

ANNUAL REPORT-2014-15



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**ORISSA ELECTRICITY REGULATORY COMMISSION
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- **Approval of Annual Revenue Requirement and Retail Supply Tariff of four DISCOMs for FY 2015-16**
 - **Special Rebate for consumers opting to use Smart Meter**
 - **Provision for part payment of electricity bill**
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 - **Energy Audit**
- **Approval of Annual Revenue Requirement and Bulk Supply Price of GRIDCO for FY 2015-16**
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- **Implementation of Web Based System on orders of Supreme Court and ATE**
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- **Inspection of 12 GRFs and implementation of reports**
- **Consumer Interface Programme held in 12 GRF headquarters**
- **First Quarterly meeting on disposal of consumer complains by DISCOMs**
- **Interactive Meeting with GRFs & Ombudsman**
- **State Advisory Committee Meetings held and action points implemented**
- **OERC licence fee enhanced**
- **OERC Building work completed**
- **Cesu CEO appointed**
- **Chairman of CESU Board of Management appointed**



ORISSA ELECTRICITY REGULATORY COMMISSION

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MISSION STATEMENT

The Orissa Electricity Regulatory Commission is committed to fulfill its mandate for creating an efficient and economically viable electricity industry in the State. It balances the interests of all stakeholders while fulfilling its primary responsibility to ensure safe and reliable supply of power at reasonable rates. It is guided by the principles of good governance, namely, transparency, accountability, predictability, equitability and participation in discharge of its functions. It safeguards the interests of the state and gives a fair deal to consumers at the same time.

2. PROFILES OF CHAIRPERSON & MEMBERS



Satya Prakash Nanda, Chairperson

Shri S. P. Nanda, formerly of the Indian Administrative Service, joined the Odisha Electricity Regulatory Commission on 13th October, 2011 after retiring as the Member, Board of Revenue to the Govt. of Odisha. Born on 19th March 1952, Shri Nanda has done Masters Degree in Political Science from University of Delhi. After a brief period of lectureship in Sri Venkateswara College, University of Delhi, he joined the Indian Administrative Service in 1975 in the Odisha cadre.

In an illustrious career spanning over 36 years, Shri Nanda has served as Secretary to Govt. of Odisha in Science and Technology, IT, Higher Education, Industries, Public Enterprises and Forest and Environment Departments. He has also served as the Chairman of the Odisha State Pollution Control Board. Besides he has served Govt. of Odisha as Agriculture Production Commissioner and Development Commissioner. Shri Nanda has made significant contributions in the areas of industrial development, industrial infrastructure development, science & technology, IT and environment management.

During his tenure as Chairman-cum-Managing Director of the Odisha Industrial Infrastructure Development Corporation, he was instrumental in the development, financing and management of various industrial areas and infrastructure projects of the State. Similarly, he has done pioneering work in the field of environment management as Chairman of Odisha State Pollution Control Board when it implemented for the first time the principle - 'Polluter Pays'.

A man of indomitable spirit and impeccable integrity, he has made his presence felt in various sectors of Odisha, be it Revenue, Agriculture, Forest and Environment Management or Industrial Development.

He has attended many national and international training programmes, seminars and workshops.



Shri Sivapada Swain, Member

Shri Sivapada Swain, formerly of the Indian Revenue Service, joined the Odisha Electricity Regulatory Commission on 9th April, 2012 after retiring as the Director General of Income Tax (Exemptions) to the Govt. of India. Born on 24th February 1952, Shri Swain has done Masters Degree in History from University of Delhi. After a brief period of lectureship in Odisha, he joined the Indian Revenue Service in 1976.

In an illustrious career spanning over 35 years, Shri Swain has held different positions in the field of Administration, Assessments and Investigation in the Income Tax Department of Bhubaneswar, Kolkata, Bangalore, Chennai, Hyderabad and Delhi. He was promoted to the

Rank of Chief Commissioner of Income Tax, Additional Secretary to Govt. of India in April 2009 and was initially posted as Director General of Income Tax (Investigation), Hyderabad. Later, he was transferred to Delhi in January 2010.

As a Tax Officer, he has knowledge of not only Income Tax Act but also Company Law, Law of Contract, Transfer of Property and Sale of Goods Act etc. He has long experience in dealing with corporate accounts and finance. As Director of Finance, he was intimately connected with the first Power Purchase Agreement signed with Gridco.

A man of knowledge and conviction, he has made immense contribution to the Income Tax Department of the country. He has attended many national and international training programmes, seminars and workshops



Shri Aswini Kumar Das, Member

Shri A. K. Das, born on 21st March, 1956 in Kalyanpur village of Jajpur District, Odisha, graduated in Electrical Engineering from University College of Engineering, Burla (now VSSUT, Burla) in 1978, completed Master Degree from University of Roorkee (now IIT, Roorkee) in 1988 and Master Degree in Business Administration from Utkal University. He joined Orissa Service of Electrical Engineers in 1978. After serving for 35 years under Govt. of Odisha, he retired as Engineer-in-Chief (Elect.)-cum-Principal Chief Electrical Inspector in March, 2014 to join as Member, OERC, Odisha.

During his tenure under Govt., he contributed to the development of Power Projects of the state like Upper Kolab, Upper Indravati & Rengali Hydro Projects. He had a tenure in Industry Deptt., Govt. of Odisha before moving to the Electrical Inspectorate & Works Deptt. and finally retired as EIC (Elect.)-cum-Principal Chief Electrical Inspector (PCEI).

Visited Japan on Energy Efficiency Activities and has contributed to technical section in many conferences & seminars and an active member of World Energy Council – Indian Member Committee

3. OVERVIEW OF THE COMMISSION

1. The Orissa Electricity Reform Act, 1995 (Orissa Act 2 of 1996), in short OER Act, 1995 was enacted for the purpose of restructuring the electricity industry, for rationalization of Generation, Transmission, Distribution and Supply of Electricity, for opening avenues for participation of private sector entrepreneurs and for establishment of a Regulatory Commission for the State, independent of the state government. OER Act, 1995 is the first of its kind in whole of the country. The Electricity Act, 2003 has been modelled mostly on the basis of the provisions of the OER Act, 1995.
2. An important component of power sector reform is establishment of an independent autonomous Regulator, the Orissa Electricity Regulatory Commission for achievement of objectives enshrined in the OER Act, 1995. It became functional on 01.8.96 with the joining of its three members, as the pioneer electricity regulator of the country.
3. The property, interest in property, rights and liabilities belonging to the erstwhile OSEB (Orissa State Electricity Board) were vested in the State Government as on 1.4.96. All loans, subventions and obligation of the Board towards the State stood extinguished. The State Government classified the assets, liabilities and proceedings acquired by the State as well as the assets, liabilities and proceedings relating to the undertakings owned by the State Government to (a) Generation Undertaking (b) Transmission Undertaking and those not classified within (a) & (b) to residual assets. The State Government was empowered to vest the Undertakings in GRIDCO & OHPC which the State did but only after upvaluation of assets on the same day and restructured the Balance Sheet of GRIDCO and OHPC.
4. The Grid Corporation of Orissa Limited (GRIDCO) was incorporated under Companies Act, 1956 on 20.4.95. All Transmission and Distribution Undertakings were transferred to GRIDCO on 01.4.96 with upvalued cost with a restructured Balance Sheet. It was to engage in the business of procurement, transmission & bulk supply of electric energy apart from planning, co-ordination & load forecast.
5. The Orissa Hydro Power Corporation Limited (OHPC) was incorporated under the Companies Act, 1956 on 21.4.95. All the generating assets of Government as well as OSEB have been transferred to OHPC on 01.4.96. This Corporation takes care of all the operating and ongoing Hydro Power Stations. 49% of the share of the Orissa Power Generation Corporation (OPGC) were disinvested to the US based AES company in January, 1999.

6. As a sequel to the passing of the Act, the distribution of power was privatized in Orissa and the management of the four subsidiary companies in charge of distribution in the Central Northern, Southern and Western zones of Orissa, namely CESCO, NESCO, SOUTHCO and WESCO was entrusted to private companies which took over 51% of the shares. GRIDCO became a deemed trading licensee from 10.6.05. The Orissa Power Transmission Corporation Ltd. (OPTCL) took over intra-state transmission & functions of the state load despatch centre on the same date.
7. In the year 2003, the Electricity Act, 2003 was enacted by Govt. of India and this came into force w.e.f 10.06.2003. The Electricity Act, 2003 has been modelled mostly on the basis of the various provisions of the erstwhile Orissa Electricity Reform Act, 1995. The Electricity Act, 2003 which came into force on 10th June, 2003, aims to promote competition, protect interest of consumers while supplying electricity to all areas, rationalize electricity tariff, ensure transparent policies regarding subsidies, and provide an enabling regulatory environment. Besides allowing for private investments in all the segments of the electricity supply chain, the Act provides various measures to introduce competition in the electricity industry. Now, the Chairperson and Members of OERC are appointed under section 82(5) of the Electricity Act, 2003 (No 36 of 2003) which is a Central Act.
8. The OERC completed 18th year of its operation on 01.08.2015. The Commission is operating at Bidyut Niyamak Bhavan, Unit- VIII, Bhubaneswar – 751012.

FUNCTIONS OF THE STATE COMMISSION

9. Section 86 of the Electricity Act, 2003 deals with the functions of the state Commission. As per section 86(1), the State Commission shall discharge the following functions, namely:-
- (a) Determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the state.
 - (b) Regulate electricity purchase and procurement process of distribution licenses including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
 - (c) facilitate intra-State transmission and wheeling of electricity;
 - (d) Issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
 - (e) promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
 - (f) Adjudicate upon the disputes between the licensees and generating companies and to refer any dispute for arbitration;
 - (g) Levy fee for the purpose of this Act;
 - (h) Specify State Grid Code consistent with the Grid Code specified under clause (h) of subsection (1) of Section 79 of the Electricity Act, 2003.
 - (i) Specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
 - (j) fix the trading margin in the intra-state trading of electricity; if considered, necessary; and
 - (k) Discharge such other functions as may be assigned to it under the Electricity Act, 2003.
10. As per Section 86(2) of the Electricity Act, 2003, the State Commission shall advise the State Government on all or any of the following matters, namely:-

- (i) Promotion of competition, efficiency and economy in activities of the electricity industry;
 - (ii) Promotion of investment in electricity industry;
 - (iii) Reorganization and restructuring of electricity industry in the State;
 - (iv) Matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.
11. As per Section 86(3) The State Commission shall ensure transparency while exercising its powers and discharging its functions.
12. As per the Section 86(4) in discharge of its functions, the State Commission shall be guided by the National Electricity Policy, 2005, National Electricity Plan and Tariff Policy, 2006 published under subsection(2) of section 3 of the Electricity Act, 2003.
13. Besides, the other provisions of the Electricity Act, 2003 which have a direct bearing on the functioning of the Commission are extracted below for reference
- (a) ***Section 11 – Directions to generating companies***
- (1) The Appropriate Government may specify that a generating company shall, in extraordinary circumstances operate and maintain any generating station in accordance with the directions of that Government. Explanation - For the purposes of this section, the expression “extraordinary circumstances” means circumstances arising out of threat to security of the State, public order or a natural calamity or such other circumstances arising in the public interest.
- (2) The Appropriate Commission may offset the adverse financial impact of the directions referred to in sub-section (1) on any generating company in such manner as it considers appropriate.
- (b) ***Section 23 - Directions to Licensees***
- “If the Appropriate Commission is of the opinion that it is necessary or expedient so to do for maintaining the efficient supply, securing the equitable distribution of electricity and promoting competition, it may, by order, provide for regulating supply, distribution, consumption or use thereof”
- (c) ***Section 37 – Directions by Appropriate Government***
- The Appropriate Government may issue directions to the Regional Load Despatch Centres or State Load Despatch Centres, as the case may be, to take such measures as may be necessary for maintaining smooth and stable transmission and supply of electricity to any region or State.
- (d) ***Section 108 – Directions by State Government***

(1) In the discharge of its functions, the State Commission shall be guided by such directions in matters of policy involving public interest as the State Government may give to it in writing.

(2) If any question arises as to whether any such direction relates to a matter of policy involving public interest, the decision of the State Government thereon shall be final.

ACTIVITIES OF THE COMMISSION

TARIFF DIVISION

14. The functions of the State Commission have been specified under Section 86 of Electricity Act, 2003. According to Section 86(1)(a), the Commission determines the Tariff for Generation, Supply, Transmission and wheeling of electricity, wholesale, Bulk or Retail, as the case may be within the State of Odisha. Keeping this in view the Commission obtains and analyses the Annual Revenue Requirements of the licensees and determines charges to be levied on various categories of consumers including those seeking open access to the intra-state transmission and distribution systems. It also undertakes scrutiny of power purchase agreements, approval of MYT Principles, cost data and Business Plans etc.
15. While fixing retail tariff for different types of consumers, Commission is mandated to follow the provisions of the Electricity Act, 2003, Tariff Policy notified on 06.1.2006 and National Electricity Policy notified on 12.2.2005. Mainly Sections 61, 62, 65 and 86 of the Electricity Act, 2003 deal with principles and guidelines of tariff fixation. The important parameters for tariff fixation are as follows:-
 - (i) The generation, transmission, distribution and supply of electricity should be conducted on commercial principles: Section 61(b) of Electricity Act, 2003.
 - (ii) The factors which would encourage competition, efficiency, economical use of the resources, good performance and optimum investments: Section 61(c).
 - (iii) Safeguarding the consumers' interests and at the same time recovering the cost of supply of electricity in a reasonable manner: Section 61(d).
 - (iv) The principles regarding efficiency in performance: Section 61(e).
 - (v) The tariff progressively reflects the cost of supply of electricity and also reduces cross subsidies in the manner specified by the appropriate Commission: Section 61(g).

Para 8.3.(2) of the Tariff Policy enjoins upon the State Regulatory Commission to notify road map with a target that latest by end of the year 2010-11 tariffs are within + 20% of the average cost of supply.
 - (vi) The National Electricity Policy envisages existence of some amount of cross-subsidy. As per Para 1.1 of National Electricity Policy, the supply of electricity at reasonable rate to rural India is essential for its overall development. Equally important is availability of reliable and quality power at competitive rates to Indian Industry to make it globally competitive and to enable it to exploit the tremendous potential of employment generation.

Similarly, as per Para 5.5.2 of the National Electricity Policy, a minimum level of support may be required to make the electricity affordable for consumers of very poor category. Consumers below poverty line who consume below a specified level, say 30 units per month, may receive special support in terms of Tariff which are cross-subsidized. Tariff for such designated group of consumers will be at least 50% of the "average (overall) cost of supply".
 - (vii) Promotion of Co-generation and generation of electricity from renewable sources of energy: Section 61(h).

Section 86(1) (e) casts responsibilities on the State Commission to promote co-generation and generation of electricity from renewable sources of energy by

providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee.

16. Consumers' Status:

The Table below shows the status of Odisha consumers in terms of Rural-Urban classification and category-wise consumption as at the end of March, 2015. It is discernible that among the total number of consumers of 58.25 Lakhs, around 45.27 lakhs i.e 77.72 % belong to rural areas and some 12.98 Lakhs or 22.28% are urban consumers. Among the consumer categories, industry consumed a large chunk of power of 41.10% followed by Domestic category 33.12% and Commercial 11.03% of the total power consumed in the State during the FY 2014-15.

STATUS OF CONSUMERS IN ODISHA										
As on 01.4.2015										
CATEGORY OF CONSUMERS	CESU		NESCO		WESCO		SOUTHCO		ODISHA	
	No.	Percentage to Total	No.	Percentage to Total	No.	Percentage to Total	No.	Percentage to Total	No.	Percentage to Total
Urban	514590	25.98%	285460	21.92%	248590	21.14%	248986	18.22%	1297626	22.28%
Rural	1466014	74.02%	1016609	78.08%	927181	78.86%	1117595	81.78%	4527399	77.72%
Total	1980604		1302069		1175771		1366581		5825025	
CATEGORY CONSUMPTION IN MU										
Kutir Jyoti	13.65	0.25%	106.91	3.09%	128.45	2.82%	185.36	9.52%	434.43	2.81%
Agricultural	41.95	0.76%	52.10	1.51%	89.36	1.96%	35.10	1.80%	218.55	1.42%
Domestic	2121.52	38.68%	1043.57	30.20%	1056.31	23.20%	893.12	45.85%	5115.44	33.12%
Commercial	890.40	16.24%	291.91	8.45%	321.74	7.07%	198.51	10.19%	1702.88	11.03%
Industrial	1832.50	33.41%	1545.36	44.72%	2578.11	56.63%	389.78	20.01%	6347.10	41.10%
Others	584.34	10.65%	415.70	12.03%	378.22	8.31%	245.86	12.62%	1624.43	10.52%
Total	5484.36	100.00%	3455.55	100.00%	4552.20	100.00%	1947.73	100.00%	15442.83	100.00%

* Provisional, sourced from concerned Discoms

17. The important orders passed by the Commission during 2014-15 relating to Tariff matters are as follows:

- (i) Approval of Annual Revenue Requirement & Bulk Supply Price of GRIDCO for FY 2015-16 (Case No. 68 of 2014);
- (ii) Annual Revenue Requirement & Transmission Tariff of OPTCL for FY 2015-16 (Case No. 67 of 2014);
- (iii) Approval of Annual Revenue Requirement & Generation Tariff of OHPC for FY 2015-16 (Case No. 65 of 2014);
- (iv) Approval of ARR and Fees and charges of State Load Dispatch Centre for FY 2015-16 (Case No. 66 of 2014);
- (v) Approval of Annual Revenue Requirement & Retail Supply Tariff of four DISTCOs for FY 2015-16 (Case Nos. 69, 70, 71 & 72 of 2014);

18. Salient features of Retail Supply Tariff – 2015-16

The OERC, taking into account the proposal filed by the utilities, advice of the State Advisory Committee, opinion of the State Govt. and conducting a Public Hearing has passed the Annual Revenue Requirement and Tariff Order for the FY 2015-16 on 23.03.15 which have been effective from 1st April, 2015.

Highlights of Tariff 2015-16 :-

- The average rise in Retail Supply Tariff for 2015-16 is 4.64 % over 2014-15. There was no tariff rise from 2001-02 to 2009-10. The tariff rise during 2010-11, 2011-12, 2012-13 and 2013-14 were 22.20%, 19.74%, 11.84% and 2.40% respectively. There was no tariff rise during 2014-15.

- There is a marginal rise of 20 paise per unit in case most of the retail consumers except agriculture. Agriculture tariff has been raised 40 paise per unit after 15 years.
- Reliability surcharge has been reduced from 20 paise per unit to 10 paise per unit.
- TOD benefit has been increased from 10 paise per unit to 20 paise per unit.
- Power factor incentive above 97% has been reintroduced.
- There is no change in Monthly Minimum Fixed Charge (MMFC) and Demand Charge.
- There is no change in meter rent.
- Kutir Jyoti (BPL consumers) will pay Rs.80/- per month for consumption of 30 units per month for the FY 2015-16 instead of Rs.65/- per month.
- The Commission has not accepted the proposed ARR of DISCOMS of Rs. 10,797 Cr. and approved an amount of Rs.9,160 Cr.
- The Commission has approved the distribution loss of 21.35 % against the proposed distribution loss of 33.19% by DISCOMs. Similarly, the Commission has approved AT&C loss of 22.14 % instead of 35.29 % proposed by DISCOMs.
- While rejecting the proposal of DISCOMs relating to AT & C Loss, Commission has approved 22.14% AT&C loss taking into account all efficiency parameters and carrying out the prudent check on the data/information furnished by DISCOMs. The tariff could have increased manifold, if the loss proposed by DISCOMs would have been accepted.
- Cross subsidy has remained within $\pm 20\%$ for all categories(LT/HT/EHT)
- The average cost of supply for DISCOMs has increased from 461.07 Paise/unit in 2014-15 to 488.81 paise/unit in 2015-16.
- No change in transmission charges during 2015-16 which remained same as 25 paise per unit as in 2014-15.
- The average power purchase price of GRIDCO has increased from 227.05 Paise/unit in 2014-15 to 229.97 Paise/unit in 2015-16.
- Average BSP of the State has increased from 263.21 paise/unit in 2014-15 to 284.29 paise/unit in 2015-16 against GRIDCO's proposal of 356.32 paise/unit.
- The BSP rise is primarily attributed to the pass through of past power purchase dues of NTPC as per the CERC order dated 15.05.2014. GRIDCO, as per CERC order has proposed an amount of Rs 956.35 Cr towards payment of fixed cost component of NTPC-TTPS units for the period from 2009-2014 to FY 2014-15. The Commission has approved Rs 740.72 Cr. for the period 2009-14. Out of 18 instalments allowed for payment of the claimed amount, GRIDCO has already paid 10 instalments during the FY 2014-15 and balance 8 instalments will be paid during 2015-16. For this reason, GRIDCO has submitted before the Commission to allow the same in the ARR and tariff for the FY 2015-16 as a pass through.
- Out of average bulk supply price of 284.29 paise /unit of GRIDCO, CESU is required to pay 285.00 paise/unit, NESCO 302.00 paise/unit, WESCO 310.00 paise/unit and SOUTHCO 200.00 paise/unit. All the distribution companies to pay 25 paise/unit as Transmission cost to OPTCL.
- While approving the average cost of supply as 488.81 paise for the FY 2015-16, the Commission has fixed 250 paise/unit upto 50 units, 420 paise/unit for the consumption above 50 units & upto 200 units, 520 paise/unit for the consumption above 200 units &

upto 400 units and 560 paise/unit for the consumption above 400 units for the domestic category. The tariff approved by the Commission for the above slab in domestic category during FY 2014-15 was 230 paise/unit (upto 50 units), 400 paise/unit (above 50 units less than 200 units), 500 paise/unit (above 200 units less than 400 units) and 540 paise/unit (above 400 units)

- Average tariff for domestic consumption of 50 units, 100 units, 200 units, 300 units, 400 units, 500 units and 600 units is Rs.2.50/ kwh, Rs.3.35/ kwh, Rs.3.78/ kwh, Rs.4.25/ kwh, Rs.4.49/ kwh and Rs.4.71/ kwh and Rs.4.86 respectively, which is around 49%, 31%, 23%, 13%, 8%, 4% and 1% **less than average** cost of supply of Rs.4.88 approved by the Commission. A consumer is required to pay an average tariff of Rs.4.96 for the consumption of 700 units which is 1.6% higher than the average cost of supply.

Consumption in Units	2014-15				2015-16			
	Tariff Schedule		Total Billed Amount (Rs)	Avg . rate per unit in Rs.	Tariff Schedule		Total Billed Amount (Rs)	Avg . rate per unit in Rs.
	Consumption (units)/ Month	Rate per unit in Paise			Consumption (units)/ Month	Rate per unit in Paise		
50	<=50	230.00	115.0	2.30	<=50	250.00	125.0	2.50
100	>50,<=200	400.00	315.0	3.15	>50,<=200	420.00	335.0	3.35
200	>200	500.00	715.0	3.58	>200	520.00	755.0	3.78
300	>400	540.00	1,215.0	4.05	>400	560.00	1,275.0	4.25
400			1,715.0	4.29			1,795.0	4.49
500			2,255.0	4.51			2,355.0	4.71
600			2,795.0	4.66			2,915.0	4.86
700			3,335.0	4.76			3,475.0	4.96

- Section 61(g) Electricity Act, 2003 read with para 8.3.2 of Tariff Policy, 2006 stipulates that the tariff should be within $\pm 20\%$ of the average cost of supply. Hence, average tariff of any consumer should not be more than 586.57 paise and less than 391.05 paise. With this mandate, the Commission has fixed 396.53 paise in case of LT (-18.88% of average cost of supply of 488.81 paise), 575.59 paise for HT(+17.75% of average cost of supply of 488.81paise) and 572.03 paise for EHT (+17.03% of average cost of supply of 488.81 paise).

19. **Reasons of Tariff hike:-**

- **Pass through of past power purchase cost:** The principal reason for tariff hike in 2015-16 is the pass through of Rs. 740.72 Cr. towards past power purchase dues of NTPC by GRIDCO as per the CERC order dated 15.05.2014.
- **Less low cost hydro Power:-** The tariff hike in 2015-16 is also due to the increase in number of electricity consumers, inadequate generation of low cost hydro power to meet growing demands & rise in cost of coal and furnace oil, which ultimately lead to increased generation cost.

20. **Other features of RST Order,2015-16**

- The graded slab tariff for HT & EHT consumer for FY 2015-16 is given as under:-

Slab rate of energy charges for HT & EHT (Paise/unit)

Load Factor (%)	HT	EHT
= < 60%	525	520
> 60%	420	415

- (i) The reconnection charges w.e.f. 01.4.2015 shall continue unaltered

Category of Consumers	Rate Applicable
LT Single Phase Domestic Consumer	Rs.150/-
LT Single Phase other consumer	Rs.400/-
LT 3 Phase consumers	Rs.600/-
All HT & EHT consumers	Rs.3000/-

- (ii) Energy Charges shall be 10% higher in case of temporary connection compared to the regular connection in respective categories.

- (iii) The meter rent w.e.f. 01.4.2015 shall remain unaltered as follows:

Type of Meter	Monthly Meter Rent (Rs.)
1. Single phase electro- magnetic Kwh meter	20
2. Three phase electro- magnetic Kwh meter	40
3. Three phase electro- magnetic tri-vector meter	1000
4. Tri-vector meter for Railway Traction	1000
5. Single phase Static Kwh meter	40
6. Three Phase Static Kwh meter	150
7. Three phase Static Tri-vector meter	1000
8. Three phase Static Bi-vector meter	1000
9. LT Single phase AMR/AMI Compliant meter	50
10. LT Three phase AMR/AMI compliant meter	150

Note: Meter rent for meter supplied by DISCOMs shall be collected for a period of 60 months only. Once it is collected for sixty months meter rent collection should stop.

- (iv) A Reliability surcharge @ 10 paise per unit will continue for HT and EHT consumers availing power irrespective of nature of feeder. This surcharge @ 10 paise per unit shall be charged if reliability index is more than 99% and above and voltage profile at consumer end remains within the stipulated limit.
- (v) Prospective small consumers requiring new LT single phase connection upto and including 5 kW load shall only pay a flat charge of Rs.1500/- as service connection charges towards new connection excluding security deposit as applicable as well as processing fee of Rs.25/-. The service connection charges include the cost of material and supervision charges.
- (vi) A “Tatkal Scheme” for new connection is applicable to LT Domestic, Agricultural and General Purpose consumers.
- (vii) In case of installation with static meter/meter with provision of recording demand, the recorded demand rounded to nearest 0.5 KW shall be considered as the contract demand requiring no verification irrespective of the agreement. Therefore, for the purpose of calculation of Monthly Minimum Fixed Charge (MMFC) for the connected load below 110 KVA, the above shall form the basis.
- (viii) The billing demand in respect of consumer with Contract Demand of less than 110 KVA should be the highest demand recorded in the meter during the Financial Year irrespective of the Connected Load, which shall require no verification.
- (ix) Three phase consumers with static meters are allowed to avail TOD rebate excluding Public Lighting and emergency supply to CGP @ 20 paise/unit for energy consumed during off peak hours. Off peak hours has been defined as **12.00 Midnight to 6.00 AM** of next day.
- (x) Hostels attached to the Schools recognised and run by SC/ST Dept., Govt. of Odisha shall get a rebate of Rs.2.40 paise per unit in energy charge under Specified Public Purpose category (LT / HT) which shall be over and above the normal rebate for which they are eligible.
- (xi) Swajala Dhara consumers under Public Water Works and Sewerage Pumping Installation category shall get special 10% rebate if electricity bills are paid within due date over and above normal rebate.

- (xii) Drawal by the industries during off-peak hours upto 120% of Contract Demand without levy of any penalty has been allowed. “Off-peak hours” for the purpose of tariff is defined as from **12.00 Midnight to 6.00 A.M.** of the next day. The consumers who draw beyond their contract demand during hours other than the off-peak hours shall not be eligible for this benefit. If the drawal in the off peak hours exceeds 120% of the contract demand, overdrawal penalty shall be charged over and above the 120% of contract demand. When Statutory Load Regulation is imposed then restricted demand shall be treated as contract demand.
- (xiii) General purpose consumers with Contract Demand (CD) < 70 KVA shall be treated as LT consumers for tariff purposes irrespective of level of supply voltage. As per Regulation 76 (1) (c) of OERC Distribution (Conditions of Supply) Code, 2004 the supply for load above 5 KW upto and including 70 KVA shall be in 2-phase, 3-wires or 3-phase, 3 or 4 wires at 400 volts between phases.
- (xiv) Own Your Transformer – “OYT Scheme” is intended for the existing individual LT domestic, individual/Group General Purpose consumers who would like to avail single point supply by owning their distribution transformer. In such a case licensee would extend a special concession of 5% rebate on the total electricity bill (except electricity duty and meter rent) of the respective category apart from the normal rebate on the payment of the bill by the due date. If the payment is not made within due date no rebate, either normal or special is payable. The maintenance of the ‘OYT’ transformer shall be made by DISCOM utilities. For removal of doubt it is clarified that the “OYT Scheme” is not applicable to any existing or new HT/EHT consumer.
- (xv) Power factor penalty shall be
- i) 0.5% for every 1% fall from 92% upto and including 70% plus
 - ii) 1% for every 1% fall below 70% upto and including 30% plus
 - iii) 2% for every 1% fall below 30%

The penalty shall be on the monthly demand charges and energy charges

There shall not be any power factor penalty for leading power factor.

The power factor incentive shall be applicable to the consumers who pay power factor penalty in the following rate:

The rate of power factor incentive shall be 0.5% for every 1% rise above the PF of 97% up to and including 100% on the monthly demand charges and energy charges.

- (xvi) The printout of the record of the static meter relating to MD, PF, number and period of interruption shall be supplied to the consumer wherever possible with a payment of Rs.500/- by the consumer for monthly record.

21. Surcharge, Wheeling Charge & Transmission Charge for Open access consumer 1MW & above w.e.f. 1st April, 2015

The wheeling charge and surcharge as indicated in Table below shall be applicable w.e.f. 01.04.2015.

Surcharge, Wheeling Charge & Transmission Charge for Open access consumer 1MW & above

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT consumers only	Transmission Charges for Short Term Open access Customer (applicable for HT & EHT consumers)
	EHT	HT		
CESU	144.12	78.58	73.82	Rs.1500/MW/day or Rs.62.5/MWh
NESCO	132.22	58.47	84.19	Rs.1500/MW/day or Rs.62.5/MWh
WESCO	126.62	66.02	64.76	Rs.1500/MW/day or Rs.62.5/MWh
SOUTHCO	203.62	128.68	94.05	Rs.1500/MW/day or Rs.62.5/MWh

22. **Cross Subsidy:-**

For the purpose of calculating the cross-subsidy the estimated revenue realization and the estimated sale of energy to EHT, HT & LT category consumers has been taken into account while working out the average tariff of those respective categories as per the format given below:

Average Tariff realization = Total expected revenue to be realized from a category for a category as per ARR/ Total anticipated sale to that category as per ARR

The cross-subsidy calculated as per the above methodology is given in the table below:

Cross-Subsidy for FY 2015-16

Year	Level of Voltage	Average cost of supply for the State as a whole (P/U)	Tariff P/U	Cross-Subsidy P/U	Percentage of Cross-subsidy above/below of cost of supply	
1	2	3	4	5=(4-3)	6= (5 / 3)	7
2012-13	EHT	460.51	551.04	90.53	19.66%	The tariff for HT & EHT category has been
	HT		552.09	91.58	19.89%	
	LT		368.52	-91.99	-19.98%	
2013-14	EHT	466.68	559.18	92.50	19.82%	
	HT		559.69	93.01	19.93%	

	LT		374.66	-92.02	-19.72%	calculated based on avg. tariff.
2014-15	EHT	461.07	552.64	91.57	19.86%	
	HT		553.15	92.08	19.97%	
	LT		369.63	-91.44	-19.83%	
2015-16	EHT	488.81	572.03	83.22	17.03%	
	HT		575.59	86.78	17.75%	
	LT		396.53	-92.28	-18.88%	

23. OHPC Tariff

The station-wise ARR and average tariff calculated for the year 2015-16 is presented in the table below:

Name of the Power Stations	RHEP	UKHEP	BHEP	HHEP	CHEP	Sub-total	UIHEP	Total
Approved for 2014-15								
Total ARR (Rs. Crore)	56.18	41.05	103.31	86.43	23.31	310.28	156.20	466.49
Average cost (P/U)	108.08	49.84	88.21	127.64	48.06	84.39	80.42	83.02
Approval for 2015-16								
Total ARR (Rs. Crore)	58.67	43.59	104.83	89.75	23.64	320.48	143.49	463.98
Average cost (P/U)	112.89	52.92	89.51	132.54	48.73	87.16	73.87	82.57

Based on this approved Annual Revenue Requirement, the rate of energy charge and the capacity charge of OHPC power stations are determined for FY 2015-16 as follows:

Energy Charge and Capacity Charge for 2014-15 & Approval for 2015-16

Name of the Power Stations	Annual Fixed Cost (Rs. crore)		Capacity Charge (Rs. crore)		Energy Charge (Rs. crore)		Energy Charge Rate (P/U)	
	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16
Rengali HEP	56.18	58.67	28.09	29.335	28.09	29.335	54.045	56.441
Upper Kolab HEP	41.05	43.59	20.525	21.795	20.525	21.795	24.918	26.461
Balimela HEP	103.31	104.83	51.655	52.415	51.655	52.415	44.105	44.754
Hirakud HEP	86.43	89.75	43.215	44.875	43.215	44.875	63.818	66.269
Chiplima HEP	23.31	23.68	11.655	11.84	11.655	11.84	24.025	24.366
Upper Indravati HEP	156.20	143.49	78.10	71.745	78.10	71.745	40.208	36.937

The unit cost of energy from Machhkund is approved at 34.38 paise for 2015-16 as against 41.68 paise per unit approved for 2014-15.

24. Transmission Charges- OPTCL:

- 25260 MU of energy to be transmitted through OPTCL's network in FY 2015-16 as against 24990 MU in 2014-15.
- Total revenue requirement is approved at 630.94 crore for FY 2015-16 as against Rs.624.50 crore for FY 2014-15.
- Transmission charge to use OPTCL's line and sub-stations has been kept constant at 25.00 p/u w.e.f. 01.04.2015.

- The Open Access Charges has been kept constant at Rs.6000 /MW/Day or Rs.250.00/MWh for long-term customers for FY 2015-16.
- Short-term OpenAccess customers shall continue to pay Rs.1500 /MW/day or Rs.62.50/MWh w.e.f. 01.04.2015.

The transmission loss has been approved as 3.75% for FY 2015-16.

25. **BSP-GRIDCO**

- The SMD approved for 2015-16 for DISCOMs is 4140 MVA
- Transmission loss for wheeling of electricity by STU has been calculated at 3.75% for 2015-16 i.e. the same as was considered for the FY 2014-15.
- Out of 25776.23 MU purchased, GRIDCO sales 24800 MU to DISCOMs and 10 MU to CGPs. Balance Power of 966.23 MU goes towards Transmission Loss on DISCOMs purchase.

