o) Special tariff for industries those who have closed their units if reopens / starts

TPWODL & TPNODL have submitted that after wide study in their area of operation, they have found that there are number of industries who have closed their units since long due to different reasons, but resources are getting wasted because of non-operation. To start a business creating all the infrastructure is always a challenge however, having a set up an industry can start with minimum expenditure. Specifically, with the present market condition which is moving at much faster pace. Therefore, the said petitioners have proposed for a suitable tariff structure for these closed units, so as to encourage such industries to restart their unit thereby generating revenue, employment etc.

- The proposal is for industries those who have closed their units in complete shape prior to take over.

- Industries those who have arrear outstanding even after adjustment of SD has to clear it's dues before availing the benefit.
- The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 24-25.
- The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.
- Closed Industry may be permitted at 11kV or 33kV level with minimum CD of 500 kW.
- As this is a special scheme for revival of the closed units it will be for the year 2024-25 only.
- On account of closure of units no one is benefited including Government of Odisha who will get electricity duty @8% on energy charges. So, this will offset the incentive so offered to a large extent.

(p) Special tariff for existing industries who have no CGP for drawl of additional power beyond CD of 10 MVA

TPNODL & TPWODL have submitted that upon announcement of scheme with Special tariff for Existing industries having CGP with CD >20 MW with minimum offtake 80% of existing CD, few of the other industries who have no CGP, started approaching for similar type of scheme for them so that they can utilize their existing installed capacity in full, beyond CD or may add capacity in the existing premises beyond CD if permitted. In line with special tariff for industry having CGP, a special tariff for non CGP industries connected in 33 KV level or above may kindly be considered. The scheme may be as follows:

a) The agreement shall be between the industry & concerned DISCOM.

b) Under 33 KV level the permissible limit of drawl is 15000 KVA, but licensee has the discretion to allow beyond the limit of 15 MVA on special ground considering the adequacy of system availability. If system does not permit then the opting industry has to augment the system of supply to higher level to avail this benefit.

c) Industry interested for this scheme has to ensure minimum offtake of 85% L.F. of existing CD

d) Load reduction shall not be allowed during the financial year or those who have reduced their load has to restore before availing the scheme.

e) The power so consumed under this agreement may be treated as surplus power of GRIDCO and this quantum shall be over and above the approved quantum in ARR including SMD.

f) Interested industry has to pay a flat rate for the additional energy so consumed beyond 85% of CD.

g) Consumption upto 85% LF shall be billed as per existing RST

h) No demand charges for the additional quantum beyond existing CD.

i) Open access shall not be permitted during this special arrangement.

j) As this is a special agreement adequate Payment security mechanism shall be in place before power transaction as well as there will not be any rebate on additional power. However, DPS shall be applicable if payment is not made within due date.

k) Industry availing this benefit shall not be permitted to avail benefit of another scheme.

(q) Standard Service Connection charges for Three phase LT connections

TPCODL & TPNODL have submitted that the OERC Supply code, 2019, defines the Standard Service connection charges for single phase connections upto 5 KW while there is no mention of service connection charges for three phase LT connections. In the absence of which, an estimate is required to be prepared for each case. Thus, in order to fasten the process and making the system based auto Demand Note for three phase connections in line with single phase cases, the petitioner has suggested that based on the average length of service cable, a standard cost of service connection charges for three phase connections may be defined. The proposal as per TPCODL & TPNODL costing on service cable is as follows:

Sl. No.	Contract Demand	Service Connection Charges (excluding GST) in Rs.
1	Upto 10 KW	4500.00
2	11-20 KW	7000.00
3	21-40 KW	10000.00
4	41-50 KW	19500.00
5	51-63 KW (70 KVA)	33000.00
6	>70 KVA	As per load requirement and estimated thereof.
The Charges are calculated based on average 25 meters service length and use of armoured cable.		

