

**ODISHA ELECTRICITY REGULATORY COMMISSION  
PLOT NO. 4, CHUNOKOLI, SAILASHREE VIHAR  
BHUBANESWAR - 751 021  
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**No.DIR (T)-368/09/18/287  
Dated- 19.02.2020**

To

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

**Sub: Review of Half yearly Performance of CESU FY 2019-20 (April-September)**

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.

Sd /-

**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/OPTCL, Janpath, Bhubaneswar along with copy of the enclosure for favour of information.

Encl: As above.

Sd /-

**SECRETARY**

**Record Note of Half yearly Performance Review of CESU held on 02.12.2019 at 11:00AM in the Training Hall of the OERC in the presence of the Commission**

**Date of Review : 02<sup>nd</sup> December, 2019**  
**Period of Review : April 2019-September 2019**  
**Representatives of CESU: list enclosed as Annexure-I.**

The Half yearly performance of CESU for FY 2019-20 was reviewed by the Commission on 02<sup>nd</sup> December, 2019 at 11.00 AM in the presence of senior officials of CESU. The Commission reviewed the billing and collection position of the CESU for the period from April 2019 to September 2019.

The details of performance of CESU as indicated in their presentation with regard to the key performance indicators are as follows:-

<b><u>HALF-YEARLY PERFORMANCE OF CESU-as on September-2019</u></b>					
<b>BULK SUPPLY</b>	<b>2017-18</b>	<b>2018-19</b>	<b>(April-Sept) 2018-2019</b>	<b>(April-Sept) 2019-2020</b>	<b>OERC Approval for 2019-20</b>
<b>AVG. DEMAND (MVA)</b>	1521.11	1591.02	1533.93	1518.64	1660.00
Energy input (MU)	8466.81	8784.00	4819.10	4582.69	9740.00
BST & Tr.Charge bill (Cr.)	2531.58	2626.42	1440.91	1310.65	2787.15
Payment made to GRIDCO (Cr.)	2464.64	2617.88	1438.91	1133.24	
<b>SALE TO CONSUMERS (MU)</b>					
EHT	1003.12	1245.69	637.46	538.94	1171.12
HT	1198.58	1254.65	669.08	689.47	1529.83
LT	3579.76	3810.52	2084.96	2234.96	4798.85
<b>TOTAL</b>	<b>5,781.46</b>	<b>6,310.86</b>	<b>3,391.50</b>	<b>3,463.37</b>	<b>7499.80</b>
<b>% of LT to Input</b>	<b>42.28%</b>	<b>43.38%</b>	<b>43.26%</b>	<b>48.77%</b>	<b>49.27%</b>
<b>DISTRIBUTION LOSS (%)</b>					
LT	36.84%	32.92%	34.39%	26.26%	24.47%
HT & LT	35.98%	32.81%	34.14%	27.68%	26.14%
<b>OVERALL</b>	<b>31.72%</b>	<b>28.16%</b>	<b>29.62%</b>	<b>24.43%</b>	<b>23.00%</b>
<b>BILLING EFFECIENCY (%)</b>					
HT	92.00%	92.00%	92.0%	92.0%	92.0%
LT	63.16%	67.08%	65.6%	73.7%	75.5%
HT & LT	64.02%	67.19%	65.9%	72.3%	73.9%
<b>OVERALL</b>	<b>68.28%</b>	<b>71.84%</b>	<b>70.4%</b>	<b>75.6%</b>	<b>77.0%</b>
<b>COLLECTION EFFICIENCY (%)</b>					
EHT	100.90%	100.37%	98.30%	105.66%	99%
HT	99.38%	98.64%	94.79%	91.46%	99%
LT	93.69%	94.37%	80.92%	70.82%	99%
HT & LT	95.42%	95.67%	84.99%	76.75%	99%
<b>OVERALL</b>	<b>96.56%</b>	<b>96.75%</b>	<b>87.92%</b>	<b>82.18%</b>	<b>99%</b>
<b>AT &amp; C LOSS (%)</b>					
LT	40.83%	36.70%	46.91%	47.78%	25.22%
HT & LT	38.91%	35.72%	44.02%	44.49%	26.88%
<b>OVERALL</b>	<b>34.07%</b>	<b>30.49%</b>	<b>38.12%</b>	<b>37.90%</b>	<b>23.77%</b>

### **Commission's Observations:**

The Commission enquired about the compliances of the directions given in last performance review meeting. CEO, CESU apprised the Commission about the compliances made by CESU.

The Commission compared the figures relating to business operation of CESU for 1<sup>st</sup> half of FY 2019-20 with that of the corresponding period of FY 2018-19. The key observations are as follows:-

	<b>As on 31.08.2018</b>	<b>As on 30.09.2019</b>	<b>Increase / Decrease</b>	<b>(↑↓)</b>
<b>EHT Sale (MU)</b>	637.46	538.94	-98.52	↓
<b>HT Sale (MU)</b>	669.08	689.47	20.39	↓
<b>LT Sale (MU)</b>	2084.96	2234.96	150.00	↑
<b>Distribution Loss</b>	29.62%	24.43%	-5.19%	↓
<b>Billing Efficiency</b>	70.4 %	75.60%	5.20%	↑
<b>Collection Efficiency</b>	87.92 %	82.18%	-5.74%	↓
<b>AT &amp; C Loss</b>	38.12%	37.90%	0.22%	↓