• **Bulk Supply Price:**

DISCOM-wise Bulk Supply Price as approved by the Commission for the FY 2015-16 is as follows:-

Name of the DISCOMs	Bulk Supply Price approved for 2013-14 (P/U)	Bulk Supply Price approved for 2014-15 (P/U)	Bulk Supply Price approved for 2015-16 (P/U)
CESU	259.00	265.00	285.00
NESCO	290.00	280.00	302.00
WESCO	294.00	286.00	310.00
SOUTHCO	180.00	185.00	200.00
Total	265.27	263.21	284.29

Comparison of power purchase cost of GRIDCO approved by the Commission in the ARR vrs Actual

Year	Commission's Approval			Actual		
	Energy MU	Rate P/U	Total cost Rs. in Cr.	Energy MU	Rate P/U	Total cost Rs. in Cr.
1999-00	10,176.13	103.36	1,051.82	11,197.38	104.10	1,165.60
2000-01	11,011.39	105.76	1,164.56	12,400.01	112.88	1,399.72
2001-02	12,345.07	94.60	1,167.82	12,467.03	95.27	1,187.77
2002-03	13,312.22	106.71	1,420.60	12,025.61	133.38	1,603.97
2003-04	14,818.80	115.52	1,711.87	15,896.76	100.33	1,594.89
2004-05	17,395.16	103.67	1,803.29	17,742.93	97.46	1,729.31
2005-06	16,640.02	110.36	1,836.38	16,806.08	120.41	2,023.58

2006-07	15,414.79	113.97	1,756.84	18,866.10	117.22	2,211.55
2007-08	17,539.47	119.91	2,103.11	20,934.39	119.91	2,510.28
2008-09	18,460.26	127.40	2,351.75	20,049.27	149.61	2,999.64
2009-10	19,719.37	148.27	2,923.80	20,956.17	196.95	4,127.32
2010-11	21,003.75	174.58	3,666.85	22,868.95	197.77	4522.71
2011-12	23,489.18	210.32	4,940.30	22828.84	228.35	5213.00
2012-13	24096.88	236.17	5691.02	24084.17	236.66	5699.88
2013-14 (Provisi onal)	24058.42	229.01	5,509.51	25199.85	212.00	5342.25
2014-15 (Provisi onal)	25495.71	227.05	5788.75	25694.54	227.28	5839.79
2015-16	25776.23	229.97	5927.67			

26. Important initiatives by the Commission

The Commission had allowed different schemes which were introduced in earlier RST orders and are now continued during 2015-16.

Commission monitored Smart Metering, Energy Audit and SCADA Schemes

27. The Commission in its Tariff Order for FY 2014-15 in Para 214-215 had directed DISCOMs to implement smart metering, energy audit and SCADA schemes and had also provided Rs.48 crs., Rs.38 Crs., Rs.30 Crs. and Rs.15 Crs. under Special R&M to CESU, WESCO, NESCO and SOUTHCO respectively. But the progress in implementation of these ambitious schemes is very negligible. Therefore, since the Commission has allowed Rs.131 Crs. for the year 2014-15 to all the DISCOMs and they have spent very little in this area, the DISCOMs were directed to complete the smart metering, energy audit and SCADA schemes as directed in the RST Order for 2014-15.

Special Rebate to the consumers opting for use of Smart Meter

28. The consumers who will avail power supply through smart meters shall continue to get a special rebate of 25 paise per unit (including all other regular rebate in vogue) as directed by the Commission in Para 214 in Retail Supply Tariff Order for FY 2014-15. Since Commission had decided to provide expenses towards purchase of meters for the smart metering scheme, DISCOMs are directed not to charge cost of meter or meter rent for such consumers who have been provided with smart meter with remote connection and disconnection.

Pre-paid meters

29. All the DISCOMs submitted that the direction of the Commission not to charge rent for prepaid meter be withdrawn and the Meter rent for the AMR / AMI Based Meters should be enhanced. In this connection our order in Para 271-273 of Retail Supply Tariff Order for FY 2014-15 may be referred to and this will continue until further order.

Own Your Transformers (OYT) scheme

30. The Commission has introduced the OYT Scheme in its earlier RST orders to encourage LT less distribution only. The order of the Commission as stated in Para-225-227 of Retail Supply Tariff Order for FY 2014-15 shall continue for 2015-16 also.

Provision for part payment of Electricity Bill

31. Like previous year this year also the Commission decides to continue with the provision of accepting part payment for any month by a consumer as follows:
- a) Part payment of minimum Rs.50/- for consumers having outstanding billed amount upto Rs.100/- (including arrears)
 - b) Part payment of minimum Rs.100/- for consumers having outstanding billed amount upto Rs.300/- (including arrears)
 - c) Part payment of minimum 50% of the bill having outstanding billed amount above Rs.300/- (including arrears)

Provisional/Average/Load Factor basis Billing

The provisional billing has been allowed by us under Regulation 93 (8) and 99 of OERC Distribution (Condition of Supply) Code, 2004. The amount thus billed shall be adjusted against the bill raised on the basis of actual meter reading during subsequent billing cycle. Such provisional billing shall not continue for more than one meter reading cycle at a stretch. If the meter remains inaccessible even for the next cycle the licensee is free to proceed as per Section 163 of the Electricity Act, 2003 which may lead to cut-off the supply to the consumers. Therefore, the licensee must act expeditiously in case of inaccessibility of meter for reading purpose. In no case billing should be made on provisional basis for more than one billing cycle.

32. Average billing is allowed by us under Regulation 97 of Supply Code, 2004 for the period the meter remains defective or is lost. The billing shall be made on the basis of average meter reading for the consecutive three billing periods succeeding the billing

period in which the defect or loss was noticed. We have not allowed average meter reading in any other case except in case of defective meter or when the meter is lost. Therefore, the licensees must desist from billing on average basis in other cases.

33. Many objectors submitted that the average billing has become a common practice by all DISCOMs in the name of defective meters for a prolonged period. Such practice is violating all norms and regulations of the Commission. As per Section 55 of Electricity Act 2003 read with Reg. 54(1), there should be no unmetered supply to an electricity consumer. In case a meter noticed defective it should be replaced within a period of 30 days as per Reg. 2.3 of Schedule-1 of OERC (Licensees Standard of Performance) Regulation, 2004. The distributing licensees should not make it a norm of practice to prorate the present consumption of electricity of a consumer to a prolonged period. Accordingly the licensees must desist from such practice.
34. Load factor billing has been abolished by us w.e.f. 01.4.2004. It should not be utilized as a substitute billing methodology when the licensees are unable to read meter for any other reason. Therefore, we direct that the licensees must adhere to the codal provision strictly. The consumers are at liberty to take recourse to remedial measures as provided in the Electricity Act, 2003 and Supply Code, 2004.

Issue of Allied Agro-Industrial tariff

35. The Commission has dealt with this matter in Para-233-236 in the RST order for FY 2014-15. The direction of the Commission in that order will continue for 2015-16 also. The food processing unit attached with cold storage shall be charged at Agro Industrial Tariff, if cold storage load is not less than 80% of the entire connected load. If the load of the food processing unit other than cold storage unit exceeds 20% of the connected load then entire consumption by the cold storage and the food processing unit taken together shall be charged with the tariff as applicable for general purpose or the industrial purpose as the case may be.

Enhanced TOD benefit

Some objectors stated that the TOD benefit should be increased to at least 30 paise per unit to encourage consumers to shift their load to non-peak night hours. Further, TOD benefit may be extended from 10.00 AM to 6.00 P.M. so as to reduce the peak hour demand. The Commission examined the proposal made by the objectors and verified the present load profile of the State and decided to continue with the present ToD hours with enhanced benefit of 20 paise per unit.

Demand charges for Ice Factories dependant on fishing vis-a-vis statutory restriction on fishing

36. The Fisheries Department of the Government of Odisha has introduced a seasonal prohibition on fishing by trawlers for a distance of 20 km from the seashore at the Devi (Jatadhari River mouth to Devi River mouth) and Rushikulya (Chilika lake mouth to Rushikulya River mouth). The annual ban was for the turtle season from January to May. Considering this ban we have allowed some concession to Ice Factories dependant on fishing in terms of demand charges in FY 2012-13 vide Para 250 to 257 in our RST Order for that year. We direct that same concession would continue for FY 2015-16 also. Accordingly during the statutory restriction imposed by the Fisheries Department, the Ice factory located at a distance not more than 5 KM towards the land from the seashore of the restricted zone will pay demand charges based on the actual maximum demand recorded during the billing period. There will be no changes in energy charges and other charges payable to the DISCOMs as per the existing Tariff Order and Regulations. The modalities of implementation of this concession shall be as per our order in para 269 in Retail Supply tariff order for FY 2014-15.

Issue of Public lighting

37. Due to unavailability of meter in many public lighting load, until metering is in place the Commission directs that billing should continue assuming 11 hours burning time taking the average use of summer and winter seasons.

Tatkal Scheme for New Connection

38. The Tatkal scheme for consumers availing LT supply for Domestic, Agricultural and General Purpose shall continue in 2015-16 as directed vide para 274-276 of the RST order for FY 2014-15. The Tatkal charges are given below:

Category of Consumers	Tatkal charges
LT Single phase upto 5 kW load	Rs.2000/-
LT three phase 5 kW and above	Rs.2500/-
LT Agricultural consumers	Rs.1000/-
LT General Purpose single phase and three phase consumers	Rs.4000/-

The above Tatkal charges do not include meter cost.

Reintroduction of Power factor Incentive

39. Many HT and EHT consumers prayed for reintroduction of power factor incentive as were the practice in the previous year. It is to be mentioned here that the Commission is gradually moving towards a rationalised tariff i.e. the tariff should reflect the cost of

supply, therefore, a consumer at particular voltage level should pay equal tariff for each unit they consume and this is also mandated under Section 61 (d) of the Act. The Commission in the new Tariff Regulation called OERC (Terms and Conditions of Wheeling Tariff and Retail Supply Tariff) Regulation, 2014 has provided under Regulation 7.73 for power factor rebates / penalty considering the contribution of the consumer to the system efficiency. It provides discretion with the Commission to determine the rebate / penalty basing on the impact of the drawal on the system. Therefore, penalty and rebates are delicately balanced from year to year depending upon system requirement. Hon'ble APTEL in Appeal No. 272/2013 dated 28.11.2014 has directed the Commission to reintroduce power factor incentive when there is a penalty for lower power factor. Accordingly, the power factor incentive and penalty has been determined by the Commission.

The rate of power factor incentive shall be 0.5% for every 1% rise above the PF of 97% up to and including 100% on the monthly demand charges and energy charges. Similarly power factor penalty shall be

- i) 0.5% for every 1% fall from 92% upto and including 70% plus
- ii) 1% for every 1% fall below 70% upto and including 30% plus
- iii) 2% for every 1% fall below 30%

Energy Audit

40. Distribution loss is a matter of great concern and energy audit is the first step towards ascertaining the actual such losses. As energy Audit helps the DISCOMs to segregate technical and commercial loss it can lead to fixation of accountability across management chain and DISCOMs can adopt corrective measure to realize the cost of energy actually utilized by the consumer by plugging leakages. Metering is the major pre-requisite towards Energy Audit programme. The table below shows the metering position of DISCOMs as on 30.09.2014.

	CESU	NESCO	WESCO	SOUTHCO
No. of 33 KV feeders	140	70	198	165
No. of 33 KV feeder metering	133	70	96	42
Energy Audit Carried Out- 33 KV feeder	16	9	52	1
No. of 11 KV feeders	696	486	558	503
No. of 11 KV feeder metering	499	81	307	23
Energy Audit Carried Out- 11 KV feeder	126	72	83	3
No. of 33 / 11 KV transformers	479	307	320	274

	CESU	NESCO	WESCO	SOUTHCO
No. of 33/11 KV transformer metering position	232	44	0	0
No. of distribution transformers (11/0.4 & 33/ 0.4 KV)	53,093	44,029	33,390	31,727
No. of distribution transformer metering position	13,334	175	4119	272

41. The status of feeder metering mentioned above confirms the poor metering arrangement by the licensees. Further, the absence of proper metering arrangement down below up to level of consumers there is no such energy audit programme in operation. Hence, several directions have been issued by the Commission to DISCOMs since long to carry out the full scale energy audit.

Distribution CAPEX Programme

42. In order to provide quality power at a stable voltage, strengthening the fragile distribution network, reducing high AT & C loss etc, the State Govt. formulated Rs.2400 crore CAPEX programme in distribution sector with the support of Finance Commission grant of Rs.500 crore. The investment of Rs. 2400 crore was envisaged over a period of 4 years starting from FY 2010-11 to FY 2013-14. Out of which Govt. would provide Rs.1200 crore and DISCOMs would invest Rs.1200 crore as counter-part funding. Year wise sources of funding are given below:

Sources of funding

(Rs. Crore)

SI No	Sources	Financial Year				
		2010-11	2011-12	2012-13	2013-14	Total
A	State Govt. Funding					
1	Financial Commission Grant (FCG)	-	200.00	150.00	150.00	500.00
2	1/3 rd matching share of State Govt. to FC Grant	-	66.67	50.00	50.00	166.67
3	1/3 rd matching share of GRIDCO (State Govt. Loan) to FC Grant	-	66.67	50.00	50.00	167.67
4	State's own Contribution	300.00	66.66	-	-	366.66
	Sub-total (1+2+3+4)	300.00	400.00	250.00	250.00	1200.00
B	DISCOMs Counterpart Funding					
5	1/3 rd matching share of DISCOMs to FC Grant	-	66.67	50.00	50.00	166.67
6	DISCOMs own Contribution	-	133.33	350.00	550.00	1033.33
	Sub-total (5+6)	-	200.00	400.00	600.00	1200.00
C	Total (A+B)	300.00	600.00	650.00	850.00	2400.00

43. Out of Rs.1200.00 crore to be provided by Govt. Rs.666.67 crore will carry 0% interest which will be converted to grant subject to achievement of AT & C loss target of 3% per annum and after full utilisation. The balance Rs.533 crore will carry 4% interest. The repayment period of loan is 15 years with a moratorium period of 5 years secured through Escrow mechanism.

Progress Status:

44. From the date of notification of this CAPEX programme, the following progresses have been achieved till the end of February 2015:
- (a) DISCOMs have floated tender of worth Rs.893.01 crore (WESCO - Rs. 190.03 Crore, NESCO- Rs. 192.30 crore, SOUTHCO- Rs. 127.11 crore and CESU – Rs. 383.57 crore) for supply as well as turnkey projects.
- (b) Purchase Orders worth Rs.482.41crore have been placed for procurement of materials such as Power Transformers, A.B. Cable, Conductor, VCB and D.T etc. and turnkey Works orders worth Rs.369.14 crore have been placed for execution of erection works. In total Rs.851.55 crore orders have been placed.
- (c) Govt. of Odisha has been released **Rs.680.83 Crore** and out of which **Rs.470.82 Crore** have been spent by DISCOMs towards procurement of equipments and erection works till 11.03.2015. The details are furnished below:

Fund Released by Govt.		Amounts Spent by DISCOMs	
Financial Year	Amts(Rs. Cr)	DISCOMs	Amts(Rs. Cr)
2010-11	205.00	CESU	226.90
2011-12	215.83	WESCO	86.78
2012-13	135.00	NESCO	85.20
2013-14	125.00	SOUTHCO	71.94
Total	680.83	Total	470.82

Reasons of delay in execution of the programme:

45. The achievement could not be made as per schedule due to following major bottlenecks encountered during the implementation:
- i. The programme started functioning during 3rd quarter of FY 2010-11 at Govt. level.
- ii. Reconstitution of Technical Committee to scrutinize and finalize the Technical matter including specification of material/equipment.

- iii. Delay in finalization of Technical Specification of equipment/ materials, commercial terms and condition of turnkey projects.
- iv. Poor response to the tenders led to relaxation of terms and conditions time to time laid down in both Technical and Commercial specification and re-tendering of some of the major items in order to increase more participation.
- v. DISCOMs had lack of organizational capability to handle such bigger size CAPEX. However they have developed over the period.
- vi. Non-availability of adequate number of contractor to execute the work. As the capital expenditure in the last one decade was insignificant, contractors have not developed to taken up this work in electricity distribution sector.
- vii. The Programme also got delayed because of inability on the part of the WESCO, NESCO & SOUTHCO to arrange necessary counter-part funds for the Project.

In view of the reasons of delay stated above, the scheme period is extended upto FY 2015-16 vide notification dated 08-08-2013. The revised source of funding is given below:

(Rs. Crore)

Sl No	Sources	Financial Year					
		2011-12	2012-13	2013-14	2014-15	2015-16	Total
A	State Govt. Funding						
1	Financial Commission Grant (FCG)	125.00	125.00	125.00	125.00	-	500.00
2	1/3 rd matching share of State Govt. to FC Grant	20.00	-	73.33	73.34	-	166.67
3	1/3 rd matching share of GRIDCO (State Govt. Loan) to FC Grant	20.00	-	73.33	73.34	-	167.67
4	State's own Contribution	255.83	10.00	50.00	50.83	-	366.66
	Sub-total (1+2+3+4)	420.83	135.00	321.66	322.51	-	1200.00
B	DISCOMs Counterpart Funding						
5	1/3 rd DISCOMs share to FC Grant	-	-	83.34	83.33	-	166.67
6	DISCOMs own Contribution	-	-	-	133.33	900.00	1033.33
	Sub-total (5+6)	-	-	83.34	216.66	900.00	1200.00
C	Total (A+B)	420.83	135.00	405.00	539.17	900.00	2400.00

Accelerated Power Development Reform Programme (APDRP)

46. Licensees in their filling have submitted that no amount has been estimated to be spent under APDRP scheme during the ensuing year FY 2015-16. The interest liability on

APDRP has been considered on the adjusting loan only @ 12% for Govt. of Odisha loan and @13.5% on the loan received from REC/ PFC.

47. The interest liability on loans from GoO & REC/PFC is computed on the basis of the actual expenditure of APDRP during the current year and balance expenditure to be incurred during the ensuing year. The DISCOMs have not projected any receipts on account of APDRP loan from GoO or REC/PFC during the years FY 2014-15 & 2015-16. They have already utilized the amounts received during the previous years. Accordingly, the loans availed and anticipated receipts along with approved interest for FY 2015-16 are tabulated below:

APDRP	(Rs. in Cr.)										
	Balance upto FY 2013-14		Receipt during FY 2014-15 & 2015-16		Repayment during FY 2014-15 & 2015-16		Balance upto FY 2015-16		Interest due for FY 2015-16		Total interest approved for FY 2015-16
	GoO	REC/ PFC	GoO	REC/ PFC	GoO	REC/ PFC	GoO	REC/ PFC	GoO	REC/ PFC	
WESCO	11.48	4.19	-	-	-	1.98	11.48	2.21	1.38	0.43	
NESCO	6.36	-	-	-	-	-	6.36	-	0.76	-	0.76
SOUTHCO	6.63	2.18	-	-	0.33	0.51	6.30	1.67	0.78	0.21	0.99
CESU	37.09	12.46	-	-	-	7.09	37.09	5.37	4.45	1.07	5.52

System Improvement Scheme

48. WESCO, NESCO, SOUTHCO and CESU have not planned to avail any long-term loan during FY 2015-16 for funding the System Improvement Schemes. Till the end of December, 2014 DISCOMs have not received any amount on the said scheme. WESCO & SOUTHCO have proposed to repay the loan of Rs.2.04 cr. and Rs.2.14 cr. respectively in the FY 2014-15 and 2015-16. Considering the above repayment schedule Commission therefore allows the following interest on the continuing loan only under the System Improvement Scheme to WESCO, NESCO and SOUTHCO to be included in the revenue requirement for FY 2015-16 as indicated below:

(Rs. in Cr.)

System Improvement scheme	Opening Balance as on 1.04.2014	Proposed Loan for FY 2014-15	Loan received from REC till Dec 14	Anticipated repayment during 2014-15	Balance as on 31.03.2015	Proposed Loan for FY 2015-16	Anticipated repayment during 2015-16	Balance as on 31.03.2016	Interest for FY 2015-16 (Approved)
CESU	-	-	-	-	-	-	-	-	-
WESCO	8.16	-	-	2.04	6.12	-	2.04	4.08	0.69
NESCO	-	-	-	-	-	-	-	-	-
SOUTHCO	5.95	-	-	2.14	3.81	-	2.14	1.67	0.37

49. Truing up upto 2013-14

Commission carries out the true up of the expenses allowed in the previous ARR with the annual audited accounts as available for that year along with the ARR for the ensuing year. The Commission finalised the truing up upto FY 2013-14, for all DISCOMs during the finalisation of ARR for FY 2015-16.

- Since the licensees did not file truing up within schedule time, the Commission decided to undertake the truing up exercise based on the audited accounts for the FY 2013-14. Hon'ble ATE in its order dated 11.02.2014 in appeal No.112, 113 and 114 of 2013 (regarding challenging of RST order of the Commission for FY 2013-14) settled the issue of truing up for FY 2011-12 and decided in favour of the appellant. Every item of expenditure in the truing up have been considered as per the audited account submitted by the licensees and MYT principles except the revenue which is assessed on the basis of benchmark distribution loss in the Business Plan. The summary of true up over the years is tabulated below:

True up of DISCOMs upto 2013-14

(Rs. in Cr.)

	WESCO	NESCO	SOUTHCO	CESU
1999-00	(21.68)	(65.79)	(55.97)	(172.64)
2000-01	(50.78)	(53.43)	(50.45)	(86.73)
2001-02	8.85	(83.28)	(34.85)	(30.02)

2002-03	36.36	(21.92)	(18.34)	(68.63)
2003-04	48.19	(21.31)	(38.84)	(59.19)
2004-05	32.86	(64.90)	(86.51)	(2.73)
2005-06	123.32	54.39	4.75	99.49
2006-07	107.45	70.07	(26.74)	26.82
2007-08	149.13	87.14	43.66	165.69
2008-09	192.68	69.28	67.89	67.00
2009-10	241.74	167.07	66.16	132.02
2010-11	355.33	180.10	128.77	319.35
2011-12	391.88	227.71	201.15	263.48
2012-13	440.01	159.63	157.70	258.10
2013-14	681.29	393.27	148.38	376.74
TOTAL	2736.63	1098.00	506.74	1288.75
Regulatory Assets allowed				
2006-07	0.00	41.36	31.91	0.00
2007-08	0.00	41.36	31.91	43.23
2008-09	0.00	65.00	0.00	118.00
2009-10	0.00	0.00	19.00	151.00
2011-12			35.00	7.30
2012-13			9.00	
22013-14				
Total Regulatory Assets allowed	0.00	147.72	126.82	319.53
NET TOTAL	2736.63	1245.72	633.56	1608.28

50. **Renewable Purchase obligation**

- OERC in its order dt 30.09.2010 vide Case No. 59/2010 has issued a Regulation fixing the RPO in the State of Odisha. Every Obligated Entity shall purchase not less than 5% of its total annual consumption of energy from co-generation and renewable energy sources under the RPO Regulations from 2011-12 onwards with 0.5 percentage increase every year thereafter, till 2015-16 or as reviewed by the Commission even earlier, if any. Provided that 0.10 percentages out of the RPO so specified in the year 2011-12 shall be procured from generation based on solar as renewable energy source and shall be increased at a rate of 0.05 percentage every year thereafter till 2015-16 or as reviewed by the Commission even earlier, if any. Accordingly, the year and source wise RPO would be as below:

Year-wise target	Minimum quantum of purchase in percentage (in terms of energy consumption in the State in KWH)			
	Renewable		Co-generation	Total
	Solar	Non-solar		
2009-10 (Actual)	-	0.80	3.45	4.25
2010-11	-	1.0	3.50	4.5
2011-12	0.10	1.20	3.70	5.0
2012-13	0.15	1.40	3.95	5.5
2013-14	0.20	1.60	4.20	6.0
2014-15	0.25	1.80	4.45	6.5
2015-16	0.30	2.00	4.70	7.0

- The Co-generation and renewable energy sources excepting roof-top Solar PV and bio-gas sources shall be connected to the State Grid at a voltage level of 132 KV or 33 KV or 11 KV subject to technical suitability determined by the licensee. If any dispute arises about the technical suitability of connection of such sources with the grid, the matter shall be referred to the Commission whose decision in this regard shall be final.
- The Commission, vide its order dated 18-11-2010, designated OREDA as State Agency for accreditation and recommending the renewable energy projects for registration and to undertake to function under OERC (Renewable and Co-Gen purchase obligation and it's compliance) Regulation 2010.

51. **Renewable Sources of Energy and Tariff**

As per the estimation of Odisha Renewable Energy Development Agency (OREDA), the Nodal Agency for development of Renewable Energy Sources, the RE power potential of the state is about 16430 MW, where as per the estimation of WISE, the RE potential of the state is about 7874 MW as shown in the table below.

RE power potential of Odisha

Sl. No	Sources	RE Potential assessed by OREDA (in MW)	RE Potential assessed by WISE (in MW)
1	Wind Energy	1700	2430
2	Biomass Power	350	240
3	Micro/ Mini /Small hydro	360	184
4	Municipal Solid / liquid waste	20	20
5	Solar	14000	5000

The Commission in its order dated 14.09.2010 in Case No. 37/2008 have approved following levellized generic tariff for various renewable sources applicable for the project to be commissioned during the Control period from 2010-11 to 2012-13. The Commission may however review the generic tariff for Sollar PV and Solar Thermal annually owing to the changing Capital Cost benchmark. The levellized generic tariff for various renewable sources of energy having “Single part tariff” is approved as in the following table:

Particular	Levellised Total Tariff (for the control period 2010-11 to 2012-13) (Rs./kWh)	Benefit of Accelerated Depreciation (if availed) (Rs./kWh)	Net Levellised Tariff (upon adjusting for Accelerated Depreciation benefit) (if availed) (Rs./kWh)	Tariff Period (Years)
Wind Energy	5.31	(0.83)	4.48	13
SHP projects of 5 to 25 MW capacity	3.64	(0.55)	3.09	13
SHP projects below 5 MW capacity	3.91	(0.60)	3.31	35
Solar PV	17.80	(3.03)	14.77	25
Solar Thermal	14.73	(2.41)	12.32	25

The levellized generic tariff for various renewable sources of energy having “Single part tariff with two components” was approved as in the following table:

Particular	Levellized fixed component of Tariff (Rs./kWh)	Variable(Fuel) Component of tariff for FY 2010-11	Effective tariff for FY 2010-11	Benefit of Accelerated depreciation (if availed) (Rs./kWh)	Net Tariff (Rs./kWh)
Biomass	1.95	2.14	4.09	(0.21)	3.88
Non-fossil fuel based co-generation	2.26	2.14	4.40	(0.28)	4.12

Note: 1. For Biomass projects the tariff approved above including levellized fixed component and variable (fuel component) for FY 2010-11 has been shown. The

approved tariff year-wise for entire tariff period i.e.13 years is shown in the output table at Appendix-3 of the detailed Order.

2. For Non-fossil fuel based co-generation projects the above approved tariff including levelled fixed component and variable (fuel component) for FY 2010-11 has been shown. The approved tariff year-wise for entire tariff period i.e.13 years is shown in the output table at Appendix-4 of the detailed Order.

Further, the Commission in its order dated 23.09.2011 in Case No. 151-155/2010 has revised the generic tariff of Bio-mass projects commissioned during the control period of 2010-11 to 2012-13 as given in the table below:

Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Variable tariff	2.92	3.06	3.21	3.37	3.54	3.72	3.91	4.10	4.31	4.52	4.75	4.99	5.24
Levelled fixed Tariff	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95
Year-wise Tariff	4.87	5.01	5.16	5.32	5.49	5.67	5.86	6.05	6.26	6.47	6.70	6.94	7.19
Benefit of Accel. Deprn	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21
Year-wise tariff after Accel Deprn.	4.66	4.80	4.95	5.11	5.28	5.46	5.65	5.84	6.05	6.26	6.49	6.73	6.98

The Commission vide its order dated 20.06.2012 in Case No. 1 of 2012 has re-determined the generic tariff of Solar PV and Solar Thermal Projects commissioned during the FY 2012-13 as given in the table below.

Particular	Levelled Tariff (Rs./kWh)	Benefit of Accelerated Depreciation (Rs./kWh)	Net Levelled Tariff (Benefit of Accelerated Depreciation if availed) (Rs./kWh)	Tariff Period (Years)
Solar PV	13.34	(1.75)	11.59	12
	8.74	-	8.74	13
Solar Thermal	14.81	(1.96)	12.85	12
	10.91	-	10.91	13

In a Suo-motu proceeding for finalization of Generic Tariff of Renewable Energy Sources including Cogeneration for the Second Control Period from 2013-14 to 2017-18 in Case No 80 of 2013, the Commission passed an Order on 15.01.2014 which is applicable to the Renewable Power Projects to be set up in the State of Odisha for the Second Control Period from 2013-14 to 2017-

The summary of the Generic tariff for renewable technologies for the second control period from 2013-14 to 2017-18 is as follows:

- (i) The levellized generic tariff for various renewable sources of energy having “Single part tariff” is approved as in the following table:

Particular	Levellised Total Tariff (for the 1 st year of current control period (Rs./kWh)	Benefit of Accelerated Depreciation (Rs./kWh)	Net Levellised Tariff (upon adjusting for Accelerated Depreciation benefit) (Rs./kWh)	Tariff Period (Years)
Wind Energy	6.24	(0.45)	5.79	13
SHP projects of 5 to 25 MW capacity	4.26	(0.48)	3.78	25
SHP projects below 5 MW capacity	4.89	(0.52)	4.37	25
Solar PV	11.44	(1.12)	10.32	First 12 yrs
	6.78	-	6.78	Next 13 yrs
Solar Thermal	9.52	(1.70)	7.82	First 12 yrs
	5.26	-	5.26	Next 13 yrs

- (ii) The levellized generic tariff for various renewable sources of energy having “Single part tariff with two components “ is approved as in the following table:

Particular	Levellized fixed component of Tariff (Rs./kWh)	Variable(Fuel) Component of tariff	Effective tariff	Benefit of Accelerated depreciation (Rs./kWh)	Net Tariff (Rs./kWh)
Biomass	2.13	3.20	5.33	(0.15)	5.18
Non-fossil fuel based co-generation	2.34	2.77	5.11	(0.28)	4.83

Note: 1. For Biomass projects, the tariff approved above including levellized fixed component and variable (fuel component) for FY 2013-14 has been shown. The approved tariff year-wise for entire tariff period i.e.13 years is shown in the output table at Appendix-3.

2. For Non-fossil fuel based co-generation projects the above approved tariff including levellized fixed component and variable (fuel component) for FY 2013-14 has been shown. The approved tariff year-wise for entire tariff period i.e.13 years is shown in the output table at Appendix-4.

- The impact of additional power purchase cost arising out of meeting the RPO obligation shall be factored in to the ARR of GRIDCO each year.
- The Commission shall take into consideration any incentive or subsidy offered by the Government of India/State Govt. including accelerated depreciation benefit if to be availed by the developer for the renewable energy power plants and such benefits shall be passed on to the consumers of the State.
- **Rebate:** For payment of bills of the RE Power Projects through letter of credit or by cash within two working days (except holidays under N.I. Act), a rebate of 2%

shall be allowed. Where payments are made other than through letter of credit within a period of one month of presentation of bills by the generating company, a rebate of 1% shall be allowed.

- **Late Payment Surcharge:** In case the payment of any bill for charges payable under these Guidelines is delayed beyond a period of 60 days from the date of billing, a late payment surcharge at the rate of 1.25% per month shall be levied by the generating company.

52. **Power Purchase from Renewable Sources:
Small Hydro Sources:**

- Considering the proposal of GRIDCO, the Commission has allowed GRIDCO to purchase 320 MU of renewable energy from these two SHEPs for consumption in the state during FY 2015-16.

Proposed Drawl from Small Hydro Sources for FY 2015-16

Sl. No.	Name of the SHEPs	Installed Capacity (MW)	Energy drawal during the 1st six months of 2014-15 (MU)	Proposed Energy procurement for FY 2015-16 (MU)
1.	Meenaskhi Small Hydro	37	128.86	210.00
2.	SAMAL Small Hydro	20	55.45	110.00
	Total		184.31	320.00

53. **Bio-mass Energy:**

GRIDCO in its ARR application had proposed to purchase 160 MU of renewable energy from biomass sources ie. 100 MU from M/s. Salivahan Green Ltd. and 60 MU from M/s. Octant Industries Ltd. during the FY 2015-16. However, in a reply to the Commission's query, GRIDCO submitted that as per the latest Status Report furnished by M/s. Octant Industries Ltd., the 10 MW Biomass Plant, being developed by them at Sansinghari near Sambalpur is expected to be commissioned by September 2015. Hence, GRIDCO is expected to procure about 25 MU of power from this Biomass Plant during FY 2015-16 in place of 60 MU proposed earlier. Accordingly, the energy availability from both the plants is estimated at 125 MU during FY 2015-16. The commission approves the above proposal of GRIDCO as given in the table below.

Drawal from Bio-mass Energy Sources for FY 2015-16

Sl. No.	Name of the Plants	Installed Capacity (MW)	Proposed Energy procurement for FY 2015-16 (MU)	Available Energy Approved by OERC for FY 2015-16 (MU)
1.	M/s. Shalivahan Green Energy Limited	20	100	100
2.	M/s Octant Industries Ltd.	10	25	25
	Total	30	125	125

54. **Solar Energy:**

2. In its submission, GRIDCO is hopeful to procure 127 MU of Solar Energy from the following sources to meet its Solar Power Purchase Obligation during the FY 2015-16.

- (i) 13 MU from 8 Nos. of Solar PV Projects of 1 MW capacity each commissioned in the State under 'Rooftop PV and Small Solar Power Generation Programme' (RPSSGP) guidelines of MNRE, GoI.
- (ii) 25 MU from 15 MW Solar capacity as per the Power Sale Agreement (PSA) executed with NTPC Vidyut Vyapar Nigam Limited (NVVNL) on 12th January 2011 under 'New Projects Scheme' under Phase-1 of Jawaharlal Nehru National Solar Mission (JNNSM) where Solar capacity bundled with equal quantum of thermal capacity from the unallocated quota of the NTPC Coal Based Stations available to GRIDCO.
- (iii) 17 MU from 10 MW Solar capacity as per the PPA executed with NTPC on 26.04.2011 to procure Solar power of 5 MW each from Dadri Solar PV project in U.P. & Faridabad Solar PV Project in Haryana.
- (iv) 8 MU will be made available to GRIDCO from the 5 MW Solar PV Project developed by M/s Alex Green Energy Ltd. under OREDA State Scheme at Patnagarh in Bolangir district.
- (v) 42 MU will be made available to GRIDCO from 25 MW Solar PV Project to be developed by M/s ACME Odisha Solar Power Pvt. Ltd. in Bolangir district under OREDA State Scheme Phase-II.
- (vi) 22 MU is expected to be available to GRIDCO during FY 2015-16 from 30 MW Solar Capacity allocated to GRIDCO under Viable Gap Funding (VGF) Scheme under JNNSM Phase-II which is expected to be commissioned by the second half of FY 2015-16.

