

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN, UNIT-VIII
BHUBANESWAR**

IN THE MATTER OF

An Application for approval of Annual Revenue Requirement and Retail Supply Tariff for the financial year 2013-14, under Section 62 and other applicable provisions of the Electricity Act 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Tariff) Regulations, 2004 and OERC (Conduct of Business) Regulations 2004.

AND

IN THE MATTER OF

Southern Electricity Supply Company of Odisha Ltd. (SOUTHCO)

Affidavit verifying the reply to the objections to the Annual Revenue Requirement and Tariff Application for the financial year 2013-14.

I, Sri Suresh Kumar Choudhury, Son of Late Raghunath Choudhury, aged about 59 years, residing at Ambapua, Berhampur, do hereby solemnly affirm and state as follows: -

I am the Vice President of the Southern Electricity Supply Company of Odisha Limited (SOUTHCO), Berhampur, Dist-Ganjam, Odisha-760004 the Licensee in the above matter and am competent to swear this affidavit.

The statements made below in this application are true to the best of my knowledge and the statements made are based on information and records and I believe them to be true.

Berhampur

Date 31st January-2013

DEPONENT

Vice President

SOUTHCO

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN,UNIT-VIII
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IN THE MATTER OF

An Application for approval of Annual Revenue Requirement and Retail Supply Tariff for the financial year 2013-14, under Section 62 and other applicable provisions of the Electricity Act 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Tariff) Regulations, 2004 and OERC (Conduct of Business) Regulations 2004.

AND

IN THE MATTER OF

Southern Electricity Supply Company of Odisha Ltd (SOUTHCO)

Applicant

The humble applicant above named most respectfully showeth.

Berhampur
Date: 31st January 2013

Applicant
Vice President
SOUTHCO

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR.**

CASE NO.106 OF 2012

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO)**

..... **Petitioner.**

Vs

**Ramesh Chandra Satapathy
Plot No. 302(B), Beherasahi
Nayapalli, BBSR-12**

..... **Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of Southco for FY 2013-14.

BACKGROUND:

In accordance with the provisions of regulation 53 of OERC(Conduct of Business) Regulations ,2004 and Regulation 5 of OERC (Terms and conditions for determination of Tariff) Regulations, 2004 the Licensee is required to file the applications for determination of annual revenue Requirement (ARR) and revision of Retail supply Tariff (RST) for ensuing financial year before the commission by 30th November of current year.

Compliance to the provisions of above mentioned Regulations, the SOUTHCO (Petitioner) has submitted its application for approval of Annual Revenue Requirement and Retail supply tariff for the financial year 2013-14. The petitioner has filed its petition under Sec-62 and other applicable provisions of the Electricity Act 2003 and in conformity with provisions of OERC(Terms and conditions for determination of Tariff)Regulations, 2004 and OERC (conduct of Business) Regulations 2004.

The para-wise replies of Southco in respect of the objections raised by the objector is submitted.

1. SOUTHCO filed the ARR and RST application for FY 2013-14 complying to the Act, 2003 and Regulation, 2004.
2. SOUTHCO committed to provide quality power supply and better consumer services to its consumers. SOUTHCO has taken many steps for improving the voltage by way of augmentation of conductors, Installation of new S/s, upgradation of existing S/s and Power Transformers. SOUTHCO has so far installed 210 nos of new transformer and 537 nos of up gradation of transformer of different capacity in its area of

operation and 63 nos of power transformer capacity have already been upgraded to provide reliable and uninterrupted power supply. SOUTHCO has already added additional 171256 KVA into the system to cater the needs of the consumers and to overcome the low voltage. The power cut without any notice is not being implemented in SOUTHCO. Due to power shortage scenario in the state and as per the direction of Hon'ble Commission, the power regulation during the period Feb-10 to May-10 was implemented with due notice to the consumers under SOUTHCO. Further, as per the drawl schedule of SLDC and grid constraints the power restriction is being imposed at SLDC/OPTCL level.

3. SOUTHCO is carrying out R&M activities of Substations and lines periodically and also maintains the Standard of performance. The monthly and quarterly report relating to the Standard of performance is being submitted before Hon'ble OERC. Due to addition and upgradation of lines and substations the consumers are getting better voltage. Action is also being taken under CAPEX for further System Improvement.
4. SOUTHCO was conducting Energy Audit at the 33 KV & 11 KV level but due to defectiveness of the meter at 33 KV and 11 KV as well as DTR level, the fruitful energy audit is not carried out. The provision has been made under CAPEX up to DTR level metering and to pin point the losses. SOUTHCO has taken a lot of initiatives to arrest the losses and against all odds, licensee could able to reduce the losses by 1.79% during FY 2011-12 and 2.24% during the 1st half the current financial year
5. At present 8 nos of energy police stations are operating in the licensee's area. But, the EPSs are yet to be fully functional as the requisite no. of personnel has not been recruited. 455 nos of FIRs has been lodged in different energy police stations. Due to delay in opening of EPS and lack of adequate man power the theft of energy could not be controlled. Hence, it requires opening of energy police stations and special court in order to curb the theft of energy. The staffing position and sanctioned post at different EPS is as under.

Particulars	Sanctioned Strength	Berhampur	Chatrapur	Phulbani	Bhanjanagar	Boudh	Parlakhemundi	Koraput	Nawarangapur
(i) Inspector	1	1	1			1		1	1
(ii) Sub Inspector	2	1			1		1	2	1
(iii) Asst. Subinspector	2		1	1	1	2			
(iv) Head Constable	1	1				1			
(v) Follower Orderly	1								
(vi) Asst. Driver	1								
(vii) Constable	12	6	5	5	7	4	10	2	4
Total	20	9	7	6	9	8	11	5	6

6. SOUTHCO has already started recruiting the personnel in each financial year at both executive and non executive level. To maintain the lines and substation looking to the addition of lines and substations under village electrification, Southco has already recruited 817 nos of ITI personnel and recruitment at down the level also have been made. SOUTHCO has planned for recruitment of 797 nos of personnel and 260 nos of personnel both Executive and non executive cadre during FY 2012-13 and FY 2013-14 respectively. Further, the Substation level maintenance has been outsourced to provide better service to the consumers.
7. Licensee is not violating the overall and guaranteed Standard of performance prescribed by the Hon'ble Commission and the suo motto compensation is not payable. During 1st six month of the current FY 2012-13, the death of animal and human being is 12 nos and 10 nos respectively.
8. SOUTHCO has executed an agreement with M/s Banyan Environmental Innovations Pvt. Limited a Hyderabad based company to provide the CFL bulbs at the affordable price replacing the incandescent bulbs as per the Bachat Lamp Yojana. However, the same is yet to be materialised although it has been registered in UNFCCC.

As reported by M/s Banyan there are 3 Projects in SOUTHCO and all the projects have been approved by Ministry of Environment and Forest , Govt of India and most of them have been registered in UNFCCC

S.no	Project Name	Project Reference Name	HCA Status	UNFCCC Registratio n
1	Orissa Lighting Energy Efficiency Project (OLEEP) in Aska Division, Ganjam District, Orissa, India	OLEEP2	Received	3823 UNFCCC id awaiting Review.
2	Orissa Lighting Energy Efficiency Project (OLEEP) in Digapahandi Division, Ganjam District, Orissa, India	OLEEP7	Received	3915 Registered on 18th Dec 2010
3	Orissa Lighting Energy Efficiency Project (OLEEP) in Bhanjanagar Circle, Orissa, India	OLEEP8	Received	5318 Registered on 28th Dec 2011

9. The report regarding construction of lines and substations under the MP and MLA lad fund is being submitted at different time to the Hon'ble Commission. During the FY 2011-12, Southco has constructed 58 nos of new Sub Station and 30 nos Substation has been upgraded.
10. Southco projected AT& C loss reduction of 3.52% during the FY 2012-13 to 45.41%, hopefully, the same shall be achieved. The reduction of AT&C loss not maintained as per the approval of the Hon'ble Commission has been enumerated in the ARR &RST

application. The AT&C loss reduction of 3.34% during ensuing year i.e FY 2013-14 also shall be achieved. Further, due to village electrification programme at the tail end of the network, the challenge in reducing the AT&C loss has been widened and intensified.

However, despite all odds, with the help of Capex programme we are committed to reduce the AT&C loss as envisaged in the ARR.

11. The detail CAPEX programme as well as status report has been enumerated in the ARR application at para 2.6 and page no. 34 to 45.
12. The Govt. Consumers outstanding as on 30th Sep-2012 is of Rs.79.30 Cr. GoO has already taken action for making payment/adjustment of outstanding arrear dues of Rs.66.37 Cr as on 31st March-2012. Action is being taken for installation of prepaid meter if possible against the Govt. consumers.
13. Two nos of HT and EHT consumer have availed OTS with a concession of Rs.37.84 lakhs against outstanding of Rs. 71.82 lakhs.

Berhampur

Date : 31.01.20123

Vice President
Southco

C.C to

Ramesh Chandra Satapathy

Plot No. 302(B), Beherasahi

Nayapalli, BBSR-12

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR.**

CASE NO.106 OF 2012

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO)**

..... **Petitioner.**

Vs

(1) Odisha Consumers Association

At: Debajyoti Upabhokta Kalyan Bhawan

Biswanath Lane,Cuttack-2

(2) Federation of Consumers Organisation Odisha

At: Biswanath Lane,Cuttack

(3) Keonjhar Navnirman Parishad

Chandini Chowk,Cuttack

..... **Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of SOUTHCO for FY 2013-14.

1. That, the application filed by the Licensee is in accordance with the Section 62 and other applicable provisions of the Electricity Act 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Tariff) Regulations, 2004 and OERC (Conduct of Business) Regulations 2004.

The contention of the objector regarding application filed is not in accordance with the law and also not tenable under law and liable to be rejected is not at all justified and also shall be ignored.

2. That, it is to submit that the direction issued in WP(c) no.8409 of 2011 dt. 30.03.2012 by Hon'ble High Court is duly complied by the different authorities including the Licensee. Licensee is duly complying the order of Hon'ble OERC issued from time to time.
3. The objector has pointed out that the accounts for the FY 2012-13 of SOUTHCO has not been audited, which is premature approach. The accounts of the company are

audited after completion of the financial year and the FY 2012-13 is yet to be completed. SOUTHCO has audited its books of accounts for the FY 2011-12 and also submitted before Hon'ble OERC for the purpose of determination of tariff. Basing upon the previous year audited figures and current year estimation (actual up to Sep-12) SOUTHCO has projected for ensuing year for the purpose of ARR and determination of RST. The rejection of application due to incorrect/manipulated statement of facts and figures as claimed by the objector is not at all correct and shows wrong attitude as the same is not supported with any facts and figures.

4. That the efficiency, standard of service & performance though improved by the licensee but not up to the approved level of Hon'ble OERC. Southco has reduced T&D losses of about 1.79% during FY 2011-12 and by 2.24% during 1st half of the FY 2012-13 even though huge no of rural electrification under RGGVY and BGJ scheme has been implemented.

SOUTHCO has so far installed 210 nos of new transformer and 537 nos of up gradation of transformer of different capacity in its area of operation and 63 nos of power transformer capacity have already been upgraded to provide reliable and uninterrupted power supply. SOUTHCO has already added additional 171256 KVA into the system to cater the needs of the consumers and to overcome the low voltage. The month wise detail upgradation and addition of new substation is being submitted to the Hon'ble OERC as per the direction and also available in the Southco's web site www.southcoorissa.com.