(r) KVAH billing for LT Small and Medium Industry Consumer

TPCODL has submitted that on verification of KWH and KVAH consumption pattern of LT Small and Medium industry consumers, it is noticed than the difference in consumption is more than 50% . Total KWH consumption under both the category during the FY22-23 was around 74.24MU and no of consumers was 9405. On introduce of KVAH billing in HT, such type of consumers in HT are more billed compared to LT even though there is a tariff difference in LT & HT. In order to make parity in the consumer category and to reduce the loss and encourage the consumer to install the capacitor bank, the petitioner has proposed for KVAH billing for LT Small and Medium Industry consumers. Further to compensate, the tariff may be reduced and a suitable tariff may be fixed as compared to HT consumers or suitable additional rebate may be allowed to such category of consumers

(s) Relaxation in Documents to providing new Connections

TPCODL has submitted that for providing electricity connection, documents in support of identity proof and ownership proof, should suffice in releasing new service connection. Currently some additional documents are required, which can be taken care through a standard undertaking/ self-certification as part of application form citing that "all other necessary documents" like internal wiring certificate on safety approved by the authorised representative of Electrical Inspector of licensed electrical contractor, NOC from co-owner, NOC for agriculture, Industrial license etc. are available with applicant. However, these additional documents should not be a prerequisite for energising the connection. The undertaking will also indemnify the utility for any loss/dispute arises out of it and supply will be liable for disconnection in case of any dishonest declaration.

(t) Agreement for supply

TPCODL has submitted that currently in all three phase connection categories other than Domestic and GPS, an agreement in the standard format is required to be executed by applicant with Discom officials and thereafter supply gets effective. The Petitioner has suggested that there should not be any requirement of agreement for all LT connections and HT connections up to 1 MVA. Their initial application shall be considered as standard agreement.

(u) Combined Application form replacing Form-I & Form-II

TPWODL has submitted that presently, as per Regulation 3, a Domestic & GP consumer is opting Form-I for New Service Connection / Load enhancement/ Load reduction/ Reconnection / Change of Name/ Shifting/ Temporary Supply/ Conversion of Service/ Change of consumer category and Form-II is applicable to other category of consumers to the extent of New Connection/Load Reduction/Load Enhancement/ Change of Name. With this, consumers get confused about the Application form they must choose (Form I or Form II). Also, Licensee is also unable to capture the detailed information about the consumer. Hence, TPWODL has proposed to introduce a single application form, which is beneficial for both consumers and licensee. Even though it requires amendment of Regulation, the petitioner has requested the Commission to give direction with its discretionary power to allow through practice direction to adopt a common Application Form till Regulation is amended.

(v) Processing fee for each service as per Regulation

TPNODL & TPWODL have submitted that presently, the licensees are directed to serve the consumer for their different requirement apart from Billing and collection activities. As per existing Regulation, for new connection the processing fee has been defined as Rs.50/-per application, however, there are no charges for other services like Change of name, Category Change, name correction, address correction /Change etc. But the licensees are spending considerable amount for such services. Therefore, the said licensees have proposed the following application processing charges:

- Change of Category - Rs. 100.00
- New Connection / Load Change - Rs. 100.00
- Change/ Correction of Name/Address, Ownership change/ modification - Rs. 100.00

(w) Creation of Category for Mega lift points under EHT and applicability of Demand Charges

TPWODL & TPNODL have submitted that the consumer mega lift with CD of 13500 kVA is availing power supply with 132 kV level. As there is no such tariff category under EHT for such supply, it is billed under HT irrigation as per applicable tariff. As per Tariff Order dtd:23.03.2023, Mega Lift consumers (using electricity for irrigation purpose and not covered under irrigation pumping and agriculture category of the Regulation) connected either to HT or EHT system are treated as GP consumers and do not pay any demand charges and get an additional rebate of Rs.2 per unit (kVAh) on the respective energy charges. The licensees submit that, extending rebate of Rs.2 per unit on Energy charges may be permitted but waiver of Demand charges is a discrimination with other consumers and the licensees are heavily affected. Therefore, the said licensees have requested to kindly create separate category under EHT with demand charges of Rs.250 per kVA and energy charges under graded slab method for Mega lift points connected at HT & EHT level.