3. The above proposal of GRIDCO is summarized in the Table below:

Proposed Drawal of Solar Power during FY 2015-16

Sl. No.	Solar RE Sources	Energy Proposed for procurement during FY 2015-16 (MU)
1.	8 Nos. of Solar PV projects of 1 MW each under RPSSGP	13.00
2.	15 MW from NVVN through 'New Projects scheme' under JNNSM, Phase-I	25.00
3.	10 MW through NTPC from Solar PV projects at Dadri & Faridabad of 5 MW each	17.00
4.	5 MW from M/s Alex Green Energy Ltd. under OREDA State Scheme	8.00
5.	25 MW from M/s ACME Odisha Solar Power Pvt. Ltd. under OREDA State Scheme Phase-II	42.00

Sl. No.	Solar RE Sources	Energy Proposed for procurement during FY 2015-16 (MU)
6.	30MW through Solar Energy Corporation of India (SECI) under JNNSM, Phase –II, Batch-I	22.00
	Total	127.00

4. The Commission approves the above proposal of GRIDCO to procure 127.00 MU from Solar RE Sources. Thus, the total procurement of Renewable Energy during FY 2015-16 from Solar, Bio-mass & Small Hydro Sources comes to 572.00 MU. The procurement of energy from Co-generation Plants has been approved at 1224.62 MU. Hence, the total estimated power procurement for the purpose of RCPO comes to 1796.62 MU which is approved by the Commission for State use.
5. The source-wise power procurement from Renewable and Co-generation sources are indicated in the Table below:

Drawal from Renewable Energy Sources during FY 2015-16

Sl. No.	RE Sources	Energy approved for Procurement during FY 2015-16 (MU)	Percentage w.r.t. the total estimated drawl of DISCOMs (%)	RCPO fixed in the Regulation for FY 2015-16 (%)
A.	Non-Solar RE			
(i)	Small Hydro Electric Project (SHEP)	320.00	1.29	
(ii)	Energy from Bio-mass	125.00	0.50	
	Sub-Total (Non-Solar)	445.00	1.79	2.00
B.	Solar RE	127.00	0.51	0.30
C.	Total (Solar & Non-Solar)	572.00	2.31	2.30
D.	Energy from Co-Generation Plants	1224.62	4.94	4.70
E.	Total Energy for RCPO	1796.62	7.24	7.00

(*) Total purchase of DISCOMs has been estimated to 24800 MU.

6. However, the Commission observed that the estimated sale of power to DISCOMs is 24800 MU for state consumption and the estimated quantum of energy available to GRIDCO from Co-generation and Renewable Sources in total is just to meet the Renewable and Co-gen purchase obligation fixed by the Commission for the FY 2015-16. However availability from the non-solar renewable sources falls short from the target fixed by the Commission in its regulation. Therefore, the Commission directed GRIDCO to make reasonable endeavour to encourage renewable power producers and facilitate

them for setting up of renewable power plants such as small hydro, solar, wind and biomass etc., those are available in our State. Otherwise GRIDCO has to purchase REC to compensate the shortfall of renewable energy to meet the RPO, which will put an extra burden on the consumers of our State.

55. **SLDC to function as Independent System Operator (ISO)**

- Section 31 and 32 of the Electricity Act, 2003 contemplate SLDC as an Independent Apex Body to ensure integrated operation of the power system in the State. The Act also provides for financial independence of SLDC under Section 32 (3) by way of levy and collection of fees and charges from generating companies and the licensees using the Intra-State transmissions network. OERC has formulated the OERC (Fees and Charges of SLDC and other related matters) Regulations, 2010 for implementation of levy of annual fee and charges for SLDC functions in Odisha.
- The Commission vide Order dtd. 23.03.2015 approved ARR of Rs.876.605 lakh/annum i.e. Rs.73.05 lakh/month to be recovered through SOC & MOC as under for 2015-16:

56. **System Operation Charges (SOC)**

The System Operation Charges (SOC) of Rs.701.28 lakh/annum or Rs.58.44 lakh/month shall be apportioned for collection from the following stakeholders as under:

- Intra –State Transmission Licensee @ 10% of SOC - Rs.70.13 lakh/ annum or Rs.5.84 lakh/ month.
- Generating Stations & Sellers @ 45% of SOC - Rs.315.58 lakh/annum or Rs.26.30 lakh month.
- DISCOM Utilities & Buyers @ 45% of SOC - Rs.315.58 lakh/annum or Rs.26.30 lakh month.

57. **Market Operation Charges (MOC)**

The Market Operation Charges (MOC) of Rs.175.32 lakh/annum or Rs.14.61 lakh/month shall be apportioned for collection from the following stakeholders as under:

- Generating Stations & Sellers @ 50% of MOC - Rs.87.66 lakh/annum or Rs.7.31 lakh/month
- DISCOM Utilities & Buyers @ 50% of MOC - Rs.87.66 lakh/annum or

58. **Open Access in Transmission and Distribution:**

- OERC has issued OERC (Terms and Conditions for Open Access) Regulations, 2005 on 06.06.2005 for introduction of Open Access to the intra-state transmission and distribution system in Odisha effective from 21.06.2005.
- As per that Regulation, consumers seeking Open Access to the distribution and/or intra-state transmission system can avail supply of electricity exceeding 1 MW from any licensee other than the Distribution Licensee of the respective area of supply w.e.f. 01.04.2008 and from a generating company w.e.f. 01.01.2009.
- The Commission has also issued OERC (Determination of Open Access Charges) Regulation, 2006 on 06.06.2006 which is made effective from 18.07.2006.
- As per this Regulation transmission charges (payable to STU), wheeling charges and cross subsidy surcharges (payable to DISCOMs) are being notified by the Commission for Open Access consumer every financial year w.e.f. FY 2008-09.

Present status of Open Access

- All the STOA applications for inter-State / intra-State Open Access have been processed by SLDC.
- In the year 2009-10, 315 numbers of applications were received for STOA in Inter State Transmission system. Consent had been accorded for 301 numbers of applications. The remaining 14 numbers have been rejected due to non compliance of Provisions of CERC (Open Access in Inter state Transmission) Regulations.
- In the year 2010-11, 132 numbers of applications were received for STOA in Inter State Transmission system. Consent had been accorded for 101 numbers of applications. The remaining 31 numbers have been rejected due to non compliance of Provisions of CERC (Open Access in Inter state Transmission) Regulations.
- In the year 2011-12, 127 numbers of applications were received for STOA in Inter State Transmission system. Consent had been accorded for 104 numbers of applications. The remaining 23 numbers have been rejected.
- 2 nos. of intra-state STOA are allowed.
- In the year 2012-13, 332 numbers of applications were received for STOA / MTOA in Inter State Transmission system. Consent had been accorded for 308 numbers of applications. The remaining 24 numbers have been rejected.

- 8 nos. of intra-state STOA are allowed.
- In the year 2013-14, 739 numbers of applications were received for STOA / MTOA in Inter State Transmission system. Consent had been accorded for 664 numbers of applications. The remaining 75 numbers have been rejected / withdrawn by applicant.
- 19 nos. of intra-state STOA are allowed against total 22 nos. of applications.
- No application is pending with SLDC. Generally the status of the applications is conveyed to the applicant within three days by SLDC as per the Regulation.
- Some of the STOA applications have been denied by SLDC for non-compliance of SCADA and other provisions of Indian Electricity Grid Code (IEGC) and Odisha Grid Code (OGC).
- In the year 2014-15, 1252 numbers of applications were received for STOA / MTOA in Inter State Transmission system. Consent had been accorded for 1200 numbers of applications. The remaining 52 numbers have been rejected / withdrawn by applicants.
- 43 nos. of intra-state STOA are allowed against total 45 nos. of applications received.
- No application is pending with SLDC. Generally the status of the applications is conveyed to the applicant within three days by SLDC as per the Regulation.
- Some of the STOA applications have been denied by SLDC for non-compliance of provisions of Regulation and Indian Electricity Grid Code (IEGC) / Odisha Grid Code (OGC).
- There are two nos. of Intra State long term Open Access consumers such as M/s ICCL and NALCO who have been availing Open Access in State Transmission System since OSEB days.

59. **Franchisee:**

The status of franchisees as on 31st March, 2015 is as given bellow.

Franchisee Activity as on 31st March-2014*					
	CESU	NESCO	WESCO	SOUTHCO	ODISHA
No of Micro-Franchisees	0	11	51	288	350
No of Consumers Covered	0	41446	14201	160184	215831
No of Macro-Franchisees	5	5	3	0	13
No of Consumers	6596	39312	49229	0	95137

Franchisee Activity as on 31st March-2014*					
	CESU	NESCO	WESCO	SOUTHCO	ODISHA
Covered					
No of Input Based-Franchisees	14	1	4	0	19
No of Consumers Covered	1535689	31910	16770	0	1584369
Total no of consumers covered under Franchisee	1542285	112668	80200	160184	1895337

* Based on performance review data.

60. Functioning of the Energy Police Station & Vigilance and Antitheft Measures

The performances of DISCOMs with respect to reducing theft as on 31st March, 2015 for complete year is as given bellow.

Anti Theft Measures*	CESU	NESCO	WESCO	SOUTHCO	All Odisha
No of cases Finalized under Section 126 & 135	1006	10935	7658	7295	27460
Amount Assessed during filing of case (Rs Cr)	16.58	24.36	13.93	17.64	72.51
Amount Finalized (Rs. cr)	16.58	15.31	13.93	8.49	54.31
Amount Collected (Cr.)	10.14	9.64	10.07	5.86	35.72
No of Connections Regularized	19236	1323	21383	109	42051
NO. of FIR Lodged	367	174	88	216	845
No. of illegal consumers prosecuted/Initiated in Court	0	66	50	42	158
Number of disconnections made	0	18772	67213	14684	100669
Revenue realized (Rs. Cr.)	0	22.74	6.52	3.24	32.50

* Based on performance review data.

Monitoring of the performance of the Licensees

Performance Review During the FY 2014-15 – The Commission monitors the performance of the utilities under various financial & technical parameters, including distribution loss, AT&C loss, collection efficiency, license conditions and performance standards, etc. Interruptions in Distribution System are measured in terms of Reliability Indices. The performance of DISCOMs for FY 2014-15 is summarized as follows:-

Overall Performance of DISCOMs

	2011-12		2012-13		2013-14		2014-15		2015-16
	OERC Approval	Actual	OERC Approval	Actual	OERC Approval	Actual	OERC Approval	Actual	OERC Approval
A. DISTRIBUTION LOSS (%)									
CESU	24.00%	38.20%	23.00%	37.00%	23.00%	34.63%	23.00%	33.90%	23.00%
NESCO	18.40%	34.28%	18.35%	34.93%	18.35%	33.84%	18.35%	31.10%	18.35%

	2011-12		2012-13		2013-14		2014-15		2015-16
	OERC Approv al	Actual	OERC Approv al	Actual	OERC Approv al	Actual	OERC Approv al	Actual	OERC Approv al
WESCO	19.70%	38.89 %	19.60%	38.27 %	19.60%	36.68 %	19.60%	35.46%	19.60%
SOUTHCO	26.50%*	46.42 %	25.50%	43.68 %	25.50%	40.99 %	25.50%	39.00%	25.50%
ALL ODISHA	21.71%	38.56 %	21.30%	37.80 %	21.30%	35.88 %	21.38%	34.46%	21.35%
B. COLLECTION EFFICIENCY (%)									
CESU	99.00%	97.14 %	99.00%	93.44 %	99.00%	92.56 %	99.00%	94.33%	99%
NESCO	99.00%	100.56 %	99.00%	91.63 %	99.00%	96.85 %	99.00%	96.96%	99%
WESCO	99.00%	97.13 %	99.00%	92.79 %	99.00%	93.75 %	99.00%	93.76%	99%
SOUTHCO	99.00%	97.80 %	99.00%	93.88 %	99.00%	90.85 %	99.00%	90.75%	99%
ALL ODISHA	99.00%	98.08 %	99.00%	92.86 %	99.00%	94.02 %	99.00%	94.35%	99%
C. AT & C LOSS (%)									
CESU	24.76%	39.97 %	23.77%	41.14 %	23.77%	39.50 %	23.77%	37.65%	23.77%
NESCO	19.22%	33.91 %	19.17%	40.38 %	19.17%	35.93 %	19.17%	33.19%	19.17%
WESCO	20.50%	40.65 %	20.40%	42.72 %	20.40%	40.64 %	20.40%	39.49%	20.40%
SOUTHCO	27.24%	47.60 %	26.25%	47.13 %	26.25%	46.39 %	26.25%	44.64%	26.25%
ALL ODISHA	22.49%	39.74 %	22.09%	42.24 %	22.09%	36.52 %	22.17%	38.16%	22.14%

Note:

Slab rate of energy charges for HT & EHT (Paise/unit)

Load Factor (%)	HT	EHT
= < 60%	525	520
> 60%	420	415

- (xvii) The reconnection charges w.e.f. 01.4.2015 shall continue unaltered

Category of Consumers	Rate Applicable
LT Single Phase Domestic Consumer	Rs.150/-
LT Single Phase other consumer	Rs.400/-
LT 3 Phase consumers	Rs.600/-
All HT & EHT consumers	Rs.3000/-

- (xviii) Energy Charges shall be 10% higher in case of temporary connection compared to the regular connection in respective categories.

- (xix) The meter rent w.e.f. 01.4.2015 shall remain unaltered as follows:

Type of Meter	Monthly Meter Rent (Rs.)
1. Single phase electro- magnetic Kwh meter	20
2. Three phase electro- magnetic Kwh meter	40
3. Three phase electro- magnetic tri-vector meter	1000
4. Tri-vector meter for Railway Traction	1000
5. Single phase Static Kwh meter	40
6. Three Phase Static Kwh meter	150
7. Three phase Static Tri-vector meter	1000
8. Three phase Static Bi-vector meter	1000
9. LT Single phase AMR/AMI Compliant meter	50
10. LT Three phase AMR/AMI compliant meter	150

Note: Meter rent for meter supplied by DISCOMs shall be collected for a period of 60 months only. Once it is collected for sixty months meter rent collection should stop.

- (xx) A Reliability surcharge @ 10 paise per unit will continue for HT and EHT consumers availing power irrespective of nature of feeder. This surcharge @ 10 paise per unit shall be charged if reliability index is more than 99% and above and voltage profile at consumer end remains within the stipulated limit. (For details see the order)
- (xxi) Prospective small consumers requiring new LT single phase connection upto and including 5 kW load shall only pay a flat charge of Rs.1500/- as service connection charges towards new connection excluding security deposit as applicable as well as processing fee of Rs.25/-. The service connection charges include the cost of material and supervision charges.

- (xxii) A “Tatkal Scheme” for new connection is applicable to LT Domestic, Agricultural and General Purpose consumers.
- (xxiii) In case of installation with static meter/meter with provision of recording demand, the recorded demand rounded to nearest 0.5 KW shall be considered as the contract demand requiring no verification irrespective of the agreement. Therefore, for the purpose of calculation of Monthly Minimum Fixed Charge (MMFC) for the connected load below 110 KVA, the above shall form the basis.
- (xxiv) The billing demand in respect of consumer with Contract Demand of less than 110 KVA should be the highest demand recorded in the meter during the Financial Year irrespective of the Connected Load, which shall require no verification.
- (xxv) Three phase consumers with static meters are allowed to avail TOD rebate excluding Public Lighting and emergency supply to CGP @ 20 paise/unit for energy consumed during off peak hours. Off peak hours has been defined as **12 Midnight to 6 AM** of next day.
- (xxvi) Hostels attached to the Schools recognised and run by SC/ST Dept., Govt. of Odisha shall get a rebate of Rs.2.40 paise per unit in energy charge under Specified Public Purpose category (LT / HT) which shall be over and above the normal rebate for which they are eligible.
- (xxvii) Swajala Dhara consumers under Public Water Works and Sewerage Pumping Installation category shall get special 10% rebate if electricity bills are paid within due date over and above normal rebate.
- (xxviii) Drawal by the industries during off-peak hours upto 120% of Contract Demand without levy of any penalty has been allowed. “Off-peak hours” for the purpose of tariff is defined as from **12 Midnight to 6.00 A.M.** of the next day. The consumers who draw beyond their contract demand during hours other than the off-peak hours shall not be eligible for this benefit. If the drawal in the off peak hours exceeds 120% of the contract demand, overdrawal penalty shall be charged over and above the 120% of contract demand. When Statutory Load Regulation is imposed then restricted demand shall be treated as contract demand.
- (xxix) General purpose consumers with Contract Demand (CD) < 70 KVA shall be treated as LT consumers for tariff purposes irrespective of level of supply voltage. As per Regulation 76 (1) (c) of OERC Distribution (Conditions of Supply) Code, 2004 the

supply for load above 5 KW upto and including 70 KVA shall be in 2-phase, 3-wires or 3-phase, 3 or 4 wires at 400 volts between phases.

(xxx) Own Your Transformer – “OYT Scheme” is intended for the existing individual LT domestic, individual/Group General Purpose consumers who would like to avail single point supply by owning their distribution transformer. In such a case licensee would extend a special concession of 5% rebate on the total electricity bill (except electricity duty and meter rent) of the respective category apart from the normal rebate on the payment of the bill by the due date. If the payment is not made within due date no rebate, either normal or special is payable. The maintenance of the ‘OYT’ transformer shall be made by DISCOM utilities. For removal of doubt it is clarified that the “OYT Scheme” is not applicable to any existing or new HT/EHT consumer.

(xxxi) Power factor penalty shall be

iv) 0.5% for every 1% fall from 92% upto and including 70% plus

v) 1% for every 1% fall below 70% upto and including 30% plus

vi) 2% for every 1% fall below 30%

The penalty shall be on the monthly demand charges and energy charges

There shall not be any power factor penalty for leading power factor. (Please see the detailed order for the category of consumers on whom power factor penalty shall be levied.)

(xxxii) The power factor incentive shall be applicable to the consumers who pay power factor penalty in the following rate:

The rate of power factor incentive shall be 0.5% for every 1% rise above the PF of 97% up to and including 100% on the monthly demand charges and energy charges.

(xxxiii) The printout of the record of the static meter relating to MD, PF, number and period of interruption shall be supplied to the consumer wherever possible with a payment of Rs.500/- by the consumer for monthly record.

(xxxiv) Tariff as approved shall be applicable in addition to other charges as approved in this Tariff order w.e.f. 01.4.2015. However, for the month of April, 2015 the pre-revised tariff shall be applicable if meter reading / billing date is on or before 15.4.2015. The revised tariff shall be applicable if meter reading/billing date is on 16.4.2015 or afterwards. The billing cycle as existing shall not be violated by the DISCOM utilities.

ENGINEERING DIVISION

A Major Activities of Engineering Section (FY 2014-15)

This Division provides vital technical input for grant, revocation, amendment or exemption from license. It monitors the performance of the utilities [i.e. Bulk Supply (Trading) Licensee, Transmission Licensee and Distribution Licensees] under various technical parameters, including license conditions and performance standards. Interruptions in Distribution System are measured in term of Interruption Reliability Indices (known as SAIFI, SAIDI and MAIFI), for which the Distribution Licensees submit their monthly, quarterly and annual performance report including the interruption ones in a report every quarter and a consolidated annual report in every financial year. This Division also looks into general complaints of technical nature affecting large areas / industrial / group of consumers.

1. The Annual Guaranteed and Overall Performance report for the year 2013-14 were submitted by the DISCOMs. The consolidated Annual Guaranteed Performance report was published in the OERC website and Overall Performance report was published in daily newspapers on 11.12.2014 and also in the OERC website. The Overall Standards of Performance of DISCOMs, as reported and furnished through affidavit for the year 2013-14 is placed as **ANNEXURE-1**.
2. OPTCL has inherited from GRIDCO a considerable ageing transmission network. Continuous up-gradation and regular repairs and maintenance are required to keep the network in a safe and operational condition and to meet the growing requirements of DISCOMs' demand as well as to fulfill the Commission's and consumers' expectations on quality of supply, performance standards and availability of transmission network. As a result of this, the Commission, over the past several years, has been approving new transmission projects and also allowing a significantly higher amount for R&M expenses for encouraging the Licensee to undertake regular & adequate maintenance. Timely maintenance of equipment can prolong the longevity of the equipments, reduce downtime and provide quality supply.
3. The Commission has directed OPTCL that DISCOMs are to be intimated well before the completion of any transmission project so that they should be prepared for receiving power from those and accordingly build their downstream distribution lines for evacuation of power. OPTCL should discuss with the DISCOMs before submission of transmission project for approval of OERC, so that the investment on s/s should be well justified and not be left idle due to non-completion inter linking transmission/distribution

lines. The equity infusion is required to be balanced and the assets so created should be utilized in a productive manner. Further, OPTCL should regularly monitor the progress of all its on-going projects to avoid in-ordinate delay. Projects should be completed within the time schedule to avoid cost and time over-run and overloading of existing system due to growth in demand. OPTCL should prioritize the projects in terms of requirement and draw a phase wise project implantation schedule with specific time-line.

4. OPTCL should take steps for annual audit of the store materials. Ideally there should be zero inventory barring some materials required to attend breakdowns.
5. The Commission directed DISCOMs to come up with a plan of measures to reduce distribution loss, increase billing efficiency particularly in LT and also enhance Collection Efficiency in the short run as well as long run.
6. DISCOMs should introduce the proven/tested technology available in the market to reduce human interface to increase revenue. A plan of action of introduction of Technological Intervention and adoption of new technology should be in place focusing on methods of loss reduction and revenue enhancement mechanism.
7. DISCOMs should take appropriate action for acceptance of the technology/concept of Smart Meters by the consumers. Proper communication/awareness programmes should be conducted by the DISCOMs prior to its introduction. The consumer should know that it is only an additional benefit without paying any extra cost. In any case, consumer's confidence on the system is required for its successful implementation.
8. DISCOMs should maintain a detailed profile of the consumers and have an automatic system of response through SMS. The consumer indexation with GPS is to be completed on a priority basis for which preparatory work should be completed on computerization of all the consumers at the earliest. The Commission directs DISCOMs to conduct Energy Audit starting from the 33/11 kV S/S covering up to the consumer down the line.
9. In order to extend quality & reliable power to the consumers of the state, distribution licensees are to comply the following recommendations:
 - Pro-active action for disconnection of such consumers whose bills are not paid continuously (including Govt Connections). Apart from that, initiatives should be taken to install pre-paid meters in all Govt. Offices in accordance with the decision of the Govt. of Odisha.
 - Service rules consistent with Act may be framed keeping in mind the ways to elicit accountability and productivity from the employees.
 - In case of smart metering scheme, DISCOMs are directed not to charge cost of meter or meter rent for such consumers who have been provided with smart meter with remote connection and disconnection.

- The billing and collection should be computerized upto section level, i.e. billing/collection computer centre should be made available at the section level.
- The sub-stations in the DISCOM network should be renovated and it should be technologically upgraded to the level of the national standard.
- The Standard of Performance should be verified by a third party on behalf of licensee itself.
- All utilities should initiate actions for self evaluation of practices and procedures through rating agencies.
- Completion of computerization of metering, billing, collection system in their respective areas.
- The DISCOMs should make full utilisation of the amount allocated last year in the head of smart grid installation in line with the direction in the RST Order for 2014-15.
- The DISCOM should ensure that the safety during operation and maintenance is not compromise. They should ensure that the persons holding the supervisory/workman license issued by ELBO are engaged in the O&M activities.
- The DISCOMs should ensure that the Standard of Performance in the OERC (Licensees' Standard of Performance) Regulation, 2004 are displayed prominently at all section offices and bill collection counters.
- The DISCOMs should establish centralised customer care centres at urban and suburban areas also.
- The DISCOM should fulfil their obligation of energy conservation and DSM activities under OERC (DSM) Regulation, 2011.
- The DISCOMs should undertake the exercise of audit of receivables from 01.04.2005 onwards till 30.03.2014 by independent auditors.

The Commission expects that with continuous monitoring, the system will revive and continue to give good service to the consumers.

10. The Engg. Division took up the following other activities during the FY 2014-15:

a) Amendment of Orissa Grid Code (OGC) Regulations, 2006

The Commission has framed the Orissa Grid Code (OGC) Regulation, 2006 (effective 14.06.06) and has amended the same from time to time based upon the proposals from the stakeholder, recommendations of the Grid Coordination Committee and orders of OERC issued in different cases for its amendment. The OGC, 2006 was framed when IEGC, 2006 was in force. Now, various new developments have cropped up in view of CERC orders/guidelines, CEA Regulations on grid connectivity, Manual on Transmission Planning Criteria, Stringent Frequency Condition for Operational Safety and Grid Discipline, connectivity of the renewable generators with the grid and Scheduling/ Despatch thereof etc. These new developments associated with framing of IEGC, 2010 necessitates that the OGC, 2006 be amended to make them compatible with the new developments. With the aforesaid objective, the Commission as per section 181(3) of the Electricity Act, 2003, circulated the draft OGC -2014 and has invited

opinion from the stake holders through the previous publication. The Commission has received the response of some stakeholders. The same is under scrutiny and approved Odisha Grid Code Regulations 2015 will be published shortly in the official gazette for information of all concerned.

b) Amendment of the prescribed Schedule of Fees by the Licensees:

As per licence condition 25.4(b) and 31.3(b) of the Transmission and Distribution Licences respectively, the Commission has reviewed the amount of licence fee paid by different licensees. Thereafter, the licence fee for OPTCL, NESCO, WESCO, SOUTHCO, CESU, GRIDCO (Undertaking Bulk Supply and Trading activity) and intra state traders has been revised, which was notified in the extraordinary Odisha Gazette no. 306 dated 28.02.2015 for information of all concerned.

c) Amendment to OERC Distribution (Conditions of Supply) Code,2004

The Irrigation Pumping and Agriculture category has been devised to supply power to irrigation pumps in rural areas. Tariff for the category mentioned above is intended to promote Agriculture by marginal farmers in rural areas when tariff subsidy is not at present available. It has come to the notice of the Commission that the present regulation by not making a distinction between the capacities of pump are misused by persons other than farmers through extraction of ground water using higher capacity pumps for commercial purpose and enjoying concessional tariff. This was obviously not the purpose for which the Regulation has been framed. Therefore, it was felt not only desirable but also necessary for amendment to the earlier provision in the Supply Code. Hence, the amendment to the present Regulation 80 (5) (i) of OERC Distribution (Supply Code), 2004 has been made. The Commission has, therefore, notified the amendment in the extraordinary Odisha Gazette no. 125 dated 22.01.2015 for information of the general public.

d) Publication of System Performance during FY 2013-14 of OPTCL

The annual system performance of OPTCL for the year 2013-14 was submitted by OPTCL on 14.07.2014 and subsequently the supporting data. The consolidated statement of system performance was examined and approved along with the observations by OERC on 08.10.2014 for publication.

The summery findings of Transmission and Bulk Supply Performance as submitted by OPTCL are as below:

- i) The annual peak demand of OPTCL was 3705 MW during 2013-14 as compared to 3580 MW during 2012-13.

- ii) GRIDCO had drawn 17524.92 MU from the State sector and 7537.977 MU from the Central sector and 128.759 MU as net banking and IEX power import during 2013-14, whereas it had drawn 16310.39 MU, 7605.497 MU and 185.794 MU respectively from the State, Central sector and banking power during 2012-13.
 - iii) During this period, OPTCL made addition of 144.346 Ckt km of 220 kV lines and 174.055 Ckt km of 132 kV lines. As on 01.04.2014, OPTCL is having total 518.234 ckt. km of 400 KV lines, 5730.334 ckt. km of 220 KV lines and 5455.911 ckt km of 132 KV lines. There was capacity addition of 1 nos. of 200//132/33 KV S/S, 1 nos. of 200/33 KV S/S, 4 nos. of 132/33/11 KV S/S and 1 nos. of 132 kV LILO S/S of industries during the said period.
 - iv) During 2013-14, 13.33 hours of load restriction was clamped on rotation basis to curtail demand due to non-availability of generation/failure of generating stations and no restriction was clamped due to non-availability of transmission capacity. Also, there was no rescheduling of generation on account of non-availability of transmission capacity.
- e) **Other important tasks carried out by the Engineering Division during 2013-14 include:**
- i. Annual System Performance of OPTCL.
 - ii. Long Term Demand Forecast and Transmission Plan for the State of Orissa.
 - iii. Finalization of Intra Sate Transmission plan.
 - iv. Amendment of Orissa Grid Code.
 - v. Amendment of OERC (Conditions of Supply) Code, 2004.
 - vi. Order on net metering/ bi-directional metering and their connectivity with respect to roof top solar PV projects.
 - vii. CEA, CERC, FOR, Assembly Questions, Parliament Questions.
 - viii. General Consumer Complaints.
 - ix. Monitoring of License Fees.
 - x. Technical visit to licensee area, S/S and Electrical Installation.
 - xi. Energy Conservation and DSM.
 - xii. Renewable Energy Certificate Mechanism
 - xiii. Investment approval of the licensees.
 - xiv. Inspection of GRF, Consumer Interface and Workshop in distribution licensees on various issues.

B. Major Activities of IT section (FY 2014-15)

1. Design, Development and Implementation of a Web-based System on GRF Orders

OERC had been urging the discoms since long to put the case orders of their respective GRFs (Grievance Redressal Forums) on their website. Finding no progress on the subject, the Commission decided to take up the project on its own. Though the task was huge and the resources at hand were limited, the IT section took this as a challenge and acted in a mission mode for 4-5 months to design, develop and implement the web-based system on GRF orders.

This system gets the case orders in soft form from 12 GRFs across Odisha every week and these are processed, formatted and put in the system for enabling the users to view /query the orders on the basis of various parameters like category of complaint, regulation & clause involved, divisions, period etc. Presently, all the orders from January 2014 are available on the website of OERC i.e. www.orierc.org.

This system provides useful and detailed information about the cases which have been disposed off by twelve no. of GRFs in Odisha. It has the following options.

Case Details (With Case No.)

- If you wish to get the details of a Case in a GRF, whose Case No. is known to you, you click on this option.

Case Details (Without Case No.)

- If you wish to get the details of a Case in a GRF, whose Case No. is not known to you, you click on this option. Through this option, you can also group and analyze cases on the basis of the following parameters or a combination of them.
 1. Category of the case (say, 'Billing Disputes' or 'New Connection' or 'Metering' etc.)
 2. Regulation and its Clause(s) involved in the case (for example, 'OERC Distribution (Conditions of Supply Code), 2004' and its clause(s) like 97, 84, 95, 55 etc.)
 3. Licensee / Discom pertaining to the case – You select one or 'ALL' of them,
 4. GRF – You select one or 'ALL' of them,
 5. Cases between two chosen years (i.e. between 'From Year' and 'To Year')

Case Details (With Petitioner / Consumer info.)

- This option is more relevant to a consumer who does not know the case no. but wishes to get the details of a case filed by him/her in the GRF. Through this option, the case details of a consumer / petitioner can be obtained by giving

1. the consumer name (partly or fully) or
2. consumer no. or even, the mobile number of the consumer

Case Disposed off Beyond the Stipulated No. of Days

- Choosing this option, you can generate a list of cases which have been disposed off beyond a stipulated number of days. The number of days for disposing off a case is calculated as the difference between the 'Date of Final Order' and the 'Date of Registration' of the case. The default value for the stipulated number of days is taken as 45.

Division wise Case Summary

- Choosing this option, you can generate licensee / GRF / division wise no. of cases and out of which, how many are in favour of consumers.

This system has been very useful to the GRFs as they can see and compare the judgements pronounced by other GRFs in the same scenario / situation / matter. Moreover, the system helps the service engineers, consumers / complainants by providing them the access to their required orders on the click of a mouse.

2. Design, Development and Implementation of a Web-based System on Orders of SC (Supreme Court) and ATE (Appellate Tribunal on Electricity)

This system allows users to view / download abstract of orders of SC and ATE on the basis of keywords. For example, on choosing 'Cross Subsidy' as the keyword, the relevant orders of SC and/or ATE are displayed. The user can view / download the abstract of the order. This system is available in the OERC's website under the heading, 'Cases'.

3. Implementation of a Web-based System on Consumer Grievance Report

This system allows users to view / download report on 'consumer grievances' on the basis of the consumer name and / or the period in which the consumer complaint was filed in OERC. This system is available in the OERC's website under the heading, 'Consumers'.

4. Procurement of IT Equipments and Services

- (a) Sony ICDUX533F Voice Recorder with 4 GB internal memory was procured for Rs.7,000/-. This equipment was very handy and useful during the last Tariff hearing as the proceedings could be recorded in mp3 format in a pre-defined folder.
- (b) Quick Heal Total Internet Security software (45 Users) were purchased for Rs.22,208/- and were installed in the existing computers.
- (c) The contract for Leasing of 100 GB web space and hosting existing portal of OERC (www.orierc.org) along with mission-critical applications on Oracle was renewed for a

period of one year with the existing terms and conditions including the same financial provision of Rs.1,98,540/- (inclusive of all charges and taxes).

5. Advising Commission & Utilities on IT Projects

IT section advised the Commission and also, the utilities in the matters of information and communication technologies especially in Smart Grid and Enterprise Resource Planning (ERP).

6. Acquisition of Roof Top Solar Data

The data from the Roof Top Solar station (10 KW) at OERC office was collected every day. The data is used to verify the generation, export / import and detect any anomaly in the system.

7. Maintaining Monthly Data of Discoms (Financial & Technical) in Oracle

The month wise data received from each Discom was maintained in the Oracle Database for security and retrieval as and when required by the Commission. These data relate to important financial, commercial and technical requirements reflecting number of consumers, billing, purchase, loss, arrear, metering of feeders, DTRs, interruption and length of new conductors added etc.

8. Analysis of Energy Audit and Dump Data of Discoms

It provided MIS reports on poor bill distribution/EC collection and high distribution loss of DISCOMs. The analysis of dump data especially the tampering events over a period of time pointed to a pattern of malpractices by some high-value consumers warranting action by the concerned discom.

9. Entry/Updation/Maintenance of Data in Case Tracking System

IT section made the entry / updation of details related to the cases including the orders on regular basis. The uploading of the data maintained in the local server was effected every day to our website making the data about the cases available to the public. MIS reports for pending cases, final cases and cases whose hearing are concluded and order reserved were provided to RA (Regulatory Affairs) division for taking necessary action at their end.

10. Maintenance of Database, Hardware and Software

a) Maintenance of Database entailed the following activities

- Cesu Billing System data transfer from DBF to text
- Converting Data to Oracle format
- Exporting data from Local Server
- Importing & configuring Data in Web Server
- Regular backup of

- CBIS (Cesu Billing Information System)
- RIMS (Regulatory Information Management System)
- Savior System (Attendance Recording System)
- CTS (Case Tracking System)

b) Hardware Maintenance involved the following activities

- Solving Computer Booting/Shutdown/Hang problems
- Resolving Network problems
- Fixing of Printer and Monitor related problems
- Maintenance of Oracle Server, Internet Server, Switch, HUB, Modem, Mail Server etc.

c) Software Maintenance entailed the following activities

- Installation of software including Operating System and Application software
- Up gradation of software including anti-virus

11. Managing OERC Pension Fund Trusts

The Group Superannuation Cash Accumulation (GSCA) Plan and Group Leave Encashment Scheme (GLES) of the LIC of India have been adopted by OERC for its employees. As per the actuarial estimation made by LIC towards superannuation of employees of OERC, a sum of Rs.20 lac was transferred to GSCA fund of LIC on 18-02-2015. The balance of that fund at the end of the FY 2014-15 stood at Rs.5.77 crore. Moreover, the GLES fund, at the end of FY 2014-15, has a balance of Rs.83 lac.

