

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
CHUNOKOLI, SAILASHREE VIHAR, BHUBANESWAR**

**CASE NO. 105/2021
FILING NO. 2**

IN THE MATTER OF: An application for approval of Aggregate Revenue Requirement and Transmission Tariff for the Financial Year 2022-23 under Section 62, 64 and all other applicable provisions of the Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business) Regulations, 2004, OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 and other tariff related matters.

AND

IN THE MATTER OF: Odisha Power Transmission Corporation Limited, Janpath, Bhubaneswar

..... Applicant

AND

IN THE MATTER OF: Reply to the queries raised by the Hon'ble Commission vide letter No. 1695 dated 29.12.2021.

The humble applicant above named

MOST RESPECTFULLY SHEWETH:

That in response to the queries raised by the Hon'ble Commission vide letter No. 1695 dated 29.12.2021 on OPTCL's Aggregate Revenue Requirement (ARR) & Transmission Tariff Application for FY 2022-23, OPTCL humbly submits its reply to the queries along with the supporting documents / additional information in the following paragraphs for kind information of the Hon'ble Commission.

TECHNICAL

Query No 1: Revenue from supervision charges / project management cost from ODSSP, IPDS & other works

Detailed report on revenue receipt as regards to supervision charges and project management cost for implementation of Odisha Distribution System Strengthening Projects (ODSSP), IPDS and other works undertaken through different schemes may be furnished for FY 2020-21 & FY 2021-22 up to date.

Reply of OPTCL:

(i) **Supervision Charges:-** OPTCL has recognized Rs.30.90 Cr. as supervision charges during the FY 2020-21 and Rs.0.97 Cr. during FY 2021-22 (April' 21 - Nov'21) towards supervision charges.

(ii) For the FY 2020-21 and up to November 2021, OPTCL has not recognized any income towards project management cost for implementation of Odisha Distribution System Strengthening Projects (ODSSP), IPDS & DDUGJY.

Detailed explanation:

In compliance to IND AS 115 (effective from 01.04.2018) the supervision/implementing agency charges in respect of DISCOMs and other works are credited to Statement of Profit & Loss in the year in which the completion and handing over (i.e. control is transferred) of the assets made to the divisions after adjustment of related expenses, if any. Therefore, the supervision/implementing agency charges in respect of the schemes ODSSP, ODAFF, DDUGJY & IPDS are not recognized in the Statement of Profit & Loss for the FY 2020-21 and the same can't be recognized in advance for the FY 2021-22 unless it will fulfill the above conditions.

Further, the PMA charges will be recognized as the non-tariff income of OPTCL as per the Regulation 8.42

Regulation 8.42 (Income from Other Business) of the OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 states as under:

“Where the Transmission licensees has engaged in any Other Business, an amount equal to one third of the revenues from such Other Business after deduction of direct and indirect cost attributed to such Other Business shall be deducted from the Aggregate Revenue Requirement in calculating the tariff of the Transmission Licensees.

Provided that the Transmission Licensees shall follow a reasonable basis for allocation of all joint and common cost between the Transmission Business and the Other Business and shall submit the allocation statement, duly audited and certified by the statutory auditors, to the commission along with his application for determination of tariff.

Provided further that where sum total of the direct and indirect costs of such Other Business exceeds the revenues from such Other Business, no amount shall be allowed to be added to the Aggregate Revenue Requirement of the Transmission Licensees on account of such Other Business.”

Therefore, the PMC/PMA recognized from ODSSP, ODAFF, DDUGJY & IPDS shall be treated as **Income from Other Business** and One-third shall be adjusted in Aggregate Revenue Requirement as per the provision of Regulation 8.42 extracted above.

Query No 2: Multistoried office complex.

OPTCL in Table No-18 has projected an amount of Rs. 31.50 Cr. towards construction of multistoried office complex and Rs.2.00 Cr. For Tech. Tower during the FY 2022-23. OPTCL should submit a report on the total project cost and its break-up showing the year-wise investment plan for construction of multi storied office complex along with its justification, progress and actual expenditure till date. Further, the utilisation of multi storied office complex & Tech tower may also be submitted.

Reply of OPTCL:

A report on the total project cost and its break-up showing the year-wise investment plan for construction of various multi-storied office complexes along with actual expenditure till date is furnished as **Annexure-1. These buildings are being constructed to house all offices of OPTCL in one building now functioning either from quarters /rented houses in the same headquarter. This will help in ease in administration and reduce travel time as well as cost.**

Query No 3: justification of compound wall

The proposal for construction of compound wall inside the grid Substations with an investment of Rs.9.66 Cr. needs justification.

Reply of OPTCL:

Details of the proposal for construction of compound walls inside the grid Substations with an investment of Rs.9.66 Cr is hereby attached as **Annexure-2.**

Query No 4: Actual demand of DISCOMs

OPTCL should submit the actual demand of DISCOMs (Distribution Licensee wise) for FY 2018-19, 2019-20, 2020-21 & 2021-22 up-to-date for projection of demand for ensuing year.

Reply of OPTCL:

(Figures in MU)

YEAR	CESU	NESCO	WESCO	SOUTHCO	TOTAL
FY 2018-19	8778.68	5576.28	7344.13	3655.20	25354.30
FY 2019-20	8156.07	5437.36	7306.37	3475.53	24375.32
FY 2020-21	8383.30	4949.76	7384.45	3565.63	24283.14
FY 2021-22 (04/21 to 12/21)	6925.21	4042.36	6769.90	2925.69	20663.16

OPTCL in its present ARR application has taken the recent realistic demand projection figures as received from all four DISCOMs.