(x) Uniform Tariff for a specific category of Consumer as per load instead of Voltage of Supply

TPWODL has submitted that, presently few of the consumer are covered under LT & HT for Tariff purposes considering their Supply Voltage, which creates many confusions and disparity Even though as per existing RST, irrespective of voltage of Supply, considering type of metering (LT or HT) tariff is applicable, in practical implementation and acceptability to consumers, it is becoming more cumbersome and confusing. Therefore, to avoid all sort of confusion the petitioner has proposed that, based upon the consumers contract demand/ connected load and metering type, (LT or HT), tariff may be fixed instead of voltage of supply. This would further benefit as follows:

- Transformer loss can be recovered for all consumers if the meter side is HT and HT tariff for load >=70 kVA.
- LT consumers (Load < 70 kVA) to be billed as per slab rate and transformer loss will not be levied.
- There may be uniformity in tariff category and Metering side.

(y) Approval of Interest for purchase of EVs

TPCODL has submitted that the employees' wellbeing related policies and procedures, as and when framed/adopted by GRIDCO/ Odisha Power Transmission Corporation Limited (OPTCL) for their employees, were subsequently adopted by erstwhile CESU and other Discoms. Recently, vide its Circular No.AW/E&M-EV-1/2023(PT)/3358 dated 3rd March 2023, OPTCL announced its Electric Vehicle Advance Policy (EVAP) for its employees which is in line with the guideline issued by the Finance Department, Government of Odisha (GoO) vide Memorandum No. 8524/F dated 05th April 2022. Therefore, the licensee has requested the Commission to approve the implementation of EVAP for erstwhile Utility employees in line with OPTCL with actual expenditure on account of interest on such interest free advances to employees being a pass through for the Discoms based on their actual expenditure

(z) Continuation of existing Consumer Benefit Schemes

TPNODL & TPWODL have proposed for continuation of following Consumer Benefit Schemes:

- Digital rebate to 4% for LT Domestic, LT GP single phase & Single-phase irrigation consumers
- Discount of 10 paise to Domestic Rural Consumers if consumed on actual meter reading
- Levy of CSS on RE power
- Special tariff to steel industries at 33 kV level without having CGP
- Special tariff for Existing industries having CGP with CD >20 MW with minimum offtake 80% of existing CD with TPA among GRIDCO, DISCOM & Consumer.
- Continuation of Green Tariff Premium (GTP) mechanism.

For the said scheme, TPNODL has submitted that with reduction in price of RE power in the market, RE certification charges are also reduced. Previously, industries were avoiding RE certificate and opting GTP mechanism from DISCOM, because it was competitive. Therefore, the licensee has proposed that the GTP may be fixed at 20 paise for the ensuing year, which will be win-win for all the stake holders.

- Continuity of Special tariff for industries having CGP with CD up to 20 MW but have requested for consideration of the following submissions:

TPWODL and TPNODL have submitted that as per the RST Order dt.23.03.2023, Commission has made certain departure and directed for prior permission from GRIDCO. As the scheme is purely within the approved SMD of DISCOM, prior permission to on monthly basis is not gaining acceptability to the consumers. So, they are finding difficulty in planning their business as well as the operation of their own power plant. Therefore, for sustainability of the scheme, the TPWODL has requested that the scheme may kindly be approved for ensuing year without prior permission from GRIDCO while TPNODL has proposed for one time approval from GRIDCO before facilitating the provision to any particular consumer. TPWODL has submitted that, in addition to this, an industry availing this benefit shall not be permitted to avail the benefit of another scheme. TPNODL has further submitted that for the FY 2023-24, the applicable charges have been increased to Rs.5.00 paise per KVAh from earlier Rs. 4.30 paise per kVAh. Due to substantial rise in charges, out of 4 Nos. consumers availing power supply under special tariff in FY 2022-23, only two consumers are availing the benefit in FY 2023-24, resulting in lower actual drawl of 165.18 MU in 2023-24 against projected drawl of 641.29 MU in the ARR for the FY 2023-24. Therefore, TPNODL has requested that the scheme may kindly be approved for ensuing year with reduced rate of Rs 4.30per KVAh as was approved in RST Order for FY 2022-23.

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