

**ODISHA ELECTRICITY REGULATORY COMMISSION
PLOT NO. 4, CHUNOKOLI, SAILASHREE VIHAR,
CHANDRASEKHARPUR,
BHUBANESWAR-751021**

Case No.78/2022/1454

Date:17.12.2022

To

The Managing Director,
GRIDCO Ltd., Janpath,
Bhubaneswar-22.

Sub: Applications under Section 86(1) (a) &(b) and other applicable provisions of the Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business)Regulations,2004 along with other related Rules and Regulations for determination of Aggregate Revenue Requirement and Bulk Supply Price for the FY 2023-24, filed by GRIDCO Ltd. before the Odisha Electricity Regulatory Commission, Bhubaneswar.

Sir,

With reference to your application dated 30.11.2022 before the Commission for determination of Aggregate Revenue Requirement and Bulk Supply Price for the Financial Year 2023-24, which has been registered as **Case No. 78 of 2022**, I am directed to say that the Commission have decided to dispose of the above case through a public hearing.

2. In accordance with the relevant provisions of OERC (Conduct of Business) Regulations, 2004, you are required to publish the matter as attached to this letter in English language in one issue each of a daily English and Odia newspaper and in Odia language in one issue of a daily Odia newspaper, having wide circulation in the State of Odisha. The publications shall be made on or before **19.12.2022**. You are also required to put a copy of the said publication in the notice board of your office and in your company's website.
3. The salient features of the Aggregate Revenue Requirement and Bulk Supply Price application as mentioned in Para (1) above shall be made available to the interested persons during the office hours from **19.12.2022 to 19.01.2023** at the office of the CGM(PP), GRIDCO Head Quarters on payment of the photocopying charges of Rs.100/- only. The said salient features shall include:-
 - a) Write up of the BSP application.
 - b) Proposed Bulk Supply Price schedule.
 - c) Bulk Supply Price revision proposal (T-17).
 - d) Revenue Requirement (F-4).
4. A full set of the Aggregate Revenue Requirement and Bulk Supply Price application for the year 2023-24 and application for truing up expenses for FY 2021-22 can also be obtained by the interested persons during the office hours from **19.12.2022 to 19.01.2023** at the office of the CGM (PP), GRIDCO Head quarters on payment of photocopying charges of Rs.300/- only.

5. You are required to arrange for facilitating inspection/perusal and prompt supply of copies of Aggregate Revenue Requirement and Bulk Supply Price application for the FY 2023-24 along with your application for truing up expenses for FY 2021-22 to the interested persons at the office mentioned in paras (3)& (1) above.
6. It may please be noted that you are required to file a consolidated rejoinder before the Commission on or before **27.01.2023** with regard to all the suggestions/objections filed by the interested persons and admitted by the Commission serving a copy of the respective rejoinder to the person concerned.
7. The proof of the above publications in English and Odia dailies shall be furnished to the Commission within seven days of such publications.

Yours sincerely,

Encl: As above for publication

Sd/-
SECRETARY

GRIDCO LIMITED
Janpath, Bhubaneswar-751022, Odisha

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PUBLIC NOTICE

Application under Section 86 (1) (a) & (b) and other applicable provisions of the Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business) Regulations, 2004 along with other related Rules and Regulations for determination of Aggregate Revenue Requirement and Bulk Supply Price for the FY 2023-24 filed by GRIDCO Ltd. before the Odisha Electricity Regulatory Commission, Bhubaneswar.

1. GRIDCO Ltd. has filed an Application on **30.11.2022** before the Odisha Electricity Regulatory Commission for approval of Aggregate Revenue Requirement and determination of Bulk Supply Price (BSP) for the financial year 2023-24 which has been registered as **Case No. 78 of 2022**.

The application has been filed under Section 86(1) (a) & (b) and other applicable provisions of the Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business) Regulations, 2004. The Commission has decided to dispose of the said case through a public hearing.