Query No 5:

OPTCL should submit a statement on the loading pattern of the existing transmission system (400 kV, 220 KV, 132 KV power transformers and EHT lines) corresponding to the peak demand of 5899.70 MW touched on 6th October, 2021.

Reply of OPTCL:

A statement on the loading pattern of the existing transmission system (400 kV, 220 KV, 132 KV power transformers and EHT lines) corresponding to the peak demand 5899.70 MW touched on 6th October, 2021 is furnished as **Annexure-3**.

Query No 6:

OPTCL should submit the fault levels (both 3 phase to ground and single phase to ground) of various EHT grid sub-station where existing circuit breakers, isolators, CTs are inadequate to handle because of reported industrialization and rapid rural electrification.

Reply of OPTCL:

The fault levels (both 3 phase to ground and single phase to ground) of various EHT grid Sub-stations is furnished in **Annexure-4**.

Query No 7 (i): R & M expenditure.

OPTCL to furnish a detailed list of expenditure incurred towards R&M work under different heads executed by OPTCL during 2020-21 & 2021-22 up to date in line with Table – 7 of the ARR of ensuring year. OPTCL has projected a substantial amount towards repair/replacement of Circuit breakers, CT, PT, renovation of grid-substation, renovation of EHT lines, transformer firefighting protection, automatic fault analysis system, audit energy meter etc. under R&M head. The above works are capital in nature but inclusion of the same under R & M works needs justification.

Reply of OPTCL:

The detailed list of expenditure incurred towards R&M works under different heads executed by OPTCL during **FY2020-21 and FY 2020-21 (up to date)** is furnished as **Annexure-5**.

With regard to projection of a substantial amount towards repair/replacement of Circuit breakers, CT, PT, renovation of grid-substation, renovation of EHT lines etc under R&M head, OPTCL humbly submits as under:

- On the basis of present load flow profile, years of service and requirement of capacity enhancement in view of future load growth as well as n-1 contingency, OPTCL has planned for Comprehensive renovation of identified lines with **uprating** of conventional **ACSR conductors to HTLS conductors**, which involve substantial cost. These projects have been proposed by OPTCL as **Capital Works**. Similarly, the proposals under '**Conversion of existing S/C lines to D/C lines**' scheme are also proposed under **Capital Works category**.
- Further, proposals like **Augmentation of Installed Capacity at existing sub-stations through procurement of new transformers, addition of bays** against the requisitions of DISCOMs are also **covered under the Capex Plan** as assets are to be added in the Transmission System through implementation of these schemes.
- Since substation specific cost of replacement of Old Equipment giving frequent trouble and technologically obsolete equipment , Bus Augmentation, Switchyard Re-metalling & Illumination, strengthening of Earthing System, Painting of Equipment, Repair of Boundary Walls & Fencing, Repair of Approach Roads, Cable Trenches & Drainage System etc. and R&M Works of different EHT Lines include Revetment, Coping, Tower Earthing, Painting and Replacement of Angles, Conductors, Insulators, Clamps & Connectors etc.is not substantial , these works are being done under R&M.
- The replacement of defective /damaged equipment like Circuit breaker, CT, PT , Isolator , LA etc. are done also under R&M including the equipment which fail the tests carried out during condition monitoring under predictive/ preventive maintenance programme. This is done as and when required and hence envisaged under R&M and kept as spare.
- However in order to ensure quality as well as competitive price for these sophisticated equipment, OPTCL undertakes bulk procurement action against the consolidated requirement of the total system and executes installation of the same at different grid sub-stations through separate contracts for quicker replacement.

Query No 7 (ii): Security personnel for watch & ward

OPTCL has proposed an amount of Rs.33.42 crore towards engagement of Security personnel for watch & ward under R & M head. OPTCL should justify its inclusion in R & M and submit the related information (year wise from FY 2017-18 to till date) in the table mentioned below:

Sl No.	Name of the Line	Voltage level	Nos. of Ckt.	Length in Ckt. Km.	Status of line (in service/ under construction)	Date of initial charging (if in service). Initial work order date (if under construction)	Nos. of Security Guards engaged	Expenditure per year

Reply of OPTCL:

The Watch & Ward expenditure of **Grid substations and lines under O&Mwing, E&MR & Telecom wings** are essentially in the **nature of O&M expenses**. Hence, the same are booked under R&M expenses.

However, Watch & Ward expenditure relating to Head Office, Circle Offices and other Offices are booked under A&G expenses. All Watch & Ward expenditure relating to Construction Divisions are capitalised and booked under the respective projects.

The year wise information from FY 2019-20 to till date as per the prescribed table is furnished as **Annexure-6**.

Query No 7 (iii): GPS based line patrolling system & renovation works of GSS.

OPTCL has also proposed an amount of Rs.8.93 cr. towards GPS based line patrolling system, Rs.5.25 cr. for renovation works of grid substations and 5.25 cr. for renovation of EHT lines. OPTCL should justify the consideration of the aforesaid works of procurement, replacement of defective equipment under R&M.