There is always a nexus between purchase of power and sale of energy as the power purchase and sale of energy is measured through meters. The T & D loss is reduced during the FY 2011-12 and 1st half of the FY 2012-13 and also action is being taken against the theft of energy to recover the losses. As on Sept-12, Southco has lodged 455 nos of FIR against the unauthorised consumers at different Energy Police Stations operating in the licensed area. The projection is also based on the past audited figures and not artificial one. Under System Improvement work, Southco has invested an amount of Rs.4.85 Cr and Rs. 10.70 Cr during the FY 2009-10 and FY 2010-11 respectively. The load shedding of 12-14 hrs in rural areas is not at all correct in the areas of Southco.

5. The Licensee is a Public limited Company, the books of accounts are transparent and audited by the third party and also working in a regulatory framework. Hence, the question of confuse to the consumers does not arises. The consumers are educated

a lot so far the rights and obligations on the part of the consumers is concerned. Southco is conducting awareness programme as well as the Hon'ble OERC from time to time. In addition to this, the licensee is also covered under the RTI, Act and any information and facts and figures is also available to the general public as and when asked for. The licensee is always law abiding and implement the orders of the Hon'ble High Court and Commission in true spirit.

6. Notice was published to the general public as per the direction of Hon'ble Commission for inviting objections to the ARR and RST application of Southco for the FY 2013-14. The details of the calculation as per the format prescribed by Hon'ble OERC were submitted before the Commission on 30.11.2012 and the details of which is also available with the website of the Commission as well as the Licensee. The notification was as per the law and statute.
7. The application submitted by the Licensee is as per the E. Act and Regulation framed there under as well as the format prescribed by the Hon'ble Commission. As the Licensee is operating in a Regulatory framework no way the consumers are being exploited. Further, the expenditure incurred by the Licensee is not unjust and the employees are being paid as per the approved pay structure.
8. Hon'ble Commission has framed the Regulation as per the Electricity Act, 2003. The objector has not suggested anything for change of Regulation and only generalised the comment which is not acceptable to the Licensee. The procedure/method adopted by Hon'ble Commission is as per the statute and the data required from the licensee is to analyse and finalise the ARR and RST for ensuing year.
9.
 - (a) Southco is complying the directions of the Hon'ble Commission / State Govt. and submits the data/information as and when asked for.
 - (b) Southco is following the Power Purchase Agreement made with GRIDCO.
 - (c) The expenses projected for the FY 2013-14 w.r.t Employees Cost, A&G, legal expenses etc. is genuine, bonafide and proper.
 - (d) During the FY 2011-12, Southco has reduced T&D loss by 1.79% and during 1st half of the FY 2012-13 by 2.24%.The T&D loss for the FY 2011-12 is 46.43 % and estimated 43.47 % for FY 2012-13 and projected 40.03% for FY13-14.
 - (e) Nil

- (f) An amount of Rs.66.37 Crore is outstanding against Govt. deptts and PSUs. As on 31.03.2012. Govt. has already taken steps to make payment/ adjustment of outstanding dues shortly.
- (g) The monthly / bimonthly energy bills issued to the consumers are correct and accurate. The spot billing is carried out except two Divisions (Koraput & Malkanagiri) and the bills are delivered to the consumers at the spot. The collection received from the consumers is posted properly through a computerised data base.
- (h) There are 99 % of the consumers are metered and 92 % of the consumers are having correct meters. The defective meters are being replaced in phased manner. The bills are being issued to the 94% of the consumers are at the spot in order to provide prompt delivery of the bills to the consumers.
- (i) The amount spent towards safety measures definitely brought out desired result. SOUTHCO has provided the Hand Gloves and other instruments to the employees directly working in the lines and S/s. The Safety manual is also provided to the employees and the training is being imparted at Sub Division level. Safety officer has been designated at the level of Superintending Engineer to look after preventive measures w.r.t safety.
- (j) SOUTHCO is taking immediate action against the employees involved with the dishonest consumers following departmental procedure.
- (k) SOUTHCO is following the Complaint Handling Procedure(CHP) starting from the Section level to the Circle level. The CHP books are available at each Section/Sub Division/Division/Circle level and instruction has already been issued to follow the same strictly.
- (l) Section level losses are being measured and action also taken for reduction of losses by way of installation AB Cable, AMRs for the 3 phase consumers and conducting energy audit to pin points the losses. Dedicated team of Vigilance and MRT are operating at Circle level to curb theft of energy.
- (m) SOUTHCO has submitted its ARR and RST application as per the prescribed format of Hon'ble OERC basing upon the audited figures of the previous year and projection for the ensuing year justifying the expenses as well as revenue.

Hence the contention of the objector for rejection of the application is not at all justified. Further, there is uniform RST throughout the State since beginning.

10. SOUTHCO has submitted the application complying to the provisions of the E.Act, 2003 and Regulation,2004. The contention of the objector for rejection of the application without any material facts is just improper and not tenable.
11. SOUTHCO has taken a lot of initiatives to arrest the losses and against all odds, licensee could able to reduce the losses by 1.79% during FY 2011-12 and 2.24% during the 1st half the current financial year. SOUTHCO has created and operating at Corporate level Cell namely " Key Consumer Business Analytic Cell "for high and medium value consumers and "Vigilance and Enforcement Activities" for LT consumers at Circle level. The same shall be replicated to the Division and Section level so that the loss can be arrested. The loss is quantified and there is no loss of intentional, even if addition of huge no. of consumers under RGGVY and BGJY, Southco could able to reduce the losses. Further, Southco is conducting business in a very efficient and economic manner and the losses are being reduced.
12. Southco has prayed to bridge the Revenue Gap for the FY 2013-14 through increase in Retail Supply Tariff, reduction in Bulk Supply Tariff (BST), grant/ subsidy from the Government of Odisha etc.
13. One Time Settlement (OTS) scheme has been notified after due approval of Hon'ble Commission after hearing the objectors and licensee in case no. 6 of 2010. The collection from defaulting consumers through OTS shall pave the way to pay the arrear BST dues to GRIDCO. The domestic consumers are also included in the OTS. As per the scheme of OTS, the consumer shall clear the current dues commencing from Apr-10 and shall be eligible for OTS.
14. The detail calculation of the gap between the collection and billing is monitored by Hon'ble Commission on half yearly/yearly basis through performance review. In order to collect more from the arrears Hon'ble Commission approved the OTS so that the accumulated arrears shall be reduced.

The Status of Security Deposit received from the consumers from FY1999-00 to FY 2011-12 has already submitted to Hon'ble OERC.SOUTHCO has collected an amount of Rs.72.58 Cr since FY 1999-00 to FY 2011-12.

15. Southco is complying the directions of Hon'ble Commission from time to time in accordance with the provisions of OERC Regulations 2004 and the Electricity Act 2003 including GRF and Standard of Performance Regulations, 2004.

The interest on Security deposit has been provided to the consumers on 1st May of every year as per Regulation 21. During the current year Southco has provided Rs.4.39Cr as interest on Security Deposit to the consumers. The question of rejection of application of SOUTHCO is a premature approach of the objector having no facts and figures.

16. SOUTHCO has submitted the report to the Hon'ble Commission in Case No. 35 of 2005 and complied the observation of Hon'ble Commission as sought for. There is no question of manipulation of money as apprehended by the objector. All the monies are escrowed to GRIDCO. The question of rejection of the application does not arises.

Berhampur
Date-31-01-2013

Vice President
SOUTHCO

C.C to:

- (1) Orissa Consumer's Association(OCA)
Biswanath Lane,
Purighat, Cuttack 753002
- (2) Federation of Consumers Organisation Odisha
At: Biswanath Lane,Cuttack
- (3) Keonjhar Navnirman Parishad
Chandini Chowk,Cuttack for information.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR.
Case No. 106 of 2012**

**Southern Electricity Supply
Company of Orissa Limited (Southco) ----- Petitioner**

Vs

**Sri Santosh Kumar Sahu
Honourary Administrative Secretary ----- Opp. Party
Ganjam District Rice Mill Owners Association
Hill Patna, Gopabandhu Nagar, Berhampur, Ganjam**

Rejoinder to the objections received by the secretary OERC against the the Retail Supply Tariff Application by Southco for FY 2013-14.

BACK GROUND:

In accordance with the provisions of Regulation 53 of OERC (Conduct of Business) Regulations, 2004 and Regulation 5 of OERC (Terms and conditions for determination of Tariff) Regulations, 2004 the Discoms are required to file the applications for determination of Annual Revenue Requirement (ARR) and revision of Retail Supply Tariff (RST) for ensuing financial year with the commission by 30th November of current year.

Complying with the provisions of above –mentioned Regulations, the SOUTHCO (Petitioner) has submitted its application for approval of its Annual Revenue Requirement and Retail supply tariff for the financial year 2013-14. The petitioner has filed its petition under Sec-62 and other applicable provisions of the Electricity Act 2003 and in conformity with provisions of OERC (Terms and conditions for determination of Tariff) Regulations, 2004 and OERC (conduct of Business) Regulations 2004.

Determination of Tariff:

The Objector has enumerated the various provisions of the E.Act, 2003 along with the OERC Dist. (Conditions of Supply) Code, 2004 substantiating the inconsistency of the tariff of HT medium industry category of consumers and discrimination with General Purpose HT < 110 KVA category of consumers.

It is true that HT Medium Industry Category of consumers is making higher payment than the LT Medium Industry Category of consumers due to huge difference of Demand Charges and less difference of energy charges during the FY 2012-13. Because of the higher demand charges in the HT category, the consumers are demanding to hand over the own substation to the Licensee which shall be again burden of R&M expenses to the Licensee.

But, there is no discrimination with respect to General Purpose < 70 KVA consumers. The General Purpose LT consumers are making excess payment towards energy charges than the Medium Industry Category of consumers even though making payment of less towards demand charges.

Hon'ble Commission may revise the MMFC of LT Medium Industry category of consumers so that there will not be any difference in the LT/HT Medium Industry category of consumers.

Discrimination between the consumer below 110 KVA & above 110 KVA:

The objector has cited the case where the maximum demand recorded is more than the contract demand and highest MD recorded during financial year as per the tariff order in case of HT supply. In view of the Licensee, in case of HT supply, the demand charges may be calculated as per two part tariff i.e 80% of CD or MD whichever is higher. Overdrawl penalty and other charges may also be levied in line with consumers with CD >110 KVA with HT Supply.

Clarification regarding calculation of Demand charges as per Para-474 of the tariff order applicable for FY 2012-13:

1. The demand charges are being calculated on the basis of maximum demand recorded on monthly basis. The highest demand recorded in a particular month forms the basis for the subsequent months till the same is highest recorded demand.
2. It is to note that the demand charges as per the tariff is no way related with Sec-126 of the E.Act,2003. Sec-126 of the E.Act 2003 deals with unauthorised use of electricity for which the procedure of assessment is there. In case of less than 110 KVA,the maximum demand recorded in meter cannot be more than the connected load/contract demand at any point of time unless the consumer unauthorisedly added the equipments in the system without enhancing the contract demand. This is against the Regulation also which attracts penal provision.

3. Once the MD recorded becomes the contract demand as per Regulation 64, the same forms the basis for calculation of demand charges.
4. The notice is issued to the consumer for execution of the agreement. It is the duty and responsibility of the consumer to execute the agreement with the enhanced load and get permission from the licensee before making any addition, alteration in the existing set up. By this process the consumer also helps the system for providing better service by the licensee.