2. Copies of the aforesaid filing as mentioned in Para-1 above together with supporting materials along with the related documents are available with the office of the CGM (PP), GRIDCO Headquarters, Bhubaneswar. This public notice along with the details of filing and relevant matters may also be downloaded from the GRIDCO's website **www.gridco.co.in** as well as the Commission's website **www.orierc.org**.
3. The Bulk Supply Price is applicable for supply of power to the Distribution Utilities of Odisha (DISCOMs) by GRIDCO Ltd. The proposed Bulk Supply Price application for the financial year 2023-24 contains details regarding energy charges, demand charges, charges for over-drawl of energy and rebate etc.
4. The rates and charges proposed by GRIDCO are published herewith for the information of the general public.
5. (a) A summary of the proposal will be posted in the Commission's website after **12.01.2023** for general reference.
(b) Interested persons may inspect/peruse the relevant records pertaining to the matters enumerated in Para-1 above and take note thereof at the office mentioned at Para-2 above, during office hours on or before **19.01.2023** by making a plain paper application to the aforesaid authority.

6. The salient features of the Bulk Supply Price application as mentioned in Para-1 above shall be available to the interested persons from the office mentioned at Para-2 above, during office hours on or before **19.01.2023** on payment of the photocopying charges of Rs.50/- only. The said salient features shall include;
- Write up of the BSP application.
 - Proposed Bulk Supply Price schedule.
 - Bulk Supply Price revision proposal (T-17).
 - Revenue Requirement (F- 4).
7. A full set of the Aggregate Revenue Requirement and Bulk Supply Price application for the financial year 2023-24 can also be obtained from the office of the CGM (PP), GRIDCO Head quarters, Bhubaneswar during the office hours on or before **19.01.2023** on payment of the photocopying charges of Rs.100/- only.
8. Suggestions/objections, if any, together with supporting materials may be filed before the **Secretary, Odisha Electricity Regulatory Commission, Plot No. 4, Chunokoli, Shailashree Vihar, Bhubaneswar-751021** in person or through Registered Post including Courier Services only so as to reach him on or before **19.01.2023** positively. A copy of the said suggestions/objections along with relevant documents shall also be served on the undersigned.
- The suggestions/objections should be filed in seven copies and should carry full name and postal address with PIN Code including e-mail ID & contact Telephone Number of the person/ organizations/ institutions sending the suggestions/objections and shall be supported by an affidavit.
 - There shall be clear indication if the suggestions/objections are being filed on behalf of any organization/institution representing any category of consumers. It should also be specifically mentioned, if it is to be heard in person by the Commission.
 - Suggestions/objections received after the date mentioned above or those which will prove deficient on any or more of the above points may not be admitted for hearing. Only those objections/suggestions supported through affidavit will be taken up for hearing.
9. As directed by the Commission, the date of hearing shall be duly published in the newspapers and also communicated to the parties whose objections are admitted.

Dated /12/2022

**MANAGING DIRECTOR
GRIDCO Ltd.**

- Note: i) The above public notice along with the proposed Bulk Supply Price schedule is also available in GRIDCO's website **www.gridco.co.in** as well as the Commission's website **www.orierc.org**.
- ii) In case of any ambiguity in the notice published in Odia language, the notice published in English language may be referred for authenticity.

Proposed Bulk Supply Price Schedule of GRIDCO for carrying out Bulk Supply Activity for the FY 2023-24

Bulk Supply Price:

This Bulk Supply Price is applicable for supply of power to Distribution and Retail Supply Licensees (DISCOM Utilities) in the State. The total charges shall be calculated by summation of following charges stated in Para (A) to (F) below as applicable:

A) Energy Charge: GRIDCO proposes to recover its net Revenue Requirement of Rs.13,839.39 Crore through Energy Charge only from the DISCOM Utilities towards sale of 36358 MU. The average BSP is proposed @ 380.64 P/U only for recovery of above proposed net Revenue Requirement.

B) Demand Charge: Demand Charge @ Rs.250 KVA/Month is proposed to be levied from DISCOM Utilities on the excess SMD only when the actual SMD of DISCOM Utilities in a month exceeds the permitted monthly SMD (105% of the approved SMD), to take care of monthly variations and such charges shall not be adjusted at the end of the year, even if the actual annual SMD remains within the permitted annual SMD i.e.105% of the approved annual SMD.