Reply of OPTCL:

The GPS based line patrolling system is an Integrated Mobile and Web App Solution for effective and timely Patrolling, Monitoring and Maintenance of Power Transmission Lines. The Software/application runs both on Desktop and mobile phones as well. The Mobile application is GPS enabled and runs on Mobile/Tablet and is used by line personnel during patrolling. It gets activated only within the Geo-fence of the assigned tower being patrolled and enables patroller to record some feedbacks as per a standard format pre-assigned to the application. The Web application manages the above information furnished by patrolling personnel along with Tower, Line TL group/office information, broadcast message. It also authorize regional office executive functions, generation of patrolling reports, scheduling, and monitoring broadcasting and have various dashboards for MIS. OPTCL has already implemented this GPS based line patrolling system successfully in 400 kV Meramundali-Lapanga-IB thermal line, 400 kV Meramundali-Mendhasal line, 400 kV Meramundali-New Duburi line on Pilot basis and

subsequently going to implement the system throughout all the transmission lines strategically.

As on Dec-2021 OPTCL owns 173 nos. Grid Sub-stations of different voltage classes and EHT transmission lines of 15316.4 ctkms. Further around 19 grid substations are proposed to be commissioned till 2022-23. The transmission system of OPTCL is subject to rising trend of the loading pattern across the state. Many sub-stations and EHT lines are pretty old and have outlived their standard life span. Some of the sub-station equipments which were imported during the OSEB period are obsolete now and spares for such equipments are unavailable for which repairing those is very cumbersome and expensive.

Day to day expansion of EHT network due to rapid industrialization and rural electrification initiatives has resulted in higher fault levels at various EHT Grid sub-stations for which some of the existing equipments like CBs, Isolators, CTs are now incapable to handle the present system. To operate the system effectively and to maintain uninterrupted quality power supply throughout the state maintaining the performance standards set down by Hon'ble OERC it is absolutely necessary to undertake replacement of the old/obsolete equipment those have outlived their useful economic life. Also it is required to renovate and upgrade the equipment in existing system to handle the rising demand particularly during summer.

With the above objective OPTCL proposed above R&M expenses towards Renovation Works of Grid Substations and EHT Lines which includes Repair / Replacement of Old & Defective Equipments, Bus Augmentation , Switchyard Re-metalling & Illumination, Renovation of Earthing System, Painting of equipment, Repair of Boundary Walls & Fencing, Repair of Approach Roads, Cable Trenches & development of drainage System at various old Grid Sub-stations, Repair & building of Revetments, Couping&Earthings of Tower at required locations, Painting of MS towers and Replacement of damaged tower Angles, Conductors, Replacement of old Insulators, Clamps & Connectors of various transmission lines of the system mostly of saline areas.

As the cost involvement for the above specific requirements is of repair and maintenance nature and no new assets or transformation capacity addition occurs in the grid sub-station and transmission lines, the same is proposed under the R&M Plan.

Query No 8: Transmission loss.

The Commission had approved the transmission loss of 3% for FY 2021-22, whereas the actual transmission loss submitted by OPTCL from April, 2021 to September, 2021 was 3.13%. In the meantime OPTCL has made a lot of investment for improvement of its transmission system and submitted the supporting document about the expected reduction of loss in case of addition of new transmission projects. Therefore, the rise in transmission loss needs justification.

Reply of OPTCL:

The actual transmission loss for the period **Apr' - Sep' 2021** is calculated to be **3.13%** as shown in the ARR & TT application for FY 2022-23. This figure is **less than the actual** transmission loss that has taken place during last year i.e. **FY 2020-21 i.e. 3.22%**. In fact, OPTCL had projected Transmission loss of 3.15% for the FY 21-22, but Hon'ble Commission had set a target of 3.00% which could not be achieved yet.

In OPTCL system, the transmission loss is purely technical loss and a function of real time injection of power by a number of generators, system configuration and power flow requirements at different load centers. It depends on many parameters / factors such as distance and mismatch between generation and load centers, types of load, reactive power compensation, voltage profile, seasonal variation of demand load etc. Thus, OPTCL does not have much control over the same at any point of time. The transmission system of OPTCL operates as an integral part of the Eastern Region Grid to serve the internal demand of the State as well as to carry out import and export of power depending upon the system demand.

As of the matter of fact, some grid s/s and lines are being constructed in many remote and deprived areas funded under Central & State Govt. schemes in the interest of public. Additional length in EHT lines and Sub-stations in under-loaded areas are also responsible for increase in transmission loss.

The Transmission Loss in OPTCL network is in a gradually reducing trend over the years i.e. from 3.73% during 2014-15 to 3.22% in 2020-21 and has remained 3.13% within 1st six months of FY 2021-22 mainly due to addition of infrastructure and various system strengthening works taken up by OPTCL. The actual losses incurred over the years by OPTCL have been within the margin allowed by Hon'ble Commission up to the year FY 2017-18. However in the FY 2018-19, the commission set the loss at 3.00% though the projected transmission loss was at 3.25% and thereafter the commission has been

pegging the transmission loss at the same level though loss projected by OPTCL remained in a downward trend.