Objections to the new Tariff Proposals submitted by the Licensee:

1. The revenue has already been estimated at 3.34% of AT&C loss reduction during the FY 2013-14. All the expenditure submitted in the ARR are reasonable under different heads of expenditure.
2. Licensee has already clarified the logic in the para 11.1 of the application and does not require further clarification.
3. Licensee has already submitted the same for the calculation of MMFC at Para-11.8.1.
4. Licensee has proposed with a proviso to reconcile the same with actual at the end of every quarter.

Berhampur
Date-31-01-2013

Vice President
SOUTHCO

C.C to:

Sri Santosh Kumar Sahu
Honourary Administrative Secretary
Ganjam District Rice Mill Owners Association
Hill Patna, Gopabandhu Nagar, Berhampur, Ganjam

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIAYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR**

CASE NO. 106 OF 2012

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO)**

..... **Petitioner.**

Vs

**M/s Power Tech Consultants
1-A/6, Swati Villa
Surya Vihar Link Road, Cuttack**

.....**Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of Southco for FY 2013-14

1&2 Requires no reply.

3 to 8: The allegation regarding non availability of printed copy of ARR and RST application for FY 2013-14 in any of the offices of the Licensee is not at all correct and the printed copy is available in all the offices for the general public. The consumers have purchased the copy by paying the requisite charges.

9. The sales projection is always based on the past figures and future load forecast and accordingly estimate of sales has been properly made. Various steps have been taken for reduction of losses by the Licensee including to arrest theft of energy. The same has been enumerated in its RST application. SOUTHCO has taken a lot of initiatives to arrest the losses and against all odds, licensee could able to reduce the losses by 1.79% during FY 2011-12 and 2.24% during the 1st half the current financial year. Southco has taken steps to collect arrears by way of OTS and disconnection activities are also being carried out to collect the arrears.

10. Hon'ble Commission approves the O&M expenses reasonably and the promoters are not getting reasonable return on the equity participation. Hon'ble OERC is approving the notional revenue in each financial year considering the loss level which is more than 20% to the actual loss level of the licensee. The redetermination of loss levels is required to make the Discoms viable.

11. Restoration of power supply is being made upon receipt of complaint by the fuse call offices operated at Section level. In case of transformer failure , majority of the transformers are being replaced within the due time. In order to overcome the low

voltage, System Improvement works are carried out. SOUTHCO has so far installed 210 nos of new transformer and 537 nos of up gradation of transformer of different capacity in its area of operation and 63 nos of power transformer capacity have already been upgraded to provide reliable and uninterrupted power supply. SOUTHCO has already added additional 171256 KVA into the system to cater the needs of the consumers and to overcome the low voltage. The reconnection is being made immediately after receipt of payment against the arrears. The bill related complaints are being disposed of at different level commencing from Section/ Sub Division to Corporate level.

12. It is true that the hooking in rural areas is common due to bare conductors. Southco is taking steps to replace the bare conductors through AB cable. FIRs are being lodged in case of power theft at the energy police stations and other police stations through enforcement and vigilance activities. As on Sep-12, 455 nos of FIRs has been registered in energy police stations and 170 nos of cases against which charge sheet have been filed.
13. Southco is taking steps for replacement of hazardous poles and conductors where ever required. Southco has completed fencing and boundary wall of 90 nos of transformers and 55 nos of 11/0.4 KV substations barbed wire fencing also made and others are taken up on availability of funds. Southco also made awareness campaign to the general public through media strategy. Most of the monthly energy bills are delivered to the consumers at the spot complying to the Regulation and no question of late delivery arises. The payment made by the consumers in rare cases which is not posted is immediately attended on receipt of complaint.
14. GRF is extended arm of the licensee to solve the grievance of the aggrieved consumers. Most of the consumer's complaints are being redressed through CHP. The advertisement has been made about establishment and function of GRF and Ombudsman and awareness has been made amongst the consumers. Almost all the GRF orders are being implemented by the Licensee. The back side of the consumers bill is pre printed with the address of GRF and Ombudsman in order to aware the consumers.
15. **Quality of Supply:**

SOUTHCO tried its level best to provide reliable and uninterrupted power supply to its consumers. Accordingly, the system improvement work has been undertaken as enumerated above. The Licensee is following the guaranteed and over all standard of performance as per the direction of Hon'ble Commission. The System Improvement works also to be undertaken in CAPEX. During FY 2011-12 & FY 2012-13(Apr-Sep), Southco has replaced 1665 nos & 778 nos of burnt transformers

respectively in order to provide better service to its consumers. Repair and maintenance activities are also being done as per the availability of funds.

As per the Regulation and Tariff orders issued by the Hon'ble Commission during statutory power cuts in excess of 60 hours in a month, the demand charges are being prorated.

16. Quality of Service:

SOUTHCO is providing prompt service to the consumers through its fuse call centres. Now, the centralised toll free number has been provided so that immediate service can be attended to. The energy bills are being served to the consumers at the spot through spot billing. The energy police stations are not adequately staffed to combat against theft of energy.

17. Tariff Issues:

The interest on security Deposit is being provided as per the Regulation and direction from the Hon'ble Commission from time to time on 1st May of every year. DPS should be charged in case of non payment or delay in payment by the consumers. Most of the three phase consumers are provided with the static meters.

Open Access Charges are fixed by Hon'ble Commission as per the E.Act, 2003 and the load factor is being calculated on the basis of no. of hours of availability of power supply if the power failure is more than 60 hours in a month.

The loss mentioned in the tariff application is neither false nor fabricated and based on audited figures of past years and projection for ensuing year.

18. Financial Issues:

The revenue gap should be bridged by way of increase in RST, reduction in BST, grant/ subsidy from GoO as mentioned in the prayer of the application.

19. Working of the Licensee:

The consumers are not ignorant about their rights. The facts and figures submitted by the licensee are always based on the audited previous year figures. The licensee is always transparent about its facts and figures. Hon'ble Commission is reviewing the performance on half yearly basis and directing the licensee to take steps for reduction of losses. In case of the consumer purchase meter directly from the vendor, the meter test report is attached and available to the consumers.

20. Review of Past operations in general:

The efficiency of the distribution licensee has been improved and standard of performance has been improved. Licensee is following the overall standard of performance and guaranteed standard of performance as per the Regulation of

Hon'ble Commission. Due to inadequate tariff and gap in approved loss and actual loss, the revenue requirement of the licensee could not be met.

Despite all odds , Southco could able to reduce the AT&C loss by 4.53% during the FY 2011-12 and by 2.63% during 1st six month of the current year in comparison to the corresponding previous year.

21. Audited Result:

SOUTHCO are complying the direction of Hon'ble Commission.

The Power Purchase agreement is being followed with GRIDCO.

AT&C loss has been decreased by 4.53 % during FY 2011-12 and by 2.63% during 1st six month of the current year in comparison to the corresponding previous year.

The preparation of bill is accurate complying to the tariff orders of Hon'ble Commission and collection thereof is posted against the respective consumers through software.

The employees have been directed to attend the complaints of the consumers. Upon receipt of the complaints against the employees, the action is being taken against the employees who are not attending the complaints.

There is no mismatch between the figures as per the performance review and submission of the licensee in its ARR and RST application.

All the estimates prepared against the prospective consumers are attached with the Remunerative calculation.

22. Distribution Loss:

8 nos of Energy Police Stations are started functioning in the licensee area in addition to earlier Police Station at Berhampur. 455 nos of FIR have already been lodged in the different Police Station. Vigilance and Enforcement activities are carried out at Circle level. During the FY 2011-12, Southco finally assessed of Rs.3.42 Cr and during FY 2012-13 (Apr- Sept-12), Southco has finally assessed of Rs.1.18 Cr U/s 126 of the E. Act, 2003. All sorts of measure are being taken to curb the theft and wherever required bare conductors are being replaced by AB cable along with replacement of meters and brought to the outside.

23. Provision for Bad & Doubtful debts:

Hon'ble commission will decide the matter relating Provision of Bad and doubtful debts on the basis of the report of the independent Auditors appointed by the Hon'ble Commission. The collection inefficiency may be considered as bad debt. Southco is also taking action against the defaulting consumers for disconnection of

power supply. Govt. has taken in principle decision for adjustment/payment of outstanding dues as on 31.03.2012.

24. **Energy Audit and Consumer Indexing:**

Energy Audit is carried out at 33 KV and 11 KV level. However, the fruitful energy audit is not carried out due to defective meters and provision has been made for DTR level metering under CAPEX. The consumers have been tagged with a particular DTR and DTRs are tagged with the feeders. However, the actual measurement is not possible due to defectiveness of the meters. However, the loss measured is actual and is audited as the sales and purchase figures are metered.

25. **Sales:**

Sales projected by the licensee are on the basis of past year figures, current year actual 6 months and estimated for the ensuing year considering the growth and Rural Electrification Programme under RGGVY and BGJY including Mega Lift Irrigation Project of GoO.

26. **Demand Side Management:**

SOUTHCO has already undertaken the work of replacement defective meters and proposed to replace the bare conductors by AB cables through system improvement work to control the demand side and reducing the A&TC loss.

SOUTHCO also taking energy conservation measure and entered into an agreement with M/s Banyon Environmental Innovations Pvt. Limited, a Hyderabad based Company who shall provide CFL bulbs at very nominal cost against the replacement of incandescent bulbs. But the same is yet to be implemented although the project has been registered in UNFCCC web site.

41. **Tariff Rationalisation measures:**

As per the direction of Hon'ble Commission actual power factor up to 4 decimal points is being taken for calculation of Load factor.

27. **Surcharge:**

The issue of Cross Subsidy while determining tariff of the respective category is well addressed in the tariff order of Hon'ble Commission for the FY 2012-13 looking the National Electricity Policy, National Tariff Policy, E.Act,2003 and Regulation.The tariff for FY 2012-13 is so designed that it is well within + or – 20% of Avg. cost of supply

The issue of Cross Subsidy and the stand of licensee have already been enumerated in the para-10 and page no. 110 of ARR and RST application.

SOUTHCO has no objection of third party audit of standard of performance and energy audit.

Berhampur
Dt.31.01.2013.
C.C to:
M/s Power Tech Consultants
1-A/6, Swati Villa,Surya Vihar
Link Road,Cuttack

Vice President
SOUTHCO

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIAYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR**

CASE NO. 106 OF 2012

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO)**

..... **Petitioner.**

Vs

**M/s. Jayshree Chemicals Limited
P.O: JAYSHREE
Dist. Ganjam.Pin-761025**

..... **Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of Southco for FY 2013-14.

SI No.

1. Self Explanatory.
2. Special Tariff to M/s JCL was extended from FY 2007-08 to FY 2009-10 as per the direction of Hon'ble OERC from time to time in different cases filed by M/s JCL and also in the Tariff Order. Hon'ble Commission in its tariff order for FY 2007-08 at para 5.31 also made observations as stated in the objection.
3. M/s JCL filed a petition for implementation of Para 5.31 of the Tariff Order of FY 2007-08 and registered as Case No. 26 of 2007.

Para-8 :The respondent submitted that they have no objection for accepting the rate of 272 paise per unit provided the differential between the normal and special tariff is allowed as a pass through in ARR. The Commission would like to observe that allowing this gap to the licensee will defeat the very objective of grant of special tariff to a consumer by the licensee which they are expected to meet out of the efficiency gain achieved by the licensee.