REGULATORY AFFAIRS DIVISION

The function of the Division is multi-disciplinary in nature which involves Legal, Engineering and Finance discipline etc. The Regulatory Affairs Division deals with all legal matters pertaining to the functions of the Commission. It also scrutinizes applications / replies/objections filed before the Commission, rendering necessary legal advice on various matters. The Division engages Advocates for representing the Commission in various Courts, Fora and Tribunals including liaising with legal counsels. Drafting and vetting of Regulations, Tariff Orders, practice directions, notifications; maintaining relevant legal information, participating in Commission's proceedings are the prime functions of this Division.

1. Case matters before the High Court/Supreme Court/ATE (During FY 2014-15)

During the year 2014-15 the Commission had received notices in 12 no. of cases from the Hon'ble High Court of Orissa, Cuttack. The Commission also received notices in 15 no. of appeals from the Appellate Tribunal for Electricity (ATE), New Delhi and received notices in 8 no. of Civil Appeals from the Hon'ble Supreme Court of India, & also the Commission has preferred Civil Appeals in 4 nos. cases against the judgement of the Hon'ble ATE before the Hon'ble Supreme Court of India under S.125 of the Electricity Act,2003.

The Commission had engaged Shri Rutwik Panda, Advocate- on- Record and Shri P. Ramesh Bhatt, Sr. Advocate, Shri K.K.Venugopal, Sr. Advocate, and Sri Prasanto Sen, Advocate and Shri G.Umapathy, Sr. Advocate in Supreme Court of India/ Appellate Tribunal for Electricity, New Delhi as its Legal Counsels and Shri Biswojit Mohapatra, Advocate as its Legal Counsel to represent the cases on behalf of the Commission before the Hon'ble High Court of Orissa.

2. Status Regulations Framed under Electricity Act, 2003 by OERC

Consequent upon implementation of the Electricity Act, 2003, the Odisha Electricity Regulatory Commission has framed a number of Regulations which are shown in the Table below:

Sl No.	Name of the Regulations	Odisha Notification Date	Published in Orissa Gazette No. and Date
1.	OERC (Conditions of Supply) Code, 2004.	21 st May, 2004	28 th May, 2004
2.	OERC (Licensees Standards of Performance) Regulations, 2004.	21 st May, 2004	28 th May, 2004
3.	OERC (Grievances Redressal Forum and Ombudsman) Regulations, 2004.	5 th April, 2004	17 th May, 2004
4.	OERC (Terms and Conditions for Determination of Tariff) Regulations, 2004.	9 th June, 2004	10 th June, 2004
5.	OERC (Procedure for filing appeal before the Appellate Authority) Regulations, 2004.	21 st May, 2004	28 th May, 2004
6.	OERC (State Advisory Committee) Regulations, 2004.	21 st May, 2004	28 th May, 2004
7.	OERC (Conduct of Business) Regulations, 2004.	21 st May, 2004	28 th May, 2004
8.	OERC (Terms and Conditions for Open Access) Regulations, 2005.	6 th June, 2005	21 st June, 2005

Sl No.	Name of the Regulations	Odisha Notification Date	Published in Orissa Gazette No. and Date
9.	OERC (Determination of Open Access Charges) Regulations, 2006	6 th June, 2006	18 th July, 2006
10.	Odisha Grid Code Regulation, 2006	-	14 th June, 2006
11.	OERC (Intra-State ABT) Regulations, 2007	17 th Dec., 2007	14 th Feb., 2008
12.	OERC(Fees and Charges of State Load Despatch Centre and other related matters) Regulation, 2010	6 th June, 2010	18 th November, 2010
13.	OERC (Renewable and Co-generation Purchase Obligation and its Compliance) Regulation, 2010	30 th Sept., 2010	14 th Dec., 2010
14.	OERC (Demand Side Management) Regulation, 2011	20 th August, 2011	16 th Nov., 2011
15	OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014	14 th Nov,2014	20 th Dec,2014
16	OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2013	8 th Sept,2014	10 th Oct,2014
17	OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014	21 st Oct,2014	4 th Dec.2014

The above Regulations are available in the commission's website –www.orierc.org.

3. Amendment of Regulation

- i. The Commission have framed draft OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2013 which was pre-published u/S. 181 (3) of the Electricity Act, 2003 vide Public Notice dated 07.11.2013. According to the said public notice Commission has received objection/suggestions from the general public/stakeholders/licensees which were taken into consideration by the Commission and after finalization of the above draft Regulations, the same was published in the Odisha Gazette vide Notification dated 14.11.2014.
- ii. The Commission have framed draft OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2013 which was pre-published u/S. 181 (3) of the Electricity Act, 2003 vide Public Notice dated 26.09.2013 and also revised draft OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 vide Public Notice dated 04.06.2014. According to the public notice Commission has received objection/suggestions from the general public/ stakeholders/ licensees which was taken into consideration by the Commission and after finalization of the above draft Regulations, the same was published in the Odisha Gazette vide Notification dated 08.09.2014.
- iii. The Commission have framed draft OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 which was pre-

published u/S. 181 (3) of the Electricity Act, 2003 vide Public Notice dated 16.02.2014. According to the public notice Commission has received objection/suggestions from the general public/stakeholders /licensees which were taken into consideration by the Commission and after finalization of the above draft Regulations, the same was published in the Odisha Gazette vide Notification dated 21.10.2014

4. **Revocation of Licences of Reliance Infra Managed DISCOMs**

The Commission in Case No. 55/2013 has revoked the licences of Reliance Infra managed DISCOMs i.e. NESCO, WESCO & SOUTHCO w.e.f. 04.03.2015 under Section 19 of the Electricity Act, 2003. The Commission as an interim measure has appointed CMD, GRIDCO as Administrator of the Utilities under Section 20 of the Electricity Act, 2003. Reliance Infra has gone on appeal to Hon'ble APTEL in Case No. 64/2015. The Hon'ble Tribunal while hearing the application on 09.03.2015 for stay operation of the order of the Commission, has declined to interfere in the matter and posted the matter to be heard in detail on substantive issues. The said proceeding is pending before the said Hon'ble Tribunal.

5. **Proceedings before the Commission**

The Regulatory Affairs Division examined and scrutinized petitions/ replies/ objections filed before the Commission.

The Division advised and rendered legal opinion on matters referred to it by the Engineering, Tariff, Secretarial and Administrative Divisions.

There are 57 no. of Cases were registered and 82 no. of Cases were disposed of by the OERC during the period from **01.04.2014 to 31.03.2015**.

Important Orders passed during 1st April, 2014 to 31st March, 2015.

Sl. No.	Case No. (No/Year)	Petitioner	Subject
1	76/2013	GRIDCO	For review in Case No 107 of 2011 of the commission
2	40/2013	GRIDCO	Clarification regarding para 270 & 275 in ARR & BSP order for FY-2013-14 sts 20-03-2013 as approved by commission.
3	97/2012	NARENDRA KUMAR MISHRA	An application under Section 142 of the Electricity Act, 2003 for non-implementation of Order dated 16.04.2012 of the GRF, Bolangir passed in C.C.Case No. 117/2012 & Order dated 18.09.2012 of the Omudsman-II passed in C.R.Case No. 14/2012.
4	93/2012	OCL INDIA LIMITED	Application under clause 4,9,10,11 & 12 of the OERC (RPO and its Compliance) Regulations,2010 seeking direction of the Commission for removal of difficulty faced in the absence of prescribed procedure/protocols for approval of drawings,documents,metering, scheme etc.
5	23/2012	NESCO	Introduction of Smart Grid Solution (AMR/AMI/Prepaid Meters etc) for Energy Management & Energy Efficiency in DISCOMs.
6	52/2011	BHUSAN POWER & STEEL LTD.	U/s 86(1)(f) of the Electricity Act-2003
7	08/2013	OPTCL	Investment proposal to be taken up from the FY 2012-

Sl. No.	Case No. (No/Year)	Petitioner	Subject
			13 for construction of 400/220 kV, 220/132/33 kV and 132/33 kV S/S along with association transmission lines as well as 220 kV and 132 kV transmission lines from availing loan assistance from suitable funding agency.
8	79/2012	OPTCL	An application under Chapter-III of the Orissa Grid Code (OGC) Regulations, 2006 read with Clause 16 of its license conditions of OPTCL seeking approval for Intra-State Transmission Plan for the State up to the end of 12th plan period i.e.2016-17.
9	32/2014	PROTECTION MANUFACTURERS PVT. LTD	An application u/S 142 of the EA, 2003 for non-implementation of order dtd. 20.09.2007 of the Ombudsman(CZ) in CR Case No. 45/2007
10	30/2014	SPONGE UDYOG PVT. LTD.	U/s 142 & 146 of Electricity Act,2003
11	08/2014	PROTECTION MANUFACTURERS PVT. LTD	U/s 142 of Electricity Act, 2003
12	34/2014	BALAJI FOOD PRODUCTS PVT LTD	An application u/S. 142 of the Electricity Act, 2003 for non-implementation of order dtd. 31.01.2014 passed in CR Case No. OMB(ii)W- 25/2013.
13	48/2013	RELIANCE MANAGEMENT DISCOMS	Application u/S.86(1)(f) of the EA,2003 read with S.11 Clause-1 of sub-S.(d)&(i) and 37 of the OER Act,1995 for approval of Employees cost from Escrow Account pari-pasu with current BST etc. in terms of Para322(A)(a) of the RST Order dtd 20.03.2013 passed in Case Nos.104,105, 106 & 107 of 2012
14	35/2011	MITTAL PROCESSOR (P) LTD	For grant of intra state trading license.
15	27/2013	RELIANCE MANAGEMENT DISCOMS	Escrow arrangement between the RIL Managed DISCOMs and GRIDCO
16	37/2014	SESA STERLITE LTD	An Application u/S. 86(1) (f) of Electricity Act, 2003
17	50/2011	NABA BHARAT VENTURES LTD	Challenging the Illegal action of GRIDCO not releasing the full payment towards the bills raised for sale of power.
18	46/2013	GRIDCO	Application under S.94 (f) of the Electricity Act,2003 read with Regulation 70 of the OERC (Conduct of Business) Regulations,2004 for review of the order dated 23.04.2013 passed in Case No.54 of 2012.
19	98/2012	IMFA	Application under Chapter-XIII Regulation-70 of OERC (Conduct of Business) Regulations, 2004 for review/modification of Order dated 04.09.2012 passed in Case No. 40/2007 and also for appropriate order thereon.
20	13/2010	GRIDCO	Reg. Violation of Escrow Agreement by SOUTHCO
21	43/2013	HINDUSTAN AERONATIC LTD	U/s 142 of the Electricity Act 2003.
22	73/2013	NATIONAL SEEDS CORPORATION	U/s 142 of the Electricity Act 2003.
23	72/2013	SRINIBASH SAHOO	U/s 142 of the Electricity Act 2003

Sl. No.	Case No. (No/Year)	Petitioner	Subject
24	52/2013	LINGARAJ CONCRETE PVT LTD.	U/s 142 of the Electricity Act-2003.
25	98/2013	TARINI STONE CRUSHER	U/s 142 of Electricity Act, 2003
26	64/2013	SUDARSHAN SAHOO	U/s 142 of the Electricity Act-2003
27	13/2014	UDAYANATH ITC	U/s 142 of Electricity Act, 2003
28	14/2014	RABINDRA KUMAR JENA	U/s 142 of Electricity Act,2003
29	34/2013	RAJ KUMAR KHEMCA	U/s 142 of the Electricity Act-2003.
30	50/2013	FLEXI INFRASTRUCTURE PRJTS PVT LTD.	U/s 142 of the Electricity Act 2003
31	10/2014	SK. ABDUL QUYUM	U/s 142 of Electricity Act, 2003
32	96/2013	OPTCL	Approval of Unitary charges and Bidding documents in respect of package-B projects for initiating tariff based competitive bidding for selection of the Transmission Service Provider(TSP)
33	14/2013	OPTCL	Approval of Unitary charges for initiating the tariff based competitive bidding process for the selection of Transmission Service Provider (TSP)
34	28/2014	FACOR POWER LTD	For adjudication between licensee & generating company U/s 86(1)(f) of Electricity Act,2003
35	41/2013	OPTCL	For review of order dtd 20.03.2013 in case no 102 of 2012.
36	48/2014	OPTCL	An application u/S. 94 (1) (f) of EA, 2003 read with Regulation 70(1) of OERC (Conduct of Business) Regulations, 2004 for review of order dated 22.03.2014 passed in Case No. 82/2013.
37	57/2011	MAHANADI COAL FIELDS LTD	U/s 14 and 15 of Electricity Act-2003
38	56/2013	S P MINERALS	U/s 142 of the Electricity Act 2003
39	50/2014	OPTCL	An application u/S. 94 (1) (f) of the EA, 2003 read with Regulation 70 of OERC (conduct Business) Regulations, 2004 for review of the order dated 22.03.2014 passed in Case No. 83/2013.
40	53/2014	GRIDCO	An application U/s 94(1)(f) of the EA, 2003 read with Reg. 70 of the OERC (Conduct Business) Regulations, 2004 for review of order dtd. 11.03.2014 of the commission passed in Case No. 93/2013.
41	49/2014	GRIDCO	Petition U/s 94(1)(f) of the EA, 2003 read with Reg. 70 of the OERC (Conduct Business) Regulations, 2004 for review of order dtd. 01.03.2014 of the commission passed in Case No. 16/2013.
42	18/2014	NESCO	For approval of Open Access Charges
43	23/2014	CESU	An application for wheeling charges,surcharges and additional surcharges for FY 2013-14 and FY 2014-15 / Determination of Open Access Charges

Sl. No.	Case No. (No/Year)	Petitioner	Subject
44	16/2014	WESCO	For approval of Open Access Charges
45	17/2014	SOUTHCO	For approval of Open Access Charges
46	40/2014	GRIDCO	For review of Commission's order dt.5.4.2014 passed in Case No. 40 of 2013
47	52/2014	BICHITRA KUMAR PADHI	U/s 142 of Electricity Act, 2003
48	75/2013	NARAYAN CHANDRA DHALSAMANTA	U/s 142 of the Electricity Act-2003.
49	20/2013	NEW LAXMI STEEL & POWER LTD.	U/s 142 of the Electricity Act-2003.
50	38/2013	CENTURION UNIVESITY OF TECH & MGMT	U/s 142 of the Electricity Act, 2003
51	06/2014	SHYAMPADA NANDI	U/s 142 of Electricity Act, 2003
52	65/2013	SURYO UDYOG LTD	U/s 142 of the Electricity Act 2003.
53	45/2014	HYTECH PVT. LTD.	U/s 142 of Electricity Act, 2003
54	53/2013	MAGNUM SEA FOODS PVT LTD	U/s 142 of the Electricity Act 2003.
55	77/2013	OPTCL	Approval of long term demand forecast for the period 2012-13 to 2021-22
56	56/2014	OPTCL	Approval of long term demand forecast for the period 2013-14 to 2022-23
57	57/2014	GRIDCO	An Application under S.94 (1) (f) and S.62 (4) of the Electricity Act, 2003 read with Reg. 70 of OERC (Conduct of Business) Regulations, 2004 & O.47 R 1(c) of CPC,1908 for review of the Order dated 22.03.2014 of the OERC passed in Case No. 84/2013 regarding ARR and BSP of GRIDCO for FY 2014-15.
58	63/2013	CONFEDERATION OF C.P.P,ORISSA	For review of order dated 03.01.2013 in case no 129 of 2010 of the commission relating to cross subsidy surcharge.
59	89/2013	NESCO	Implementation of intra state ABT
60	94/2013	OHPC	Application for correct certification of daily declared capacity and computation of PAFM of Balimela HEP by SLDC and settelment of capacity charges between OHPC and GRIDCO
61	47/2014	BAITARINI POWER PROJECT PVT. LTD.	To finalisation of Generic Tariff of Renewable Energy Sources Including Co-generation
62	11/2013	VENDANTA ALUMINIUM LTD.	For issuance of consequential orders in case no 11 of 2011 in terms of judgement of ATE passed in appeal no 59 of 2010.
63	02/2014	NAVA BHARAT VENTURES LTD	Application for direction for payment of outstanding dues.
64	100/2013	PREMADEVI LATH	Appeal for non-compliance of order dt.06/11/2013 in GRF Case No. 301/2013-14
65	26/2013	TATA SPONGE IRON LTD	For review of order dtd 03.01.2013 in case no 129/2010 of the commission.
66	57/2013	SOUTHCO	For approval of investment proposal of Rs29.51 Cr against agriculture and fishery feeders during 2013-14
67	46/2014	NOCCI	Review of order dt. 22.03.2014 in Case No. 85,86,87

Sl. No.	Case No. (No/Year)	Petitioner	Subject
			and 88 of 2013
68	21/2014	PTC INDIA, NEW DELHI	U/s 142 of Electricity act, 2003
69	03/2014	JINDAL STAINLESS LTD.	U/s 86(f) & (k) of Electricity Act, 2003
70	12/2014	SRI DURGA CONDEV(P) LTD	U/s 142 of Electricity Act, 2003
71	92/2013	JSL STAINLESS LTD	For grant of interim stay of the operation of the disconnection notice dtd 29.09.2012 restraining respondent to disconnect power supply.
72	87/2012	SUSAMA PRATIHARI	An application under Sections 142 & 146 of the Electricity Act, 2003 for non-compliance of the order dated 21.02.2012 of the Ombudsman-II in C.R. Case No.69 of 2011 and also order dated 23.06.2012 of the Commission passed in Case no.37 of 2012.
73	86/2012	DASARATHA BEHERA	An application under Sections 142 & 146 of the Electricity Act, 2003 for non-compliance of the order dated 13.02.2012 of the Ombudsman-II in C.R. Case No.68 of 2011 and also order dated 23.06.2012 of the Commission passed in Case no.38 of 2012.
74	55/2013	DIRECTOR (RA)	Suo-Moto proceeding under Section 19(3) of the Electricity Act, 2003 for Revocation of License of RIL Managed DISCOMs.
75	67/2014	OPTCL	Aggregate Revenue Requirement and Determination of Transmission Tariff for the Financial Year 2015-16
76	70/2014	WESCO	Aggregate Revenue Requirement and Determination of Retail Supply Tariff for the FY 2015-16
77	65/2014	OHPC	Annual Revenue Requirement and Determination of generation Tariff for the FY 2015-16
78	66/2014	SLDC	Annual Revenue Requirement and Fees & Charges for SLDC Functions for FY 2015-16
79	71/2014	NESCO	Aggregate Revenue Requirement and Determination of Retail Supply Tariff for the FY 2015-16
80	69/2014	CESU	Aggregate Revenue Requirement and Determination of Retail Supply Tariff for the financial year 2015-16
81	68/2014	GRIDCO	Aggregate Revenue Requirement and Determination of Bulk Supply Price for the year 2015-16
82	72/2014	SOUTHCO	Aggregate Revenue Requirement and Determination of Retail Supply Tariff for the FY 2015-16

6. Consumer Counsel

The Commission had engaged World Institute for Sustainable Energy (WISE), Pune as consumer counsel for analysis tariff applications of licensees for FY 2015-16. The said consumer counsel submitted its reports & presented its views during the tariff hearing of the Commission. The Commission has also engaged 9 NGOs/persons as consumer counsel to collect necessary feedback on consumer services from WESCO Utility, NESCO Utility, SOUTHCO Utility & CESU areas and participate in the tariff hearing. Out of which six consumer counsels had submitted their reports and participated in the tariff hearing of the Commission.

7. **Drafting and legal vetting**

The Division drafted, and also made legal vetting of public notices, show cause notices, circulars etc. and assisted the Engineering Division in amendment of Regulations.

8. **Legal Information**

The Division subscribed law journals/reports/Collected CDs such as ILR Cuttack publication, CLT, Supreme Court Cases and Energy Law Reports to update information on latest judicial precedents / legislative developments. It gathered relevant information on Acts, Rules, Regulations and Orders on legal and regulatory matters relating to electricity. Relevant Orders of High Courts, Supreme Court, Central Electricity Regulatory Commission (CERC), Appellate Tribunal for Electricity (ATE), Rules and Notifications of Govt. of Orissa/ Govt. of India.

14. **Important Judgments**

Following are the some of the important judgments on electricity matter pronounced by the Hon'ble Supreme Court and various High Courts & the Hon'ble ATE.

- (i) Deciding the jurisdiction of the High Court to entertain the Writ Petition against the Tariff Order passed by the Odisha Electricity Regulatory Commission in Case Nos. 140, 142, 145 and 146 of 2009, the Hon'ble High Court has directed the OERC to take effective steps for implementation and compliance of its own Orders by giving a time-frame to the respective parties, because, mere passing of orders will have no meaning if it remains unimplemented. The OERC should take effective steps, even penal action against the violators for non-compliance of its orders without showing any sympathy to them. The OERC should also take steps to direct the DISCOMs to up-grade the new distribution transformers on priority basis, complete the audit of each distribution system and also ensure that investment of funds by DISCOMs for development and improvement of the existing system of generation and transmission.

“At the stage, we are not inclined to accede to the prayer made by the petitioner for an investigation by CBI into the loss of public money because we hope and trust that the effort of the OERC and the State Govt. will certainly make a substantial change in the system.

The writ petition is accordingly disposed of. There shall be no order as to cost.”

(Judgment delivered on 30.03.2012 by the Hon'ble High Court of Orissa in W.P.(C) No. 8409 of 2011 in the case of Keonjhar Navanirman Parisad & Others Vrs. State of Odisha and others).

- (ii) Deciding the jurisdiction of the High Court to entertain the Writ Petition against the tariff order passed by the Orissa Electricity Regulatory Commission, the Hon'ble High Court has held that, as would be evident from section 111 of the Electricity Act, the person aggrieved by the tariff order can prefer an appeal before the appellate authority. Perusal of Section 111 of the Electricity Act, 2003 reveals that, the appellate authority can delve into both facts and law. The jurisdiction of this Court while exercising power under Article 226 and 227 is rather circumscribed in as much as it can neither sit in appeal against the order passed by the OERC nor it can decide disputed question of fact efficaciously.

(Judgment delivered on 31.3.2009 by the Hon'ble High Court of Orissa in W.P.(C) No. 15105 of 2007 in the case of Visa Steel Vrs. State of Orissa and others) AIR 2009(NOC) 2091 (Orissa).

(iii) Provisional Assessment

Allegation of Theft of Electrical Energy:

It is responsibility and degree of caution, care, impartiality and fairness also increases multifold. It is true that [power of assessment virtually is like imposing a civil liability but it is founded on certain acts which are in the realm of constituting offense also and therefore, cause a dent upon the character and reputation of individual. The reputation, character and integrity of a person is a part and parcel of his personality and, in my view, would constitute an integral part of his right to life and liberty since right to life has been held not an animal like existence but an hon'ble sustains. In wider sense, it can be said that when a consumer is made responsible for assessment u/S. 126 of the Electricity Act, 2003, it involves his character assassination also since this assessment is founded on some kind of un-authorized act on his part enumerated u/S. 126 for which assessment can be made. A comparatively study of Sections. 135 & 126 of the said Act would show that most of activities termed as “ un-authorized use of electricity” u/S. 126 of the said Act constitute theft of electrical energy u/S. 135 and to this extent, the two provisions are overlapping also. When an assessment u/S. 126, therefore, is made, it presupposes that something has been done by an individual which falls and satisfy the requirement of the term “un-authorized use of electricity” u/S. 126 and simultaneously, it may also constitute an offence u/S. 135. It is true that further purpose of Section 135 of the Act, 2003, the matter shall be tried in a Court of Law but in a proceeding u/S. 126 also, in the society, in which the individual lives, services and deals in all his matters, he immediately gets label of a person guilty of commissioning of something which is stigmatic in nature and abhorring to the Members of the society. It thus places a high degree of responsibility upon the authorities concern to act impartially, fairly, objectively and proceed in the matter with open mind, due consideration in depth application of mind.

AIR, 2012 All-142: Vimala Tiwari Vrs. State of UP

Assessment u/S. 126 and 135 of the Electricity Act, 2003 are absolutely different from each other. The former is for “ un-authorized use of electricity”, whereas the latter one is for “Theft of Electricity”, and, therefore, whenever, there is an assessment for theft of electricity, it is always assessed u/S. 135 of the said act and not under Section 126 of the act. The assessment made by the petitioner company is under Section 135 of the Electricity Act, 2003 and not under Section 126 of the said act. In case of theft of energy assessment will be as per Section 135 of the Electricity Act, 2003 read with Clause-23 (b) of the Conditions of Supply to be read with condition no-11 of Part-iii of the Conditions of Supply and Miscellaneous Charges framed under the Act of 1910 and not u/S. 126 of the Electricity Act, 2003, and as per Clause-11 (1) (iii), energy charges will be leviable at twice the applicable rate. In case of theft of electricity, the petitioner has correctly applied the penalty factor 2.5 times for six months, 12 months.

AIT 2005 Gujurat-66: Ahamadabad Electricity Company Limited Vrs. Ramesh D. Devnani

Applying these principles to the facts of the present case, it is obvious that no statutory appeal lay against a provisional order of the assessment and the respondents were required to file objections as contemplated u/S. 126 (3) of the Electricity Act, 2003. It was only when a final order of assessment was passed that the respondents could prefer a statutory appeal which admittedly was not done in the case in hand. The High Court did not fall in error of jurisdiction in entertaining the writ petition but certainly failed to finally exercise the jurisdiction within the prescribed limitations of law for exercise of such jurisdiction. Keeping in view the functions and expertise of the specialized body constituted under the Act including the Assessing Officer, it would have been proper exercise of jurisdiction, if the High Court, upon entertaining and deciding the writ petition on a jurisdictional issue, would have remanded the matter to the Competent Authority for its adjudication on merits and in accordance with law: ***Civil Appeal No. 8859 of 2011 (Executive Engineer & Another Vrs. Sitaram Rice Mill)***

In Civil Appeal No. 8859 of 2011 arising out of SLP (C) No. 36166/2010 (Executive Engineer & Another Vrs. Sitaram Rice Mill), the Hon'ble APEX Court in its conclusions observed as follows:-

- “ 1. Where ever the consumer committees the breach of the terms of the agreements, regulations and the provisions of the act by consuming electricity in excess of the sanctioned and connected load, such consumer would be in blame and under liability within the ambit and scope of Section 126 of the 2003 Act.
2. The expression un-authorized use of electricity means as appearing in Sec. 126 of the act is an expression of wider connotation and has to be construed purposively in contrast to contextual interpretation while keeping in mind the object and purpose of the act. The cases of excess load consumption than the connected load inter alia would fall under Explanation (b) (iv) to the Section 126 of the Act, besides it being in violation of Regulations, 82 & 106 of the Regulations and terms of the Agreement.
3. In view of the language of Section 127 of the Act, 2003, only a final order of assessment passed under Section 126 (3) is an order appealable under Section 127 and a notice-cum-provisional assessment made under Section 126 (2) is not appealable.
4. Thus, the High Court should normally decline to interfere in a final order of assessment passed by the assessing officer in terms of Section 126 (3) of the 2003 Act in exercise of its jurisdiction under Article 226 of the Constitution of India.
5. The High Court did not commit any error of jurisdiction in entertaining the writ petition against the order raising a jurisdictional challenge to the notice/provisional assessment order dated 25.07.2009. However, the High Court transgressed its jurisdictional imitational while traveling into the exclusive domain of the Assessing Officer relating to passing of an order of assessment and determining factual controversy of the case.
6. The High Court having dealt with the jurisdictional issue, the appropriate course of action would have been to remand the matter to the Assessing Authority by directing the consumer to file his

objections, if any, as contemplated under Section 126 (3) and require the Authority to pass a final order of assessment as contemplated under Section 126 (5) of the 2003 Act in accordance with law. “

For the reasons afore-recorded, the judgment of the High Court is set aside and the matter is remanded to the Assessing Officer to pass a final order of assessment expeditiously, after providing opportunity to the respondent herein to file objections, if any, to the provisional assessment order, as contemplated under Section 126 (3) of the 2003 Act.

“ The National Commission though held that the intention of the Parliament is not to bar the jurisdiction of the Consumer Forum under the Consumer Protection Act and have saved the provisions of the Consumer Protection Act, failed to notice that by virtue of Section 3 of the Consumer Protection Act, 1986 or Sections 173,174 and 175 of the Electricity Act, 2003, the Consumer Forum cannot derive power to adjudicate a dispute in relation to assessment made under Section 126 or offences under Sections 135 to 140 of the Electricity Act, as the acts of indulging in "unauthorized use of electricity" as defined under Section 126 or committing offence under Sections 135 to 140 do not fall within the meaning of "complaint" as defined under Section 2(1)(c) of the Consumer Protection Act, 1986.

(iv). The Hon’ble Apex Court in Civil Appeal No.5466 of 2012 arising out of SLP (C) No. 35906 of 2011(U.P.Power Corporation Ltd.& Ors Vrs. Anis Ahmed) case has observed as follows:-

“ 46. *The acts of indulgence in "unauthorized use of electricity" by a person, as defined in clause (b) of the Explanation below Section 126 of the Electricity Act,2003 neither has any relationship with "unfair trade practice" or "restrictive trade practice" or "deficiency in service" nor does it amounts to hazardous services by the licensee. Such acts of “unauthorized use of electricity” have nothing to do with charging price in excess of the price. Therefore, acts of person in indulging in 'unauthorized use of electricity', do not fall within the meaning of "complaint", as we have noticed above and, therefore, the "complaint" against assessment under Section 126 is not maintainable before the Consumer Forum. The Commission has already noticed that the offences referred to in Sections 135 to 140 can be tried only by a Special Court constituted under Section 153 of the Electricity Act, 2003. In that view of the matter also the complaint against any action taken under Sections 135 to 140 of the Electricity Act, 2003 is not maintainable before the Consumer Forum.*

47. *In view of the observation made above, we hold that: (i) In case of inconsistency between the Electricity Act, 2003 and the Consumer Protection Act, 1986, the provisions of Consumer Protection Act will prevail, but ipso facto it will not vest the Consumer Forum with the power to redress any dispute with regard to the matters which do not come within the meaning of “service” as defined under Section 2(1)(o) or “complaint” as defined under Section 2(1)(c) of the Consumer Protection Act, 1986. (ii) A “complaint” against the assessment made by assessing officer under Section 126 or against the offences committed under Sections 135 to 140 of the Electricity Act, 2003 is not maintainable before a Consumer Forum. (iii) The Electricity Act, 2003 and the Consumer Protection Act, 1986 runs parallel for giving redressal to any person, who falls within the*

meaning of "consumer" under Section 2(1)(d) of the Consumer Protection Act, 1986 or the Central Government or the State Government or association of consumers but it is limited to the dispute relating to "unfair trade practice" or a "restrictive trade practice adopted by the service provider"; or "if the consumer suffers from deficiency in service"; or "hazardous service"; or "the service provider has charged a price in excess of the price fixed by or under any law".

48. For the reasons as mentioned above, we have no hesitation in setting aside the orders passed by the National Commission. They are accordingly set aside. All the appeals filed by the service provider licensee are allowed, however, no order as to costs."

- (v). Where the provisional assessment order not disclosing as to how quantum of electricity used unauthorizedly had been arrived , consumers were also not appraised that they were entitled to file objection against provisional order. In such case non-filing of no objections cannot be ground to treat provisional order as final order. The said provisional order is liable to be quashed being violative of natural justice. **AIR 2010 Raj 86 (A).**
- (vi). Merely because final report exonerating consumer from charge of theft of electricity filed in criminal proceedings was accepted by Judicial magistrate would not mean that the consumer was not involved in power theft. It will not absolve consumer from civil liability of payment of dues under the Act. **AIR 2003 SC 1354 Rel.on AIR 2010 All 115(DB).**
- (vii). Before issuing an assessment notice the Authority must record its conclusion that the person concerned or any other person benefited has used electricity unauthorizedly in terms as defined in Explanation (b) to Section 126 of the Electricity act,2003. Though the Act does not provide that assessing Officer has to provide opportunity of hearing at the stage of recording of the conclusion, however, it does not simultaneously prohibits the same. No person can come to the conclusion of unauthorized use of electricity suo motu without giving an opportunity to the concerned person as deprivation will amount to violation of principle of natural justice. AIR 2012 All 163: Sanjay Riziv Vrs. M.D. Kanpur Electricity Supply Company, KESCO, Kanpur Nagar.
- (viii). The Electricity Act,2003 provides sufficient guidelines for challenging the assessment before the appellate authority. There is hardly any need to read any further document as presented by the learned counsel/authorized representative for the petitioner in the booklet form. The assessment as of today is a provisional and objection against the said provisional assessment has been raised directly in the memo of the writ petition and not before the respondent company as envisaged under Section 126(30) of the Act. Therefore unless and until provisional assessment is converted into final assessment, the stage of challenging the same before the appellate authority under section 127 of the Act does not arise. AIR 2004 Gujarat 359 : Meghdoot Automobiles Vrs. Ahmedabad-Electricity Co. Ltd.
- (ix). During pendency of an Appeal U/S.127 of the Electricity Act,2003 ,proceedings initiated by the licensee for recovery of theft assessment is not proper and the licensee is to be restrained to recover the penal amount till appeal was disposed of by the Appellate Authority. **AIR 2010 (NOC) (Supp) 667(All) (DB).**
- (x). **Tariff-Meaning of**
It appears to be not in dispute that the generating company only establishing the generating plant and maintain it, but have not establish any facility for the

purpose of evacuation of power generated and to maintain such facility required for evacuation. This has been entrusted to the TANGEDCO and it is stated that the appellants were ready to pay for the establishment of evacuation facility, but were contesting or refusing to pay the consequential operation and maintenance charges. In fact, in the counter affidavit, reference has been made to an order passed by the ATE, dated 08.10.2010, wherein it was ordered that it is the responsibility of the generating company to erect substation, the tie-lines and bring the same to connect to TNEB and this is one of the duties u/S. 10 (1) of the Electricity Act, 2003. The establishment of power transformer and sub-station for the purpose of creation of evacuation facility could be a onetime payment, but operation and maintenance are bound to recurrent and continuous. As held by the Hon'ble Supreme Court "Tariff" will mean a schedule of standard prices or charges provided o the category of consumers specified in the tariff. Animatedly, there cannot be a standard price for maintenance, for all establishments, which are bound to vary depending upon contingencies. Therefore, to term these charges as "Tariff" would be impermissible. The operation and maintenance charges cannot be brought within the definition of "tariff" so as to avoid payment by the appellants. The learned single judge has, therefore, rightly held that the O&M Charges are payable by the power generating companies.

AIR-2012 Madras-154: Madras Cement Limited Vrs. Chairman TNG and D Corporation Limited.