Year	Tr. Loss proposed	OERC Approval	Actual
2014-15	3.75%	3.75%	3.73%
2015-16	3.75%	3.75%	3.67%
2016-17	3.70%	3.70%	3.58%
2017-18	3.50%	3.50%	3.34%
2018-19	3.25%	3.00%	3.28%
2019-20	3.25%	3.00%	3.25%
2020-21	3.20 %	3.00%	3.22%
2021-22	3.15%	3.00%	

From the table given above, it is also clear that each year upto FY 2017-18, the transmission loss achieved by OPTCL has remained at a level lower than the approved figures by Hon'ble commission and from FY 2018-19 the target set by OERC appears to be very stiff which was hard to achieve though **the trend of lesser transmission loss year after year has been achieved.**

It may be kindly be appreciated that the transmission loss (technical) is bound to happen as per law of physics and is very difficult to reduce after a certain level. Also, at all India level, the transmission loss of utilities have remained at more than 3.00% and to suffice our view point the table is given below for kind appreciation of Hon'ble commission.

Transmission Loss of different states during FY 2020-21

Name of states	Tr. loss proposed by Utility	Tr. loss approved by State Commission
Uttar Pradesh (UPPTCL)	3.33%	3.33%(UERC)
Assam (AEGCL)	3.35%	3.29%(AERC)
Andhra Pradesh(APTRANSCO)	3.08%	3.06%(APERCO)

However, as a responsible Transmission utility, OPTCL is making an all-out effort to reduce the transmission loss further by undertaking various **system operation and loss**

reduction measures by implementing the emerging technologies like **system Automation**, load bifurcation, **modification in system configuration**, procurement of more efficient equipment, **Digitalization of grids** by using Bay Control units, Protection system improvement using Busbar protection and Event Logger, **Conversion of Radial to Ring system**, Advanced Metering Infrastructure etc.to bring it to**3.10% by FY 2023-24** as set out in **Business plan of OPTCL**.

Query No 9: Basis of 330 MU energy handled in distribution network

In Table -25, OPTCL has deducted 330 MU towards energy handled in distribution network from the total energy transmitted in OPTCL network. The basis and study undertaken by OPTCL to propose 330 MU loss in distribution system to be submitted. Further, OPTCL should submit the details of DISCOM wise transaction made through 33kV & 11kV network for 2019-20, 2020-21 & 2021-22 up-to-date. The reason of higher drawal in 33 kV & 11 kV network during FY 2022-23 as against 2021-22 may also be submitted.

Reply of OPTCL:

OPTCL anticipates approximately 330MU of energy flow to DISCOMs directly in their 11kV & 33kV distribution network without involvement of OPTCL EHT network during the year 2022-23 based on past trend. The details of such network of DISCOMs are outlined below:

1. Energy flow from Chipilima Power House to TPWODL through TFR-I & II at 33kV voltage level.
2. Energy flow from Burla Power House to TPWODL through 11kV Island Feeder.
3. Direct injection by Solar / Thermal plants to DISCOMs network at 11kV/33kV voltage level without involvement of OPTCL EHT network.

As per Hon'ble OERC common order dated 26.09.2012 passed in Case No. 53/2008 (WESCO vs. OPTCL) and Case No. 53/2012 (NESCO vs. OPTCL), OPTCL is not entitled to transmission charges for the above transaction of energy.

The DISCOM wise energy flow for 2019-20, 2020-21 & 2021-22 (April '21- Dec '21) in the above manner directly to DISCOMs network is given hereunder.

(Figures in MU)

YEAR	CESU	NESCO	WESCO	SOUTHCO	TOTAL
FY 2019-20	3.99	1.37	224.36	2.97	232.69
FY 2020-21	3.14	1.93	240.38	50.15	295.59

FY 2021-22 04/21 to 12/21)	2.59	2.99	185.44	36.78	227.80
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Prorating for FY 2021-22, the expected energy flow will be to the tune of 303.73 MU (227.80/09x12) for which OPTCL will not get transmission charges. Accordingly, OPTCL has projected 330 MU energy transaction to DISCOMs without involvement of OPTCL EHT network during FY 2022-23.

Query No 10: GCC Expenditure

OPTCL should furnish the details of expenditure incurred towards GCC for FY 2020- 21 & FY 21-22 up to date to justify their claim for 2022-23.

Reply of OPTCL:

The Hon'ble Commission had approved Rs. 0.50 Cr. towards GCC Expenses for FY 2020-21 vide order dated 21.04.2020 (Case No. 72/2019). Due to pandemic COVID 19, no expenditure has been booked on account of GCC during FY 2020-21 as GCC meeting couldn't be held.

The Hon'ble Commission had approved Rs. 0.35 Cr. towards GCC Expenses for FY 2021-22 vide order dated 26.03.2021 (Case No. 73/2020). Because of the ongoing COVID 19 restrictions, there has been no expenditure during the 1st nine months of FY 2021-22 (April-Dec' 21). However, OPTCL plans to conduct a series of GCC Meetings / Workshops / Performance Review Meetings in the remaining period both at regional and corporate level and fully utilize the allocated resources and accordingly proposed 0.35 Cr. for FY 2022-23.

Query No 11: Wheeling charge from CGPs & others

OPTCL should furnish the reason of less consideration of energy i.e. 450 MU towards wheeling to industries from CGPs & emergency sale to CGPs as against 660 MU during the FY 2021-22. The details of wheeling charge collected from CGPs & others (both quantum and revenue) for FY 2018-19, 2019-20, 2020-21 & 2021-22 up to date.

Reply of OPTCL:

For FY 2022-23, NALCO, IMFA & BEL have projected their respective demands as **80 MU** (9 MW), **360 MU** (41 MW) and **10MU** (1MW). Accordingly, OPTCL has proposed 450 MU towards wheeling to industries from CGPs & emergency sale to CGPs in its ARR

application for FY 2022-23. The correspondences received from the aforesaid CGPs regarding their projection are attached as **Annexure-7**.