Hence, SOUTHCO and JCL should come into settlement about a tariff to be mutually arrived at which will be a win-win situation for both as a part of special agreement.

However, the Commission would like to clarify that the differential between normal and special tariff as agreed between the parties will not be allowed as a pass through in ARR which has to be met out of the efficiency gain of the licensee & this shall not be considered as a precedent for fixation of tariff for either this consumers or consumers similarly placed which has to be decided following the normal rules of procedure.

Special Tariff was extended on mutually agreed terms and conditions up to FY 2009-10 @ Rs.2.57 per KWH on minimum LF of 80%. However, the differential tariff of normal and Special tariff offered is borne by SOUTHCO and not allowed as pass through in the ARR.

4. As no Special Tariff was allowed by the Hon'ble commission during FY 2010-11. Accordingly, Southco also not allowed any special rebate to M/s JCL. Hon'ble Commission in the tariff order FY 2011-12 introduced "Take or Pay" tariff which is as under.

Para 318 & 319 of FY 2011-12: Special Category Tariff for Power Intensive Industries/Mini Steel Plants

Para 319: The Commission after examining both the positions consider that the condition of 'take or pay' in the supply contract could be WIN-WIN situation for such HT and EHT consumers who have the capacity to take such risk. The Commission, therefore, opines that such special condition should be purely voluntary in nature and once entered should remain effective upto the validity of this tariff order. The Commission, therefore, stipulates that any HT and EHT consumers having contract demand more than 110 KVA can give their willingness in writing to pay for energy charge as per actual drawal or 75% load factor of the contract demand per month whichever is higher up to the validity of this tariff order. During the validity period no downward revision of the contract demand shall be allowed. Such HT and EHT industries (including the existing consumer) shall be allowed 5% concession in its total electricity bill (except electricity duty and meter rent) if the payment is made within the prescribed time limit. For calculation of load factor the contract demand in KVA and actual power factor shall be taken into consideration.

Accordingly, JCL got the benefit concession of 5% for the FY 2011-12. M/s JCL along with the other Industries filed case regarding calculation of LF and registered as Case No.77 of 2011.

As per the direction of Hon'ble OERC in Case no. 77 of 2011 on 15.11.2011 to work out a win-win situation for both JCL and SOUTHCO, M/s JCL offered a proposal which has been acceptable in principle by SOUTHCO. The terms and conditions, payment mechanism and settlement also communicated to M/s JCL. The proposal offered by M/s JCL is as under

- (i) Payment of Provisional bill @ 80% Load Factor as advance through irrevocable and revolving letter of credit(IRLC) on or before 5th of every month.
- (ii) Special Rebate of 30 paise/kwh for 80 % Load Factor and above. This rebate would be over and above the RST applicable from time to time.

- (iii) Special rebate of 40 paise/kwh for 90% Load Factor and above. This rebate is over and above the RST applicable from time to time.
- (iv) Recorded maximum demand for load factor calculation to be considered.
- (v) On receipt of actual bill, the differential may be settled with SOUTHCO/JCL by 15th of succeeding month.
- (vi) The terms of this arrangement will be for 3(three) years from 01.01.2012.

5 to 9. The series of development regarding implementation of both "Take or Pay" and Addl. Rebate offered by SOUTHCO and availed by JCL pursuant to the Case No. 77 of 2011, 48 of 2012 and final order dt. 76 of 2012 dt.21.12.2012,M/s JCL is getting the benefit of "Take or Pay" as well as Addl. Rebate as per the terms and conditions accepted by JCL.

10. SOUTHCO has submitted in its ARR and RST application and prayed to bridge the Revenue Gap for the FY 2013-14 through increase in Retail Supply Tariff, reduction in Bulk Supply Tariff (BST), grant/ subsidy from the Government of Odisha etc.

11. Although M/s JCL is a consumer of SOUTHCO but drawing power at 132 KV from Ganjam grid Substation. The interruption is mainly due to the grid failure. However, the interruption now a days has been minimised at 132 KV supply. The Tariff Order FY 2012-13 also clarifies interruption hours more than 60 hours in a month is to be excluded for calculation of LF and licensee is observing the same for calculation of LF.

12. It is submitted that if other power intensive industries of the State are getting any special concession in tariff order, M/s JCL may get the benefit as per the tariff order in addition to the arrangement made by Southco with JCL to have win-win situation of both JCL and Licensee.

Berhampur
Dated: 31-01-2013

Vice President
SOUTHCO

C.C to
M/s. Jayshree Chemicals Limited
P.O: JAYSHREE
Dist. Ganjam.Pin-76102

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR.
Case No. 106 of 2012**

**Southern Electricity Supply
Company of Orissa Limited (Southco) ----- Petitioner**

Vs

**Sri Prabhakar Dora
3rd Lane, Vidya Nagar (Co-Operative Colony) ----- Opp. Party
PO/Dist: Rayagada-765001
Ph/Fax –06856-235670: Cell No 94371-03756**

Rejoinder to the objections received by the secretary OERC against the the Retail Supply Tariff Application by Southco for FY 2013-14.

BACK GROUND:

In accordance with the provisions of regulation 53 of OERC (Conduct of Business) Regulations, 2004 and Regulation 5 of OERC (Terms and conditions for determination of Tariff) Regulations, 2004 the Discoms are required to file the applications for determination of Annual Revenue Requirement (ARR) and revision of Retail Supply Tariff (RST) for ensuing financial year with the commission by 30th November of current year.

Complying with the provisions of above –mentioned Regulations, the SOUTHCO (Petitioner) has submitted its application for approval of its Annual Revenue Requirement and Retail supply tariff for the financial year 2013-14. The petitioner has filed its petition under Sec-62 and other applicable provisions of the Electricity Act 2003 and in conformity with provisions of OERC (Terms and conditions for determination of Tariff) Regulations, 2004 and OERC (conduct of Business) Regulations 2004.

The application filed is not the copy of the earlier petition and based on the facts, figures and development made during the current financial year and requirement of the licensee for the ensuing year to provide better service to the consumers.

The Licensee is operating in a Regulatory regime and in transparent manner and complying all the statutory obligations. The petition is filed as per the format prescribed by the Hon'ble Commission to know the exact status of the Licensee commercially as well as financially. The fear of the objector about the rights of the consumer is not genuine.

The Licensee is complying all the relevant sections of the Electricity Act, 2003 and Regulation made there under by Hon'ble Commission from time to time in true spirit. As per the statute the ARR of the Company has been filed before Hon'ble Commission. So, the rejection of ARR application without citing any reason is a premature approach of the objector.

DISTRIBUTION LOSS:

The Target of Circle wise distribution loss may be fixed for better monitoring and fixation of responsibility. However, the separate and distinct surcharge for circle wise differential tariff is a cumbersome exercise and also not practical in the present set up and consumer mix like Urban and Rural.

POWER PURCHASE COST:

SOUTHCO is purchasing power from GRIDCO as per the BST rate fixed by the Hon'ble Commission. During the current FY 2012-13, Southco has also projected the quantum energy as approved by the Hon'ble Commission and shall not be more. The power purchase requirement is also being projected every year looking to the loads coming under different Grid S/S. The short term as well as long term demands forecast is also being projected and submitted to OPTCL and Hon'ble OERC as per the direction and statute. SOUTHCO is also in the same view that the excess power purchase cost should be disallowed in the true up exercise and should not consider the notional revenue. Purchase

The power purchase requirement is always submitted considering demand side management as well as unrestricted power.

The billing system of Southco is fully automated and the upgradation as well as further intervention of IT is being taken and the expenditure also forecasted in the ARR.

CAPITAL INVESTMENT PLAN:

The detail investment plan under CAPEX has enumerated in the para 2.6 , page no. 34 to 52 of the application. The Plan is prepared as per the DPR and due approval of the Hon'ble Commission.

EMPLOYEE COST:

Licensee has projected the employee cost considering the requirement through recruitment and retirement of the employees as well as normal growth rate including the terminal liabilities. Licensee has proposed employee cost of Rs.250.59 Cr for the ensuing year.

O&M EXPENSES:

Hon'ble Commission has already fixed the norms for determination of R&M expenses and A&G expenses. The objector has suggested the fixation of O&M cost on the basis of the consumers and Substations which requires thorough analysis for fixation of the same. Hon'ble Commission is reviewing the performance semi annually/annually and the CAPEX related separately also.

The consumer contribution to the capital asset is being treated as capital receipt as per the accounting principle.

Licensee has projected the contingency reserve is 0.75% of the Opening GFA .Hon'ble Commission is monitoring the progress of the licensee as well as the norms fixed as per the overall standard of performance and guaranteed standard of performance. Licensee is agree with the view of the objector for calculation of AT&C loss.

Licensee is having less than 1% of the total consumers unmetered and is mainly under Kutirjyoti category of consumers.

Berhampur

Date : 31.01.2013

Vice President

Southco

C.C

Sri Prabhakar Dora

3Rd Lane, Vidya Nagar(Co-Operative Colony)

PO/Dist: Rayagada-765001

Ph/Fax –06856-235670: Cell No 94371-03756

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIAYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR**

CASE NO. 106 OF 2012

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO)**

..... **Petitioner.**

Versus

**Chief Electrical Engineer
East Coast Railway
Chandrasekharapur
Bhubaneswar-17**

..... **Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of Southco for FY 2013-14

2.0 RAILWAY TRACTION – AN EHT CATEGORY IN ODISHA STATE:

- 2.1 Hon'ble Commission determines the tariff on the basis of guiding principles of the E.Act-2003 and the Regulation framed there under.
- 2.2 The tariff fixation by the Hon'ble Commission is guided by the principles, E.Act, National electricity policy and National tariff policy. Any deviation is being challenged before higher forum. The Commission has also upheld in the previous tariff hearing that, the nature of use become less important, in case consumers under different classifications under the same voltage are able to maintain the high load factor and can avail the benefits for higher consumption. The tariff of the electricity in Odisha is the lowest if we compare with other States. Regarding TOD benefits, Hon'ble Commission has already clarified in the tariff order as well as special hearing in this matter. Moreover, the railways are not availing the LF incentive due to lower LF i.e within 50% of LF.

3. CALCULATION OF CROSS SUBSIDY:

The order for calculation of cross subsidy voltage wise cost of supply, to be calculated on the basis of cost of supply to that consumer category as made by the ATE, New Delhi is subjudice before Apex Court.

“It is the submission of the DISCOMs that, actual cost of supply voltage wise will remain notional unless the real losses are factored in.”

The performance of Southco during FY 2011-12 and FY 2012-13 is better in comparison to previous years. AT&C loss has been decreased by 4.53 % during FY 2011-12 and by 2.63% during 1st six month of the current year in comparison to the corresponding previous year.

4. OBJECTIONSS ON THE POINTS MENTIONED IN THE ARR OF 2013-14:

4.1 Introduction of KVAH Billing:

Licensee has already enumerated the advantages of KVAH billing in Para 11.3 of the ARR and RST application and nothing more to comment. Hon'ble commission shall determine the tariff per KVAH of different category of consumers.

5. POOR QUALITY OF SUPPLY TO RAILWAY TRACTION:

Railway Traction is a consumer availing power supply at 132 KV where the interruption of power supply is minimal unless there is a grid constraint. In case of failure of power in one Traction S/S, the feed extension is immediately made to avail power for smooth running of railways.