(xi). Reference to Electricity Inspector

Where a consumer was denied opportunity of placing his stand before demand was raised by the distribution companies, the same cannot be maintained being in violation of principles of natural justice therefore order of the Commission that a reference in terms of Section 26 (6) of the Electricity Act, 2003 called for unjustified. 2006 (9) Supreme Court-360: SDO (P) UHBVNL Vrs. Dharam Pal

(xii). Awarded by Electricity Ombudsman

There is substance in the contention of counsel for the respondent consumer that where the "Electricity Ombudsman" has succeeded in mediation and conciliation in persuading the parties to reach to a settlement, the proceedings would not be subject to challenge except on the ground of jurisdictional error committed by the electricity ombudsman or any fraud pleaded and proved on record. In a other case the award may be challenged as an arbitral award on the grounds available on the Section 34 of the Arbitration and Conciliation Act, 1996. The scope of interference with award is limited to the grounds which may be taken u/S. 34 of the Arbitration and Conciliation Act, 1996. Whether the award of the Electricity Ombudsman may be challenged only u/S. 34 of the Arbitration and Conciliation Act, 1996 as statutory arbitration. The court has only drawn the analogy from Section. 34 of the said Act as the principles to challenge to arbitral award should be limited to only such grounds as are available U/S. 34 of the said act. AIR-2008 ALL-127: Purvanchal Vidyut Vitarana Nigam Limited Vrs. Vidyut Lokpal (Electricity Ombudsman)

(xiii). Payment of Electricity Dues

In view of the alternative statutory remedy available to the consumer u/S. 42 (5) of the Electricity Act, 2003, the regulatory Commission do not have jurisdiction to decide the individual disputes relating to electricity bill, the consumer is at

liberty to approach alternative forum as established u/S. 42 (5) of the Electricity Act, 2003 have been jurisdiction to entertain the consumer disputes.

(xiv). **Duty to supply on request**

Section 43 of the Electricity Act,2003 – advertisement by Official Liquidator inviting tenders for outright sale of movable and immovable assets/ properties of Company “as is where is” basis- the Respondent No.1 found to be the highest bidder, as such sold with and handed over possession – apply for new electricity connection- deposited security amount by executing agreement- asked by the licensee to pay electricity dues outstanding against the erstwhile Company- issue to be decided of a Company under liquidation through court auction is liable to pay the arrears of electricity dues outstanding against the erstwhile company- upholding the single Judge’s order of the said Hon’ble High Court of Odisha held that the new purchaser who purchases the property in question through court auction is not liable to discharge any liabilities including the arrears of electricity charges pertaining to pre-liquidation period of the erstwhile company.

Accordingly, Regulation 13(10) (b) of the OERC (Conditions of Supply) Code, 2004 – held, not applicable to a case where fresh connection is applied for.

As per S.55 (1) (g) of the Transfer of Property Act, 1882, the seller’s (previous owner) responsibility to clear up all public charges up to the date of sale. S.55(1) (g) of the said Act says the seller is bound to pay all public charges due in respect of the property up to the date of sale, when a property is sold in auction . S.55 of the said Act refers to a contract only. Unless there is a contract to the contrary, the rights and obligations of the parties to a sale would be as indicated in S.55. Such a contract to the contrary must be express and not implied, as a result whereof the meaning of the term encumbrance would be expanded. **(2009)148 Company Case 641(SC).**

In this context the Hon’ble High court of Odisha when passing the above order in W.A.237 of 2010 arising out of W.P.(C) No.9807 of 2010, has followed the observation of the Hon’ble Apex Court in case of Paschimancal Vidyut Vitran Nigam Ltd &ors Vs.M/s.DVS Steel & Alloys Pvt.Ltd & ors.AIR 2009 SC 647:-

“ 9...A transferee of the premises or a subsequent occupant of a premises with whom the supplier has no privity of contract can not obviously be asked to pay the dues of his predecessor on title or possession, as the amount payable towards supply of electricity does not constitute a (charge) on the premises. A purchaser of a premises, can not be foisted with the electricity dues of any previous occupant, merely because he happens to be the current owner of the premises. The supplier can therefore neither file a suit nor initiate revenue recovery proceedings against a purchaser of a premises for the outstanding electricity dues of the vender of the premises, in the absence of any contract to the contrary”.

A statutory authority can not demand payment of arrears of the dues pertaining to the pre-liquidation period from the purchaser, who had purchased the property through court auction and the dues had to be settled by the liquidator as per the provisions of Sections 529 , 529A and 530 of the Companies Act,1956, with the prior sanction of the court. The Official liquidator was to hand over the possession of the property in question without any charge or encumbrance of sales tax, liabilities and execute the sale deed accordingly. Law is also well settled that

the purchaser of the properties of a company under liquidation is entitled to get a clear title free of charges, even if , there was attachment by a statutory authority.

However, it is open to the statutory body to take such steps as may be just and proper in consonance with law for realization of the arrears of electricity dues payable to it by the erstwhile owner.

- (xv). The basic question is whether the individual consumer can approach the State Commission under the Act or not. By virtue of S.42(5), all the individual grievances of the consumers have to be raised before the Grievance Redressal Forum and the Ombudsman only. The Commission can not decide about the disputes between the licensees and the consumers. *AIR 2008 SC 1042:MSED Vs. Lloyd Steel Industries Ltd.*

(xvi). Right to Electricity

The petitioner has the right to claim electricity as an occupier u/S. 43 of Electricity Act, 2003. Consequently this court however, makes it very clear that whatever observation have been made in this judgment are only to be construed and interpreted in the context of the petitioner's right to have electricity so long as he remains in possession of the property in question because no one, in the modern days can survive without electricity, and therefore, the right to electricity is also a right to life and liberty in terms of Article-21 of the Constitution of India. The court therefore, makes it once again very clear that the grant of electrical connection to the writ petitioner in view of the order passed by this court will not mean to be any adjudication in respect of any of the proceedings or the suit/suits which may be pending inter se between the parties and this court also makes it clear that the observations made herein in this judgment for the grant of electricity to the petitioner will not in any way be deemed to affect the rights and contentions of the parties to the proceedings which are pending between them.

AIR-2008 Cal.47: Molay Kumar Acharya Vrs. CMD, West Bengal Electricity Distribution Company

(xvii). Delay in payment of Electricity Dues

It is manifest that both on the question of restitution of the benefit drawn by a party during legal proceedings that eventually fail as also on the general principle that a party who fails in the main proceedings, this court found against the consumers and upheld the demand for payment of additional charges recoverable on account of the delay in the payment of the outstanding dues. Far from lending any assistance to the appellant-company the decision squarely those against it and has been correctly appreciated and applied by the High Court.

AIR-2011 SE-538: Navabharat Ferro Alloys Limited Vrs. Transmission Corporation of A.P. Limited

(xviii). Additional Security Deposit

The Regulation does not purport to affect adversely the rights and liabilities of the consumers before the date of coming into force. On the other hand, as per the Regulation, for supplying electricity, certain conditions are being imposed to be applicable in futures. The condition relating to deposit only means that for availing continued supply, the consumer is required to comply with the certain additional condition. By no stretch of imagination, it can be said that the regulation has any retrospective effect, though in a limited sense, it can be said

that it is having a retrospective effect that the past consumers for the future consumption of electricity are required to follow the condition in future.

AIR-2008 Madras-78: Sidhi Smelters Pvt. Ltd. Vrs. Tamil Nadu Electricity Board.

(xix). Electricity Bill and Disconnection of Electricity-Legality Of/

In the present case bill was admittedly issued on 28.03.2011 and date of payment mentioned therein was 31.03.2011. It is not shown as to when the aforesaid bill was actually served upon the respondent. Assuming that it was served on the same date when it was issued, i.e. 28.03.2011 still according to Clause-6.1 (g) of Supply Code, 2005, the consumer was entitled for 15 days time for payment, i.e., up to 12.04.2011. Thereafter, the statute further contemplates 7 days time after expiry of date of payment as a notice time for disconnection. Meaning thereby, the electricity connection of the consumer in the present case could not have been disconnected before 19.04.2011. Why and in what circumstances the petitioners issued bill to the respondent in the teeth of statutory provisions, namely, Para-6.1 (g) of Supply Code, 2005 has not been explained at all. It is also not explained why and in what circumstances only 3 days time was given in the bill though statute contemplates 15 days time and, whether such a treatment was extended to all other consumers or was confined to the present consumer only and if that is so why this discrimination. Moreover, it is also not understandable that payment which was made by the respondent, as claimed by the petitioner no-3, after 31.03.2011, how the receipt could be issued by dating it 31.03.2011 since this and ante dating by petitioners is ex-facie illegal and amounts to manipulation in the official record. There is no provision which contemplates and provides such kind of ante dating in the matter of billing.

It is evident that not only in the electricity bill was illegally issues to the respondent but disconnection was also made illegally. The judicial notice can be taken of the fact that an illegal act is bound to cause mental and otherwise harassment to a person. Once illegality on the part of the petitioners stands proved, the assessment of damages against guilty person to some extent, though on objective consideration cannot be as certain in a mathematical manner.

AIR-2012 Alld. 176: Dakshinanchal Vidyut Vitarana Nigam Limited Vrs. Prakancha Metal Works Pvt. Limited.

(xx). Release of Second Electric Connection at same Premises

It is clear from the aforesaid clause that the present appellant company is barred from providing more than one connection/meter for one premises. The word "premises" is defined under Clause-2.1 of the said regulation. As per the definition "premises" includes any land, building or structures. It is an admitted position that in the present case, on the disputed land the respondent is having already one connection, had requested for another connection with additional load of 20 HP. Thus, on the same land the appellant company cannot grant additional electric connection. However, if the consumer asked for additional HP, the appellant company can certainly consider the case of a consumer. Though the petitioner had dug another tube well on the same land, his not entitled for another connection as directed by the learned single judge. The order passed by the learned single judge cannot be maintained. The observations made by the learned single judge to the effect that a new connection can be released in the said premises is contrary to the electricity code and regulation and, therefore, the

impugned order dated 26.08.2008 passed by the learned single judge in special civil application No-6107/2007 is hereby set-aside. The appellant company is directed to consider the application dated 01.06.2006 filed by the respondent consumer and the same shall be decided by the appellant company within a period of one month from the receipt of writ of the court.

AIR-2012 Gujarat-67: Central Gujarat Electricity Company Limited Vrs. Prakashbhai Bhagawandas.

(xxi). Limiting Use of Electrical Poles by One Cable Operator

The impugned notification has been framed by the Deptt. of Energy, Govt. of Odisha *inter alia* with the object of framing of guidelines for laying cable network for cable television communication purposes” under its authority through prescribe guidelines standard practices and procedures for ensuring safety of the transmission lines. Under these guidelines, the opposite parties take a defense that this notification having being passed pursuant to a report of the committee of exports and forms the basis for the reason why more than one cable operator is not being permitted to use the electrical pole of the distribution company.

Whereas the term ‘monopoly’ may not be strictly applicable to the situation that arises in the present case due to the fact that other forms of transmission/broadcast by cable operator, in fact, exist yet, the term “monopoly” can be applied to one form of distribution of television signals and i.e., distribution of television signals through the mode of cables attached to electrical poles this mode of transmission while being economically least expensive, the chief mode of transmission of signals to the vast majority of cable viewers in the State.

Therefore, once this mode of transmission itself is confined to one operator, thus, on account of statutory intervention i.e. issue of notification under Annexures-4 & 5, the implications are crystal here, that not more than one cable operator can be permitted to use one pole. Therefore, it is clear from the working of the notification that the notification is in effect creates a monopoly by limiting use of electrical poles by one cable operator. In course of hearing the present writ application by order dated 06.11.2006 this court had directed the OERC to give its report on specific questions formulated by the court.

AIR-2008 Ori-172: Variety Entertainment Pvt. Ltd. Vrs. State of Orissa

(xxii). Torts-depth by Electrocution

The gallery in the children’s park was constructed on being concerned by the State Government. The report of the District Judge clearly mentioned that the concerned authority of the State Govt. had not obtained any formal permission from the concerned department. Not only that, the report prevails that though some officials of the Municipal Board and Urban Affairs Departments had visited the sites of construction, they did not raise any objection for raising the height of gallery which was very close to the over-head power line. Nowhere in fact finding report of the District Judge it has been mentioned that the Electricity Board was not aware of the construction of the gallery nor any such plea was taken by the State in writ petition. Since the raising of the gallery to a certain height did not interrupt the transmission of electricity, the Electricity Board had no reason to visit the Children Park to ascertain about the construction of the gallery. They cannot deny knowledge of the construction of the gallery. In other words, we are of the view that the Rule of Exception to the doctoring of “*Strict liability*” as

discussed in the case of M.P. Electricity Board, *AIR-2002 SC-551*, *By the APEX Court comes to the rescue of MESEB. Hence, the finding rendered by the learned single Judge while fastening one part of the liability upon MESEB is neither based on any evidence nor has the support of law. The entire liability to pay compensation is upon the department of Urban Affairs.*

AIR-2008 Gauhati-174: Meghalaya State Electricity Board Vrs. Mrs. Edentonora Mawthoh.

(xxiii). Death due to Electrocutation

In this case the fact was not in dispute that the victim died because of electrocution because of the falling of the heavy voltage electric wire on road and it was the duty of the electricity board to make proper arrangements for setting off the line immediately after its breaking down from the main line which has not been done and therefore, the petitioner-respondent was rightly allowed compensation by the impugned order. The policy decision of the appellants taken in the year 2002 or 2006 is not the outer limit of the compensation for victim of such accident. Therefore, even if the order was passed in contempt petition but after taking note of the fact that instead of multiplying of the proceedings it will be appropriate to grant long sum amount.

AIR-2012 Jharkhand-112: Rajiv Ranjan, Chairman, JSEB Vrs. Madhuri Kumari.

Mere death due to electrocution could not fasten liability on the respondent. If electrocution has taken place on account of negligence of the respondent, it is liable to pay compensation for the death or bodily injury. In the instant case, except the allegation contend in the FIR, no material, disclosing negligence of the respondent, is placed by the petitioners. Unless, the contempt court in a properly instituted proceeding renders a findings on the negligence of the respondent, the petitioner have not entitled to claim compensation from the respondents. In a writ petition filed under Article-226 of the Constitution of India, it is not possible for this court to adjudicate on the allegation of negligence.

AIR-2012 AP-65: Hanuman Das Vrs. Andra Pradesh Central Power Distribution Company Limited.

(xxiv). The Word “Occupier”-meaning of

“Occupier” of any premises meaning of

“Occupier” of any premises means must be a law full occupier on the date seeking electric connection, for a trespasser cannot get statutory amenities of a facilities. Therefore, there cannot be any difference between the expression “lawful occupier” as mentioned in the earlier act of 1910 and word “occupier” in the present Act, 2003. When the authority concerned earlier [prescribed law full occupier, there is no reason to think in view of change of law, trespasser is to be given law full right.

AIR-2008 Kalkotta-19: Gyanendranath Shil Vrs. Superintending Engineer

(xxv). Recovery of Arrears

The admitted fact it is that for the period for which it demanded payment from the petitioners, payments had been duly made by the petitioners. If because of its own mistake to received a lesser amount in terms of the award (because of wrong inclusion of subsequent payments in the accounts submitted before the Arbitrator),

It was not empower to raise such a bill as was raised in September, 2004 coming upon the petitioner to pay for the same period twice over. For non-payment of the amount demanded by the impugned bill CESC was not entitled to cut off supply of electricity to the petitioner.

AIR-2007 Kolkatta-203: Mahesh Oil Mill Vrs. State of West Bengal.

(xxvi). Recovery of Electricity Tariff-Limitation of

Whereas the bills are issued only in respect of the dues arising in terms of the law as was applicable prior to the coming into force of Electricity Act, 2003. Sub-section (2) of Section -56 shall apply after the said act came into force. The Board could have even framed a tariff in terms of the provisions appended to Section 61 of the Act. Appellants incurred liability to pay the bill. The liability to pay electricity charges is a statutory liability. The act provides for its consequences. Unless, therefore, the 2003 act specifically introduced, the bar of limitation as regards the liability of the consumer incurred prior to coming into force of the said act.

AIR-2007 Bombay-73: Brihan Mumbai Municipal Corporation Vrs. Yatish Sharma.

(xxvii).Billing at Commercial Tariff

The only purpose, in both the cases, is to provide facility to the students in the college campus. Obviously, hostel and canteens are not run by educational institutions to make profit but are wrong for the benefit of the students and staff. It is a well known fact that only moderate charges are levied in college canteens. Therefore, the object of running a canteen is not make profit and *Parma facie* it cannot be said to be commercial activity to be billed at commercial tariff. Moreover, LT VI-A covers establishments like hotels, restaurants, bakeries, cinema studios, commercial premises etc. all of which are run for earning profit and are basically and essentially commercial establishment. Even though canteens attached to colleges are not specifically covered by LT VI-B, it cannot bill under LT-VI-A as it is not a commercial establishment. "Hotels" of educational institutions amplified to universities under LT VI-B cannot be given a restricted meaning in as much as purpose of hostel as well as canteen run by a college as already found is essentially the same. Moreover, it will be inequitable, arbitrary and discriminatory to deny the same tariff benefit available to hostel, to the canteen run by the colleges and if higher tariff is charged the same will go to increase cost of food and services in the canteen defeating the very purpose of canteen provided to the students. It is held that the college canteen more appropriately falls under LT VI-B.

AIR-2008 Kerla-19: NSS Hindu College, Shanganacherry Vrs. Chief Engineer

(xxviii).Determination of Tariff

One thing is clear that u/S. 61 to 64 of the Electricity Act, 2003, there is an inbuilt mechanism and the regulation have to be made available for the citizens to lodge their objections, so that on the basis of their objections based on the terms and conditions contend in the regulations, tariff could be fixed u/S. 64 of the Act. Though, it is not specifically provided that the framing of regulations is a condition precedent as such, nor is there any bar on the procedural part being preceded simultaneously. All these years, power has been supplied to the

consumers at quit a cheap rate and the appellant-regulatory commission has an application of the suppliers of power for fixation of tariff pending before it, which is required to be decided at the earliest, the two processes viz, framing of regulations and fixing of tariff u/S. 61 & 64 of the act respectively, can be permitted to proceed simultaneously with appropriate safeguards. They will of course be two separate proceedings.

AIR-2010 Madras-51: JERC, State of Goa and Union Territories Vrs. Union of India

(xxix). Fixation of Tariff

The complex process of evaluation is involved in fixing the tariff and it would be in the interest of parties that challenge, if any, to the report is made before the prescribed authority. That being so, we dispose of the appeals with the direction that in case CCL files appeal within 4 weeks from today the same shall be considered by the Appellant Tribunal in accordance with law. The Appellant Tribunal is requested to dispose of the appeal on merits within a period of 2 months from the date of filing. All questions are left open to be decided without the question of limitation relating to the filing of appeal. It is stated that CCL is paying Rupees 2.07 of KWH for both Rajrappa & Giddi for the second year after commissioning in July, 2000 for Rajrappa & in April, 2001 for Giddi. CCL shall continue to make the payment.

AIR-2009 SC-2189: M/s DLF Power Limited Vrs. Central Coal Fields Limited.

(xxx). Modification of Tariff- Permissibility of:

There is no separate schedule of tariff has been brought about or made applicable by the JSERC by its impugned letter dated 25.08.2006 but the same has simply clarified the Table-5.33 of the tariff order. By the said change/revision whatsoever in the tariff. The express object for such rebate on load factor is to encourage consumption in excess of the defined load factor. To quote "if the entire consumption is in excess of the defined load factor, the rebate is provided on the energy charges for such excess consumption." Therefore, neither the impugned letter of the JSERC nor the impugned bill raised by the JSEB tantamount to any revision/change in the tariff order and the same is well within the jurisdiction of the JSERC as well as JSEB. At any rate any mistake in billing does not create/give any right to the petitioner.

AIR-2008 Jharkhand-60: M/s Tata Steel Limited Vrs. JSEB.

(xxxii). Alternation of transmission lines:

By reason of the order of the District Collector to follow the second route, the lands of many land owners get affected, whereas by continuing the installation of transmission poles/lines through the original route, it will cross the lands of a very few land owners, and the work could also be completed within the shortest possible time.

AIR-2013 Madras-13: Vignesh Yarns Pvt. Ltd. Vrs. S.Subramanyam

(xxxiii). Payment of Compensation/Determination of

Determination and payment of compensation as occurring in Section 67 (2) (e) is not a matter covered by Section 145 of the Electricity Act, 2003. If the legislature intended to bar the jurisdiction of Civil Court with respect to each and every

matter covered under the act, nothing prevented it from saying so or specifying the same in so many words. By restricting the ouster of jurisdiction of Civil Court in Section 145 only to such matters as have specifically been mentioned in that section, the legislature conveyed its clear intention that the jurisdiction of a civil court shall be barred only with respect to such matters as are mentioned in Section 145. This apart, reliance has rightly been placed by the learned Court below upon Section 175 of the Act by holding that this Section clearly and unmistakably incorporates as specific provision of law that the provisions of 2003 Act are in addition to and not in derogation of any other law for the time being in force. It, therefore, clearly means that all the provisions of Civil Procedure Code are saved in so far as the application of 2003 Act is concerned. Unless, therefore, the State Government frames the Rules to the aforesaid effect, Section 67 (2) (e) nor sub-section (4) of Section 67 can be said to have any effect, if at all. This is one aspect of the matter. The second, a very important aspect, which cannot be lost sight of is that even though Section 67 does talk of the Commission having the power to determine the extent as well as payment of compensation, no provision of the Act under which there is any stipulation about the manner or the method by which an order passed by the Commission for determination as well as payment of compensation can be enforced. No provision of the Act says that such an order passed by the Commission shall have the force of law, or the force of a decree passed by a Court, or that it would be enforced in any given or specified manner the absence of any provision with regard to the enforcement of an order passed by the Commission creates a vacuum as well as a void with respect to its enforceability. That being the case it is more in the nature of an illusion to contend that the Commission has exclusive jurisdiction at cost of the jurisdiction of a Civil Court.

AIR-2007 HP-29: Jai Prakash Hydro Power Limited Vrs. Occhu Ram.

15. Proceedings under S.142 of the Electricity Act,2003

In penalty proceedings under S.142 of the Electricity Act, 2003, issuance of Show-cause notice and necessity to follow the principles of natural justice is mandatory, which is specifically observed by the Hon'ble Apex Court. Unless the mandatory procedure of issuance of show- cause notice containing the specific allegations is followed in the penalty proceedings, it would tantamount to violation of principles of natural justice which will vitiate the entire proceedings.

16. Natural justice another name for commonsense justice. Natural justice is the administration of justice in commonsense liberal way. Justice is based on natural ideas and human values. Natural justice relieves legal justice from un necessary technicality, grammatical pedantry or logical prevarication. The adherence to principles of natural justice is of supreme importance than quasi-judicial body embarks on determining dispute between the parties. The first and foremost principle is what is commonly known as ***audi alteram partem rule***. It says that no one should be condemned unheard. Notice is the first limb of this principle. It must be precise and unambiguous. It should appraise the party determinatively the case he has to meet. Time given for the purpose should be adequate so as to enable him to make his representation. In the absence of a notice of the kind and such reasonable opportunity, the order passed becomes wholly vitiated. Thus it is but essential that a party should be put on notice of the case before any adverse order is passed against him. This is one of the most important principles of natural justice. Justice should not only be done but should manifestly be seem to be done. ***AIR 2009 SC 2375: Uma Nath Pandey Vs. State of U.P.***

17. A show-cause notice is the foundation on which the Department has to built up its case. If the allegations in the show-cause notice are not specific and are on the contrary vague, lack of details and/or un intelligible that is sufficient to hold that the notice was not given proper opportunity to meet the allegations indicated in the show-cause notice. **(Emphasis added),2007(5) SCC 388: Commissioner of Central Excise Vs. Brindavan Beverages (P) Ltd.**
18. An order imposing penalty for failure to carry out the statutory obligation is the result of a quasi-criminal proceeding and penalty will not ordinarily be imposed unless the party obliged has either acted deliberately in defiance of law or was guilty of contumacious or dishonest conduct or acted in conscious disregard of its obligation. **2004(2) SC 783: Karnataka Rare Earth and another Vs. Senior Geologist, Dept. of Mines & Geology and another.**

(Judgment delivered on 31.3.2009 by the Hon'ble High Court of Orissa in W.P.(C) No. 15105 of 2007 in the case of Visa Steel Vrs. State of Orissa and others) AIR 2009(NOC) 2091 (Orissa).
19. The Hon'ble High Court of Orissa vide its order dated 16.03.2010 in W.P (C) Nos. 6624, 6625 & 6626 of 2008 had directed OERC to fix the cost of supply at various voltage i.e., EHT, HT, LT and also to indicate the cost of Tariff for each category, the extend of cross-subsidy existing and plan action to reduce it over a period of time as envisaged in S.61(g) of the Electricity Act, 2003 and Regulation 7(c) (iii) of OERC (Terms and Conditions for Determination of Tariff) Regulations, 2004.

(Judgment delivered on 16.3.2010 by the Hon'ble High Court of Orissa in W.P.(C) Nos. 6624,6625 & 6626 of 2008 in the case of M/s. Tata Steel Ltd.& others vrs. OERC & others.
20. When a financial assessment is under process under S. 126 of the Electricity Act, 2003, the petitioner can avail alternative remedy and there is no justification to issue direction for restoration of power supply on deposit of reasonable percentage of amount of the provisional bill- It is not maintainable under Writ jurisdiction. *M/s Synergy Pvt. Ltd. Vrs. Jharkhanda State Electricity Board, (AIR 2009 (NOC) 975 Jharkhanda.)*
21. In a leading judgment the Constitution Bench of the Hon'ble Supreme Court on 15.03.2010 has held that the Appellate Tribunal for Electricity has no jurisdiction to examine the validity of Regulations framed by CERC – as these are in the nature of Sub-Ordinate Legislation. The validity of the Regulations may, however, be challenged by seeking judicial review under Article 226 of the Constitution of India.
22. Demand charge relates to a charge on the consumer for keeping reserve the energy to supply him to the extent of contractual demand of energy. A consumer is liable to pay the same if the energy is supplied to the consumer by the license whether he draws or utilizes the same or not as the aforesaid relationship of the consumer with the supply company arises out of a contract entered into between them having mutual obligations. *Indian Rare Earth Vrs. MD, SOUTHCO & Or. 109(2010 CLT-680.*
23. Tariff fixation. Procedure to be followed for determination of tariff. Regulatory Commission can alone do it **(2002) 8 Supreme Court Cases 715, AIR 2002 SC,3588**
24. New connection. Application by wife. Earlier connection in the name of husband disconnected for non-payment of dues. Wife suppressing fact that earlier disconnection was in the name of her husband. Denial of new connection not illegal. **(AIR 2003 Patna, 10)**

25. Electricity supply. Section 43 of the Electricity Act, 2003. Lawful occupier of premises, means “*actual occupier*” in settled possession. Person in settled possession of property be it trespasser, unauthorized, encroacher can apply for supply of electricity without consent of owner. He is entitled to get electricity and enjoy the same until he is evicted by due process of law.(AIR 2011, Calcutta, page -64 (Full Bench)
26. Section 126 of the Electricity Act, 2003. The legislature has intended that the assessing officer must be a person who was actually member of the inspection team at the time of detecting the pilferage or unauthorized use of electricity so that, he can pass the order of assessment not on the basis of paper before him but after actually visiting the site at the time of detection of illegality.(AIR 2007, Calcutta, page -298)
27. Section 126. Disconnection of electricity. Provisional assessment. Petitioner has to pay the whole of assessed amount for reconnection of supply. No order can be made directing reconnection on part payment of assessed amount. (AIR 2011(NOC) 124 , Calcutta,)
28. Constitution of India, Art.226. Section 126, 127 of Electricity Act, 2003. Writ petition. Alternative remedy available to petitioner against final assessment order u/S 126 of the Act, 2003. No appeal filed by petitioner under section 127 of the Electricity Act, 2003. Petition filed for direction of reconnection of supply. Not maintainable. (AIR 2011(NOC) 124 , Calcutta,)
29. Electricity Act 2003, Section 126. Constitution of India, Art.226. Restoration of electricity. Provisional assessment made by the assessing officer. Petitioner sought for restoration of electricity on payment of 50% of provisionally assessed amount. No provision of law provides for restoration on payment of 50% or part of the provisionally assessed amount. Whereas relevant regulations provide for restoration only on payment of whole assessed amount. Since amount is provisionally assessed as per relevant provisions, writ power cannot be exercised to direct restoration on payment of part only (AIR 2011(NOC) 127, Calcutta,)
30. Electricity Act, 2003. Section 126(1) (b)(ii). Provisional assessment order. Unauthorized use of electricity. Over drawl of maximum demand does not come under definition of ‘unauthorized use of electricity’. Provisional assessment order passed by the authority alleging “over drawl maximum demand” as ground of unauthorized use of electricity. It is without jurisdiction. (AIR 2011, Orissa, 38)
31. Tariff. The term tariff not defined in the 2003 Act. The term tariff includes within its ambit not only the fixation of rates but also the rules and regulations relating to it. Under the 2003 Act, if one reads section 62 with section 64, it becomes clear that, although tariff fixation like price fixation is legislative in character, the same is made appealable vide Section 111. These provisions namely Section 61 and Section 62 indicate the dual nature of functions performed by Regulatory Commission viz, decision making and specifying the terms and conditions of tariff determination. [(2010) 4 Supreme Court Cases 603]
32. Constitution of India. Art.226- Exhaustion of alternative remedy. Dispute relating to enforcement of right or obligation created under a statute. Specific remedy therefor provided in the statute. High Court may not deviate from general rule and interfere under Art.226, except a very strong case made out.[(2004) 4 Supreme Court Cases 268]
33. Constitution of India. Art.226. Alternative remedy. Maintainability of writ petition. Validity of sales tax assessment questioned. Special and adequate remedy existing under the relevant statute containing self contained machinery. Writ not maintainable.[(1983) 2 Supreme Court Cases 433]

34. Electricity. Judicial review of fixation of electricity tariff and providing cross-subsidy. Scope of High Courts power- Held that, High has only to be satisfied that proper procedure has been followed and it would not interfere unless the decision in question on the face of it is shown to be arbitrary, illegal and contrary to the Act. [(2002) 3 Supreme Court Cases 711]
35. Jurisdiction of Consumer forums against assessment made under section 126 of the Electricity Act, 2003. Against assessment order passed under section 126 of the Electricity Act, a consumer has option either to appeal under section 127 of the Electricity Act or to approach the consumer forum by filing complaint. He has to select either of the remedy. However before entertaining the appeal, the Consumer Fora would direct the consumer to deposit an amount equal to one third of the assessed amount with the licensee. [Similar to section 127(2) of the Electricity Act]. [2008 CTJ (CP) NCDRC] (Jharkhanda Stae Electricity Board and another Vs. A alli)
- N.B.:- After amendment of the Electricity Act 2003 in the year 2007, under section 127(2), it is now 50% of the assessed amount to be deposited by the consumer for preferring an appeal against the final assessment.**
36. **Interpretation of Statute-** Duty of Court indicated. It is not the duty of the court either to enlarge the scope of the legislation or the intention of the legislature when the language of the provision is plain and unambiguous. The court cannot rewrite, recast, or reframe the legislation for the very good reason that, it has no power to legislate. The power to legislate has not been conferred on the courts. The court cannot add words to a statute or read word into it which are not there. Assuming there is a defect or an omission in the words used by the legislature, the court cannot go to its aid to correct or make up the deficiency. Courts shall decide what the law is and not what it should be. [(1991) 3 SCR 873]
37. Section 14 of the Electricity Act, 2003. Supply of electricity. Erection of tower and laying over head lines. Licensee conferred with power under the Telegraph Act. Therefore consent of land owner before erecting tower not necessary. (AIR 2007 Guj.32)
38. **Review:-** Under Order 47 Rule 1 of CPC a judgment may be open to review inter alia if there is a mistake or an error apparent on the face of the record. An error which is not self evident and has to be detected by a process of reasoning , can hardly be said to be an error apparent on the face of record justifying the court to exercise its power to review Under Order 47 Rule 1 of CPC. In exercise of jurisdiction Under Order 47 Rule 1 of CPC, it is not permissible for an erroneous decision to be reheard and corrected. There is clear distinction between an “erroneous decision “and “an error apparent on the face of record”. While the first can be corrected by the higher forum, the latter only can be corrected by exercise of the review jurisdiction. A review petition has a limited purpose and cannot be allowed to be “ an appeal in disguise” [(1997) 8 Supreme Court Cases 715].
39. Hon’ble Apex Court in *Parsion Devi Vrs. Sumitri Devi case (2008) 8 SCC P.716* observed as follows:-

“Under Order 47 Rule 1 CPC a judgment may be open to review inter alia if there is a mistake or an error apparent on the face of the record. An error which is not self-evident and has to be dictated by a process of reasoning, can hardly be said to be an error apparent on the face of the record justifying the court to exercise its power of review under Order 47 Rule 1 CPC. In exercise of jurisdiction under Order 47 Rule 1 CPC it is not permissible for an erroneous decision to be ‘reheard and corrected’. There is a clear distinction between an erroneous decision and an error apparent on the face of the

record. While the first can be corrected by the higher forum, the latter only can be corrected by exercise of review jurisdiction. A review petition has a limited purpose and cannot be allowed to be 'an appeal in disguise'."

Another important decision on the issue is also noted- *"Error apparent on the face of the record" must be such an error which must strike one on mere looking at the record and would not require any long drawn process of reasoning on points where there may conceivably be two opinions. (AIR 1995 SC 455).*

40. The Hon'ble Supreme Court interpreting the various rules and regulations of electricity laws and all other allied laws has ruled that complaints of the individual consumers for adjudication is beyond/outside the jurisdiction of the State Commission, since separate forums for redressal of individual consumers grievances has been created u/S. 42 of the Electricity Act, 2003. So all the disputes should therefore be raised before such forum but not to burden the Commission, more so while it has been forbidden by the Hon'ble APEX Court. The Commission is bound to follow the said judgment as the law of land under Article 141 of the Constitution of India.

AIR 2008 SC 1042: Maharashtra State Electricity Distribution Company Ltd. Vrs. Lloyds Steels Industries Ltd.

41. It has been held by the Hon'ble Appellate Tribunal for Electricity that, in a proceeding, the State Commission instead of getting opinion from legal experts for clarification of the legal issue, may appoint a counsel to explain and enlighten the State Commission with regard to the legal positions on the basis of the authorities rendered by the Tribunal as well by the Supreme Court in the open forum in the presence of the necessary parties.

(Order dated 31.1.2011 of APTEL, New Delhi passed in Appeal No. 41,42,43 of 2010 between Polyplex Corporation Limited Vs. Utarakhand Electricity Regulatory Commission and another.)