The quantum of power wheeled / emergency power supplied to NALCO, IMFA and BEL and revenue earned by OPTCL as transmission charge for FY 2018-19, FY 2019-20 FY 2020-21 and FY 2021-22 (April '21– Nov '21) are furnished below.

	NALCO		IMFA		BEL	
<i>Year</i>	<i>Quantum in MU</i>	<i>Revenue Collected In Cr.</i>	<i>Quantum in MU</i>	<i>Revenue Collected In Cr.</i>	<i>Quantum in MU</i>	<i>Revenue Collected In Cr.</i>
2018-19	160.62	4.01	211.12	5.28	6.22	0.16
2019-20	190.50	4.76	307.25	7.68	10.32	0.26
2020-21	189.61MU(Upto Oct-20) *215 MW (Nov-2020 onwards)	7.87	130.59MU (Upto Oct- 20) *414 MW (Nov-20 onwards)	6.55	4.38MU (Upto Oct-20) *36.75MW (Nov-20 onwards)	0.63
2021-22 upto Nov-21	432 MW	6.41	360 MW	5.41	200 MW	0.54

*OPTCL has been raising Transmission charge against CGPs(NALCO, IMFA & BEL) on the basis of **Contracted capacity** of CGPs as per new Open Access Regulations, i.e. “OERC(Terms and Conditions of Intra-State Open Access) Regulations, 2020” which has come into force with effect from its publication in Odisha Gazette dated 02.11.2020 (effective from 18.11.2020). The basis of raising the Transmission bills has been clarified through a letter of OERC on dated 01.02.2021 which is furnished as **Annexure-8**.

Query No 12: Capital expenditure.

The OPTCL has proposed an amount of Rs.1063.60 Cr. towards total capital expenditure for FY 2022-23 for new transmission projects. The details of source of funding including expenditure plan and date of completion along with the Commission’s approval (Case Number & date of approval) of such projects shall be furnished.

Reply of OPTCL:

The details of source of funding including expenditure plan and date of completion along with the Commission's approval (Case Number & date of approval) of transmission projects are furnished as **Annexure-9**.

OPTCL proposed total capital expenditure of Rs.1842.63 Cr. (refer Table-14 of the application) towards different streams like Telecom, O&M, IT, Civil Works and Construction and the proposed sources of funding are as under:-

Sl No.	Particular	Amount (Rs. In Cr.)
1	State Govt. Funding	665.76
2	Equity Capital Infusion	164.76
3	Loan	710.33
4	From Industries(deposit work)	88.27
5	PSDF (Central Govt.)	33.30
6	Depreciation	180.21
	TOTAL	1842.63

Query No 13: Details of completed projects

OPTCL should furnish the details of project completed during FY 2020-21 and FY 2021-22 upto- date in the following format:-

Sl No.	Name of the Project	Schedule date of completion	Revised date of completion	Actual date of completion	Original estimated cost of the project/ work order no. & date	Revised cost	Actual expenditure

Reply of OPTCL:

The details of transmission projects completed by Construction Wing during FY 2020-21 and FY 2021-22 till date is furnished as **Annexure-10**.

Query No 14: Construction of 400/220kV S/S at Khuntuni.

The Commission had issued specific direction vide its order dt.09.04.2019 in Case No.18 of 2017 and order dt.03.11.2021 in Case No.63 of 2020 with reference to the construction

of 400/220 KV substation at Khuntuni. Therefore, OPTCL should explain the reason of expenditure of Rs.10.00 Cr. during FY 2021-22 and proposal of Rs.15 Cr. during FY 2022-23 for construction of the said substation at Khuntuni.

Reply of OPTCL:

In line with the record notes of discussions of the 18th meeting of the Standing Committee on Power System Planning of Eastern Region held on 13.06.2016 at Kolkata regarding construction of 400/220kV S/S at Khuntuni, OPTCL has been continuously approaching Hon'ble Commission, OERC seeking approval for the construction of the said GSS at Khuntuni vide Case No. 18/2017 (Balance period of 13th Intra-state Transmission plan of OPTCL for the period FY 2019-20 to 2021-22), Case No. 63/2020 (Business plan of OPTCL for the period FY 2019-20 to 2023-24) and Case No. 49/2021 (14th Intra-state Transmission plan of OPTCL for the period FY 2022-23 to 2026-27) respectively. Expecting the approval each time, OPTCL has planned for expenditure of Rs. 10.00 Cr. during FY 2021-22 and Rs. 15.00Cr. during FY 2022-23. However, no expenditure has been incurred towards the above project.

In the meantime, Hon'ble Commission, OERC vide order dated 12.01.2022 in Case No. 49/2021 has approved for the construction of 400/220kV S/S at Khuntuni.

Query No 15: Justification of actual expenditure.

Proposal of OPTCL for an expenditure of Rs. 497.07 Cr. during October 2021 to March, 2022, when the actual expenditure was Rs.126.55 Cr. only during April to September 2021 needs justification.

Reply of OPTCL:

OPTCL's expenditure in project related works goes hand in hand with the progress of the project work. OPTCL mostly gets seven to eight **effective** months in any particular year to expedite the work considering the monsoons from July to September, issues related to agricultural activities in terms of harvesting of crops and standing crop during October to November at field level. For the aforesaid reason, the expenditure incurred during April'2021 to Sept'2021 is actually less.