6. MISCELLANEOUS ISSUES:

6.1 Off peak period energy discount (@ 10 paisa per KWH):

Hon'ble commission has already decided the matter in its order dt. 08.08.2008 in the Case no.32 of 2008. So, it will not be appropriate to further reopen the case & enter into fresh discussion. Further the TOD benefit is extended to the consumer to shift their consumption from peak hour to off peak hour to enable the energy curve to be flattened. In case of railway consumers where the energy drawl is dependent many factors such as Track Availability, connivance, demand of goods & passenger traffic. So, the very purpose may not be fulfilled by extending such facility to the railway consumers. Hon'ble Commission decided the case with justification why the TOD tariff is not applicable to the Railways. The Licensee is nothing to say and only carry the direction of Hon'ble Commission.

Berhampur
Dt.31.01.2013.

Vice President
SOUTHCO

C.C to:
CHIEF ELECTRICAL ENGINEER
EAST COAST RAILWAY, RAIL SADAN, CHANDRASEKHAR,
BHUBANESWAR-751017

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIAYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR
CASE NO. 106 OF 2012**

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO) Petitioner**

Vs

**Odisha Electrical Consumer's Association
Shiv Sakti Medicine Complex
B.K. Road, Cuttack 753001 Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of SOUTHCO for the FY 2013-14.

SOUTHCO being a distribution licensee in the Southern part of Odisha has taken into consideration all possible measures while submitting the Annual Revenue Requirement and Retail Supply Tariff for the FY 2013-14.

However, the para-wise replies to the objections filed by the above association are enumerated below.

(1) The contention of the association relating to the improvement of infrastructure and the existing facilities of SOUTHCO as like before is not at all correct. SOUTHCO has taken many steps for improving the voltage by way of augmentation of conductors, Installation of new S/s, upgradation of existing S/s and Power Transformers. SOUTHCO has so far installed 210 nos of new transformer and 537 nos of up gradation of transformer of different capacity in its area of operation and 63 nos of power transformer capacity have already been upgraded to provide reliable and uninterrupted power supply. SOUTHCO has already added additional 171256 KVA into the system to cater the needs of the consumers and to overcome the low voltage. The month wise detail upgradation and addition of new substation is being submitted to the Hon'ble OERC as per the direction and also available in the Southco's web site www.southcoorissa.com.

SOUTHCO has already constructed 90 nos of boundary wall and barbed wire fencing of Sub Stations.

SOUTHCO also installed 60 nos of pillar box metering in the Berhampur town at the commercial locations and accordingly the monthly reading is being taken. Southco also installed 12 nos of breakers at 33KV side and 28 nos of breakers at

11KV side to minimise the interruption. 236 km of AB cable has been installed from FY 2008-09 to FY 2012-13(Apr-Sep) and procurement action for AB cables has been initiated and the same shall be installed at different location for prevention of theft through hooking.

- (2) The metering figure about the consumer meters, DTR meter and Feeder metering status are not fabricated. 92 % of the consumers under SOUTHCO area are having OK meter out of the metered consumers of about 99%. The consumer data base of Southco is computerised and no manipulation is possible.
- (3) The power cut in the Southco area is done mainly due to grid constraints or on the advice of SLDC on the basis of allocation of power. The power cut is done directly from the grid. However, the power cut done by the licensee is mainly due to maintenance or other related works and is announced one day before to the consumers.
- (4) The billing efficiency during the FY 2011-12 has been increased by 1.79% and 2.24% during 1st half of the FY 2012-13. The collection efficiency also increased by 6% during the FY 2011-12. The billing complaints are being redressed at different level starting from Section/Sub Division to Corporate level. A lot of consumer complaints have been redressed. Further, the aggrieved consumers are approaching the GRFs and the order of GRFs is being carried out by the licensee immediately. The disputed consumers also have availed the OTS during FY 2011-12 and the same also continued till FY 2012-13.
- (5) 8 nos of Energy Police Stations are started functioning in the licensee area in addition to earlier Police Station at Berhampur. 455 nos of FIR have already been lodged in the different Police Station against unauthorised consumers. During FY 2010-11, FY 2011-12 & FY 2012-13(Apr-Sep) an amount of Rs.5.52 Cr have been finally assessed against the unauthorised consumers. Southco has reduced the T&D loss by 1.79% during FY 2011-12 and by 2.24% during FY 1st half of FY 2012-13.
- (6) As per the direction of Hon'ble Commission the consumer interface programme is being held at field offices on a particular day of each month to solve the consumer grievances.

FAQ booklets published by the Hon'ble OERC are being distributed among all the employees of SOUTHCO as well as amongst the NGOs, SHGs and selected consumers through conducting awareness programme. SOUTHCO distributed FAQ booklets among the consumers and the consumer rights awareness programme also conducted by Gram Vikash, Mohuda during FY 2012-13 at different locations of SOUTHCO. Further, Women Self Help Groups also being trained by the outside expert group who are imparting training to the WSHGs. By this process, 286 nos of WSHGs has been selected by Southco to carry out collection activities.

- (7) The information under RTI Act is available to the consumers. SOUTHCO has declared Appellate authority, Public information officer under RTI at Division to Corporate level to provide information. Licensee is not avoiding to provide information under RTI Act.
- (8) Southco has prayed to bridge the Revenue Gap for the FY 2013-14 through increase in Retail Supply Tariff, reduction in Bulk Supply Tariff (BST), grant/ subsidy from the Government of Odisha etc.
- (9) Southco has engaged 286 nos of WSHGs in its area of operation at GP level to carry out collection activities at rural areras. They have been imparted training by the expert group. There is no such hidden agenda of Southco.
- (10) The right procedure is being followed in Southco in case of Enforcement and Vigilance activities as well as MRT activities. The consumers load and meters are being checked on permission from the consumers.

Conclusion:

- a. The expenses submitted under the different heads are reasonable and based upon the audited figures of the previous year.
- b. During FY 2011-12, Southco had collected an amount of Rs.48 Cr against arrear and maximum amount through OTS. During the 1st half of FY 2012-13, SOUTHCO has collected an amount of Rs.18 Cr against arrear.
- c. To curb theft of power, Southco is taking the help of Energy Police Station operating at 8nos of locations. As on Sept-12, 455 nos of FIR have been registered in the EPS. During FY 2012-13(Apr-12 to Sep-12) 98nos of FIR has been lodged. The dedicated Enforcement and Vigilance cell is now operating at Circle level for low end consumers and MRT activities also being carried out for high value consumers along with consumer wise analysis by Key Consumer Business Analytic Cell created and functioning at Corporate level.
- d. SOUTHCO is very much careful for making awareness to the consumers about their rights.
- e. Licensee tried its level best with available resources to take care of the consumers of the Southern region by providing reliable and quality power.

Berhampur
Date-31-01-2013

Vice President
SOUTHCO

C.C to:

Orissa Electrical Consumer's Association (OECA)
Sibasakti Medicine Complex
Bajrakabati Road, Cuttack 753001 for information.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIAYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR**

CASE NO. 106 OF 2012

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO) Petitioner**

Vs

**Raj Kishore Singh
At : Gopaljew Lane
Choudhury Bazar, Purighat, Cuttack Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of SOUTHCO for the FY 2013-14.

SOUTHCO being a distribution licensee in the Southern part of Odisha has taken into consideration all possible measures while submitting the Annual Revenue Requirement and Retail Supply Tariff for the FY 2013-14.

However, the para-wise replies to the objections filed by the above association are enumerated below.

1. That, the data submitted before the OERC is based on audited figures of the previous year and actual up to Sep-12, projected for FY 2012-13 and FY 2013-14 respectively on the basis of facts and figures. The contention of the objector regarding submission of data is not at all correct.

Licensee is very much serious about the overall standard of performance and Guaranteed Standard of performance as prescribed by Hon'ble Commission and also carrying out in true spirit.

2. Southco has prayed to bridge the Revenue Gap for the FY 2013-14 through increase in Retail Supply Tariff, reduction in Bulk Supply Tariff (BST), grant/ subsidy from the Government of Odisha etc.
3. The information under RTI Act is available to the consumers. SOUTHCO has declared Appellate authority, Public information officer under RTI at Division to Corporate level to provide information. Licensee is not avoiding to provide information under RTI Act.

4. The billing and collection status of previous 6 months are uploaded in the Southco's web site www.southcoorissa.com. The same is being updated in every month and the consumer can access the same to know the actual status.
5. Southco has taken many steps to overcome the low voltage problem by way of increase in Sub Station capacity and addition of new substation as well. Single phase lines are also being converted to 3 phase line to have better voltage. It is also admitted facts that in some of the rural areas are facing low voltage problem because of grid constraints. Action also being taken to overcome such problems. Different tariff for rural areas due to low voltage is not logical rather they should get the proper voltage is the responsibility of the licensee.
6. The contention of the objector is not at all correct. Hon'ble OERC take the decision of increase/decrease in tariff observing due procedure as per the E.Act-2003 involving all the stake holders of Odisha.
7. In this year , Hon'ble Commission has taken a welcome step of tariff hearing process at different locations of the respective Discom to involve more no. of consumer groups in the tariff hearing to consider the suggestions/objections.
8. The suggestion of the objector may be looked into by the Hon'ble Commission and nothing to say by the Licensee.
9. The suggestion of the objector may be looked into by the Hon'ble Commission and nothing to say by the Licensee.
10. SOUTHCO has placed Toll Free No. 1800 3456 797 for the customers of its licensed area to register and resolve the complaints immediately.
11. Licensee is being taken the disciplinary action against the employees wherever required.

Berhampur
Date-31-01-2013

Vice President
SOUTHCO

C.C to:
Raj Kishore Singh
At : Gopaljew Lane
Choudhury Bazar, Purighat, Cuttack

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIAYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR
CASE NO. 106 OF 2012**

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO) Petitioner**

Vs

**Kamalakanta Sahoo
At: Charchika Bazar
Po: Jagatsinghpur, Dist- Jagatsinghpur Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of SOUTHCO for the FY 2013-14.

SOUTHCO being a distribution licensee in the Southern part of Odisha has taken into consideration all possible measures while submitting the Annual Revenue Requirement and Retail Supply Tariff for the FY 2013-14.

However, the para-wise replies to the objections filed by the above association are enumerated below.

1. That, the Licensee is very much serious about the overall standard of performance and Guaranteed Standard of performance as prescribed by Hon'ble Commission and also carrying out in true spirit. The statistical data submitted and services provided by the licensee are always rational and not fabricated one.
2. That, the data submitted before Hon'ble OERC is as per the format prescribed by the Commission and the forecasted figure for the 2nd half of the current financial year and for the ensuing year is based on the audited figures of the previous year and actual data of 1st six month of the current year.
3. That, the fixation of tariff for rural and urban consumers separately is denied.

Berhampur
Date-31-01-2013
C.C to:
Kamalakanta Sahoo
At: Charchika Bazar
Po: Jagatsinghpur, Dist- Jagatsinghpur

Vice President
SOUTHCO

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIAYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR
CASE NO. 106 OF 2012**

**Southern Electricity Supply
Company of Orissa Limited (SOUTHCO)**

..... Petitioner.

Vs

**The Climate Group
Level 6 , Room No.-604, Incube Business Center
18, Nehru Place
New Delhi -110019
Tel -011 30614612**

..... Opp. Party.

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of Southco for FY 2013-14.

