

ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAVAN
UNIT - VIII, BHUBANESWAR - 751 012
PBX : (0674) 2393097, 2396117
FAX : (0674) 2395781, 2393306
E-mail : orierc@rediffmail.com
Website : www.orierc.org

No.OERC-Eng-58/2000(General)-1684

Dated- 31.12.2015

To

The Chief Executive Officer,
CESU, 2nd Floor, IDCO Tower
Janpath, Bhubaneswar

Sub: **Review of Energy Audit and Revenue Collection of CESU for the first half of FY 2015-16 held in OERC on 10.12.2015.**

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 Odisha 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.

Sd/-

SECRETARY

**Record Note of Revenue Performance and Energy Audit of CESU held on
10.12.2015 at 11.00AM in the Conference Hall of the OERC in presence of the Commission**

Period of Review : April-September, 2015-16

Representatives of CESU, list enclosed as Annexure-I.

The Energy Audit and Revenue performance of CESU for the first half of FY 2015-16 was reviewed by the Commission on 10th December, 2015 at 11.00 AM in the presence of senior officials of CESU, as annexed with this report. A brief minute of this meeting is as given below:

2. The meeting began with the review of revenue performance of CESU. The increase of revenue & collection by the licensee during the 1st half of the current FY 2015-16 compared to the same period of 2014-15 is just Rs.53.80 cr. This has resulted in an increase of per unit realization of 18.70 paise against the average RST hike of 20 paise across all categories of consumers. The loss reduction, if any, is not visible due to existence of arrears and needs to be more prominent. The CEO, CESU submitted that they have taken a lot of measures such as increasing the number of consumers under billing fold, increased MRT activities, laying of AB cables, verification of high valued consumers with contract demand of more than 30 KW etc. Due to such efforts the collection of arrear from Franchisee area was Rs 8.30Cr against the target of Rs 6.05 Cr during the period under review. The 1st half yearly performance of four DISCOM of the state are as given below:

Table-1

COMPARISON OF 1ST SIX MONTH PERFORMANCE									
	AT & C LOSS		% Difference	REVENUE		Difference in Rs Cr	Realization Per Input LT		Difference in Paise
	LT			Rs Cr			in Paise		
	2014- 15	2015- 16		2014- 15	2015- 16		2014- 15	2015- 16	
CESU	55.11%	52.79%	-2.32%	1335.07	1388.87	53.80	203.21	221.91	18.70
NESCO	56.38%	55.62%	-0.76%	857.77	923.38	65.61	173.99	189.21	15.22
WESCO	72.69%	67.91%	-4.78%	1150.31	1157.96	7.65	113.03	136.83	23.80
SOUTHCO	56.34%	54.39%	-1.95%	376.33	401.38	25.05	171.21	192.74	21.53

ENERGY AUDIT

3. CEO, CESU submitted that the study of loss of energy in different feeders has been carried out by CESU during last one year by a specialized team headed by an officer in the rank of GM for effective audit.

4. The loss pertaining to different category of feeders and areas of supply has been segregated and the weighted average is taken into account based upon the loading and length while calculating the loss level for the entire CESU area. The loss level at different voltages is being found out by CESU after the study of following feeders.

DETAILS OF ENERGY AUDIT UNDERTAKEN BY CESU

33KV feeders taken for study – 108 nos (for technical loss based upon empirical formula)

11KV feeders taken for study- 136 nos (for technical loss based upon empirical formula)

LT line loss taken for study – all LT line of CESU (arithmetic calculation)

33KV feeders taken for study – 10 nos (for distribution loss between 33KV to consumers)

11KV feeders taken for study- 333 nos (for distribution loss between 11Kv to consumers)

DT taken for study – 209 nos ((for distribution loss between DT to consumers)

5. The Commission expressed displeasure over lagging the energy audit activity undertaken by DISCOMs. OERC has given several directions in past to carry out energy audit in at least one 33 KV feeder starting from the sub-station to the level of consumer and complete mapping. NESCO stated to have completed complete energy audit of one 11 KV feeder i.e , Sahadevkhuntia feeder under Balasore division. WESCO and SOUTHCO identified Cheruapda 33kv Feeder in Sambalpur Electrical Division and Ramachandrapur 33/11 KV S/s under GNED,Chatrapur respectively.

6. CESU is yet to identify a feeder for complete energy audit from substation to to the end users. Even the result obtained from energy audit of Balikuda-Gopalpur section under CED Cuttack by monitoring committee of OERC has lost its track in due course of time. Therefore, Commission finds reason to belief that direction given on the issue is not implemented sincerely causing loss to CESU. Besides that the AMR installation activity of CESU is also not yet addressed.

7. Commission finds it appropriate to attract provision of Section 142 under Electricity Act for failure on the part of DISCOMs to carry out the order of the Commission. The DISCOMs have to demonstrate their commitment to conduct energy audit covering not less than then (10) number of feeders in a month so as to complete energy audit in their entire area of operation within a visible time frame.

DIRECTIVES OF THE COMMISSION

1. Commission expressed displeasure over the poor performance of DISCOMs Sales and collection from revenue is far from a sustainable business environment.
2. There appears to be no improvement during the 1st half of the current financial year compared to that of the previous year i.e. 2014-15 so as to make an optimistic assumption.
3. Therefore it is directed that:-
 - (a) The growth in sales on energy and connected revenue must be in upward trend month-wise for each division to achieve the loss reduction target specified by the Commission.
 - (b) CEOs and COOs shall monitor the improvement parameters monthly basis and fortnightly for last quarter of the year.
 - (c) Officers in charge of divisions and circles shall monitor performance under them weekly preferably on Monday and Tuesday at 10.00AM and prescribe corrective measures to achieve the target along with report to COO.
 - (d) There must be visible progress on installation of AMRs for specified CD. Work plan shall be submitted to COO/ CEO. All officers shall endeavor to achieve the target promised.
Consolidated report shall be submitted to Commission monthly.
 - (e) Energy Audit targets must be progressive and periodical reports shall be sent to Commission till target achieved.
 - (f) Metering installations shall be complete with CT & PT / metering cubicle for Energy Audit. Road map for energy audit shall be furnished by each division to COO. All officers shall ensure adherence to targeted commitments.
 - (g) Directions in various ARRAs shall be complied.
 - (h) CEO and COO of each DISCOM is directed to prepare plan & PERT chart on sales, revenue and energy audit and submit it to Commission and also direct subordinate for strict implementation.