However, OPTCL is accelerating the construction works of all the projects and making an all-out effort to spend the balance expenditure of Rs. 497.07 Cr. as observed by the Hon'ble Commission during the 2nd half of FY 2021-22.

Query No 16: Details of quantum of power transmitted and revenue earned through interstate and intra state wheeling.

OPTCL should furnish the details of quantum and revenue earned by OPTCL towards Interstate & Intrastate wheeling, STOA and STU charge received from energy exchange for FY 2019-20, 2020-21 & 2021-22 upto date (Table-23). The details of STOA to be furnished in the table below:

Year	No. of application received by SLDC	No. of application allowed by SLDC	Total Power (MW) transmitted through Open Access	Total Energy (MU) transmitted through Open Access	Amount collected by OPTCL (Rs. in Lakhs)
2019-20					
2020-21					
2021-22 upto date					

Reply of OPTCL:

The details of quantum and revenue earned by OPTCL towards Interstate wheeling for **FY 2019-20, FY 2020-21 & FY 2021-22 (upto Nov' 21)** are furnished below.

MONTH	BILATERAL (MU)	TRANSMISSION CHARGES(Rs.)	POWER EXCHANGE(MU)	TRANSMISSION CHARGES (Rs.)
FY 2019-20	1657.280	3,45,75,244.00	3348.251	7,36,65,361.00
FY 2020-21	638.271	8,89,08,869.00	6195.700	10,98,43,880.85
FY 2021-22 (upto Nov'21)	3183.613	33,28,92,696.00	3638.166	25,29,42,707.35

The details of quantum and revenue earned by OPTCL towards Intrastate wheeling for **FY 2019-20, FY 2020-21 & FY 2021-22 (upto Nov' 21)** are furnished below.

INTRA STATE OPEN ACCESS TRANSACTION			MEDIUM TERM OPEN ACCESS	
MONTH	ENERGY (MU)	TRANSMISSION CHARGES(Rs.)	ENERGY SCHEDULED(MU)	TRANSMISSION CHARGES (Rs.)
FY 2019-20	2333.887	27,55,97,775.00	NIL	NIL
FY 2020-21	3005.388	44,23,94,129.00	NIL	NIL

FY 2021-22 (upto Nov' 21)	2318.789	88,85,01,982	NIL	NIL
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The details of STOA for FY 2019-20, FY 2020-21& FY 2021-22 (upto Nov' 21) are furnished below:

Year	No. of application received by SLDC	No. of application allowed by SLDC	Total Power (MW) transmitted through Open Access	Total Energy (MU) transmitted through Open Access	Amount collected by OPTCL (Rs. in Lakhs)
2019-20	2178	2173	835.544	7339.418	3,795.80
2020-21	3661	3661	1123.214	9839.359	6,443.14
2021-22 (upto Nov' 21)	4890	4890	1560.889	9140.567	15,175.12

Query No 17:

OPTCL should furnish the softcopy of the transmission system outage data for FY 2020-21 in relation to the Transmission System Availability. (TSA)

Reply of OPTCL:

The softcopy of the transmission system outage data for FY 2020-21 in relation to the Transmission System Availability (TSA) has already been submitted to OERC on the date of filing of ARR & TT application of OPTCL for FY 2022-23 i.e. **30.11.2021**.

FINANCE QUERIES:

Query No 1: Audited Accounts

The audited accounts along with statutory audit report for the FY 2020-21 to be submitted.

Reply of OPTCL:

The audited accounts along with statutory audit report for the FY 2020-21 are submitted herewith as **Annexure-11**.

Query No 2: Loan

The actual receipt of project related loan from 01.04.2021 to 30.11.2021 to be submitted.

Reply of OPTCL:

The details of loan availed from 01.04.2021 to 30.11.2021 by OPTCL are as under.

SI No.	Institution Name	Date	Rs. in Cr.	Interest Rate
1	JICA	07-05-2021	0.11	5.00%
2	JICA	14-05-2021	5.30	5.00%

3	JICA	14-05-2021	100.00	5.00%
4	Union Bank of India	05-06-2021	167.88	7.20%
5	JICA	09-07-2021	0.24	5.00%
6	JICA	13-08-2021	0.23	5.00%
7	Union Bank of India	30-09-2021	221.91	7.20%
8	JICA	09-11-2021	0.38	5.00%

Further, out of the plan budget provision of Rs.150 Cr. for FY 2021-22, State Government has released only Rs.100 Cr. under JICA projects and it is expected that the balance will be disbursed by end of February2022.

Query No 3: ARR of OPTCL&SLDC.

Whether all items of expenses separately filed in the ARR of SLDC are excluded in the ARR of OPTCL for FY 2022-23.

Reply of OPTCL:

Yes, all items of expenses separately filed in the ARR of SLDC are excluded in the ARR of OPTCL for FY 2022-23. Terminal liabilities being a component in the ARR of OPTCL is not considered in the ARR of SLDC.

Query No 4: Month-wise and item-wise employee cost.

Month-wise and item-wise employee cost from April, 2021 to November, 2021 may be furnished.