The Public Lighting consumers under SOUTHCO area are consuming 11-12MU per annum with a CD of 3 MW approx.. The Public lighting consumers are also using HPSV light and which can be replaced through LED as cited by the objector. The replacement through Light Emitting Diode (LED) can be made and by the way demand side management can be achieved as it saves both energy as well as drawl. Hon'ble Commission may direct the Public lighting consumers to use LED instead of HPSV so that the existing luminaries can be replaced through LED.

Berhampur
Date : 31.01.2013

Vice President
Southco

C.C to
The Climate Group
Incube Business Center
Level 3 , Room No.-301
18, Nehru Place
New Delhi -110019
Tel -011 30614613

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIAYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR
CASE NO. 106 OF 2012**

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO) Petitioner**

Vs

**Sri A.K.Sahani
Electrical Inspector (Retd.)
M/s Sahani Energy Consultancy
B/L-108, VSS Nagar, Bhubaneswar Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of SOUTHCO for the FY 2013-14.

SOUTHCO being a distribution licensee in the Southern part of Odisha has taken into consideration all possible measures while submitting the Annual Revenue Requirement and Retail Supply Tariff for the FY 2013-14.

However, the para-wise replies to the objections filed by the objector are enumerated below.

1. SOUTHCO submitted the ARR and RST application for FY 2013-14 with a prayer as mentioned in its application. The tariff application has been filed by Southco as per the Electricity Act 2003 read with OERC (Terms and conditions for Determination of Tariff) Regulation, 2004.

The electricity distribution business runs in regulatory regime and there is no question of exploitation of the consumers.

2. Southco has prayed to bridge the Revenue Gap for the FY 2013-14 through increase in Retail Supply Tariff, reduction in Bulk Supply Tariff (BST), grant/ subsidy from the Government of Odisha etc. The logic to bridge the revenue gap has been enumerated in different paras of the ARR and RST application.

As far as AT&C loss is concerned Southco has reduced AT&C loss by 4.53% during the FY 2011-12 despite all odds and committed to reduce by 2.44% and 3.34% during the FY 2012-13 and FY 2013-14 respectively.

3. Southco requests before the Hon'ble commission to consider the service of loan liability as 1st priority on the Escrow utilisation to enable Southco to raise funds for CAPEX. Southco is looking after its distribution business and also concentrating to

provide better service to its consumers. The objector raised the issue of unnecessary legal expenditure, unprogrammed CAPEX and purchase of non-qualitative materials without substantiating in facts and figures. The legal expenditure is only 0.02% of total expenditure which is not at all unnecessary.

4. SOUTHCO has extended all the reliefs to the consumers as per the Regulation and tariff order applicable from time to time. Power cut if any in the licensed area is mainly due to grid constraints or as per the allotment by the SLDC. In case of preventive maintenance, the scheduled outages are conveyed to the consumers prior to the power cut.
5. That, in reply to para-5 to 18 , it is submitted that Southco has already enumerated vividly in support of tariff rationalisation measures at page no. 111 to 122 and not require further comments in this regard. Southco has not proposed discontinuation of load factor incentive at para 11.6 of its application as submitted by the objector.
6. That, in Reply to Para-19, it is submitted that Southco is following the Remunerative calculation as per Regulation 13 , Appendix-1 and also attached with the estimate. Southco has already issued a circular in this regard to its field offices to follow the same strictly. SOUTHCO has already sanctioned 36 cases and an amount of Rs.4.50Cr also adjusted in the energy bills.

SOUTHCO has not paid any automatic compensation to its consumers.

SOUTHCO is implementing the orders of GRFs and Ombudsman immediately and no such complaint is received from the consumers. SOUTHCO has complied 3642 nos of GRF cases against the receipt of GRF order of 3727nos.

Hon'ble Commission has already built up the SMD demand charges while determining the BSP.

Berhampur
Date-31-01-2013
C.C to:
Sri A.K.Sahani
Electrical Inspector (Retd.)
M/s Sahani Energy Consultancy
B/L-108, VSS Nagar, Bhubaneswar

Vice President
SOUTHCO

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIAYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR
CASE NO. 106 OF 2012**

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO) Petitioner**

Vs

**Shri Lalita Mohan Pattnaik,
M/s. Shiba Sankar Rice Mill, Kundraguda,
Borigumma, Ps. Borigumma,
Dist. Koraput Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of SOUTHCO for the FY 2013-14.

SOUTHCO being a distribution licensee in the Southern part of Odisha has taken into consideration all possible measures while submitting the Annual Revenue Requirement and Retail Supply Tariff for the FY 2013-14.

As per the direction of Hon'ble OERC, Southco has submitted the data relating to standard of performance in Schedule-I & Schedule-II as per the OERC (Licensee's Standard of Performance) Regulation, 2004 through an affidavit. There is no provision of independent audit to the data relating to standard of performance.

The data submitted is based on facts and figures and neither false nor fabricated. Southco has prayed to bridge the Revenue Gap for the FY 2013-14 through increase in Retail Supply Tariff, reduction in Bulk Supply Tariff (BST), grant/ subsidy from the Government of Odisha etc. The logic to bridge the revenue gap has been enumerated in different paras of the ARR and RST application.

The accumulated loss of Southco as on 31st March 2012 is Rs 766 Cr as per audited accounts. Hon'ble Commission is approving the tariff with -ve gap till FY 2007-08 and the approved RST is based on the approved T&D loss which is also far from the reality.

The separate tariff for rural and urban consumers is not justified as there is no discrimination of power supply to rural and urban consumers. SOUTHCO committed to provide quality power supply and better consumer services to its consumers. SOUTHCO has taken many steps for improving the voltage by way of augmentation of conductors, Installation of new S/s, upgradation of existing S/s and Power Transformers. SOUTHCO has so far installed 210 nos of new transformer and 537 nos of up gradation of transformer of

different capacity in its area of operation and 63 nos of power transformer capacity have already been upgraded to provide reliable and uninterrupted power supply. SOUTHCO has already added additional 171256 KVA into the system to cater the needs of the consumers and to overcome the low voltage.

In the licensed area of Southco, 99% of the consumers are metered and 92% of the consumers are having OK meter. The defective meters are being replaced on monthly basis. As per the Regulation 56 of the code, 2004, the licensee shall supply the meter (unless the consumer elects to supply the same) so the 1st preference that the consumer shall supply the meter and in such case no meter rent is to be charged to the consumer.

The consumers are tagging with particular distribution transformer and the data base is maintaining accordingly through oracle based software. Any change of the transformer for availing power supply by the consumer, the same is being updated in the data base.

Southco is following the Remunerative calculation as per Regulation 13 , Appendix-1 and also attached with the estimate. Southco has already issued a circular in this regard to its field offices to follow the same strictly. SOUTHCO has already sanctioned 36 cases and an amount of Rs.4.50Cr also adjusted in the energy bills.

The Complaint Handling Procedure (CHP) is being followed by the Licensee and the majority of the complaints relating to bill revision also revised by the Licensee. The consumers who are aggrieved with the CHP are approaching GRFs and the order of GRFs are also being implemented by the Licensee.

The power cut without any notice is not being implemented in SOUTHCO. Due to power shortage scenario in the state and as per the direction of Hon'ble Commission, the power regulation during the period Feb-10 to May-10 was implemented with due notice to the consumers under SOUTHCO. Further, as per the drawl schedule of SLDC and grid constraints the power restriction is being imposed at SLDC/OPTCL level.

The recruitment is being carried out as per the recruitment procedure of the licensee which was duly approved by the Board. There is no question of recruiting unprofessional, unlicensed man power and the recruitment procedure is very transparent followed with advertisement either written or selection through personal interview with requisite qualifications and experience as required for the specified post/job.

Berhampur
Date-31-01-2013

Vice President
SOUTHCO

C.C to:

1. Shri Lalita Mohan Pattnaik,
M/s. Shiba Sankar Rice Mill, Kundraguda,
Borigumma, Ps. Borigumma,
Dist. Koraput

2.

Smt. P. Sujana,
M/s. Seetal Rice Mill, Gandhi Chowk,
Hatapoda, Po/Ps. Jeypore,
Dist. Koraput

3. Shri Prakash Chandra Padhi,
M/s Bhagabati Rice Mill, Digapur,
Po. Jayanagar, Ps. Jeypore,
Dist. Koraput.

4. Shri Girija Shankar Dash,
M/s Laxmi Priya Enterprise,
At/Po/Ps. Jeypore,
Dist. Koraput.

5. Smt. Damayanti Mohapatra,
M/s damayanti Rice Mill,
At. Naugam, Po. Sosahandi,
Ps. Kotpad, Dist. Koraput.

6. Shri. B.Kanta Rao,
M/s Sri Laxmi Kanta Rice Mill,
At. Main Road, Borigumma,
Ps. Borigumma, Dist. Koraput.

7. Sri Bhagaban Bissoi,
M/s. Majhi Gouri Rice & Chuda Mill,
Jhilimili, At. Konagam, Ps. Borigumma,
Dist. Koraput.

A. Chandra Mouli,
M/s Ananda Rice Mill,
C/o. M/s A.Venkata Rao Sons Bye Pass Road, Po/Ps.
Jeypore, Dist. Koraput.

9. Bala Krushna Panda,
M/s Arnapurna Rice Mill,
At. Hatapada M.G.Road,
Po/Ps. Jeypore, Dist. Koraput.

10.Smt. Labanya Padhi,
M/s Bhagawati Industries,
At.Polkaput, Po. Jayanagar,
Ps. Jeypore, Dist. Koraput.

11.Sri P Bhaskar Rao,
M/s Sri Sai Durga Modern Rice Mill,
At/Po. Porli, Ps. Borigumma,
Dist. Koraput.

12.G.Ananda Rao,
M/s Laxmi Ganesh Raice Mill,
At. Nadiabad Street, Po/Ps. Jeypore,
Dist. Koraput.

13.Smt. B Krishna Veni,
M/s Meenakshi Rice & Flour Mill,
At. Kumuliput, Po. Haradapur,
Ps. Jeypore, Dist. Koraput.

14.Sri. P.Ananda Rao,
M/s Sree Lakshi Venkata Narasimha Modern Rice Mill,
At. Perahandi, Po. Jayantagiri,
Ps. Borigumma, Dist. Koraput.

15.Sri. Gokul Chandra Panda,
M/s Jagannath Rice Mill, At. Main Road,
Po/Ps.Borigumma, Dist. Koraput.

16. Sri Tarini Patro,
M/s Sri Durga Rice Mill, At. M.G.Road,
Po/Ps. Jeypore, Dist. Koraput.

17.M. Laxman Murty,
M/s Padma Krishna Modern Rice Mill,
At/Po. Hatapada, Ps. Jeypur,
Dist. Koraput.

18.Sri Subrat Kumar Satpathy,
M/s Ganesh Rice Flour Mill, Dullaguda,
At. Main Road, Borigumma,
Ps. Borigumma, Dist. Koraput.

19.P Narayan Rao,
M/s Nagabhusana Rice Mill, Kundraguda,
At. Main Road, Borigumma,
Ps. Borigumma, Dist. Koraput.