C) Overdrawal Charges:

The overdrawal Charges payable by DISCOM Utilities are presently billed at the corresponding OERC approved applicable BSP in terms of the Judgment dated 07.05.2018 of the APTEL passed in Appeal No.55 of 2015, till intra-State DSM Regulations is pronounced by OERC and implemented in the State. GRIDCO proposes that the charges towards any excess drawal of energy by a DISCOM Utility during a month over and above the approved monthly energy quantum (Approved MU for FY 2023-24 X No. of days of the relevant month / 365 days) would be payable by the DISCOM Utility at the actual power purchase cost incurred for such excess drawal (including transmission, deviation charges, transmission loss etc.) or at the approved BSP for the DISCOM Utility whichever is higher, on monthly basis.

D) Fuel Price Adjustment:

GRIDCO requests the Commission to provide a mechanism for monthly or quarterly determination of FPA component which can be recovered through tariff.

E) Rebate:

GRIDCO states that the maximum rebate to be allowed to DISCOMs needs to be in line with the maximum rebate allowed to GRIDCO by the Generators under prevailing CERC / OERC Terms & Conditions of Tariff Regulations. Accordingly, GRIDCO proposes the following graded rebate for payment of BSP dues by the DISCOM Utilities:

- a. For crediting the BSP bill of the DISCOM to GRIDCO's designated current bank account through Letter of Credit on presentation or through NEFT/RTGS within a period of five (5) working days, a rebate of 1.5 % (one point five percent) shall be allowed.
- b. Where the amount is credited on any day after five (5) working days and within a period of twenty five (25) days of presentation of bill, a rebate of 1.00% (one percent) shall be allowed.
- c. The DISCOMs may pay their BSP dues in staggered manner under different rebate option, but for eligibility of rebate, total current BSP dues needs to be settled by the DISCOM within 25th day of presentation of BSP bill.

F) Duty and Taxes:

The Electricity Duty levied by the Government of Odisha and any other statutory levy/ Duty/ Tax/ Cess / Toll etc. imposed under any law from time to time shall be charged over and above the Bulk Supply Price.

G) Special concessional tariff under Regulation 139 of OERC Distribution (Conditions of Supply) Code, 2019

GRIDCO states that the Commission vide its Order dated 23.05.2022 has accorded approval to the interim arrangement agreed between GRIDCO and DISCOMs for sale of surplus power to the interested industries having CGP with CD of more than 20 MW at a fixed price of Rs.4.75/kVAh (beyond 80% LF) through a Tripartite Agreement among GRIDCO, DISCOMs and the Consumer. Accordingly, GRIDCO proposes to continue the same arrangement with a revised tariff of Rs. 5.25/kVAh (beyond 70% LF) for FY 2023-24.

H) Commitment Charges for New and Additional Load

GRIDCO submits that the DISCOMs approach them with applications to provide new and additional load for the industries / institutions. Accordingly, GRIDCO plans for additional power procurement depending on the expected date of load addition. However, it has been observed in past that the requested load is either not availed or there is a delay in availing the load by the industries. Hence, GRIDCO has to bear the additional burden of fixed charges corresponding to the additional capacity contracted for such requested load, which ultimately puts burden on consumers of the State. However, the industries / institutions do not face any penalty for not availing or making delay in availing load. Hence, GRIDCO proposes for imposition of commitment charges @ Rs.250/KVA/Month on industries / institutions those are applying for new and additional load, which may be in form of a lump-sum deposit with the respective DISCOMs and GRIDCO is to be allowed to recover such commitment charges from the DISCOMs, if the industries / institutions do not avail the new and additional load as per their commitment.

I) Disparity in recovery of Fixed Charge and Variable Charge between DISCOMs and GRIDCO

GRIDCO submits that it has to recover the ARR through BSP which is 100% variable charge whereas it makes payment to the generators and transmission utilities in terms of fixed as well as variable component. On the other hand, the DISCOMs have a revenue which has both fixed and variable component but makes payment to GRIDCO at the BSP which is variable in nature. Such disparity in recovery through ARR vs. Cost committed to generators and other agencies hinders long term planning of energy requirement and affects the financial sustainability of GRIDCO during substantial fall in demand. Hence, GRIDCO requests the Commission to allow part of its ARR to be recovered as fixed charge from the fixed charges recovered by the DISCOMs from the consumers.