42. Electricity Act, 2003. Section 145. Section 154(5) of Electricity Act, 2003 casts an obligation upon the Special Court to determine the civil liability even if no prayer is for determination of such liability is made by either party. **(AIR 2010 Delhi 91)**
43. Tariff revision retrospectively- Challenge to tariff order becomes infructuous as soon as the one year period of tariff expires. **[(2002) 3 Supreme Court Cases 711]**
44. Application filed after 5 years for revision of tariff as per direction of the Appellate Tribunal for Electricity to revisit tariffs and absorb additional cost in new tariff is improper. Revision ought to be filed within period the tariff order was in force. **AIR 2009 SC(Supp)1931(B).**
45. Fixation of fuel surcharge rate for the licensees which involves arithmetical accounting does not need to give opportunity of hearing. **AIR 2009SC (Supp) 1442(A).**
46. Theft of electricity/ provisional assessment – Imposition of punishment or fine or both on conviction for offence u/S.135 of the Electricity Act,2003 has nothing to do with civil liability i.e. levy of electricity charges payable by person using electricity unauthorisedly. **AIR 2010 Raj 86(B).**
47. Procedure of Civil Court u/S.154(5) of the Electricity act,2003 regarding theft of electricity civil liability against the consumer in terms of money will not be 'decree' passed by the Court. But it is only by fiction of law that such liability would be recovered as if it were decree of Civil Court. **AIR 2010 Del 91(A).**

48. Powers of Special Court u/S.154(5) of the Electricity Act,2003 regarding theft of energy- determination of civil liability against the consumer even if no prayer for determination of such liability is made by the either party is proper. **AIR 2010 Del 91(B).**
49. Where meter given for domestic supply and the consumer used for commercial purpose then assessment made u/s.126(6) of the Electricity Act,2003at the rate equal to twice tariff payable for commercial category is improper. Assessment should be made at the rate equal to twice tariff applicable to domestic tariff. **AIR 2010 Cal 84 (DB).**
50. In a leading judgment the Constitution Bench of the Hon'ble Apex Court has held that "directions" in S.121 of the Electricity Act, 2003 do not confer power of judicial review in the Tribunal. It is not possible to lay down any exhaustive list of cases in which there is failure in performance of statutory functions by the Appropriate Commission. S.121 of the Act, of the Act, 2003 does not confer power of judicial review on the Appellate Tribunal. The wards "orders", "instructions" or "directions" in S.121 do not confer power of judicial review in the Appellate Tribunal for Electricity. The power of judicial review of the validity of Regulations made under the Electricity Act, 2003 is not conferred on the Appellate Tribunal for Electricity. **AIR 2010 SC 1338: PTC India Ltd. Vrs. CERC.**
51. In a leading judgment the Hon'ble High Court of Delhi had held that s.154 (5) of Electricity Act, 2003 casts an obligation upon the Special Court to determine the civil liability, even if no prayer for determination of such liability is made by either party. Therefore, even if no request had been made by the petitioner for determination of civil liability, the Special Court would still have to carry out the legislative mandate given to it u/s. 154(5) of the said Act. **AIR 2010 Del 91: BSES Rajdhani Power Ltd. Vrs. State, NCT of Delhi & another.**

52. **Alternative remedy-Dispute as to electricity bill:-**

Writ petition

So far as the question of maintainability of the writ petition is concerned, even if statutory remedy is available, the same cannot be a bar to entertain a writ petition under Article-226 of the Constitution of India, where immediate interference is required. That who, the present case of the petitioner is not a dispute in terms of Clause 110 of the 1998 Code which provided that only when a consumer is aggrieved by any action or lack of action by the engineer under this designated authority of the licensee above the rank of engineer who shall pass final orders on such a representation within 30 days of receipt of the representation. So the question raised by the Ops or the petitioner will not come within purview of Clause-110 of the 1998 Code. So, the objection raised by the Ops regarding maintainability of the writ petition does not hold good and the same is accordingly rejected keeping in view the settled position of law regarding interference of the High Court under Article 226 of the Constitution of India, where alternative remedies available as each case has to be adjudged on its peculiar facts and circumstances. AIR-2005 Orissa-160: ARSS Stones Pvt. Ltd. Vrs. Chairman, GRIDCO, Orissa.

So for as the bill raised against the consumer-petitioner is concerned, if there is any dispute in the bill, it is open to the consumer-petitioner to approach before the GRF constituted u/S.42(5) of the Electricity Act, 2003. **AIR 2005 Ori 160: ARSS Stones Pvt. Ltd. Vrs. Chairman, GRIDCO & other.**

53. **Awarded by the Electricity Ombudsman:**

Whether the award of the Electricity Ombudsman may be challenged only u/s 34 of the Arbitration and Conciliation Act, 1996 as statutory arbitration. The Court has only drawn the analogy from S.34 of the Arbitration and Conciliation Act, 1996 a the principles to

challenge the arbitral award should be limited to only such grounds as are available u/s 34 of the Arbitration and Conciliation Act, 1996. **AIR 2008 All.27: Purbachal Vidyut Vitran Nigam Ltd. Bhikarpur and another Vrs. Vidyut Lokpal (Electricity (Electricity Ombudsman)).**

Where the “Electricity Ombudsman” has succeeded in mediation and conciliation in persuading the consumer and the licensee to reach to a settlement, the proceedings would not be subject to challenge except on the ground of jurisdictional error committed by the Electricity Ombudsman or any fraud pleaded and proved on record. In an other case the award may be challenged as an arbitral award on the grounds available u/S. 34 of the Arbitration and Conciliation Act, 1996. The scope of interference with award is limited to the grounds, which may be taken u/S. 34 of the Arbitration and Conciliation Act, 1996.

Un-authorized use of electricity- regularization of –no provision for, in the Act or Regulations-no direction for, can be given by the Ombudsman: AIR 2010 SC-2893 (A).

Jurisdiction of consumer redressal forum- ‘consumer’ whether include, commercial consumer – the Electricity Act, 2003 had not made any distinction between private and commercial consumer- any person who is supplied with electrical energy by Board is a consumer within meaning of Section. 42 (5) of the Act. Any dispute he had with Board in relation to supply of energy or charges or any service conditions in relation there to, dispute would lie to the Forum: AIR 2010 (NOC) 1082 (Pat.)

54. ***Electricity Dues of Previous Consumer:***

Kerla State Electricity Board Terms and Conditions of Supply, 2005 states that the provisions only enable the Board to recover the arrears from the previous consumer/owner/occupier of the premises and not from the person who purchases the premises. Reference was also made to Regulation, 12 of the KSE Supply Code, 2005 which states that the arrears can be realized only from the previous consumers/owner. Even after coming into force of the Electricity Act, 2003, a prospective consumer applied for electric connection to a premises of which there is previous dues, unless and until the same is clear. Board is not duty bound to give electric connection to that premises. If the new consumer remits the arrears and complied with other formalities the electric connection has to be given by the Board and it can proceed against the previous consumer and recover the arrears and the amount realized, be adjusted towards the amount received from the prospective consumer. **AIR-2007 Kerla-201: K.G.Purushothaman Vrs. Kerla State Electricity Board.**

55. **Recovery of dues:**

Additional security deposit can not be treated as “Dues” the Act does not indicate any process for recovery of additional security deposit- demand of additional security deposit is illegal: **AIR 2010 (NOC) (Supp) 665 (All.) (DB).**

Interest on consumer security and meter security deposits, the electricity Regulatory Commission determined that consumer was entitled to interest at Bank rate determined from time to time by R.B.I – Consumer Forum and Electricity Ombudsman had only deciphered what was Bank rate payable by RBI. It amount only to give effect to order and there was no attempt to reduce or increase rate of interest, which the Commission had determined: **AIR-2010-P&H-173 (A)**

56. **Reduction in Contract Load**

Reduction in contract demand fresh agreement entered into between electricity supply company and consumer which was also a Sick Industrial Company declared as relief

undertaking u/S. 3 (1) of the U.P. Act (1996) for such reduction- however, electricity supply company refused to reduce load on ground that security Bond executed by consumer did not secure total outstanding dues- such refusal was invalid; as it had effect of negating decision to revive consumer: **AIR-2010 SC 1946**.

Recovery of energy dues of erstwhile consumer- exception-purchaser of property of defaulter consumer through intervention of Govt. agency etc. is not required to pay earlier dues- such protection not available to private transactions – intention of legislature is to grant sanctity to official sale- official liquidator being also official; agency covered by M.P Electricity supply Code- sale conducted by it is protected: **AIR 2007 SC-2, AIR-2009 SC-647**.

Death due to electrocution-Compensation- Allegation that victim received injuries when he came in contact with 33 Kv line electric wirewhile he was going to his paddy field- Plea by Board that as electric line in question had become defunct due to theft of electric wires claimant could not receive injury due to shock, not establishe-Mdical evidence clearly indicates that accident was electric shock- grant of compensation to the claimant is proper: **AIR 2010 (NOC) (supp)693(Ori) (A)**.

Appeal to the Supreme Court u/S.125 of the Electricity Act,2003, limitation is started from the date order of the Tribunal on which date of Tribunal is notified in cause list under regulation 94(2) of the Appellate Tribunal for Electricity (Procedure, Form, Fee and Record of Proceedings) Rules. **AIR 2010 SC 2061(B)**.

57. **Appeal to the Supreme Court**

Different situations may arise in the relation to review petitions filed before a Court or Tribunal. One of the situations could be where the review application is allow, the decree or the order passed by the Court or Tribunal is vacated and the appeal/proceedings in which the same is made are re-heard and afresh decree or order passed in the same. It is many-faced that in such a situations the subsequent decree along is appealable not because it is an order in review but because it is a decree that is passed in a proceeding after earlier decree passed in the very same proceedings has been vacated by the Court herein the review petitions. The second situation that one can conceive of is where a Court or Tribunal makes an order in a review petition by which the review petition is allowed and decree/order under review reserved or modified. Such an order shall then be a composite order whereby the Court not only vacates the earlier decree or order but simultaneous with such vacation of the earlier decree or order, passes another decree or order or modifies the one made earlier. The decree so vacated reserved or modified is then the decree that is effective for purposes of further appeal, if any, maintainable under law.

Where the revision petition is filed before the Tribunal but the Tribunal refuses to interfere the decree or order earlier made. It is simply dismisses the review petition. The decree in such a case suffers neither any reversal nor an alternation or modification. It is an order by which the review petition is dismissed thereby affirming the decree or order. In such a contingency there is no question of any merger and any one aggrieved by the decree or order of the Tribunal or Court shall has to challenge within the time stipulated by law, the original decree and nor the order dismiss the review petitions. Time taken by a party in diligently pursuing the remedy by way of review may in appropriate cases be excluded from consideration while condoning the delay in the filing of the appeal, but such exclusion or condonation would not imply that there is a merger of original decree and the order dismissing the review petition. AIR-2012 SC-11602: DSR Steel (P) Ltd. Vrs. M/s V. State of Rajasthan.

58. **Appeal Maintainability**

Having perused Section 185 of the Electricity Act, 2003 it can safely said that only those provisions of the Haryana Act, which are not inconsistent with the provisions of the Act, 2003, shall have application. Since in the 2003 Act appeal is provided to the Appellate Tribunal u/S. 111 of the Act, 2003, therefore, appeal to this Court u/S. 39 of the Haryana Act would not lie and Section 39 of the Haryana Act being inconsistent with Section 111 of the Act, 2003 shall have no application. Since order impugned was passed by the Commission deemed to have been constituted under Section 82 of the Act, 2003, therefore, order passed by the Commission shall be appealable before the Appellate Tribunal U/S. 111 of the Act, 2003. AIR-2012 (P&H) 72: Sawadshi Udyog, Khahuri Road, Yamaunanagar Vrs. Uttar Haryana Bijli Vitran Nigam, Panchakula.

59. **Complaint as to defective meter (disputes as to meter and billing).**

The forum constituted u/S. 42(5) of the Electricity Act, 2003 can order an enquiry or local inspection to determine if a meter is in fact defective as complained of by a consumer. It is expected that while ordering a local enquiry, the forum will direct it to be carried out by an independent expert, unconnected with either the consumer or the electricity supplier. *AIR 2007 Del. 161: Yogesh Jain Vrs. BSES Yomuna Power Ltd.*

So far as the bill raised by the Distribution Licensee against the consumer is concerned, if there is any dispute in the bill, it is open to the consumer to approach the Grievance Redressal Forum constituted u/S. 42 (5) of the Electricity Act, 2003 in the supply area of the licensee. *AIR 2005 ARSS Stones Pvt. Ltd. Vrs. GRIDCO of Orissa & Others Orissa 160.*

60. **Jurisdiction of State Electricity Regulatory Commission.**

Under S. 42(5) of the Electricity Act, 2003 proper forums for redressal of the grievance of individual consumers are established. In the face of this statutory provision the Commission could not intervene in the matters relating to consumer disputes as there has been a forum created under the aforesaid Act for this purpose. The matter should have been left to the said forum. *132 (2006) DLT 339 (DB): Suresh Jindal Vrs. BSES Rajdhani Power Ltd. & Ors.*

Disputes regarding electricity supply, if the order of the forum are not implemented, by the licensee that would attract 128 & 129 of the Electricity Act, 2003 and give jurisdiction of the Regulatory Commission would have jurisdiction to entertain such appeal or complaint. *AIR 2010 (NOC) 1082 (Pat).*

61. **Writ petition- Alternative remedy:**

So far as the question of maintainability of the writ petition is concerned, even if statutory remedy is available, the same can not be bar to entertain a writ petition under Article 226 of the Constitution taking into account particular facts and circumstances of a case, where immediate interference is required. *AIR 2005 Orissa, 160, AIR 2008 Orissa, 172: Variety Entertainment (Pvt.) Ltd. Vrs. State of Orissa & Another.*

62. The Hon'ble Supreme Court in its judgment in case of Titaghur Paper Mills Co. Ltd. v. State of Orissa has held that :

“11. Under the scheme of the Act, there is a hierarchy of authorities before which the petitioners can get adequate redress against the wrongful acts complained of. The petitioners have the right to prefer an appeal before the Prescribed Authority under sub-section (1) of Section 23 of the Act. If the petitioners are dissatisfied with the decision in the appeal, they can prefer a further appeal to the Tribunal under sub-

*section (3) of Section 23 of the Act, and then ask for a case to be stated upon a question of law for the opinion of the High Court under Section 24 of the Act. The Act provides for a complete machinery to challenge an order of assessment, and the impugned orders of assessment can only be challenged by the mode prescribed by the Act and not by a petition under Article 226 of the Constitution. It is now well recognized that where a right or liability is created by a statute which gives a special remedy for enforcing it, the remedy provided by that statute only must be availed of. This rule was stated with great clarity by Willes, J. in *Wolverhampton New Waterworks Co. v. Hawkesford*⁴ in the following passage:*

“There are three classes of cases in which a liability may be established founded upon statute. . . . But there is a third class, viz. where a liability not existing at common law is created by a statute which at the same time gives a special and particular remedy for enforcing it. . . the remedy provided by the statute must be followed, and it is not competent to the party to pursue the course applicable to cases of the second class. The form given by the statute must be adopted and adhered to.”

*The rule laid down in this passage was approved by the House of Lords in *Neville v. London Express Newspapers Ltd.*⁵ and has been reaffirmed by the Privy Council in *Attorney-General of Trinidad and Tobago v. Gordon Grant & Co. Ltd.*⁶ and *Secretary of State v. Mask & Co.*⁷ It has also been held to be equally applicable to enforcement of rights, and has been followed by this Court throughout. The High Court was therefore justified in dismissing the writ petitions in limine.” *Titaghur Paper Mills Co. Ltd. v. State of Orissa, (1983) 2 SCC 433, at page 440.**

So for as the question of maintainability of the writ petition is concerned, even if statutory remedy is available, the same can not be bar to entertain a writ petition under Article 226 of the Constitution taking into account particular facts and circumstances of a case, where immediate interfere is required. *AIR 2005 Orissa, 160, AIR 2008 Orissa, 172: Variety Entertainment (Pvt.) Ltd. Vrs. State of Orissa & Another.*

63. In fact the creation of an Appellate Tribunal of Electricity under the 2003 Act was a result of an observation made the Hon’ble Supreme Court in *West Bengal Electricity Regulatory Commission v. CESC Ltd., (2002) 8 SCC 715*, at page 763 (under the 1998 Act, which has now been repealed the appellate powers were with the Hon’ble High Court) :

“Re: An effective appellate forum

102. We notice that the Commission constituted under Section 17 of the 1998 Act is an expert body and the determination of tariff which has to be made by the Commission involves a very highly technical procedure, requiring working knowledge of law, engineering, finance, commerce, economics and management. A perusal of the report of ASCI as well as that of the Commission abundantly proves this fact. Therefore, we think it would be more appropriate and effective if a statutory appeal is provided to a similar expert body, so that the various questions which are factual and technical that arise in such an appeal, get appropriate consideration in the first appellate stage also. From Section 4 of the 1998 Act, we notice that the Central Electricity Regulatory Commission which has a judicial member as also a number of other members having varied qualifications, is better equipped to appreciate the technical and factual questions involved in the appeals arising from the orders of the Commission. Without meaning any disrespect to the Judges of the High Court, we think neither the High Court nor the Supreme Court would in reality be appropriate appellate forums in dealing with this type of factual and technical matters. Therefore, we recommend that the appellate power against an order of the State Commission under the 1998 Act

should be conferred either on the Central Electricity Regulatory Commission or on a similar body. We notice that under the Telecom Regulatory Authority of India Act, 1997 in Chapter IV, a similar provision is made for an appeal to a Special Appellate Tribunal and thereafter a further appeal to the Supreme Court on questions of law only. We think a similar appellate provision may be considered to make the relief of appeal more effective.”

64. Therefore to entertain the Writ Petition would go against the object and purpose of the reform legislation including the hierarchy of authorities created by Parliament,

In Assn. of Industrial Electricity Users v. State of A.P.,(2002) 3 SCC 711, at page 717 :

“11. We also agree with the High Court that the judicial review in a matter with regard to fixation of tariff has not to be as that of an Appellate Authority in exercise of its jurisdiction under Article 226 of the Constitution. All that the High Court has to be satisfied with is that the Commission has followed the proper procedure and unless it can be demonstrated that its decision is on the face of it arbitrary or illegal or contrary to the Act, the court will not interfere. Fixing a tariff and providing for cross-subsidy is essentially a matter of policy and normally a court would refrain from interfering with a policy decision unless the power exercised is arbitrary or ex facie bad in law.”

65. Recently, the Hon’ble Apex Court held in *United Bank of India v.Satyawati Tondon,(2010) 8 SCC 110, at page 123 :*

“43. Unfortunately, the High Court overlooked the settled law that the High Court will ordinarily not entertain a petition under Article 226 of the Constitution if an effective remedy is available to the aggrieved person and that this rule applies with greater rigour in matters involving recovery of taxes, cess, fees, other types of public money and the dues of banks and other financial institutions. In our view, while dealing with the petitions involving challenge to the action taken for recovery of the public dues, etc. the High Court must keep in mind that the legislations enacted by Parliament and State Legislatures for recovery of such dues are a code unto themselves inasmuch as they not only contain comprehensive procedure for recovery of the dues but also envisage constitution of quasi-judicial bodies for redressal of the grievance of any aggrieved person. Therefore, in all such cases, the High Court must insist that before availing remedy under Article 226 of the Constitution, a person must exhaust the remedies available under the relevant statute.

44. While expressing the aforesaid view, we are conscious that the powers conferred upon the High Court under Article 226 of the Constitution to issue to any person or authority, including in appropriate cases, any Government, directions, orders or writs including the five prerogative writs for the enforcement of any of the rights conferred by Part III or for any other purpose are very wide and there is no express limitation on exercise of that power but, at the same time, we cannot be oblivious of the rules of self-imposed restraint evolved by this Court, which every High Court is bound to keep in view while exercising power under Article 226 of the Constitution.

45. It is true that the rule of exhaustion of alternative remedy is a rule of discretion and not one of compulsion, but it is difficult to fathom any reason why the High Court should entertain a petition filed under Article 226 of the Constitution and pass interim order ignoring the fact that the petitioner can avail effective alternative remedy by filing application, appeal, revision, etc. and the particular legislation contains a detailed mechanism for redressal of his grievance.

49. The views expressed in *Titaghur Paper Mills Co. Ltd. v. State of Orissa*⁹ were echoed in *CCE v. Dunlop India Ltd.*¹⁴ in the following words: (SCC p. 264, para 3)

“3. ... Article 226 is not meant to short-circuit or circumvent statutory procedures. It is only where statutory remedies are entirely ill-suited to meet the demands of extraordinary situations, as for instance where the very vires of the statute is in question or where private or public wrongs are so inextricably mixed up and the prevention of public injury and the vindication of public justice require it that recourse may be had to Article 226 of the Constitution. But then the Court must have good and sufficient reason to bypass the alternative remedy provided by statute. Surely matters involving the revenue where statutory remedies are available are not such matters. We can also take judicial notice of the fact that the vast majority of the petitions under Article 226 of the Constitution are filed solely for the purpose of obtaining interim orders and thereafter prolong the proceedings by one device or the other. The practice certainly needs to be strongly discouraged.”

66. Increase in price of electricity *per se* cannot be a ground for invoking writ jurisdiction. Increase in price of electricity is due to various economic reasons. One of the main reasons for increase in electricity tariff is that generation cost (which constitutes bulk of the retail tariff) has increased substantially due to rise in cost of coal/fuel.
67. There is a clear recognition that electricity has moved from being a “public good” to a “commercial commodity”, whose price would be largely linked to market situations. The Scheme of the Act, as discussed in several judgments will reveal that “competition in generation” and “development of markets” are the main instruments that the legislature believe will bring down power prices over a period of time and promote consumer interest. Artificially controlling prices and not recovering its true cost is against public interest and is seen as the main reason for enacting the reform legislation (See, introduction and State of Object and Reasons of Electricity Act, 2003).
68. Clearly, there is no legal or fundamental right that can be said to be affected due to increase in cost of electricity. The legal challenge can only be limited to whether the State Commission has correctly considered the various cost parameters in accordance with regulations and the statutory provisions. The question therefore is whether such a legal challenge should be through a Writ Petition or left to an expert tribunal created under Section 112 of the Electricity Act, 2003. Section 111 of the Electricity Act, 2003 provides for filing of appeal by any person aggrieved by the order of the State Commission.

a. Natural justice

- i. It has been asserted by the Regulatory Commission, wide publicity has to be given and various objections have been invited and different classes of consumers had been given opportunity and, therefore, factually the assertion that principles of natural justice had not been followed is not correct. *AIR 2008 Mad 78: Sidhi Smelters Pvt. Ltd. Vrs. Tamilnadu Electricity Board & another.*
- ii. The Regulatory Commission while framing Regulation which is a delegated legislation, it does not require to follow a particular principle of natural justice. It has been asserted by the Regulatory Commission that, in fact before framing the Regulation wide publicity has been given and various objections have been invited and different classes of consumers has been given opportunity and, therefore, factually the assertion that

principle of natural justice had not been followed is not correct. **Sidhi Smelters Pvt. Ltd. Vrs. TNEB & another: AIR 2008 Madras 78.**

b. The Commission cannot issue suo-motu directions without following the procedure laid down in the Act and Regulations. **AIR 2005 Guj.164:Hindustan Petroleum Corp. Ltd. Vrs. Gujarat Electricity Board State Transmission Utility and Another.**

c. Adjudicatory Function of the States Commission – Scope of:

S.86(1) (f) of the Electricity Act, 2003 states that the State Commission has only power to adjudicate upon disputes between licensees and generating companies. The Commission cannot adjudicate disputes relating to grievances of individual consumers. The adjudicatory function of the Commission is thus limited to the matter prescribed in the above section. **AIR 2008 SC 976: MERC Vrs. REL Ltd.**

d. The Commission has conferred power u/S.86 (10(f) of the Electricity Act,2003 to adjudicate disputes between licensees and generating companies. The dispute qua consumer with Board is beyond the jurisdiction of the Regulatory Commission. For any consumer dispute Consumer Forum available to him for redressal of his grievances u/S.42(5) of the said Act. **AIR 2010(NOC) 1082(Pat).**

69. Change of Tariff applicable to a consumer

Modification of Tariff Permissibility of:-

There is no separate schedule of tariff has been brought about or made applicable by the Jharkhand State Electricity Board by its impugned letter dated 25.08.2006, but the same has simply clarified the table 5.33 of the tariff order. By the said letter, the JSERC has only retreated the provisions of its tariff order and has not made any change/revision whatsoever in the tariff. The express object for such rebate on load factor is to encourage consumption in excess of the define load factor. To quote “if the entire consumption is in excess of the define load factor, the rebate is provided on the energy charges for such excess consumption”. Therefore, neither the impugned letter of the JSERC nor the impugned bills raised by the JSEB tantamount to any revision/change in the tariff order and the same is well within the jurisdiction of the JSERC as well as JSEB. At any rate any mistake in billing does not create /give any right to the petitioner.

AIR 2008 Jharkhand-60: M/s Tata Steel Limited Vrs. Jharkhand State Electricity Board.

The Commission has fixed the price for supply of electricity as per the schedule of the tariff for retail supply. When the distribution licensee charges the tariff applicable to a consumer, it amounts to charging of a price in excess of the price fixed by the Commission for supply of electricity. The change of tariff is a grievance which can be raised by the consumer before the forum established u/S. 42 (5) of the Electricity Act, 2003 in that area of supply. **AIR 2010 Ker 39: Jose Francis and etc. Vrs. Keral State Electricity Board, Triruvanthapuram and others.**

70. Appeal against the order of the Commission

Section 39 of the Orissa Electricity Reforms Act, 1995 provides that an Appeal against an order of the Commission on a question of law. Hence the aggrieved party has an alternative remedy by way of an appeal from the order of the Commission is available, therefore the High Court should not entertain writ petitions u/Article 226 of the Constitution of India.

When the statute itself has provided the Forum of Challenge, the parties should not have any choice in this respect and if such things are allowed, it will give rise to indiscipline in procedure.

The above observation of the Hon'ble APEX Court was held in their lordships in case of **Seth Chand Ratan Vrs. Pandit Durga Prasad (D) By L. Rs and others. AIR 2003 SC 2736, State of Goa & Others Vrs. A.H. Jaffer & Sons: AIR 1995 SC 333, Sadhana Lodh Vrs. National Insurance Co. Ltd. and another. AIR 2003 SC 1561.**

*“ x x it has been settled by a long catena of decision that when a right or liability is created by statute, which itself prescribes the remedy or procedure for enforcing the right or liability, resort must be had to that particular statutory remedy before seeking the discretionary remedy under Art. 226 of the Constitution. This rule of exhaustion of statutory remedies is no doubt a rule of policy, convenience and discretion and the court in be exceptional cases issue a discretionary writ of certiorari. Where there is complete lack of jurisdiction for the officer or authority or Tribunal to take the action or there has been a contravention of fundamental rights or there has been a violation of rules of natural justice or were the Tribunal acted under a provision of Law, which is **ultra vires**, then notwithstanding the existence of an alternative remedy, the High Court can exercise its jurisdiction to grant relief.”*

71. **Incidental or ancillary power to pass any order**

The Hon'ble APEX Curt in case of **Union of India & another Vrs. Paras Laminates (P) Ltd. (1990) 4 SCC 453** has observed as follows:-

“There is no doubt that the Tribunal functions as a Court within the limits of its jurisdiction. It has all the powers conferred expressly by the statute. Furthermore, being a judicial body, it has all these incidental and ancillary powers which are necessary to make fully effective the express grant of statutory powers. Certain powers are recognized as incidental and ancillary, not because they are inherent in the Tribunal, nor because its jurisdiction is plenary, but because it is the legislative intent that the power which is expressly granted in the assigned field of jurisdiction is efficaciously and meaningfully exercised. The powers of the Tribunal are no doubt limited. Its area of jurisdiction is clearly defined, but within the bounds of its jurisdiction, it has all the powers expressly and impliedly granted. The implead granted is of course, limited by the express grant and, therefore, it can only be of such powers as are truly incidental and ancillary for doing all such acts or explaining all such means as are reasonably necessary to make the grant effective. As stated in Maxwell on the interpretation of statutes (11th edition), where an Act confers a jurisdiction, it impliedly also grants the power of doing all such acts, or employing such means, as are essentially necessary to its execution.”

Titaghur Paper Mills Co. Ltd. v. State of Orissa, (1983) 2 SCC 433, at page 440 (this judgment has been followed in several subsequent cases) :

“11. Under the scheme of the Act, there is a hierarchy of authorities before which the petitioners can get adequate redress against the wrongful acts complained of. The petitioners have the right to prefer an appeal before the Prescribed Authority under sub-section (1) of Section 23 of the Act. If the petitioners are dissatisfied with the decision in the appeal, they can prefer a further appeal to the Tribunal under sub-section (3) of Section 23 of the Act, and then ask for a case to be stated upon a question of law for the opinion of the High Court under Section 24 of the Act. The Act provides for a complete machinery to challenge an order of assessment, and the impugned orders of assessment can only be challenged by the mode prescribed by the Act and not by a petition under Article 226 of the Constitution. It is now well recognised that where

a right or liability is created by a statute which gives a special remedy for enforcing it, the remedy provided by that statute only must be availed of. This rule was stated with great clarity by Willes, J. in *Wolverhampton New Waterworks Co. v. Hawkesford*⁴ in the following passage:

“There are three classes of cases in which a liability may be established founded upon statute. . . . But there is a third class, viz. where a liability not existing at common law is created by a statute which at the same time gives a special and particular remedy for enforcing it. . . the remedy provided by the statute must be followed, and it is not competent to the party to pursue the course applicable to cases of the second class. The form given by the statute must be adopted and adhered to.”

*The rule laid down in this passage was approved by the House of Lords in *Neville v. London Express Newspapers Ltd.*⁵ and has been reaffirmed by the Privy Council in *Attorney-General of Trinidad and Tobago v. Gordon Grant & Co. Ltd.*⁶ and *Secretary of State v. Mask & Co.*⁷ It has also been held to be equally applicable to enforcement of rights, and has been followed by this Court throughout. The High Court was therefore justified in dismissing the writ petitions in limine.”*

Therefore to entertain the Writ Petition would go against the object and purpose of the reform legislation including the hierarchy of authorities created by Parliament,

In Assn. of Industrial Electricity Users v. State of A.P.,(2002) 3 SCC 711, at page 717 :

“11. We also agree with the High Court that the judicial review in a matter with regard to fixation of tariff has not to be as that of an Appellate Authority in exercise of its jurisdiction under Article 226 of the Constitution. All that the High Court has to be satisfied with is that the Commission has followed the proper procedure and unless it can be demonstrated that its decision is on the face of it arbitrary or illegal or contrary to the Act, the court will not interfere. Fixing a tariff and providing for cross-subsidy is essentially a matter of policy and normally a court would refrain from interfering with a policy decision unless the power exercised is arbitrary or ex facie bad in law.”

72. **Jurisdiction of the Appellate Tribunal for Electricity.**

Appellate tribunal for Electricity- Jurisdiction-Scope-Being expert Tribunal can interfere with the findings made by the Central Commission both on facts and law.AIR 2009SC(Supp)1931.

Appellate Tribunal for Electricity-Power to issue orders, instructions or directions to Central Commission- Does not confer power of judicial review on Appellate Tribunal-Vires of Central Electricity Regulatory Commission (Fixation of Trading margin) Regulations framed by the Central Commission- Can not be decided by Appellate Tribunal either U/s.111 or under Section121 of the Electricity Act, 2003- However dispute about interpretation of Regulations can be decided by the Tribunal. AIR 2010 SC1338.

73. **Invoking provision**

Appellate Tribunal for Electricity can not direct all Regulatory Commissions to fix trading margins by invoking Ss. 60 & 66 of the Electricity Act,2003. **AIR 2009 SC (Supp) 2848.**

- i. Tariff regulations- Framing of- Though Regulations have to be made available for citizens to lodge their objections, so that tariff could be fixed on the basis of their objections based on terms and conditions contained in Regulations-It is not specifically provided that framing of Regulations is condition precedent as such.**AIR 2010 Mad 51(DB).**
- ii. Incentives on energy /power consumption to industries- Benefits of, assured to the petitioner's unit in terms of State Industrial Policy – condition seeking reimbursement from State Govt. for extending benefits of incentives o the petitioner's unit- Board can not such condition which indirectly resulting in denial of benefit of incentives assured to new industries under State Industrial policy. **AIR 2010 Jha 127.**
- iii. Appeal against order/Regulation framed by Central Electricity Regulatory Commission is in the nature of delegated legislation is not an order u/S.111 which cannot be tested in appeal to Appellate tribunal for Electricity. **AIR 2010 SC1338.**
- iv. Appeal challenging wheeling charges determined by the Appellate Electricity Regulatory Commission in respect of year before the Tribunal in which appellant had not wheeled single unit of energy is not tenable and if any order has been passed by the Tribunal is liable to be set-aside. **AIR 2010 SC1919.**

74. **Function of the State Commission**

It is necessary to state here that in many an enactment the legislature has created regulatory Bodies. No one can be oblivious of the fact that in a global economy the trust on the regulators has been accentuated. Credibility of governance to a great extent depends on the functioning of such regulatory bodies and therefore, their selection has to be in total consonance with the statutory provisions. The same inspires public confidence and helps in systematic growth of economy. Trust in such institutions helps in progress and distrust corrodes it like an incurable malignancy. Progress is achieved when there is good governance and good governance depends on how law is implemented. Keeping in view the objects and reasons and preamble of the Act and the functions of the Commission, it can be stated with certitude that no latitude can be given and laxity can have no allowance when there is total violation of statutory provision pertaining to selection. It has been said long back “a society is well governed when the people who are in the helm of affairs obey the command of the law” But, in the case at hand the selection committee has failed to obey the mandate of law as a consequence of which the appellant has been selected and, therefore, in the ultimate eventuate the selection becomes on sustainable.

The power conferred under sub-section 5 of Section 85 of the Electricity Act, 2003 has to be exercised by the selection committee and the committee alone and not by the government. Some of the words used in Section 85 (5) of the Act. are of considerable importance, hence, we give some emphasis to those words such as “before recommending”, “the selection committee shall satisfy” and “itself”. The legislature has emphasized the fact that the selection committee itself has to satisfy, meaning thereby, it is not the satisfaction of the government what is envisaged in sub-section 5 of the Section 85 of the Act, but the satisfaction of the selection committee. The question as to whether the persons who have been named in the panel have got any financial or other interest

which is likely to affect prejudicially his functions as Chairperson, is a matter which depends upon the satisfaction of the selection committee and that satisfaction has to be arrived at before recommending any person for appointment as Chairperson to the State Government. The government could exercise its power only after getting the recommendation of the selection committee after due compliance of sub-section 5 of Section 85 of the Act. The selection Committee has given a complete go by to that provision and entrusted that function to the State Government which is legally in permissible. The State Govt. also, without application of mind and over looking that statutory provision, appointed the appellant. AIR-2013 SC-78: Rajesh Awasthi Vrs. Nand Lal Jaiswal

75. **Disputing between Generating Company and Licensee**

The writ petitioner also generates electricity and would come within the meaning of sub-section 28 as well as (29) of Section 2 of the Act. It cannot be brushed aside from our mind that the 'generating' means to produce electricity from a generating station for the purpose of given supply to others. It may be the statutory or schedule consumers, but it has to be as shorted that the supply meaning thereby of electricity and nothing else and therefore petitioner would come within the meaning of generating company which includes the meaning of co-generation. A reading of the above section would make it velar that adjudication of the dispute should be made through mechanism provided under the act and the dispute on hand would also be attracted and would come within the purview of Section 86 (1) (f) of the Act. The dispute between the parties with regard to the said bills in the matter has to be adjudicated upon in terms of Section 86 (1) (f) of the Act. AIR_2013 AP-1: Chairman & MD, S.P.D.Co. Vrs. Sudalagunta Sugars Limited.