20. Sri J Venket Rabana,
M/s Sai Ganesh Boiler Rice & Chuda Mill, At/Po.
Sosahandi, Ps. Kotpad,
Dist. Koraput.

21. Sri Raghunath Satpathy,
M/s Laxman Rice Mill, At/Po. Kumuli,
Ps. B. Singhpur, Dist. Koraput.

22. Sri Manmatha Kumar Bhatta,
M/s Kanakeswari Rice Mill,
At/Po/Ps. B. Singhpur,
Dist. Koraput.

23. Sri Satyanarayan Subudhi,
M/s Ayappa Industries, Kelaguda,
At. Bhagdevi Street, Ps. Jeypore,
Dist. Koraput.

24. Sri Moheswar Bisoyi,
M/s Sabita Rice Industries, Kundraguda,
At. Main Road, Po/Ps. Borigumma,
Dist. Koraput.

25. A Chandra Rao,
M/s Tirumala Rice Mill, At/Po. Park Street,
Ps. Jeypore, Dist. Koraput.

26. K Govenda Rao,
M/s Jagdish Rice and Flour Mill,
Borigumma, At. At. Santosh Nagar,
Borigumma, Ps. Borigumma,
Dist. Koraput.

27. Sri. P Janardan Rao,
M/s Satyabhima Rice Mill, Borigumma,
At. Main Road, Borigumma,
Ps. Borigumma, Dist. Koraput.

28. Sri. Jagannath Patnaik,
M/s Neeltara Stone Crusher,
At. Patraput, Po. Dangarchinchi,
Ps. Jeypore, Dist. Koraput.

29. Sri Purna Chandra Patnaik,
M/s Neeltara Fabrication,
At. Dongaguda, Po/Ps. Jeypore,
Dist. Koraput.

30.Sri Purna Chandra Patnaik,
M/s Neeltara Transformer,
At. Dongaguda, Po/Ps. Jeypore,
Dist. Koraput.

31.Sri Gopal Krushna Panda,
M/s Syabar Shrikhetra Rice Mill,
At. M.G. Road, Po/Ps. Jeypore,
Dist. Koraput.

32.M.Rushikesh,
M/s Syamala Modern Rice Mill,
Mill Street, Po/Ps. Jeypore,
Dist. Koraput.

33.S. Prakash Rao,
M/s Jyoti Modern Rice & Floor Mill,
At. Canal Road, Gandhi Chowk,
Jeypore, Po/Ps. Jeypore,
Dist. Koraput.

34.Smt. S.Hemabati,
M/s Sai Balaji Modern Rice Mill,
At. M.G.Road, Po/Ps. Jeypore,
Dist. Korapuut.

35.M. Anita,
M/s Om Sri Maa Tarini Modern Rice Mill, At/Po.
Thuridiput, Ps. Jeypore,
Dist. Koraput.

36.Shri R.venkata Rao,
M/s Ratnala Appa Swamy Sons,
At. Mill Street, Po/Ps. Jeypore,
Dist. Koraput.

37.Smt. G.Banjalat Choudhary,
M/s Sriya Modern Rice Mill,
At. Parajaguda Jayantigiri,
Po/Ps. Borigumma,
Dist. Koraput.

38. Shri. G. Venkata Rao,
M/s Modern Rice Mill,
At. M.G. Road, Po/Ps. Jeypore,
Dist. Koraput.

39. Shri. G. Ananda Rao,
M/s Ganesh Rice Mill, At.
Nadiabad Street,
Po/Ps. Jeypore, Dist. Koraput.

40. Smt. Sibani Patnaik,
M/s Neelatara Rice Mill,
At./Po. Dangarachichi, Ps. Jeypore,
Dist. Koraput.

41. A. Bhaskar Rao,
M/s Sri Sai Venkata Enterprises,
At. Bodapada, Po. Haradaput,
Ps. Borigumma, Dist. Koraput.

42. Sri. P. Manmada Rao,
M/s Rama Krishan R & F Mill,
Khudiguda, At. Main Road,
Borigumma, Ps. Borigumma,
Dist. Koraput.

43. Smt. Promodini Pradhan,
M/s Sri Ram Rice Mill, Purna Borigumma,
At. Meria Margo, Borigumma,
Ps. Borigumma, Dist. Koraput.

44. Sri G. V. Ravana,
M/s S. D. L. N. Rice Mill, Kundraguda,
At. Bhupati Street, Jeypore,
Po/Ps. Jeypore,
Dist. Koraput.

45. Sri B. Govinda Rao,
M/s Sri Sai Balaji Modern Rice Mill,
Nuagam, At. Nuagam, Po. Sosahandi,
Ps. Kotpad, Dist. Koraput.

46.Smt.p.Sukanya,
M/s Surya Teja Modern Rice Mill,
Kundraguda, At. Neelakantheswar Margo, Borigumma,
Ps. Borigumma,
Dist. Koraput.

47.Sri. S. Malikarjuna Rao,
M/s Sri Ram Rice Mill, Nuagam,
At. Bail Road, Jeypore, Ps. Jeypore,
Dist. Koraput.

48.Sri Narendra Kumar Agrawal,
M/s Bजारang Rice Mill, Nabarangpur,
At. New Bus Stand,
Ps/Po/Dist. Nabarangpur.

49.Sri M.Manikeswar Rao,
M/s Rama Rice Mill, Nabarangpur,
At. Granary Street,
Po/Ps/Dist. Nabarangpur.

50.Sri K.Laxman Rao,
M/s.Bairagi Rice Mill, nabarangpur,
At-Turunjiaguda,
P.S/Diast.-Nabarangpur.

51. Sri P.Nagaraju,
M/s.Sri kanaka Durga Industries,
At-Gabrieguda,Samantray Street,
Nabarangpur,
Dist.-Nabarangpur.

52. Sri Prama Rao,
M/s.Utkal Modern Rice Mill,
At- Butipadar,P.O:Pujariguda,
P.S: Nabarangpur,
Dist.-Nabarangpur.

53. Sri P.Nagaraju,
M/s.Sri kanaka Durga Rice Mill,
At-Gadabaguda, Nabarangpur,
Dist.-Nabarangpur.

54.Sri. K.Krishna Rao,
M/s Sri Venkateswar Rice & Floor Mill, At/Po/Ps.
Tentulikhunti,
Dist. Nabarangpur.

55. Sri Rabindra Kumar Swain,
M/s Maa Mangala Traders,
At. Bhatialguda, Nabarangpur,
Po/Ps. Nabarangpur,
Dist. Nabarangpur.

56. Smt. B.Kumari,
M/s Vijaya Laxmi Rice Mill,
At. Kurmakote, Po/Ps. Tentulikhunti,
Dist. Nabarangpur.

57. Sri B.Suryanarayan,
M/s Mahalaxmi Rice & Flour Mill,
At. Kurmakote, Po/Ps. Tentulikhunti,
Dist. Nabarangpur.

58. Sri S.Suryanarayan,
M/s Siva Shankar Rice & Flour Mill, Nabarangpur, At.
Granary Street,
Nabarangpur, Dist. Nabarangpur.

59. Sri Tripati Pattnaik,
M/s Mahalaxmi Rice Mill, Taragam, At/Po. Taragam, Ps.
Nabarangpur,
Dist. Nabarangpur.

60. Smt Pramila Kumari Mishra,
M/s Sri Satya Sai Rice Mill ,
At. Beheraguda, Nabarangpur Main Road, Po/Ps/Dist.
Nabarangpur.

61. Smt. K.Ravi Kumar,
M/s Ratna Rice Mill, Near New Bus Stand
(Old Weekly Market), Nabarangpur,
Dist. Nabarangpur.

62. Sri Ch. Adi Murty Reddy,
M/s Santoshi Rice Mill,
At. Gandhinagar, Nabarangpur,
Telgu Street, Po/Ps/Dist. Nabarangpur.

63.Sri P.Mohan Rao,
M/s Sri Sambha shiva Modern Rice Mill,
Hirli, Nabarangpur,
Po/Ps/At. Nabarangpur,
Dist. Nabarangpur.

64.Sri B.Ravana Rao,
M/s Om Sri Balaji Rice Mill, Kodinga,
At./Po/Ps. Kodinga,
Dist. Nabarangpur.

65.Sri Pramod Kumar Panda,
Jt. Secretary Ganjam Bar Association, Berhampur,
Ganjam.

66.Sri Ashok Kumar Sukla,
Advocate & Corporater,
BMC, Berhampur.

67Sri Ashok Kumar Sukla,
Advocate & Corporater,
BMC, Berhampur.

68.Sri Jaychand Shiv,
Programme Officer,
The Climate Group, Room No. 604,
Level-6, Incube Business Center, 18,
Nehru Palace,
New Delhi-110019.

69.Sri B Gouri,
M/s Chouveswari Cashew Industries,
At. Majurmunda, B.J.II,
Ambaguda, Post. Ambaguda,
Ps-Jeypore, Dist. Koraput.

70.V Prabhakar, Director,
M/s Gupteswar Flour Mills (P) Ltd.,
At. N K T Road, Randapalli,
Jeypore, Koraput.

71.G. Jagan Mohan Rao,
Managing Director,
M/s Mahalakshmi Cashew Industries,
At/Po. Rondapalli, Jeypore,
Koraput.

72. A Chandra Mauli,
M/s Sree Ananda Rice Mill,
At. Baipass Road, Po/Ps. Jeypore,
Dist. Koraput.

73. Varanasi Mohan Rao,
M/s Omm Sri Sai Tirumaleswar Oils,
At/Po. Teliguda, Ps. Jeypore,
Dist. Koraput.

74. B Rama Raju,
M/s Sree Sai Balaji Cashew Industries,
At. Tudusapalla, Po/Ps. Sasahandi,
Via. Borigumma,
Dist. Koraput.

75. G Ravi Kumar,
M/s Ravi Enterprises,
Near Congress Bhawan Main Road,
Po/Ps. Jeypore,
Dist. Koraput.

76. Smt. S Chamanti,
M/s Laxmi Ganesh Cashew Industries,
At. Railway Junction, Po. Umri,
Ps. Jeypore, Koraput.

77. G Ravi Kumar,
M/s Omm Sri Laxmi Ganesh Cashew Oil Mill, At/Po.
Rondapalli, Jeypore,
Koraput.

78. Varansi Srinivas,
M/s Janaki Krishna Industries,
At/Po. Perahandi (Baliguda),
Ps. Borigumma, Dist. Koraput.

79. M. Mohan Rao,
M/s Sree Bhagawan Industries,
At. Ratnakarguda, Po./Ps. Jeypore,
Dist. Koraput.

80. Varanasi Sai Kumar,
M/s Sree Satya Sai Industries,
At/Po. Rondapalli, Ps. Jeypore,
Dist. Koraput.

81.A Ramakrishan Murty,
M/s Sree Kanak Mahalaxmi Cashew Industries, At.
Bankabija, Po/Ps. Jeypore,
Dist. Koraput.

82.M Sunita Lakshmi,
M/s Sree Tejshakti Food Industries,
At. Ratnakarguda, Po/Ps. Jeypore,
Dist. Koraput.

83.Vanarasi Gopi Kumar,
M/s sree Sitaram Industries,
At/Po. Telliguda, Ps. Jeypore,
Dist. Koraput.

84.A Venkatswar Rao,
M/s Sree Lakshmi Industries,
At/Po. Rondapalli, Ps. Jeypore,
Koraput.

85.Srikant Kumar Sabat,
M/s Sai Annapurna Cashew Industries,
At/Po. Haradaput, Ps. Borigumma,
Dist. Koraput.

86.Varanasi Venket Rao,
M/s Sri Janakirama Cashew Industries,
At/Po. Telliguda, Ps. Jeypore,
Dist. Koraput.