1. CESU submitted that 1,12,088 number of consumers have been added during the 1<sup>st</sup> half of 2019-20. The total number of consumers as on 30.09.2019 is 26,44,492.
2. There is 100 MU reduction of EHT sale compared to the same period last year, which is due to less drawal by EHT consumer M/s. Bhusan . This resulted in reduction in Input. There is 20.39MU increase in HT sale. During the period under review , there is 150 MU increase in LT sale due to addition of 1,12,088 consumers.
3. On Energy Audit, CESU submitted that all 182 Nos. of 33 kV feeders are metered and out of 182 Nos. of 33 KV feeders 113 Nos. have been audited. Out of 935 nos. of 11 kV feeders, 802 nos. of 11 kV feeders have been metered. They have audited 608 nos. 11 kV feeders out of 802 nos. of metered feeders. Out of 70663 nos. of DTRs only 8743 nos. are metered and 535 nos. are audited.
4. CESU is lagging behind in BSP payment by 2.5 months. This is primarily because of about 50 Cr. Of less collection due to cyclone "FANI". It is observed that the collection efficiency has been decreased by 5.75% compared to the same period of previous year though the billing efficiency has increased by 5.2%.
5. In reply to the Commission's query about 10% reduction in LT collection efficiency, CEO, CESU stated that meter readers in FEDCO area (mainly PED) are on strike and not taking meter reading and as a result bills have been raised on average basis.

6.

<b>STATUS OF ARREAR FOR THE FY-2019-20 (In Rs Cr.)</b>				
<b>Particular</b>	<b>Arrear as on 31.03.2019 (Rs. Cr.)</b>	<b>Billing for the FY 2019-20 (Apr-Sept)</b>	<b>Collection against arrear for the FY 2019-20 (Apr-June)</b>	<b>Arrear as on 30.09.2019</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5=(2+3-4)</b>
<b>EHT</b>	106.50	345.28	364.83	86.96
<b>HT</b>	43.84	429.77	393.05	80.56
<b>LT</b>	1595.89	1065.22	754.38	1906.73
<b>Total</b>	<b>1746.22</b>	<b>1840.28</b>	<b>1512.25</b>	<b>2074.25</b>

There is an increase of around of 328.03 Cr as far as status of arrear is concerned.

7. Metering Status:-

<b>Report on Metering</b>			
<b>Sl. No.</b>	<b>Particulars</b>	<b>CESU</b>	
		<b>As on 31.03.2019</b>	<b>As on 30.09.2019</b>
<b>SINGLE PHASE</b>			
1	Total Number of Consumer	25,66,305	25,77,173
2	Number of consumers without meters	1,59,109	1,68,901
3	Number of defective meters	1,93,254	1,97,150
4	Number of Meters in Working condition	21,13,942	22,11,122
<b>THREE PHASE</b>			
1	Total Number of Consumer	66,099	67,319
2	Number of consumers without meters	8,450	8,566
3	Number of defective meters	4,425	4,809
4	Number of Meters in Working condition	53,224	53,944
<b>Total number of consumers</b>		<b>25,32,404</b>	<b>26,44,492</b>

As submitted by the representative of CESU, out of 2,26,863 numbers of 1-phase meters to be installed under Saubhagya, 1,01,563 numbers are installed till Novemer of FY 2019-20 and rest 63,009 meters will be installed by March 2020. Till now PMU of OPTCL( Procuring meters on behalf of DISCOMs under different schemes of GOI) has installed 1,57,375 meters and rest 57,625 meters will be installed by December 2019, out of 2,15,000 meters. The representative from PMU, OPTCL stated that they would allot additional 28,891 meters without installation charges or 18,412 meters with installation charges. CESU said that out 1,50,000 meters procured by them 47,616 meters have been installed till November of FY 2019-20 and the remaining 21,128 meters will be installed by March 2020

8. The Commission asked CEO, CESU to cover whole CESU system under SCADA, in reply to which CEO, CESU stated that 195 Cr. Fund is required for the same. The Commission directed CESU to request Government of Odisha for funding the same.

9. Chairman, OERC desired to know about the pendency of new connection applications in Bhubaneswar division. In reply to which the concerned officials of CESU stated that the release of supply are pending due to non-submission of required documents by the consumers. The Commission asked the CESU officials to inform the deficiency to the consumer within 5 days of application for their compliance.

10. CESU has submitted that total 230 WSHGs are working in Angul, Nayagarh, Cuttack and Puri area and already 72 numbers agreements are signed in Paradeep, Puri and Bhubaneswar area and rest will be signed by January 2020.

**Directives of the Commission:**

1. The Commission directed CESU to go for Metering, Billing and Collection (MBC) by one agency so that there will be a total check on input accountability.
2. Wherever GPLFs are willing they should be given MBC work.
3. The Commission directed CEO, CESU to contact Mission Shakti & Skill Odisha for engagement and training of SHGs in MBC work.
4. The Commission directed CESU to complete consumer metering by March, 2020
5. The Commission directed CESU to disconnect 100 consumers per division per day to address the bill nonpayment issue and to target consumers with higher arrear.

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**Representative of CESU**

1. Sri A. Bothra, CEO, CESU
2. Sri S. K. Swain, C.G.M. (T)
3. Sri Kishore Kumar Naik, CFO
4. Sri S. K. Mishra, Sr. G. M., HR
5. Sri Manoj Kumar Singh, Sr.G.M.(AT & C)
6. Sri. T. K. Mohanty, Sr. G.M. (Elect.)
7. Sri S. P. Kar, Sr. GM(Fin)
8. Sri P. Swain, Sr.G.M.(IT)
9. Sri Deepak Behera, G.M.
10. Sri. P.K. Das, G.M.
11. Sri S.Rout, G.M. (Elect.)
12. Sri G. K. Chakraborty, G.M. (Elect.)
13. Sri S. K. harichandan, OSD(Law)
14. Sri S. K. Swain, AM (MIS)
15. Sri A.K. Muduli, G.M.