Reply of OPTCL:

The Month-wise and item-wise employee cost from April, 2021 to December, 2021 is furnished as **Annexure-12**. Pursuant to the decision taken by the Board of Directors in its 125th meeting held on 16.12.2021, the management of OPTCL has been pleased to allow the Medical Allowance @ 5% of Basic Pay on the revised pay structure as per Office Order No.13374 dated 21.06.2018 (Pay revision order of Executives) to all the executives of OPTCL. Copy of the Office Order No. AW-LW-VI-6/2006(Pt.) 20463 dated. 24.12.2021 is attached with **Annexure-12**. Therefore, the Hon'ble Commission is requested to consider Medical Allowance as 5% on Basic Pay in the ARR for FY 2022-23.

Further, pursuant to the Finance Department, Govt of Odisha Office Memorandum No. Fin-CS2-ALW-0017-2019 No. 37/F td. 03.01.2022, the management of OPTCL has been pleased to release the additional dose of Dearness Allowance @ 3% on Basic Pay w.e.f. 01.07.2021 for the employees of OPTCL in the revised pay structure. With the sanction of additional dose of Dearness Allowance @ 3%, the Dearness Allowance now payable

shall be enhanced from 28% to 31%. Copy of the Office Order No. AW-LW-III-2/2001(Pt.) 635 dated 07.01.2022 is attached with **Annexure-12**.

Query No 5: Detail calculation of arrear impact due to 7th Pay

The detail calculation of arrear impact due to 7th Pay Commission amounting Rs. 26.01 Cr. as projected for FY 2022-23 may be provided.

Reply of OPTCL:

Upto FY 2018-19, the total expenditure booked towards arrear towards 7th pay revision and wage revision is Rs. 70.11 Cr. Hon'ble Commission had allowed Rs. 35.28 Cr. & Rs.8.82 Cr. towards 50% of arrear salary of 7th Pay Revision in the ARR for FY 2019-20 & 2020-21 respectively. Therefore, OPTCL has proposed Rs. 26.01 Cr. towards balance 50% arrear pay. (i.e. 70.11Cr.-44.10Cr.).

Query No 6: Details of Pension.

The details of actual Pension paid month wise for the FY 2020-21 & FY 2021-22 (up to November 2021).

Reply of OPTCL:

The details of actual Pension paid month wise for the FY 2020-21 & FY 2021-22 (up to December 2021) is hereby furnished as **Annexure-13**.

Query No 7: Month-wise and item-wise R&M expenses

Month-wise and item-wise R&M expenses from April, 2021 to November, 2021 may be furnished

Reply of OPTCL:

The wing-wise and item-wise R&M expenses of various wings during FY 2021-22 (up to date) are furnished as **Annexure-14**.

Query No 8: Fixed Asset register.

Details of the Fixed Asset register for FY 2020-21 may be furnished as per the under mentioned format;

Sl.no	Asset class	Name of the Item	Opening Balance	Date of purchase	Rate of Depreciation	Closing Balance	Asset Depreciated till 31.03.2021 (in %)	Assets included in the block but not in use	Remarks
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Reply of OPTCL:

As per the prescribed format, details of the Fixed Asset register for FY 2020-21 is hereby furnished as **Annexure-15**.

Query No 9:Fixed Asset register.

Details the Fixed Asset register (For Assets created out of government grant/subsidy/consumer contribution) for FY 2020-21 may be furnished as per the under mentioned format ;

Sl. no	Asset Class	Name of the Item	Opening Balance	Date of Purchase	Rate of Depreciation	Closing Balance	Asset Depreciated till 31.03.2021 (in %age)	Assets included in the block but not in use	Remarks
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Reply of OPTCL:

As per the prescribed format, details of the Fixed Asset register (for Assets created out of government grant/subsidy/consumer contribution) for FY 2020-21 is hereby furnished as **Annexure-16**.

Query No 10: Details of infusion of Equity

The details of infusion of Equity by the Government including copy of sanction order, date etc., and source to be given.

Reply of OPTCL:

The details of infusion of Equity amounting to Rs.1560.99 Cr. including sanction order No. & date upto Sep' 2021 has been mentioned at page 41-42 of the ARR application. During Dec' 2021, OPTCL has already received Rs.60 Cr.. Further, OPTCL is expecting another Rs.230.75Cr. at any time during this month from the Plan budget provision of Energy Department for FY 2021-22. The copies of sanction orders received during the FY 2021-22 amounting to Rs. 110.00 Cr. are enclosed as **Annexure-17**.

Query No 11: Sundry Debtors.

The reason for increase in receivables from DISCOMs (submitted in F-6) every year and action taken by OPTCL to recover the same to be submitted.

Reply of OPTCL:

As per audited accounts, the debtor balance as on 01.04.2021 was Rs. 146.82Cr..
The details are as under:

Name of the Debtors	Amount (Rs. Crore)	Remarks
CESU	4.82	Related to 2012-23
WESCO	0.44	Related to revision bills prior to Dec-20
NESCO	10.22	Related to March-2021
SOUTHCO	45.63	Related to 2012-23
TPCODL	18.60	Related to March-2021
TPWODL	18.14	Related to March-2021
TPSODL	8.00	Related to March-2021
NALCO	5.43	Related to March-2021-0.62 Cr. and balance are old outstanding
IMFA	13.17	Related to March-2021-0.67 Cr. and balance are old outstanding
BEL	0.44	BEL has not paid the full amount against the bill raised in FY 2020-21 as per new Regulations -2020
Others (including Inter-state customers)	30.30	Includes receivable from STOA Rs. 11.62 Cr.(Received in Apr-21) from POC transaction 6.89 Cr.and balance from other old Interstate transactions
Total	155.19	
Less: Provision for Doubtful Debt	8.37	
Total Debtor as on 31.03.2021	146.82	

Out of the above outstanding amount, transmission charges receivable for the month of Feb & Mar' 21 is Rs.70.09 Cr. Most of the amount has been received in April/May'21. During FY 2012-13, SOUTHCO and CESU had not paid Rs. 45.58 Cr. and Rs. 4.82 Cr. respectively. These amounts shall be recovered as per the directions given in the vesting orders.