87.Jami Ramesh,
M/s Sai Rameswara Solvent Pvt. Ltd.,
At/Po/Ps. Ambaguda,
Dist. Koraput.

88.M Mohan Rao,
M/s Shiv Shakati Oils Pvt. Ltd.,
At. Majurmunda, Po. Ambaguda,
Ps. Jeypore, Dist. Koraput.

89.Kanhu Charan Samantara,
M/s Subhalaxmi Cashew Industries,
At/Po. Ambaguda, Ps. Jeypore,
Dist. Koraput.

90.Sanjay Kumar Samantara,
M/s Mukteswara Oil, At/Po. Ambaguda,
Ps. Jeypore, Dist, Koraput.

91. Jami Ramesh,
M/s Sai Cashews, At. Telliguda,
Po/Ps. Jeypore, Dist. Koraput.

92. J Ravi Kumar,
M/s Kalyani Cashew & Tin Industries,
At/Po. Telliguda, Ps. Jeypore,
Dist. Koraput.

93. Sri Srinivas Patnaik, Advocate,
At. Umerkote, Po/Ps/Tahasil. Umerkote,
Dist. Nabarangpur.

94. Sri. Jhadeswar Mohanty, Chairman,
NAC Umerkote, At. Umerkote,
Po/Ps. Umerkote,
Dist. Nabarangpur.

95. Sri Dwarika Nath Panigrahi,
President, Chamber of Commerce,
Umerkote, Dist. Nabarangpur.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN, UNIT-VIII, BHUBANESWAR.**

CASE NO. 106 OF 2012

**Southern Electricity Supply
Company of Odisha Limited (SOUTHCO)**

..... **Petitioner.**

Vs

**Shri R.P. Mahapatra,
Plot No.-775 (P), Lane-3
Jaydev Vihar, Bhubaneswar-751013.**

..... **Opp. Party.**

Rejoinder to the objections received by the Secretary, OERC against the Retail Supply Tariff Application of Southco for FY 2013-14

BACKGROUND:

In accordance with the provisions of Regulation 53 of OERC (Conduct of Business) Regulations, 2004 and Regulation 5 of OERC (Terms and conditions for determination of Tariff) Regulations, 2004 the Discoms are required to file the applications for determination of Annual Revenue Requirement (ARR) and revision of Retail supply Tariff (RST) for ensuing financial year with the commission by 30th November of current year.

Complying to the provisions of above –mentioned Regulations, the SOUTHCO (Petitioner) has submitted its application for approval of Annual Revenue Requirement and Retail Supply Tariff for the financial year 2013-14. The petitioner has filed its petition under Sec-62 and other applicable provisions of electricity act 2003 and in conformity with provisions of OERC (Terms and conditions for determination of Tariff) Regulations, 2004 and OERC (conduct of Business) Regulations 2004.

The para-wise replies of Southco in respect of the objections raised by the objector is submitted.

1. SOUTHCO has submitted its proposals looking to the ARR for the FY 2013-14 and requested the Hon'ble commission to bridge the revenue gap through increase in Retail Supply Tariff, reduction in Bulk Supply Tariff (BST), grant/subsidy from the GoO etc..
2. SOUTHCO has preferred the appeal before ATE for meeting the ARR of the Licensee exploring the avenue of the higher forum for getting the justice.
3. No comment as it is a fact relating to the cases.
4. That, the Case No. 35/2005 has already been disposed off vide order dt.12.05.2011 of Hon'ble OERC.
5. T&D loss has been decreased by 1.79% during the FY 2011-12 despite all odds including massive rural electrification under RGGVY and BGJY. During the 1st six month of the current FY 2012-13, there is a loss reduction of 2.24% and hopefully achieve 2.96% of T&D loss reduction during the current financial year.
6. **(i) Distribution Loss :**
 - (a) SOUTHCO is trying its level best to reduce the T&D losses and reduced by 1.79% and 2.24% during FY 2011-12 and 1st six month of the current financial year FY 2012-13 respectively. However, the T&D losses are little high due to predominantly LT consumer base and addition of the consumers under Rural Electrification as per RGGVY and BGJ scheme under 10th Plan where the lines are extended through bare conductors.
 - (b) The T&D loss approved by the Hon'ble Commission is not achieved due to the reasons mentioned in the ARR of the application. Southco is always trying to improve its performance by implementation of different measures for reduction of losses. It is a matter of fact, that there is a considerable improvement in the operational capacity of Southco. Southco has achieved enough improvement in Metering, billing and as well as Collection. It may be observed that after privatisation, Southco is able to provide the reliable , steady and uninterrupted power supply to the consumers of Southco and also trying to resolve the consumer complaints if any. SOUTHCO has already initiated the loss reduction programme during FY 2012-13. The measures taken to arrest the losses has already mentioned in the ARR at Para 4.4.2 mainly creating and functioning of " Business Analytic & Key Consumer Cell"

at Corporate level for medium and high valued consumers and "Vigilance and Enforcement Activities" at Circle level for low value consumers. The performance of the two cells during the period Apr-12 to Sept-12 also been submitted.

- (c) SOUTHCO was conducting Energy Audit at the 33 KV & 11 KV level but due to defectiveness of the meter at 33 KV and 11 KV as well as DTR level , the fruitful energy audit is not carried out. The provision has been made under CAPEX up to DTR level metering and to pin point the losses.
- (d) The capital investment is required for metering at DTR level and for which provision has been made under CAPEX.
- (e) After due verification by the MRT staff of Southco, the 11 KV feeder meters was declared defective and only 82 nos of feeder meter was declared as OK.
- (f) The percentage of working meters in case of Southco is 92 % as on 30th Sept-12. The billing is made as per the Regulation after replacement of meter.

(ii) **Collection of Revenue:**

- (a) Southco had collected an amount of Rs.48 Cr during FY 2011-12 and an amount of Rs.17.73 Cr during 1st half of the current FY 2012-13 against arrear.
- (b) An amount of Rs.37.59 lakhs was collected from the Govt. consumers prior to 01.04.1999 and the same has been reconciled and adjusted against the Securitisation of BST dues as on 31.03.2005.
- (c) The current and arrear collection from the consumers are being submitted to the Hon'ble Commission during the performance review.
- (d) Arrear amount as on 01.04.2012 is Rs. 431 Cr and amount of Rs. 17.73 Cr has been collected during Apr-Sep-12.

7. Hon'ble Commission has already clarified the cross subsidy for FY 2010-11 , FY 2011-12 which was challenged before ATE and different forum. On remand of the order of ATE and direction of Hon'ble Supreme Court, Honble commission also disposed off the case but the matter is still subjudice.

8. The calculation in increase in RST during FY 2009-10 to FY 2012-13 has been made in respect of EHT and HT consumers drawing power at 80 % LF with PF of 0.92 which is increase by 72.1% and 65.9% w.r.t FY 2009-10. However, the increase in BST during FY 2012-13 w.r.t FY 2009-10 is 127.47% in respect of SOUTHCO.

BST		Rs/Kwh	Increase
FY 2009-10	-	Rs.0.91	
FY 2010-11	-	Rs.1.13	24.17%
FY 2011-12	-	Rs.1.60	75.82% (over FY 2009-10)
FY 2012-13	-	Rs.2.07	127.47 % (-do-)

Hence, the impact of BST is more w.r.t RST in case of SOUTHCO.

9. Hon'ble Commission has already passed the order against the proceeding for redetermination of cross subsidy in tariff on 21.01.2012 as per the direction of Hon'ble ATE and Hon'ble Supreme Court.

10. As per Para-9

11. Licensee craves leave to submit revised / modified ARR and tariff proposal in case of any further judicial pronouncements. However, the licensee's stand is actual cost of supply voltage wise remain notional unless the real losses are factored in.

12. The data submitted and analysed w.r.t BSP is not the data of SOUTHCO. The BSP of SOUTHCO was increased up to 160% as against increase of Average RST by 65% w.r.t FY 2009-10.

13. Hon'ble Commission approved the revenue on notional basis considering the approved loss level which is a gap of more than 18% to the actual loss level of the license. Hence, the redetermination of loss level is required looking to the ground realities and massive RE programme under RGGVY and BGJY to protect the interest of the consumers as well as the Licensee.

14. Suggested Tariff Rationalisation Measures.

(i) to (ix) : SOUTHCO has submitted the tariff rationalisation measures in its ARR application justifying the reasons there of. Hence, no further comments in this regard.

15. (vi) & (vii) : SOUTHCO has not proposed withdrawal of Load factor incentive and Take or Pay Tariff. SOUTHCO has proposed introduction of reliability surcharge for HT & EHT consumers > 110 KVA or otherwise such consumers may be brought under UI regime.
16. (i) The load factor should be calculated on the basis of actual power factor as per Regulation 2(y) of Dist.Code, 2004.
- (ii) Licensee is following the same for calculation of LF as per the direction of the Hon'ble Commission.
- (iii) Off Peak Period may further be reduced looking to the flattening of curve.
17. SOUTHCO has submitted the cost of power purchase as per the BST of FY 2012-13 and other items of expenditure based on the previous year audited figures, increase in CPI & WPI and additional expenses to be incurred in the ensuing year etc.
18. SOUTHCO has taken many steps for improving the voltage by way of augmentation of conductors, Installation of new S/s, upgradation of existing S/s and Power Transformers. SOUTHCO has so far installed 210 nos of new transformer and 537 nos of up gradation of transformer of different capacity in its area of operation and 63 nos of power transformer capacity have already been upgraded to provide reliable and uninterrupted power supply. SOUTHCO has already added additional 171256 KVA into the system to cater the needs of the consumers and to overcome the low voltage.
19. **Power Factor Incentive and Penalty:**
Hon'ble Commission should consider the power factor incentive beyond 97 % and Power factor penalty should remain at 92%.
20. **Projection of Demand and Energy Charges:**
Southco has already submitted the SMD and energy drawl for the ensuing year 2012-13. No demand charges will be reduced during statutory power cut or power restrictions.
- TOD Benefit:**
TOD benefit is being provided to all HT & EHT consumers as well as 3 phase LT consumers having AMR facilities during off peak hours i.e 12 PM to 6.00 A.M of the next day.

21. Bulk Supply Price payable by Distribution Licensees:

Hon'ble Commission approves the differential Bulk Supply Tariff mechanism to address the uniform retail supply tariffs and different level of cross subsidies that exists on account of the consumer mix.

22. Separate License for supply of power to EHT consumers:

The HT and LT losses are not increasing even if massive rural electrification and addition of lines and Substation to provide power supply to the tail end consumers. Hence, the technical losses are adding to the system in addition to the commercial losses. Had, it been same consumer base and lines and substation as before, during the early part of the privatisation, the losses would have been arrested to the tune of minimum of 15 %. Disproportionate consumer mix and socio economic conditions of the consumers in the licensed area coupled with lack of administrative support, resulting addition of losses to the system. The increase in EHT tariff only as pointed out by the objector is not correct.

Whenever there is power shut down in the system it is being intimated in advance to the consumer. Necessary steps are being taken by the licensee with coordination with OPTCL, SLDC etc for early restoration of power supply.

The application of EHT consumers is being forwarded to the Transmission License as well as to GRIDCO immediately by the Licensee.

Separate License for EHT consumers is not tenable as per the law. Further, the argument of the objector can be extended to claim that there could be a separate license for the BPL consumers.

Berhampur

Dated: 31.01.2013

Vice President

SOUTHCO.

C.C to

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