SECRETARIAT & ADMINISTRATION DIVISION

80. The Secretariat of the Commission looks after the administration of the Commission. It is the pivot of the Commission's activities. Under the provisions of section 91(1), the Secretary is required to assist the Commission to carry out its functions. The OERC (Conduct of Business) Regulations, 2004 also defines the role of Secretary as the spokesman & representative of the Commission in all matters pertaining to its proceedings/hearings. Secretary of the Commission has also been declared as Head of Office by Govt. of Odisha. The Secretary is assisted by Deputy Director (Personal & Administration) under the existing provisions.
81. The Commission Secretariat is the repository of the Commission's orders and records and carries out all correspondences on behalf of the Commission. The true copies/certified copies of orders, documents, and notification for and on behalf of the Commission are issued by the Secretariat. The Secretary being the custodian of the seal of the Commission acts as the ex-officio Secretary of the State Advisory Committee and is the first Appellate Authority under the RTI Act, 2005.
82. The Administration Section is manned by Deputy Director (P&A) and a Personal Assistant who supports him in Administration Works. This Section provides vital support

to the Commission in various matters such as recruitment, appointment of executives and non-executives, house keeping, procurement of materials, equipment maintenance, organizing functions/seminars/ workshop, printing of Tariff Order & other publications, Audit & Accounts, matters relating to FOR, FOIR, CEA, CBIP, Ministry of Power, SAFIR, CIGRE, Assembly & Parliament, caretaking, security, training, performance appraisal, materials management etc.

Sri S.K. Popli, IFS was appointed as Chief Executive Officer, CESU on 16.09.2014.

Sri B.K. Misra, Former Member, OERC was appointed as Chairman, CESU on 30.09.2014

Construction work of OERC new office building was completed.

OERC annual license fee was enhanced to Rs 1.5 Crore per utility.

83. Accounts Section under the Secretariat is manned by Accounts Officer who is assisted by Accountant-cum-Cashier and is responsible for preparation of bills, maintenance of accounts, reconciliation, audit (both financial & transaction) handling of cash and other accounts related work.

OFFICERS & STAFF

84. The Commission has 15 nos. of officers and 29 nos. of staff of various categories as on 31.03.2015 (**Annexure**).

ORGANISATION CHART

85. The organization chart of Odisha Electricity Regulatory Commission (OERC) is shown at (**Annexure**)

86. Assets acquisition

- i. One no. Mobile Instrument.
- ii. Five nos. Telephone Instrument.
- iii. One no. D-Link W/L.
- iv. One no. Sony Voice Recorder.

87. Participation in Training/ Seminar/ Workshop/ Conference

Participation in Training/ Seminar/ Workshop/ Conference etc. are integral part of knowledge based organization like OERC. Officers and Staff have attended various training programmes, seminars, workshops & conferences in the year 2014-15 to enhance their professional skills and update their knowledge (**Annexure-C**).

Consumer Interest

61. Under the Orissa Electricity Reform Act, 1995, the Orissa Electricity Regulatory Commission is mandated to safeguard the interests of the state consumers and ensures that all consumers are provided with reliable, safe and uninterrupted power supply at reasonable rates. The Electricity Act 2003 also provides wide ranging provisions to protect the interest of consumers. It gives electricity consumers a statutory right of minimum standards of supply and service. The Commission's approach to consumer protection has been proactive from the inception & in order to fulfill its legal obligation, the OERC has undertaken a number of steps to empower electricity consumers. They a

- **Issue of regulations, codes, licenses and practice directions**

- OERC (Conditions of Supply) Code, 28th May,2004
- OERC (Licensees Standards of Performance) Regulations, 28th May 2004.
- OERC (Grievances Redressal Forum and Ombudsman) Regulations, 17th May 2004.
- OERC (Terms and Conditions for Determination of Tariff) Regulations, 10th Jun 2004.
- OERC (Procedure for filing appeal before the Appellate Authority) Regulations, 28th May 2004.
- OERC (State Advisory Committee) Regulations, 28th May 2004.
- OERC (Conduct of Business) Regulations, 28th May 2004.
- OERC (Terms and Conditions for Open Access) Regulations, 21st June 2005.
- OERC (Determination of Open Access Charges) Regulations, 18th July 2006.
- Orissa Grid Code (OGC) Regulations, 14th June 2006.
- OERC(ABT) Regulations,2007

- **Consumer Friendly Tariff**

- Introduction of Multi Year Tariff(MYT) in 2003

- Rationalization of Tariff towards cost base and voltage base
- Reduction of cross subsidy
- Quantification of T&D loss and benchmarks in tariff for restricting loss in Business Plan, 2003
- Introduction of Time of Day (ToD) tariff for all three phase consumers in 2004
- Introduction of spot billing and meter cards
- Introduction of Voluntary Disclosure Scheme for unauthorized consumers
- Appointment of Consumer Counsel in Tariff Proceedings in 2009-10.
- Commission sets targets for loss reduction
- Introduction of franchisees
- **Standards of Performance & Grievance Redressal**
- Introduction of guaranteed overall and individual Standards of Performance
 - Performance Standards published annually
 - Vigorous monitoring of licensees performance
 - Proceedings conducted by Commission to penalise the Distribution licensees' for non-compliance of GRF/Ombudsman orders
 - Inspection by independent enquiry teams regarding the maintenance of transmission and distribution system.
 - SAC Monitoring Subcommittee on quality of supply, standards of performance & commercial loss reduction, constituted.
- Alternate Dispute Resolution forum in OERC in 1998
- Creation of 12 Grievance Redressal Fora and 2 Ombudsman to dispose of consumer complaints
 - Inspection of GRF done by Commission officers
 - State level workshops to sensitize representative PR institutions & ULBs on standards of performance & tariff process.
 - Training & workshops held for Presidents/ Members of GRF/Ombudsman
- SAC representing cross-section of consumers in state constituted - Frequent Meetings are held for constructive advice
- State Co-ordination Forum formed by Govt. of Orissa - Chairperson & Members of OERC are Chairperson and Members of Forum
- District Committees formed

- **Pro active Consumer education**
 - Direct consumer interface programs
 - Print & audio-visual campaign in news dailies, radio & TV on GRF & Ombudsman, safety environmental awareness.
 - Publication of FAQs, booklets & brochures
 - Translation of regulations into local languages
 - Networking of consumer groups empanelled with OERC
 - Compilation of Regulations published in English and Oriya
 - Public Education (Bijuli Didi) campaign launched

➤ **Training & capacity building**

- Extensive training for Distcom staff by OERC on regulations/Electricity Act, 2003
- Gramsat used to sensitize senior government functionaries on state power sector issues
- Introduction of intra state open access
- State wide Consumer Satisfaction Survey
- State level workshop on consumer rights
- Approval of Consumer Service Documents of Distcos and their license conditions
 - Consumer Rights Statement
 - Complaint Handling Procedure
 - Code of Procedure on Payment of Bills
- Consumer counsel engaged for analysis and presentation of Tariff applications for FY 2008- 09 and FY 2009-10

62. As per the clause 15.11 (B) of Conditions of Distribution Code (OERC Regulations, 2004), there is an existing Complaint Handling Procedure for disposal of consumer complaints at their level. Aggrieved consumers can approach the Jr. Manager/SDO/Executive Engineer and there is time bound schedule for disposal of their complaints at different levels up to the CEO. Each Division is required to have a Consumer Cell to deal with consumer complaints.

63. With the Electricity Act, 2003 came into force w.e.f. June 2003; a statutory provision was made for disposal of consumer complaints by a two tier mechanism consisting of Grievance Redressal Fora and Ombudsmen. If the licensee fails to address complaints the consumer can now approach the GRF and the Ombudsman for relief. The OERC framed

a regulation called the OERC Grievance Redressal Forum and Ombudsman Regulation, 2004 which was notified in July 2004.

GRF and Ombudsman

1. Ten GRF and four Ombudsmen were set up in the four distribution zones of the state and they became functional in October, 2004. Two additional GRFs were set up in Paradeep and Khurda respectively in June 2006. In 2008 after the term of the Ombudsman was completed, two Ombudsmen were redesignated for Orissa, ie, Ombudsmen-I for Cesu area and Ombudsmen-II for Nesco, Wesco & Southco area. At present there are 12 GRFs and two Ombudsmen working in the State. Their location and address are given below:

Twelve Grievance Redressal Fora (GRFs) & Two Ombudsmen

1. The President, GRF, Dhenkanal, CESU, Near Fisheries Office, Kunjakant, Dhenkanal-759001.
2. The President, GRF, Cuttack, 3R-1, CESCO Colony, Badambadi, PO: Arundeo Nagar, Dist-Cuttack.
3. The President, GRF, Bhubaneswar, BCDD-I Campus, Power house, Bhubaneswar-8
4. The President, GRF, Khurda, CESU, Quarter No.3R/1, T.L.C. Colony, Khurda -752055.
5. The President, GRF, Paradeep, CESU, AT-Pitambarpur, PO- Bhutmundai, Via-Kujang, Dist-Jagatsinghpur.
6. The President, GRF, Jajpur, NESCO, T.T.S. Colony, Dhabalagiri, At- Sobra, Jajpur.
7. The President, GRF, Balasore, NESCO, Near Kali Mandir, Balasore-756001.
8. The President, GRF, Rourkela, WESCO, Office of the S.E, Rourkela Electrical Circle, Q-2, Rourkela Civil Township, Rourkela.
9. The President, GRF, Burla, WESCO, Qtr No. D-2, Near Power House Club in Burla Town, P.O.Burla, Dist-Sambalpur-768017.
10. The President, GRF, Bolangir, WESCO, O/o S.E. (Elect), Bolangir Electrical Circle, At/Po-Bolangir.
11. The President, GRF, Berhampur, Near De Paul School, Engineering School Road, Berhampur-760010.
12. The President, GRF, Jeypore, SOUTHCO, Power House Colony, Jeypore, Dist-Koraput.

Two Ombudsmen

Ombudsmen-I (CESU Zone), Qrs. No. 3R S/2, GRIDCO Colony, P.O. - Bhoinagar, Bhubaneswar- 751022.

Ombudsmen-II (NESCO, WESCO & SOUTHCO Zone), Qrs. No. 3R S/2, GRIDCO Colony, P.O. - Bhoinagar, Bhubaneswar- 751022.

2. As per reports of GRFs & Ombudsmen to the OERC, from April 2014 to March 2015, 3658 cases were registered and 3522 cases were disposed of by the GRFs.
3. 85 cases came up for appeal before the two Ombudsmen and 74 were disposed of at the end of March, 2015. The position has been indicated below:

Annual data on disposal of consumer complaints by the GRFs/Ombudsman for FY 2014-15

Name of licensee	Name of GRFs/ Ombudsman	No of cases received / outstanding from previous year	No of cases disposed	No of cases pending	Cases passed in favour of consumer	No. of order implemented by the licensees (current & previous)
NESCO	Balasore	306	275	31	232	99
	Jajpur	171	151	20	126	78
SOUTHCO	Berhampur	639	523	116	490	404
	Jeypore	270	215	55	185	203
WESCO	Burla	541	315	226	245	63
	Rourkela	500	376	124	344	355
	Bolangir	822	647	175	591	844
CESU	Bhubaneswar	217	215	2	102	68
	Khurda	484	431	53	364	355
	Cuttack	900	882	18	102	94
	Dhenkanal	643	550	98	519	202
	Paradeep	558	287	271	270	47
Ombudsman-I	CESU	85	74	11	72	51
Ombudsman-II	NESCO, WESCO SOUTHCO	113	113	Nil	70	29

4. The Consumer can also approach the Commission directly under Section 142 of the Electricity Act, 2003 if any provisions of the Act or any regulation is violated by the

licensee. The Commission has set up its own Grievance Redressal Cell to monitor disposal of consumer complaints by the licensee. The Public Affairs Officer reports to the Secretary of the Cell. As on March 2015, 82 consumer complaints were registered with the cell. They were forwarded to the concerned GRFs/Discoms for necessary action.

5. The Commission organize the 1st quarterly meeting for monitoring disposal of consumer complaints lodged with OERC on
6. The Commission organized an interactive meeting with members of 12 GRF & two Ombudsmen on disposal of cases and compliance of orders of GRFs/ Ombudsman and discussion on “Disposal of cases & implementation of orders of GRF/Ombudsman by licensees” at the OERC Conference Hall on 11.6.2014. The Chairperson OERC presided over the meeting and a number of problems & issues on the topic were discussed on the occasion.
7. Teams of officers of OERC also visited GRF & Ombudsman offices and inspected their records & functioning as per statutory requirement. .

Publicity

8. In order to ensure transparency, all orders of the Commission regarding major issues are passed after conducting open public hearings. In 2014-15 the Commission carried out a number of public relation activities including press briefings during the annual tariff hearing, issue of press releases and preparation of promotional materials.
9. Consumer interface programmes were held at Bhubaneswar, Khurda, Cuttack, Paradeep, Dhenkanal, Jajpur, Balasore, Burla, Bolangir, Rourkela, Berhampur and Jeypore.

Publication

10. A Compendium of Orders on Annual Revenue Requirement & Bulk Supply & Retail Supply Tariff for FY 2014-15 was published by OERC and distributed among various stakeholders including consumer group.
11. Copies of the FAQ (Frequently Asked Questions of Electricity Consumers) in English & Oriya were distributed among various consumer groups, for creating greater awareness of Rules, Regulations and Standards in the Sector.

Right to Information

12. The PAO and the Secretary, OERC respectively have been nominated as the PIO and Appellate Officer under the RTI Act. In 2014-15, 34 applications were made under the RTI to the Commission and were disposed off.

STATE ADVISORY COMMITTEE MEETING

88. The State Advisory Committee meetings are usually held in every quarter of a year. During the year there were three meetings held at Conference Hall of OERC on 16.6.2014, 15.10.2015 and the 25.2.2015 minutes of the meeting are at **Appendix**.

Annexure

RETAIL SUPPLY TARIFF EFFECTIVE FROM 1ST APRIL, 2015

Sl. No.	Category of Consumers	Voltage of Supply	Demand Charge (Rs./KW/ Month) / (Rs./KVA/ Month)	Energy Charge (P/kWh)	Customer Service Charge (Rs./Month)	Monthly Minimum Fixed Charge for first KW or part (Rs.)	Monthly Fixed Charge for any additional KW or part (Rs.)	Rebate (P/kWh)/ DPS
	LT Category							
1	Domestic							
1.a	Kutir Jyoti <= 30 Units/month	LT	FIXED MONTHLY CHARGE-->			80		
1.b	Others							10
	(Consumption <= 50 units/month)	LT		250.00		20	20	
	(Consumption >50, <=200 units/month)	LT		420.00				
	(Consumption >200, <=400 units/month)	LT		520.00				
	Consumption >400 units/month)	LT		560.00				
2	General Purpose < 110 KVA							10
	Consumption <=100 units/month	LT		530.00		30	30	
	Consumption >100, <=300 units/month	LT		640.00				
	(Consumption >300 units/month)	LT		700.00				
3	Irrigation Pumping and Agriculture	LT		150.00		20	10	10
4	Allied Agricultural Activities	LT		160.00		20	10	10
5	Allied Agro-Industrial Activities	LT		420.00		80	50	DPS/Rebate
6	Public Lighting	LT		560.00		20	15	DPS/Rebate
7	L.T. Industrial (S) Supply <22 KVA	LT		560.00		80	35	10
8	L.T. Industrial (M) Supply >=22 KVA <110 KVA	LT		560.00		100	80	DPS/Rebate
9	Specified Public Purpose	LT		560.00		50	50	DPS/Rebate
10	Public Water Works and Sewerage Pumping <110 KVA	LT		560.00		50	50	10
11	Public Water Works and Sewerage Pumping >=110 KVA	LT	200	560.00	30			10
12	General Purpose >= 110 KVA	LT	200	560.00	30			DPS/Rebate
13	Large Industry	LT	200	560.00	30			DPS/Rebate
	HT Category							
14	Bulk Supply - Domestic	HT	20	430.00	250			10
15	Irrigation Pumping and Agriculture	HT	30	140.00	250			10
16	Allied Agricultural Activities	HT	30	150.00	250			10
17	Allied Agro-Industrial Activities	HT	50	410.00	250			DPS/Rebate
18	Specified Public Purpose	HT	250		250			DPS/Rebate
19	General Purpose >70 KVA < 110 KVA	HT	250		250			10
20	H.T Industrial (M) Supply	HT	150		250			DPS/Rebate
21	General Purpose >= 110 KVA	HT	250		250			DPS/Rebate

22	Public Water Works & Sewerage Pumping	HT	250		250			10
23	Large Industry	HT	250		250			DPS/Rebate
24	Power Intensive Industry	HT	250		250			DPS/Rebate
25	Mini Steel Plant	HT	250		250			DPS/Rebate
26	Railway Traction	HT	250		250			DPS/Rebate
27	Emergency Supply to CGP	HT	0	720.00	250			DPS/Rebate
28	Colony Consumption	HT	0	470.00	0			DPS/Rebate
	EHT Category							
29	General Purpose	EHT	250	As indicated in the notes below	700			DPS/Rebate
30	Large Industry	EHT	250		700			DPS/Rebate
31	Railway Traction	EHT	250		700			DPS/Rebate
32	Heavy Industry	EHT	250		700			DPS/Rebate
33	Power Intensive Industry	EHT	250		700			DPS/Rebate
34	Mini Steel Plant	EHT	250		700			DPS/Rebate
35	Emergency Supply to CGP	EHT	0	710.00	700			DPS/Rebate
36	Colony Consumption	EHT	0	460.00	0			DPS/Rebate

ANNEXURE-2

ODISHA ELECTRICITY REGULATORY COMMISSION					
PERFORMANCE OF ELECTRICITY DISTRIBUTION COMPANIES					
IN ORISSA DURING 2013-14 AS REPORTED AND FURNISHED THROUGH AN AFFIDAVIT					
ACHIEVEMENT ON OVERALL STANDARDS OF PERFORMANCE:					
LICENSEES		CESU	NESCO	WESCO	SOUTH CO
	Period	For the year 13-14	For the year 13-14	For the year 13-14	For the year 13-14
Achievement in % of the licensees in the following service area	Minimum % target fixed by the Commission				
Rectification of fuse-off call within 6 hrs. of receiving the complaint in urban areas	90	100.00	100.00	99.79	99.00
Rectification of fuse-off call within 24 hrs. of receiving the complaint in rural areas	90	100.00	99.95	99.43	99.00
Restoration of line break-down within 12 hrs. of receiving the complaint in urban areas	95	99.97	100.00	99.79	98.00
Restoration of line break-down within 24 hrs. of receiving the complaint in rural areas	95	99.97	99.84	98.02	99.00
Replacement of Distribution Transformer within 24 hrs. of receiving the complaint in urban areas	95	98.55	100.00	100.00	100.00
Replacement of Distribution Transformer within 48 hrs. of receiving the complaint in rural areas	95	98.67	99.56	97.07	100.00
Completing the work within 12 hrs. of the scheduled outage before 5 PM/6 PM	90	100	--	--	--
No. of hourly measurement in which the supply frequency went beyond + 3%	--	--	--	--	--
No. of cases in which voltage at the point of commencement of supply exceeded 3% of the voltage limits fixed under I.E. Rules, 1956					
EHT		--	--	--	--
HT		--	--	--	--
LT		--	--	--	--
Rectification of Street light fault within 6 hrs. of receiving the complaint	90	92	--	90	100.00
No. of faulty bills prepared as a percentage of total no. of bills issued	0.1	10	0.40	0.1	--
No. of faulty/defective meters as a percentage of total no. of existing meters	5	10	19	5	6
Total no. of interruption each lasting more than 5 minutes faced by 1 KW connected load (SAIFI)		106	215	27	154
Total no. of interruption each lasting less than 5 minutes faced by 1 KW connected load (MAIFI)		3839	29	21	116

Total duration of interruption in minutes each 1 KW connected load (SAIDI)		64	3050	627	6649
No. of accident cases		12-13 13-14	12-13 13-14	12-13 13-14	12-13 13-14
Fatal Human		17 21	12 09	11 12	15 36
Fatal Animal		10 17	06 07	50 09	11 26
Non-fatal Human		08 27	06 06	15 07	09 20
Non-fatal Animal		03 2	0 02	0 0	0 0

Note :1. The information on Guaranteed Standards of Performance is available in the OERC website: www.orierc.org and in respective websites of the Distribution Licensees i.e. www.cesoorissa.com for CESU, www.nescoorissa.com for NESCO, southcoorissa.com for SOUTHCO and wesoorissa.com for WESCO.

2. The aforesaid information are based on the data furnished by the Distribution Licensees submitted through affidavit and is not based on any independent audit carried out by the Commission.

3. Members of the public may furnish their comments on the above data to the Commission.

Issued by OERC in Public interest.

Annexure-3**Income & Expenditure Account for the year ended 31st'March 2015**

(In Rupees)

Expenditure	Figures for the current year	Income	Figures for the current year
1	2	3	4
1. Payment to and provisions towards salaries	42,008,288.00	1.Grants-in-aid from the Government of Orissa.	50,000,000.00
2. Office & Establishment & Repair & Maintenance Expenses	72,819,548.24	2. Grant from Other Sources	
3.Depreciation of Assets.	1,155,465.15	3. Receipts of the Commission	94,336,872.81
4. Other Expenditure.	167,676.00	4. Interest on	
5. Excess of Income over Expenditure	36,185,895.42	a) Cash at Bank	
		b) Investment	8,000,000.00
		5. Excess of Expenditure over Income	NIL
	152,336,872.81		152,336,872.81

*Yet to be audited by
C & AG of India*

Receipt and Payment Account for the year ended 31st March 2015

Receipts	Figures for the current year	Payments	Figures for the current year
1	2	3	4
1. To balance b/d.		1. By Payment to and provisions for employees	39,060,938.00
(i) Cash at Bank	60,663,214.53	2. By Office and Establishment Expenses	18,486,340.39
(ii) Cash in Hand	6,786.00	3. By Purchase of Assets	48,957.00
		4. By Advances	
2. To Grants-in-aid from the Government of Orissa	50,000,000.00	a) Advances to employees	1,919,706.36
		b) Contingent Advances	
		c) Advance Payment of Income Tax/TDS	
3. To Grant from Other Sources		5. Deposits Payments (Fixed Deposit in Bank)	88,000,000.00
		6. By Balance c/d.	
4. To Receipts of the Commission	94,395,969.81	(i) Cash at Bank	120,336,832.59
		(ii) Cash in Hand	6,786.00
5. Receipts from Investment	80,000,000.00	7. Other Expenditure	603,699.00
		8. Other Payments (Building)	16,602,711.00
	285,065,970.34		285,065,970.34

Balance Sheet as on 31st March of the year 2015

(In Rupees)

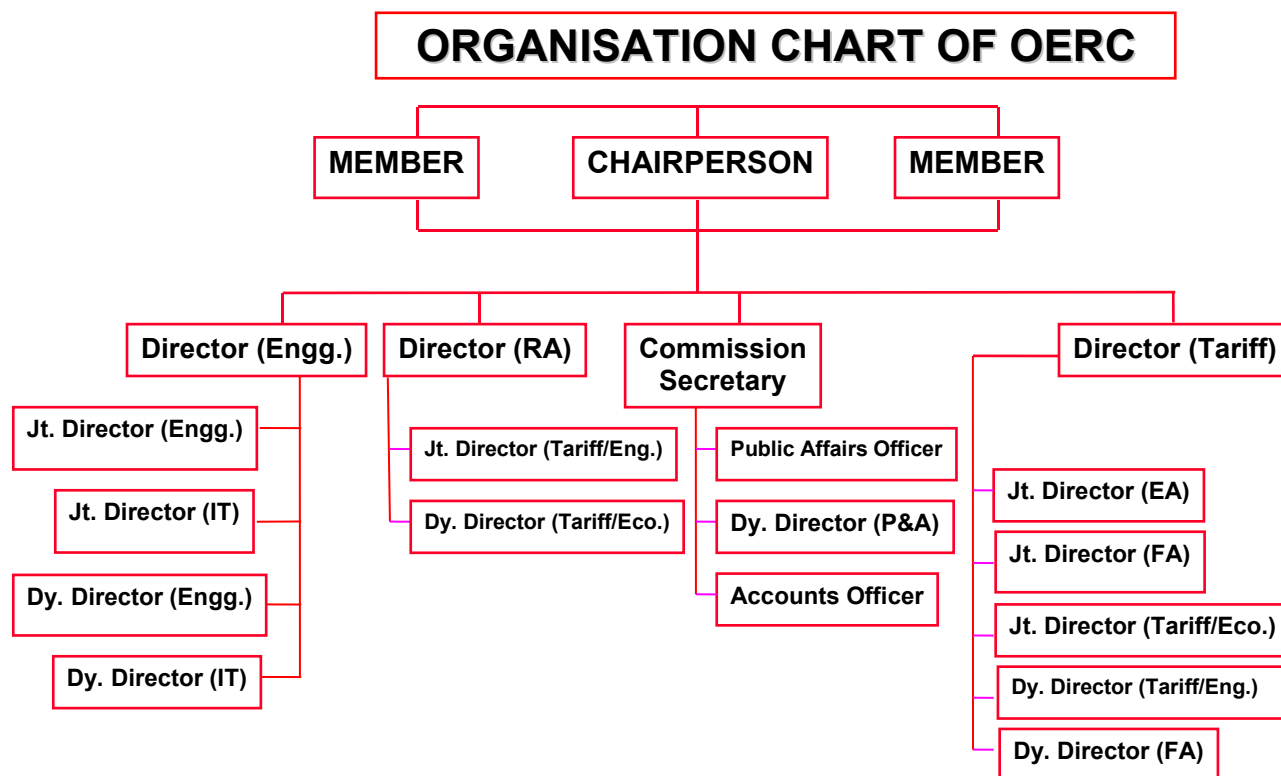
Liabilities	Figures for the current year	Assets	Figures for the current year
1	2	3	4
1. General Fund(Open Bal)	128,435,973.84	1. Fixed Assets	45,703,081.16
Add: (Less) Excess of income over Expenditure (or expenditure over Income) during the year transferred from Income and Expenditure account.	36,185,895.42	2. Investment	88,000,000.00
2. Loans	Nil	3. Current Assets and Advances.	126,619,511.68
3. Current liabilities and provisions.	95,700,723.58	4. Grants-in-aid receivable from Government of Odisha.	
		5. Grant from Other Sources	Nil
	260,322,592.84		260,322,592.84

OFFICERS AND STAFF OF THE COMMISSION

The Commission being the oldest in the country has a committed strength of officers and staff of mixed category i.e. Permanent, Deputation and Contractual Staff. The persons in position as on 31.03.2015 are detailed in the table below:-

Sl No.	Designation	Persons in position
1	Commission Secretary	Sri G.K. Dhall, IRS
2	Director (Engg.)	Sri K.L. Panda
3	Director (Tariff)	
4	Director (Regulatory Affairs)	Sri P. Pattnaik
5	Jt. Director (Engg.)	
6	Jt. Director (Economic Analyst)	Dr. M.S. Panigrahi
7	Jt. Director (Financial Analyst)	Sri S.M. Patnaik
8	Jt. Director (IT)	Shri J.C. Mohanty
9	Jt. Director (T/Econ)	Dr. (Mrs.) A. Das
10	Jt. Director (Tariff-Engg)	Sri A.K. Panda
11	Jt. Director	Sri Ajoy Sahu
12	Public Affairs Officer	Ms. Purabi Das
13	Dy. Director (Financial Analyst)	
14	Dy. Director (IT)	Sri S.C. Biswal
15	Dy. Director (Engg)	Sri S.P. Mishra
16	Dy. Director (P&A)	
17	Dy. Director (T/Engg)	Sri A.K. Jagadev
18	Dy. Director (T/Econ)	Sri A.K. Samantara
19	Accounts Officer	Sri P.K. Tripathy
20	Personal Assistant	Sri M. Moharana
21	Personal Assistant	Sri L.N. Padhi
22	Personal Assistant	Sri S.K. Sahoo

23	Personal Assistant	Sri P.K. Sahoo
24	Personal Assistant	Sri K.C. Tudu
25	Personal Assistant	Sri S.K. Das
26	Personal Assistant	Smt. L.B. Patnaik
27	Personal Assistant	Smt. S. Mishra
28	Accountant cum Cashier	Sri Jaypal Das
29	Jr. Caretaker-cum-Receptionist	Smt. Mamatarani Nanda
30	Driver	Sri R.C. Majhi
31	Driver	Sri Jalandhar Khuntia
32	Driver	Sri Jadunath Barik
33	Driver	Sri Ashok Ku. Digol
34	Driver	Sri Prakash Kumar Nayak
35	Driver	Sri Maheswar Nanda
36	Driver	Sri Sampad Kumar Parida
37	Peon	Sri Pitamber Behera
38	Peon	Sri Umesh Ch. Rout
39	Peon	Sri Sudarsan Behera
40	Peon	Sri P.K. Behera
41	Peon	Sri Bijoy Ku. Majhi
42	Peon	Sri R.C. Sahoo
43	Peon	Sri Abhimanyu Jena
44	Peon	Sri S.K. Mohapatra
45	Peon	Sri Rabindra Ku. Mekup
46	Peon	Sri Pradip Ku. Pradhan
47	Sweeper	Sri Ramesh Chandra Nayak
48	Sweeper	Sri Prafulla Kumar Nayak



Annexure-8**Seminars/Workshops/Training Programmes attended by Commissioners/Officers/Officials during the FY 2014-15**

Sl. No.	Name and Designation	Particulars of Programme	Duration	Venue	Programme Conducted/ Sponsored by
1	Shri S.P. Nanda, Chairperson	15 th Regulators & Policy Makers Retreat 2014	31 st July – 3 rd Aug. 2014	Goa	IPPAI
2	Shri A.K. Das, Member	Annual Conference on “Power Trading & Power Market”	17 th July, 2014	New Delhi	SIGMA
3	-do-	15 th Regulators & Policy Makers Retreat 2014	31 st July – 3 rd Aug. 2014	Goa	IPPAI
4	Shri K.L. Panda, Director (Engg)	12 th Grid Co-ordination Committee Meeting	27.06.2014	BBSR	OPTCL
5	Shri A.K. Jagadev, Dy. Dir (T/Engg)	-do-	-do-	-do-	-do-
6	Shri A.K. Das, Member	Interactive Session of APTEL & Regulatory Commission	19.11.2014	New Delhi	ATE
7	Shri A.K. Panda, Jt. Director (T-Engg)	Workshop on “Wide Area Monitoring, Protection and Control”.	27 & 28 Nov., 2014	Bengaluru	CPRI
8	Shri S.P. Mishra, Dy. Director (Engg)	-do-	-do-	-do-	-do-
9	Shri K.L. Panda, Director (Engg)	Workshop on “Distributed Generation Including Smart Micro Grids”.	22 & 23 Dec., 2014	New Delhi	CBIP
10	Shri A.K. Jagadev, Dy. Dir (T/Engg)	14 th Core Course on “Infrastructure Regulation & Reforms”.	27 – 29 Jan, 2015	Bangladesh	CERC
11	Shri Jaypal Das, ACC	Awareness programme on “National Pension System”.	30.01.2015	BBSR	PFRDA
12	Shri A.K. Das, Member	India Smart Grid Week, 2015	3 & 4 th March, 2015	Bengaluru	ISGF

APPENDICES

**MINUTES OF THE 4th MEETING OF STATE ADVISORY COMMITTEE OF
OERC HELD ON 16.06.2014**

PRESENT:

1. Addl. Secretary, F.S.& C.W.Dept., Govt. of Odisha.
2. President / Representative of Confederation of Citizen Association, Bhubaneswar.
Mob.9437049979
[Sri Bimal Das, Back side of Syndicate Bank]
3. Ch. K.K. Mishra, President, Orissa Electrical Consumers' Association, Sibasakti Medicine Com
B.K. Road, Cuttack-753001. Mob.9861402686
4. Sri Gobardhan Pujari, Representative of Sundargarh Dist. Employers Association, AL-1,
Basanti Nagar, Rourkela-12. Mob.9437044915. [Email-advocatepujari@gmail.com](mailto:advocatepujari@gmail.com),
gobardhanpujari@yahoo.com
5. Sri G. N. Agrawal, General Secretary, Sambalpur District Consumers Federation,
Balaji Mandir Bhawan, Po-Khetrarajpur, Sambalpur – 768003. Mob.9438334049.
[Email-gobindnarayanagrawal@yahoo.co.in](mailto:gobindnarayanagrawal@yahoo.co.in)
6. Sri Tripurari Panigrahi, President, Bolangir Chamber of Commerce&Tra
Bolangir.Mob.9437194697
7. Sri Prabhakar Dora, Consumer Activist, 3rd Lane, Vidya Nagar (Co-Operative Colony),
PO/Dist-Rayagada-765001. Mob.9437103756. [Email-dorapravakar@yahoo.in](mailto:dorapravakar@yahoo.in)
8. Smt. Abanti Behera, W/o Randhir Jena, At-Kakat, PO-Kendrapara, Dist-Kendra
Mob.9437191190
9. Smt. Minati Behera, At-Nayachouk, PO-Madhupatna, Cuttack-10. Mob.9938522768
10. Mr. V V Ram Narsinga Rao, President, Ganjam Chamber of Commerce, Kommalabawa S
Ganjam, Dist-Berhampur, Odisha, Pin-760 002. Mob.9861060774. Email- vvrnrao@yahoo.com
11. Representative of Confederation of Indian Industry, Eastern Region, Orissa, 8, Forest 1
Bhubaneswar-9.
12. Er. B.K. Mohapatra, Industrialist, Rajabagicha, Cuttack-9. Mob.9437049553
13. Sri M.V. Rao, Utkal Chamber of Commerce & Industry, FACOR, GD-2/10,
Chandakrasekharpur, Bhubaneswar-23.
14. Prof. Gyana Chandakra Kar, Former Professor & Head, Deptt. Of Economics, Utkal University,
Sidheswar Sahi, Cuttack – 753008. Mob.9437023618.
15. Prof. Ashok Kumar Tripathy, Head, Deptt. of Electrical Engineering, Silicon Institut
Technology,
Patia, Bhubaneswar-24 Mob.9938696023. tripathy.1948@gmail.com
16. General Manager (Electrical), East Coast Railways, Bhubaneswar.
17. Chairman-cum-Managing Director, GRIDCO/OPTCL
18. Managing Director, OHPC
19. Chief Executive Officer, CESU
20. Managing Director, NESCO
21. AVP, SOUTHCO

INTRODUCTORY

The 4th meeting of the State Advisory Committee was held in the Conference Hall of the OERC at 3:30PM on 16.06.2014. Sri S.P. Nanda, Chairperson, OERC & Chairperson of the

Committee presided over the meeting and Member Sri S. P. Swain, Member Sri A. K. Das and heads of the utilities were present.

The SAC meeting was convened with sole agenda of discussing AT&C losses particularly at LT level in the DISCOMS.