Query No. 12: Monthly Cash Flow Statement

Monthly actual Cash flow statement considering the revenue items only for the FY 2021-22 (upto November, 2021) to be submitted.

Reply of OPTCL:

The month wise cash flow statements for FY 2021-22 (upto November, 2021) considering the revenue items are enclosed as **Annexure-18**.

Query No. 13: Loan Outstanding Positions

OPTCL to submit outstanding position of Loan with soft copy of loan repayment schedule of all loans as on 30.11.2021. Also to furnish the details of loan availed project wise & month wise during the financial years FY 2020-21 to 2021-22 (up to November 2021) as per prescribed format below:

<i>Sources</i>	<i>Amount</i>	<i>Rate of Interest</i>	<i>Loan Availed Date</i>	<i>Repayment period from ----to-----</i>	<i>Purpose</i>
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Reply of OPTCL:

The Loan outstanding as on 30.11.2021 are as under:

Sl. No.	Name of the Banks/FIs	Amount (Rs. Cr.)
1	REC Ltd.	166.62
2	PFC Ltd.	25.95
3	Union Bank of India-I	492.79
4	Union Bank of India-II	167.88
5	Bank of India	27.14
6	JICA	566.41
	TOTAL	1446.79

The details of loan availed during FY 2020-21 to 2021-22 (upto November 2021) as per prescribed format are enclosed at **Annexure-19**.

Further, the soft copy of loan repayment schedules is submitted herewith.

Query No. 14: Miscellaneous Receipts

The Miscellaneous receipts item wise and month wise to be submitted for FY 2020-21 & 2021-22 upto November, 2021.

Reply of OPTCL:

The Miscellaneous Receipts item wise and month wise for FY 2020-21 & 2021-22 upto Nov-2021 are hereby submitted as **Annexure-20**.

Bhubaneswar
Dt.17.01.2022

BY THE APPLICANT
THROUGH

GM (RT&C)

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
CHUNOKOLI, SAILASHREE VIHAR, BHUBANESWAR**

**CASE NO. 105/2021
FILING NO. 2**

IN THE MATTER OF: An application for approval of Aggregate Revenue Requirement and Transmission Tariff for the Financial Year 2022-23 under Section 62, 64 and all other applicable provisions of the Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business) Regulations, 2004, OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 and other tariff related matters.

**AND
IN THE MATTER OF:** Odisha Power Transmission Corporation Limited, Janpath, Bhubaneswar
..... Applicant

**AND
IN THE MATTER OF:** **Reply to the queries raised by the Hon'ble Commission vide letter No. 1695 dated 29.12.2021.**

Affidavit verifying the submission

I, Sri Tapas Pattanaik, son of late Umesh Chandra Pattanaik aged about 59 years, residing in Bhubaneswar, do solemnly affirm and say as follows:

1. That, I am the General Manager of Regulation, Tariff & Commercial wing of OPTCL and have been duly authorized by the Applicant, OPTCL to make this affidavit on its behalf.
2. That, the Statements made in paragraphs herein above are based on official information and I believe them to be true.

Bhubaneswar

LIST OF ANNEXURES

- Annexure- 1** Report on the total project cost and its break-up(**page 24-25**)
- Annexure- 2**Details of construction of compound walls(**page 26**)
- Annexure- 3**Loading pattern of the existing transmission system (**page 27-44**)
- Annexure- 4**Fault levels of various EHT grid sub-stations(**page 45-53**)
- Annexure- 5**Detailed expenditure towards R&M works (**page 54-58**)
- Annexure- 6**Year wise information w.r.t. security guards from FY 2019-20 to December 2021as per the prescribed table(**page 59-103**)
- Annexure- 7** Correspondences received from CGPs (**page 104-107**)
- Annexure- 8** Letter of OERC dated 01.02.2021(**page 108-109**)
- Annexure- 9** Details of source of funding including expenditure plan etc. (**page 110**)
- Annexure-10** Details of projects completed during FY 2020-21 and FY 2021-22 (upto December 2021)(**page111-112**)
- Annexure- 11** Audited accounts with statutory audit report for FY 2020-21(**page 113-181**)
- Annexure- 12** Month-wise and item-wise employee cost(**page 182-184**)
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- Annexure- 14** Wing-wiseand item-wise R&M expenses (**page 187-191**)
- Annexure-15**Fixed Assets of OPTCL for FY 2020-21(**page 192-581**)
- Annexure-16** Fixed Assets (created out of government grant etc.) (**page582-612**)
- Annexure- 17** Copies of sanction orders received during FY 2021-22 (**page 613-619**)
- Annexure- 18** Month wise cash flow statements (**page 620**)
- Annexure- 19**Details of loan availed during the FY 2020-21 to 2021-22 (uptoNovember 2021) as per prescribed format(**page 621**)
- Annexure-20**Miscellaneous Receipts for FY 2020-21& 2021-22 up to Nov-2021 (**page622**)