2. Chairperson, OERC Sri S.P. Nanda extended hearty welcome to all the participants (Hon'ble Members of SAC, Chairman & CEO of DISCOMs and other officers present).
3. Initiating discussion, Chairperson introduced the topic mentioned above and expressed his concern over uncontrolled AT&C losses in various feeders of the state because of its effect on tariff and sustainability of distribution sector. He requested that Hon'ble Members need to place their views to solve the problem.
4. Hon'ble Members of SAC Sri B.K. Mohapatra, Prof. G.C. Kar, Prof. A.K. Tripathy, Sri G. Pujari, Sri T. Panigrahi and Sri P. Dora and others unanimously expressed their views that the losses, particularly, at LT level need to be controlled and brought down to the National level, so as to run a viable Distribution system in the state. They attributed the reason to the disinterest by the licensees in combating the menace. Some of the above Members also expressed that connivance and lack of motivation at the lower level of the staff needs to be addressed for survival of the system as well as fare deal to the bonafide consumers. Members opined that CAPEX is an important instrument in improving the power qualities and reducing losses. But the same is not given appropriate priority by the DISCOMs as it should even though it is funded by State Govt.
5. While on the subject, Hon'ble Members also raised the issue of non-implementation of decision of GRFs and Ombudsman affecting the consumers' confidence in the system negatively. They also raised the issue of ghost consumers and explained that existence of such elements are affecting AT&C losses increase in the accounts. They emphasized that the Licensees/DISCOMs should take up the following actions to improve the AT&C Losses.
 - (a) Improving Billing efficiency
 - (b) Accurate billing as per consumption
 - (c) Elimination of ghost consumers
 - (d) Immediate redressal of consumer grievances on bills and implementation of GRF orders.
 - (e) Consumer Awareness
 - (e) Motivation to employees

- (f) Appropriate checks on employees to eliminate nexus with the unauthorized users/theft of electricity etc.
 - (f) Proper Energy Audit & Accounting.
6. Hon'ble Chairperson agreed to some of the concerns of the SAC members and acceded that data cleaning, exposing unholy nexus between employee and unauthorized users of electricity wherever occurs, action as per Act and rules are necessary to give justice to bonafide consumers and improve financial status of DISCOMs. He requested the SAC members to bring such issues to the notice of the Licensees at senior level for necessary corrective action as and when noticed. Hon'ble Member Sri S.P. Swain also opined that including all users of electricity into billing fold is to be implemented by the Licensees with sincere earnest and billing efficiency must be improved for benefit of all people in the state. Defective bills need to be rectified over the counter or through GRFs expeditiously, so that consumers' confidence in the system is maintained. Licensees should ensure that reliable and correct meters are installed at all points of consumption and energy audit should be carried out in the system to identify the system losses which will have bearing on the ARR correctly.
7. The issue of 'limitation period' on 'arrear bills' was also discussed. Hon'ble Chairperson, OERC and Members opined that billing efficiency and grievance redressal need to be improved in the best interest of the consumers.
8. Responding to the concerns of all the SAC Members and Commission, Chairman Sri Hemant Sharma, IAS on behalf of all the DISCOMs stated -
- CAPEX Funds are being prudently and expeditiously used to bring down the system losses in a planned and phased manner. He presented the details programme for implementation of CAPEX. Towards improving billing efficiency, he further stated that Franchisees are being involved in the process and they are concentrating on their activity due to which in some areas, billing efficiency has improved and other areas are following. The proposal is being examined to extend this method to uncovered areas too. Staff is being emphasized to be more active for billing efficiency and collection efficiency increase to improve the cash flow situation.

He emphasised that Energy Audit has been conducted by DISCOMs at some selected places on sample basis. All the reports have been submitted to the Commission. The same has brought revelations about energy used in the feeders and losses thereon and this will be replicated in all the feeders in a phased manner.

He also informed that as per the directions of OERC, installation of Smart Meters in selected feeders is being taken up. He informed the Members that Govt. of Odisha has taken up many loss minimization and system improvement schemes like CAPEX, R-APDRP in CESU, ODSSP projects for upgradation of 33/11 KV system etc. and briefly outlined the objectives, extent and contents of the schemes to improve power quality and reduce losses. Reacting to the views of the Members about submission of replies by the DISCOMs at GRFs, he along with all CEOs stated that they have advised all field officials upto S.E. level to submit timely response on the consumer complaints before GRF henceforth so that grievance related issues are settled at the earliest. They assured to implement the orders of GRF except in cases where the claim of the consumer appears not to be genuine as verified by the Executive Engineer. These cases shall be further followed up as per law within a time frame.

9. Concluding the interaction session, Member Sri A.K. Das summarized that it is good that Hon'ble Members are concerned about rising AT&C loss and expressed their views in tackling the issues. It is expected that the Licensees shall work forward in the directions as discussed so that effects are visible in this current financial year.
10. Secretary, OERC concluded the meeting with vote of thanks to the Chair, Hon'ble Members of SAC and Chairman, DISCOMs and all CEOs and others present.

**MINUTES OF THE 5th MEETING OF STATE ADVISORY COMMITTEE OF
OERC HELD ON 15.10.2014 AT 3.30 PM**

PRESENT:

22. Addl. Secretary, Department of Energy, Govt. of Odisha
23. Addl. Secretary, F.S.& C.W.Dept., Govt. of Odisha.
24. Sri Bimal Das, Representative of Confederation of Citizen Association.
25. Ch. K.K. Mishra, President, Orissa Electrical Consumers' Association.
26. Sri Gobardhan Pujari, Representative of Sundargarh Dist. Employers Association
27. Sri G. N. Agarwal, General Secretary, Sambalpur District Consumers Federation
28. Sri Tripurari Panigrahi, President, Bolangir Chamber of Commerce & Traders, Bolangir.
29. Smt. Abanti Behera, At-Kakat, PO-Kendrapara, Dist-Kendrapara.
30. Smt. Minati Behera, At-Nayachouk, PO-Madhupatna, Cuttack.
31. Sri Devashish Mahanti, President, North Orissa Chamber of Commerce & Industries, Balasore.
32. Prof. D.V. Ramana, Xavier Institute of Management, Chandakrasekharpur, Bhubaneswar.
33. Er. B.K. Mohapatra, Industrialist, Rajabagicha, Cuttack.
34. Sri M.V. Rao, Utkal Chamber of Commerce & Industry, Bhubaneswar.
35. Prof. Gyana Chandra Kar, Former Professor & Head, Deptt. of Economics, Utkal University, Sidheswar Sahi, Cuttack
36. Prof. Ashok Kumar Tripathy, Head, Deptt. of Electrical Engineering, Silicon Institute of Technology, Patia, Bhubaneswar
37. Sri P.K. Pradhan, Director (Commercial), & Sri B.P. Mohapatra, Director (Finance), GRIDCO/OPTCL
38. Director (Operation), OHPC
39. Chief Executive Officer, CESU
40. Managing Director, NESCO
41. Managing Director, WESCO

The 5th meeting of the State Advisory Committee was held in the Conference Room of the OERC at 3:30PM on 15.10.2014. Sri S.P. Nanda, Chairperson, OERC & Chairperson of the Committee presided over the meeting and Member Sri S. P. Swain, Member Sri A. K. Das and heads of the utilities along with Members of SAC were present.

The SAC meeting was convened with sole agenda of discussing the need of involvement of members of SAC of the concerned area as facilitators to motivate the public in their respective areas for (i) successful execution of CAPEX Phase-I projects, (ii) improvement of standard of performance and (iii) Collection/ Reduction of outstanding receivable in DISCOMs.

2. At the outset, Secretary, OERC, while welcoming the Members of SAC introduced Sri S.K.Popli, who has joined recently as CEO, CESU. Secretary said that it is OERC's endeavour to disseminate the information to public through its website. For this purpose, OERC has now placed the orders of GRF and Ombudsmen in its website for public access and reference of all concerned. Subsequently, the "Information System on Orders of GRF and Ombudsman" was inaugurated by Chairperson, Sri S.P. Nanda and a brief presentation on the said System was made by Jt. Director(IT), OERC explaining its features and capabilities.
3. Chairperson Sri S.P. Nanda extended hearty welcome to all the participants (Hon'ble Members of SAC, CEO and MD's of DISCOMs and other officers present). He appraised the Members about the inability of SOUTHCO of attending this meeting due to ongoing restoration work after the hit of severe cyclone "Hudhud".
4. Initiating discussion, Chairperson introduced the topic and said that the effective implementation of both the issues requires sincere effort by DISCOMs. The CEO/MD's of respective DISCOMs were asked to present the fact and their views on the issue for deliberation by Hon'ble Members of SAC. Each DISCOM has to furnish a Road Map how the Members of SAC can be involved for effective monitoring & implementation of CAPEX commensurate with higher revenue realisation.
5. While on the subject, Members of OERC emphasized on the limited aspect of the issues and stressed to move forward by active involvement of Hon'ble SAC members towards this end. DISCOMs may conduct meetings with the SAC members of their area and finalise the modalities. It appears that there is complete breakdown of governance in DISCOMs.
6. Chairperson, OERC emphasized that DISCOMs should give wide publicity of CAPEX and its benefit to the public and have a concrete plan of action and execute it with the help of real guidance & involvement of Hon'ble SAC members and District Administration.

On the issue of piling up of arrears, it was observed that the entire arrear has been piled up because of non-transparent nature and procedure followed by DISCOMs along with continued collusion of staff's and unholy consumers of electricity. It was advised by the

Chairperson that DISCOMs should also involve the honest consumers to enhance their credibility in bill raising and collection process in the locality.

7. Chairperson, OERC instructed that DISCOMs should act sincerely and seriously on this matter. The DISCOMs were instructed to work out on methodology for involving the SAC Members for solving the problem of mounting arrear dues and other issues as well as to increase the credibility in the eye of the consumer. For example, the records pertaining to the work executed under the CAPEX programme in an area may be brought to notice of SAC Members and obtain his views on the same. To move forward, DISCOMs may call a meeting, discuss the issues with SAC Members and furnish a feedback to the Commission. Hon'ble Members of SAC may also write to the Secretary, OERC mentioning the areas and activities in which they are interested to be involved. DISCOMs should provide logistic support and other facilities including the data/ information to SAC members as and when necessary with respect to CAPEX and outstanding receivables.
8. The M.D. WESCO stated that they would like to take the help of the Members of SAC for improving the arrear collection because of law and order problem in some of the areas of WESCO making it difficult to handle the issue of bill revision and collection of the arrears. He cited the example of Bargarh area where the Lawyers' Association is creating the problem for collection of revenue. WESCO have identified the lowest performing division and the information can be exchanged with the Members of SAC for a better solution.
9. In the matter of CAPEX, MD WESCO said that the funds released in CAPEX are primarily used in loss making areas. He welcomed the proposal of involvement of Hon'ble SAC Members in this aspect. WESCO has assigned a senior officer to each division for regular monitoring of CAPEX work and to take appropriate action at right time to avoid bottlenecks in execution of the works and loss reduction.

MD, NESCO said that the slow progress of CAPEX is due to non-availability of shut downs. Sometimes the people are resisting the shut downs. He admitted that enhancement of reliability of CAPEX work will increase the collection efficiency. He whole heartedly supported the proposal of involvement of Hon'ble SAC members in this activity.

M.D. NESCO stated that they are trying to penetrate in rural areas through alternate payment mechanisms so that the coverage becomes better. Because of such action the rural area coverage now is increased to 25% as against 11% one year back. Regarding OTS, 70-80% of the OTS consumers are in default. They requested the Commission to pass order to

stop the habit of OTS. Commission agreed to the proposal of NESCO and viewed that one consumer can only avail OTS once in his life time.

10. SAC Member Prof. A. K. Tripathy stated that the responsibility of collection lies with DISCOMs. The DISCOMs are suffering because of the complete failure of governance. Legal provision in case of continued outstanding with consumers, have not been scrupulously followed by DISCOMs. It is important to make payment a habit with consumers and the DISCOMs should take proactive steps to make this possible with consumers. He also put emphasis on introduction of prepaid system and duplicate meter reading for a better collection of revenue and cross-checking of consumption.
11. SAC Member Shri B. K. Mohapatra opined that inspite of best Electricity Law given to DISCOMs, they are putting blame on subjects like employees, consumers and police. They are not taking legal steps against the defaulting consumers. He advised that the DISCOMs may settle the issue with GRF, but before that they must serve notice to the defaulting consumers for payment or eventual disconnection in case of non-payment. Unless DISCOMs put pressure it is difficult to collect the arrears from consumers. He also stated that some of the SAC Members have taken the initiatives akin to regular employees for collection of arrear revenue in Cuttack area in the past. With the intervention of SAC Members, CESU could collect an amount of Rs.30 lakhs in a short span. He advised that along with the SAC Members one officer from OERC may be nominated for more effective authority & monitoring. Prof. G. C. Kar, SAC Member also subscribed to the views of Shri Mohapatra. He told that in Ranihat area alone, 75% of the consumers are defaulters.
12. Shri G.N. Agarwal, SAC Member stated that WESCO is not giving importance to the GRF orders. He cited the example of SED Sambalpur area where the WESCO is not abiding by decision of the GRF.
13. Prof. D. V. Ramana, SAC Member stated that the SAC Members can be involved in the five divisions which have not been given to Franchisees by CESU. CESU should endeavour to make a robust data base in those five Divisions. Further, he stated that there is a need to give powers to SAC Members; otherwise the objectives cannot be achieved.
14. Shri Tripurari Panigrahi, SAC Member stated that he is willing to take any responsibility but he advised that disconnection notice should be served by the DISCOMs if the arrear is not paid within three months.
15. Smt. Abanti Behera, SAC Member stated that the GRF should be actively involved for resolving the issue of disputed bill as well as arrear collection. ENZEN in their area

(Kendrapara division) is harassing the poor people of that area by raising unnecessary abnormal bills. ENZEN staff are forcing the consumers to pay bribes for revision of penal bills and threatening the disconnection. The Commission asked CEO, CESU to enquire into the matter and take appropriate steps.

16. Hon'ble Members of SAC Sri G. Pujari, Sri M.V. Rao, Sri Debasish Mohanty, Sri Bimal Das, Sri K.K. Mishra and Smt. Minati Behera and others unanimously welcomed the proposal of the OERC for their involvement. Members agreed to cooperate and requested the CEO/ MD's of DISCOMs to convene a meeting to finalise the modalities and decide the fixtures for the stated activity.
17. Members Sri S.P. Swain concluded the meeting with vote of thanks to the Chair, Hon'ble Members of SAC, CEO & MDs of DISCOMs, OPTCL, GRIDCO and others present. The situation will definitely improve with involvement of Hon'ble SAC Members, he stated. He requested all the Members for their help and active cooperation to move forward to achieve the ultimate objective.

Action Points:

1. DISCOMs have to furnish a Road Map how the Members of SAC can be involved for effective implementation of CAPEX and revenue realisation.
2. DISCOMs should give wide publicity of CAPEX and its benefit to the public and have a concrete plan of action and execute it with the help of real involvement of Hon'ble SAC members and District Administration.
3. DISCOMs to call meeting, discuss the issues with SAC Members, coordinate with them as regards to provision of logistics including sharing of data/ information with respect to CAPEX and outstanding receivables and furnish a feedback to the Commission. DISTCOM to extend all support to SAC members to discharge the functions stated above.
4. Members of SAC, who are interested to be involved in the above objectives i.e. monitoring of effective CAPEX investment and collection of arrear demand, may intimate their willingness to Secretary, OERC who shall compile the list of such members and form a Coordinating Committee with the above objectives.

**MINUTES OF THE 6th MEETING OF STATE ADVISORY COMMITTEE OF
OERC HELD ON 25.02.2015**

PRESENT:

42. Additional Secretary to Govt., Energy Deptt.
43. Addl. Secretary, F.S.& C.W.Dept., Govt. of Odisha.
44. Sri Bimal Das, President / Representative of Confederation of Citizen Association, Bhubaneswar.
45. Ch. K.K. Mishra, President, Orissa Electrical Consumers' Association, Cuttack
46. Sri Gobardhan Pujari, Representative of Sundargarh Dist. Employers Association, Rourkela
47. Sri G. N. Agrawal, General Secretary, Sambalpur District Consumers Federation, Sambalpur
48. Sri Prabhakar Dora, Consumer Activist, Rayagada
49. Smt. Abanti Behera, Kendrapara
50. Smt. Minati Behera, Cuttack
51. Sri Jugal Kishore Chandak, Dhenkanal
52. Sri Devashish Mahanti, President, North Orissa Chamber of Commerce & Industry
53. Mr. V V Ram Narsinga Rao, President, Ganjam Chamber of Commerce, Berhampur, Odisha
54. Er. B.K. Mohapatra, Industrialist, Cuttack
55. Sri Brahmananda Mishra, Utkal Chamber of Commerce & Industry, Bhubaneswar
56. Prof. Gyana Chandakra Kar, Former Professor & Head, Deptt. Of Economics, Utkal Univer:
Cuttack
57. Prof. Ashok Kumar Tripathy, Head, Deptt. of Electrical Engineering, Silicon Institut
Technology, y,a, Bhubaneswar
58. General Manager (Electrical), East Coast Railways, Bhubaneswar.
59. Sri P.K. Pradhan, Director (Commercial), GRIDCO
60. Sri S.K. Sahu, Director (Finance), OHPC
61. Sri S.K. Popli, Chief Executive Officer, CESU
62. Sri Trilochan Panda, Managing Director, NESCO
63. Sri Amit Mitra, COO, WESCO
64. Sri B.B. Sharma, Managing Director, SOUTHCO
65. Sri A.K. Bohra, CEO (WESCO, NESCO & SOUTHCO)

INTRODUCTORY

The 6th meeting of the State Advisory Committee was held in the Conference Hall of the OERC at 3:30 PM on 25.02.2015. Sri S. P. Nanda, Chairperson, SAC presided over the meeting and Members Sri S.P. Swain & Sri A.K. Das as well as heads of the utilities were present.

The SAC meeting was convened for discussion on the following agenda.

- (i) ARR & Tariff Proposals for FY 2015-16 consequent to the tariff hearing made by the Commission.
 - (ii) Impact of the order of APTEL for revision of retail tariff from 2006-07 onwards.
 - (iii) Any other item with permission of the Chair.
1. Initiating the discussion, Sri K.L. Panda, Secretary–in-charge welcomed SAC members and invited Sri S. P. Nanda, Chairperson to introduce the agenda.
 2. Sri Nanda, Chairperson, OERC presented the agenda items and requested that Hon'ble Members to place their views on the same.
 3. Prof. A.K.Tripathy, Head, Deptt. of Electrical Engineering, Silicon Institute of Technology observed that while OPTCL and GRIDCO had proposed a marginal rise in tariff from the preceding year, the proposal of the DISCOMs for 2015-16 was uniformly high. He expressed concern & wanted to know the reason for 144% rise in A&G expenses and 149% rise in bad debts. While addition of new assets could account for higher depreciation, the 125% hike in FA charges had to be clarified, he observed. Overall, there was an unacceptable 60% hike in tariff proposed for the year by DISCOMs, he opined.
 4. Prof. Sri G.C. Kar concurred with Sri Tripathy that there was an alarming rise in tariff of the DISCOMs which was not adequately explained and difficult to understand. He sought to know what special measures had been taken by the DISCOMs to improve the efficiency of the system without passing the burden on to the consumers. He said that the proposed hike in Retail Tariff was much higher than done in 2014-15. AT & C loss was also high: highest at over 30% in SOUTHCO and lowest in NESCO.
 5. Sri B.K. Mohapatra, from Cuttack, observed that since he had just received the agenda note, he was not prepared for discussion. He felt that the agenda note should be distributed at least seven days in advance for members to study and give their feedback. Chairman, OERC suggested that SAC members can peruse the summary provided in the OERC website and also attend tariff hearings to keep up with developments. Sri Mohapatra was of the view that tariff revision can not be considered in the absence of detailed information regarding claims for availing new tariff. He submitted that the Commission should link any new tariff to prescribed quality of power supply, efficiency and services, otherwise the DISCOMs would merely be

rewarded for inefficiency. The conditions attached to previous tariff orders by the Commission are part of the tariff and non-fulfilment of these conditions makes the licensee ineligible for new tariff. Unless this is done the licensees are being compensated for inefficiency at the cost of consumers for 17 long years. There has been negligible improvement in loss levels of the pre and post reform period. The DISOCMs are not even willing to set up a single model division where standards of performance are fully observed and loss level consistent with national target standards. The performance in franchise areas is worse due to the attitude of the DISCOMs. Similarly, huge investment by the Govt. in the distribution sector has not produced expected improvement in standard of power supply in a single area so far. High cost materials are purchased and remain unutilised in stores. Consumers who are the ultimate beneficiaries of reform are not involved in the CAPEX work though their association is expected to yield much better result. The SAC which is the only forum of consumers meets only four times in a year but the meetings are now being held only to comply the formalities and independent members participation is confined only to a few minutes. Since, the last few years not a single meeting has been convened to discuss consumer protection as the main agenda, he stated.

6. Sri V. V. N. Rao, President, Ganjam Chamber of Commerce also agreed with Sri Kar about the stiff rise in A&G expenses, bad debts and losses. He said that if there was greater investment in administrative and general expenditure then bad debts should go down as it is expected to increase efficiency.
7. Sri Debasis Mohanti, President, North Orissa Chamber of Commerce & Industries appreciated NESCO efforts in arresting AT&C loss in their area. He added that more reduction may be achieved after CAPEX work is completed. However, he pointed that unless theft is curbed, not much progress can be made in loss reduction. He mentioned that the energy police stations are not functioning effectively and therefore loss figures are more or less constant. He felt that a paradigm shift in thinking of DISCOMs is required. The Chairperson observed that theft in the distribution side is organised and sometimes in association with internal support. That is why even after 16-17 years the Commission is passing orders on basic issues such as metering, loss reduction, etc. with little or no effect. Chairman Shri Nanda also pointed out that the meter readers are not being held accountable for misreporting of meters and readings across all DISCOMs, which is unfortunate. He added that all figures submitted by the DISCOMs may be far from truth and cannot be relied upon unless proper energy audit and accounting is done. As such the whole exercise to arrest theft and improve performance is being defeated by Licensees due to lack of any proactive action.

8. The representative from UCCI lamented that though reform was undertaken to take Odisha ahead, the State power sector is on a backward march. Distribution loss is higher than the national average. He pointed out that while States like AP and Tamil Nadu are giving heavy subsidy reducing tariff by 39 paise p/u and 42 paise p/u respectively, in Odisha average tariff for FY 2014-15 is 449.87 p/u as the state govt is not giving any subsidy. He said there is no justification for increasing tariff while Odissa has ample hydro power and also coal prices are falling. He criticised the DISCOMs for lack of effort in billing and collection. Without making any effort to collect arrear dues aggressively, the DISCOMs are passing on the burden to consumers in the form of the ARR, he observed. He also stressed on the huge gap between normative and actual loss shown by the DISCOMs. With regard to the APTEL order which entailed an extra burden of Rs.4200 crore on state consumers by allowing 'so called' actual loss of DISCOMs since 2006-07, in the absence of proper audit of DISCOMs it would be difficult for the OERC to present its case before the Supreme Court.
9. Sri G.C. Pujari, Sundargarh Dist. Employers Association said that the most important agenda of the SAC meeting was how to react to the APTEL order. He observed that the people of the state are agitated about it and the SAC must address it. Firstly he pointed out that the hearing conducted by the APTEL in New Delhi was not justifiable and should be held in the concerned state i.e. Odisha. Secondly, he felt that the fee of Rs.1 lakh for the case registration in APTEL may be affordable for the corporate sector but is too high for an ordinary domestic consumer. This provision must be challenged. Thirdly, he pointed out that when an appeal is filed against any order, all objectors in the original hearing should be made parties. Instead of doing so only the consumer counsel, whose status is that of an *amicus curae* and not an objector, has been made a party. Fourthly, he observed that in the absence of metered supply and proper audit, all T&D loss figures have to be considered suspect and non-considerable. Not only the OERC but the State Govt. as well as all categories of consumers should be represented in APTEL and also at the Supreme Court, he stated. He said that the DISCOMs have been encouraged because of delay in obtaining stay from the Hon'ble Supreme Court on the APTEL order. He said that the OERC counsel was facing adverse comments because the notice process was not properly complied with. He added that all parties who were objectors in the tariff process should be served notice to their side. Sri Pujari concluded by saying that all SAC members should adopt a resolution requesting the State legal aide authority to take up the case in APTEL as well as in the Apex Court. APTEL must be pressurised to hold the hearings in BBSR. All the members of SAC unequivocally expressed their apprehension that implementation of order of the APTEL may cause burden to the consumers of the state.

10. Sri Bimal Das, Representative of Confederation of Citizen Association agreed on all points put forth by Sri Pujari but maintained that tariff hearing must not be held till the Apex Court gives its final order. Chairperson opined that the Commission is only hearing on the tariff for 2015-16 FY at present.
11. Ch. K.K. Mishra wished to know how the order of APTEL can be complied without proper audit. He said that without audited figures, the ARR now presented is doubtful and must be rejected. He also agreed with Sri Pujari that the APTEL order is not fruitful unless all parties involved have been heard. He also demanded that the State Law Department should take up the case. Chairperson Sri Nanda assured the SAC members that the Commission had taken a lead in speaking to the Govt. on the issue.
12. Sri G.N Agarwal, Secretary Sambalpur District Consumer Federation placed the following points in his written submission:
 - a. With reference to Hon'ble APTEL order dated 2nd September, 2014, different BSP may be rescheduled through out Odisha as a whole. In the above process 33600 MU could be allocated for DISCOMs during FY 2015-16. This is necessary to overcome the criticism that differential rate is being charged to different DISCOMs even if consideration has been made for different types of users of electricity. If this process is approved or modified then there may not be further scope of criticism in as much as in the first phase normal consumers will be billed and get the benefit of their sacrifice of low cost land acquisition for power infrastructure development.
 - b. Details of security deposit of consumers deposited with OSEB/GRIDCO are not available with the the DISCOMs but only book transferred. They may be debited to GRIDCO to be adjusted towards past liability of DISCOMs with GRIDCO.
 - c. GoO may be asked for utilization of Electricity duty collected by DISCOMs paid or payable to GoO through GRIDCO for improvement of the system.
 - d. The dues on defaulting consumers seized by OSFC prior to amendment of regulation 10 may be debited to GRIDCO.
13. Sri Prabhakar Dora, Consumer Activist, 3rd Lane, Vidya Nagar (Co-Operative Colony) made the following observations in his written submission:
 - a. The saleable design energy should not be reduced. Due to unusual delay in completion of renovation & modernisation of works of Hirakud, Chiplima and Balimela HEPs, there is substantial reduction of generation. The calculated shortfall in generation may be treated as "deemed generation" for the purpose of determination of tariff.

- b. The loss of generation due to maintaining the minimum draw down level at 595ft., in place of 590 ft and that due to drawl of water by the industries, directly from the Hirakud reservoir should also be treated as “deemed generation”.
- c. The amount provided towards ROE, interest on loan, depreciation shows high increase, which needs detailed review.
- d. The tariff for the OHPC power stations should be determined in accordance with OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 notified in the Odisha Gazette, Extraordinary on 10.10.14. Accordingly the return on equity specified by the Commission on post tax basis, with recovery of income tax from the beneficiaries shall apply.
- e. There is unusual delay in commissioning of EHT lines and sub-stations. This has to be improved.
- f. The equipments of capital nature are being included under operation and maintenance. According to CERC and OERC Regulations, 2014 only the repair and maintenance should be included and not replacement of major equipments. Accordingly these equipments should be included under “capital expenditure” the R&M cost of Rs. 154.11 crores should be reduced substantially.
- g. The increase of the amount provided towards interest on loan capital, depreciation and return on equity appear unusually high. The provision should be limited to the works commissioned by 31.03.2015.
- h. Gridco is a “deemed Trader” and therefore it shall be allowed only a “Trading Margin”.
- i. That GRIDCO has not been able to recover the outstanding amounts receivable from the Discoms, which is more than Rs.4500.00 crores as on Sept, 2014.
- j. The inefficiency of the Discoms is resulting in lesser payment to GRIDCO. GRIDCO by borrowing from financial institutions to meet the shortfall is burdening the consumers of the State, due to increase in BSP, to meet the interest burden.
- k. GRIDCO is proposing to buy 976MU of costly power from Barh-II STPS of NTPC@667 p/u and at the same time is proposing to trade more than 2000 MU @400 p/u, which is not prudent commercial practice.
- l. The Commission should not allow Escrow Relaxation and the BST should be fully recovered from the Escrow account. It is for the DISCOMs to bring in additional funds to meet their obligations, in case they do not operate with due efficiency.

- m. The consumers of the State can not be burdened, for the loan incurred by GRIDCO, a “deemed trader”. The short fall to service the loan through trading may be met by the Govt. of Odisha.
- n. The present practice of power purchase may be discontinued and power allocated directly to the DISCOMs from each of the generating stations, both State and Central.
- o. The Discoms have miserably failed to improve their efficiency of operation and are intentionally projecting higher distribution losses and lower collection efficiency. Therefore the data relating to A&G expenses, bad and doubtful debts depreciation, interest and financial charges are inflated and may not be allowed.
- p. The projected total charge to consumers including ED, by the DISCOMs for the FY 2015-16 is unacceptable. Other than WESCO, the tariff for HT, EHT and LT are not within +20% was applicable for the FY 2010-11. This limit should also be brought down further say to at least upto +15% for the FY 2015-16 as five years have passed in the meanwhile.
- q. The performance parameters relating to “distribution loss” can not be accepted in the absence of “Energy Audit”, which the DISCOMs are avoiding intentionally, even though such audit was due from 01.04.2004 and funds had been provided for metering, pole scheduling etc.
- r. It is necessary that stay order be obtained from the Hon’ble Supreme Court, otherwise there would be catastrophic burden on the State consumers due to the non-performance of the DISCOMs and the orders of the Hon’ble ATE.
- s. Meter rent may be determined following the existing practice.
- t. Introduction of KVAH billing may be reviewed separately, taking into account the practice followed in other States. It will be difficult for domestic and GP consumers to provide capacitor banks. The DISCOMs should provide LT capacitor banks at the end of LT feeders to reduce technical losses and improve the power supply system. For industrial consumers, with CD of more than 20KW, PF penalty and incentive may be provided from ;the FY 2016-17, during which period there shall be extensive programme to educate such consumers about installation of capacitor banks.
- u. The present single part tariff for CGP may continue.
- v. Imposition of MMFC for consumers with CD less than 110 KVA, based on MD or CD (whichever is higher) is against the Distribution Code. In case of such consumers the “connected load” is the CD. Therefore the Distribution Code provides that the billing shall be based on the MD actually recorded, irrespective of the CD. This practice may continue.

- w. The demand charges for GP category 70 KVA to 110 KVA and HT industrial (M) supply may be reduced to correspond to the MMFC for power supply to such consumer at LT.
- x. The imposition of reliability surcharge is causing disruption of power supply to the low end consumers, particularly at LT, to maintain uninterrupted supply to the EHT & HT consumers having dedicated feeders. This is in contravention of Section 23 of the Act, 2003. Therefore, the “reliability Surcharge” may be deleted, instead of extending to shared industrial feeders.
- y. Interest rate on HT should not be reduced.
- z. The proposal to increase the rate per unit by one rupee and allowing the as rebate for payment in time is preposterous and may be rejected.
- aa. Creation of contingency fund can not be through imposition of a surcharge on the consumers. The Discoms may submit proposals for creating such funds outside the assistance rendered by the State/ Central Govt.

Sri Dora concluded that the DISCOMs are not adhering to the annual tariff orders every year and then approaching the APTEL. He desired to know why the Commission is allowing such practice and why the Govt. is not taking any action for monitoring the funds it invested in the DISCOMs and protecting its assets. Their licensee should be revoked forthwith, he felt.

- 14. Smt. Minati Behera demanded that 100% metering should be done and quality supply provided before considering the tariff hike. She also pointed out that while genuine customers are not getting new connections, they are being provided through third party agents with dubious intention.
- 15. Smt. Abanti Behera opined that the DISCOMs were approaching APTEL without bothering to collect the huge arrear dues which are pending from Kendrapara area alone, she informed. She said that audit of Distcom accounts should be carried out to ascertain financial health. She thanked OERC for approaching the Hon’ble Apex Court in the interest of the consumers of the state but said that all consumers must be made parties. She demanded to know how the loss by DISCOMs were assessed and observed that they were furnishing inaccurate data and should be pulled up forthwith for such lapses. CAPEX work is being poorly executed and no data is being provided to the SAC members as per the Commission’s direction. GRF hearings are not attended by CESU officers she added.
- 16. Chairperson Sri Nanda asked the DISCOMs to present their replies on issues raised by members.
- 17. Sri S.K. Popli, CEO, CESU clarified that the 129% rise in A&G expenses of CESU for 2015-16 is due to the sharing of the incremental revenue with the franchisees from this year as per

- agreement. Chairman Sri Nanda said that it was merely an erroneous classification and should not have been listed as A&G expenses. Regarding the 140% increase of loan interest Sri Popli clarified that the WB loan taken by the utility at 13% interest had been defaulted earlier and the current liability had gone up to Rs 100 crore now. This was being added to the current rate of interest. Sri Nanda replied that since CESU had not paid the interest provided by OERC in earlier tariff orders they should not come to them for additional provision now for similar cases.
18. Speaking on behalf of the three Reliance DISCOMs, Sri A.K. Bohra said that none of the SAC members had noticed that OPTCL was proposing a 50% rise over the previous order and this would affect RST adversely if passed on. He said there is only 3% hike in bad debt and 7% in A&G expenses by Distcoms. Regarding the ATE order he suggested that till stay is granted by the SC, the Commission should complete the computation and divide it into four instalments to pass on to the consumer so as to avoid tariff shock.
 19. Sri P.K. Pradhan, Dir (Com) GRIDCO said that while due diligence would be carried out on the ARR by the Commission, the benefit of the UI charges being granted to DISCOMs in the Commission's previous orders should be kept in abeyance because though the DISCOMs are drawing unscheduled power and doing gaming they are not paying the deviation charges to GRIDCO.
 20. The representative of OHPC said that the interest on loan had gone up because the same has not been allowed by the Commission in the previous year's tariff.
 21. Additional Secretary to Govt. informed that AOR and special counsel have been appointed by the Govt. to counter the APTEL orders in the Supreme Court as per the Commission's advice.
 22. The Chairperson wound up the discussion by thanking the SAC members for their suggestion and by directing the CEO's to collaborate with the SAC members in execution of CAPEX work. Summing up, he appreciated the valuable advice of SAC members particularly on
 - (a) energy audit;
 - (b) rising losses of DISTCOMs;
 - (c) increasing inefficiency of DISTCOMs;
 - (d) Tariff proposals for FY 2015-16 for different sectors;
 - (e) implication of Hon'ble APTEL's order and consequential initiatives by Govt. & OERC;
 - (f) effects of CAPEX programme; and
 - (g) performance of DISTCOMs, OPTCL, GRIDCO, OHPC etc.

He agreed to schedule a SAC meeting exclusively on consumer protection as requested by Sri B.K. Mohapatra after the tariff process is over.

23. Secretary I/c, OERC concluded the meeting with vote of thanks to the Chair, Hon'ble Members of the SAC and all others present.